



Artefact Projects Ltd.

Excellence in Infrastructure Services



ANNUAL REPORT

2023 - 2024



36th ANNUAL REPORT 2023 – 24

Board of Directors and Key Managerial Personnel

| | |
|-------------------------------|---|
| Mr. Siddharth P. Shah | Whole-Time Director |
| Mrs. Ankita S. Shah | Non-Executive Director |
| Mr. Kaustubh Paunikar | Independent Director |
| Ms. Pritti Agrawal | Independent Director (Appointed w.e.f. 09.11.23) |
| Mrs. Rani Maheshwari | Company Secretary & Compliance Officer (Appointed w.e.f. 16.03.2024) |
| Mr. Chandrashekar Baseshankar | Chief Financial Officer |

Statutory Auditor

M/s. Naresh Patadia & Co.,
Chartered Accountants, Nagpur

Internal Auditor

LNJ & Associates
Chartered Accountants, Nagpur

Registered Office

Block No. 105, 2nd Floor, “Artefact Towers”,
Chhatrapati Square, Wardha Road,
Nagpur -440 015, Maharashtra, India,
Tel: +91712-7197100
Fax: +91712-7197120
Email: artefactngp@artefactprojects.com
shareholders@artefactprojects.com
Website: www.artefactprojects.com

Registrar & Share Transfer Agent

Link Intime (India) Private Limited
C-101, 1st floor, 247 Park, LBS Road
Vikhroli (West), Mumbai – 400 083
Tel: +9122 49186000

Secretarial Auditor

Mr. Khushal Bajaj
Practicing Company Secretary
Nagpur

Bank

Punjab National bank



CONTENT

3 Highlights at a Glance

6 Notice

21 Letter from Director

23 Board's Report

35 Report on Corporate

60 Shareholders Reference

76 Management Discussion
& Analysis Report

80 Auditors Report

92 Financial Statements

121 Statement of Subsidiary
& Associates /Joint Venture



5 YEAR'S PERFORMANCE AT A GLANCE :

(Rs.in Lacs)

| FINANCIAL YEAR | 2019-20* | 2020-21* | 2021-22* | 2022-23* | 2023-24* |
|---|----------|----------|----------|----------|----------|
| REVENUES : | | | | | |
| Gross Receipts from operations | 3189.57 | 3208.64 | 2357.09 | 1816.66 | 2417.00 |
| Other Income | 162.49 | 251.50 | 352.77 | 369.85 | 436.99 |
| Total Income (Excluding GST) | 3352.05 | 3460.14 | 2709.86 | 2186.51 | 2853.99 |
| EXPENDITURE: | | | | | |
| Operating and Administrative Expenses | 2534.74 | 2616.00 | 1863.32 | 1471.72 | 2128.06 |
| Operating Profit (EBDTA) | 817.31 | 844.14 | 846.54 | 714.79 | 725.93 |
| Finance Cost | 270.18 | 226.54 | 238.64 | 198.02 | 166.49 |
| Depreciation | 101.52 | 82.51 | 57.00 | 49.80 | 38.81 |
| Exceptional items (Profit on sale of Assets) | | | | 181.34 | 0.57 |
| PBT | 445.61 | 535.09 | 550.89 | 648.31 | 521.20 |
| Tax | 86.42 | 142.68 | 137.37 | 113.89 | -2.12 |
| PAT | 359.19 | 392.41 | 413.53 | 534.42 | 523.32 |
| Other Comprehensive Income (Net of Tax) | 14.81 | 5.81 | 32.83 | 19.41 | 9.88 |
| Total Comprehensive Income for the period | 374.00 | 398.22 | 446.36 | 553.83 | 533.20 |
| Dividend per share proposed (Rs.) | NIL | NIL | NIL | NIL | NIL |

* Standalone figures.

BALANCE SHEET :

(Rs.in Lacs)

| FINANCIAL YEAR | 2019-20* | 2020-21* | 2021-22* | 2022-23* | 2023-24* |
|---|----------------|----------------|----------------|----------------|----------------|
| ASSETS | | | | | |
| Net Block- Fixed Asset-Own | 1703.55 | 1627.97 | 1571.14 | 1181.64 | 1187.49 |
| Investments (Incl. JVs) | 1290.00 | 1315.59 | 1319.34 | 1306.00 | 1306.00 |
| Long Term Loans and Advances | ----- | ---- | ----- | ----- | --- |
| Other Non-Current Assets | 28.33 | 27.70 | 89.51 | 59.56 | 184.70 |
| Net Current Assets | 2154.12 | 3659.04 | 4066.12 | 4502.80 | 4545.42 |
| Miscellaneous Expenditure (to the extent not w/off) | ----- | ----- | ----- | ----- | --- |
| TOTAL ASSETS | 5176.00 | 6630.30 | 7046.11 | 7050.00 | 7223.61 |
| LIABILITIES | | | | | |
| Equity Share Capital | 580.00 | 727.50 | 727.50 | 727.50 | 727.50 |
| Reserves & Surplus | 3249.49 | 3972.20 | 4284.36 | 4838.18 | 5201.45 |
| Application Money Pending Allotment | 118.00 | ----- | ----- | ----- | ----- |
| Convertible Share Warrants | ----- | ----- | ----- | ----- | ----- |
| TOTAL NET WORTH | 3947.49 | 4699.70 | 5011.86 | 5565.68 | 5928.95 |



| | | | | | |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Minority Interest | ----- | ----- | ----- | ----- | ----- |
| Secured Loans | 950.69 | 1606.04 | 1733.03 | 1179.44 | 1007.97 |
| Unsecured Loans | ----- | ----- | ----- | ----- | ----- |
| Deferred tax liability (Reserves) | 240.59 | 275.91 | 269.73 | 283.62 | 264.75 |
| Other Long Term Liabilities | ----- | ----- | ----- | ----- | ----- |
| Long Term Provisions | 37.23 | 48.65 | 31.49 | 21.26 | 21.94 |
| TOTAL LIABILITY | 5176.00 | 6630.30 | 7046.11 | 7050.00 | 7223.61 |

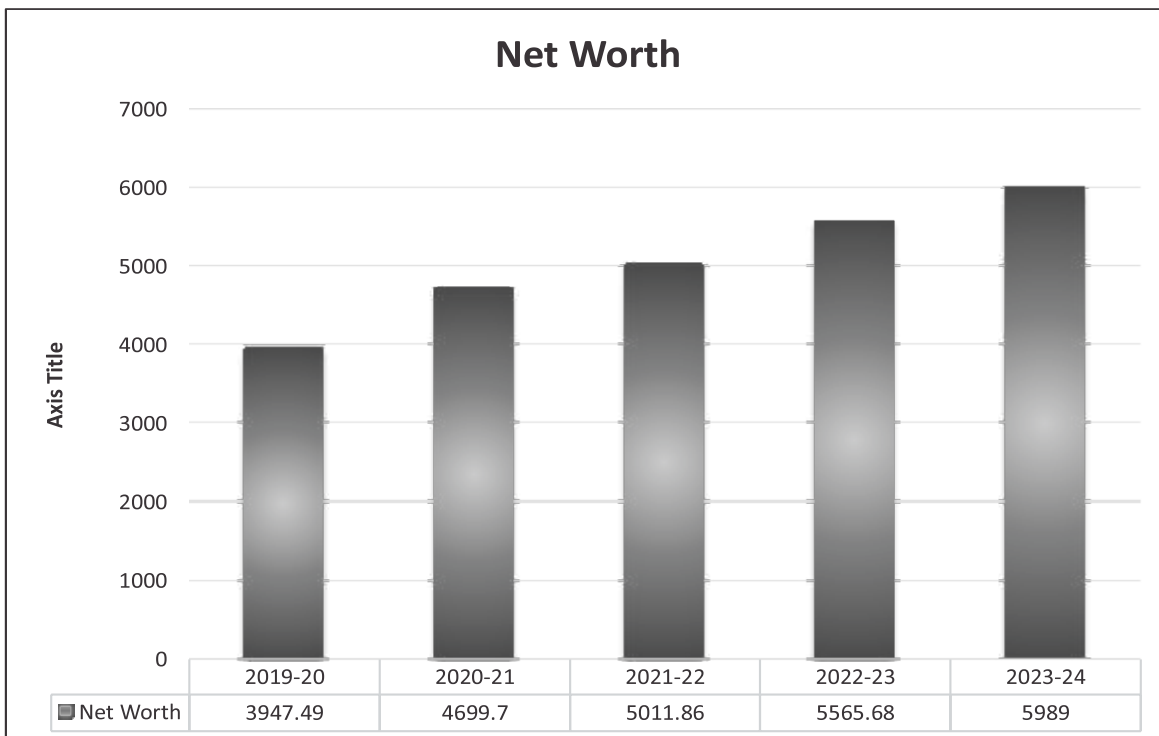
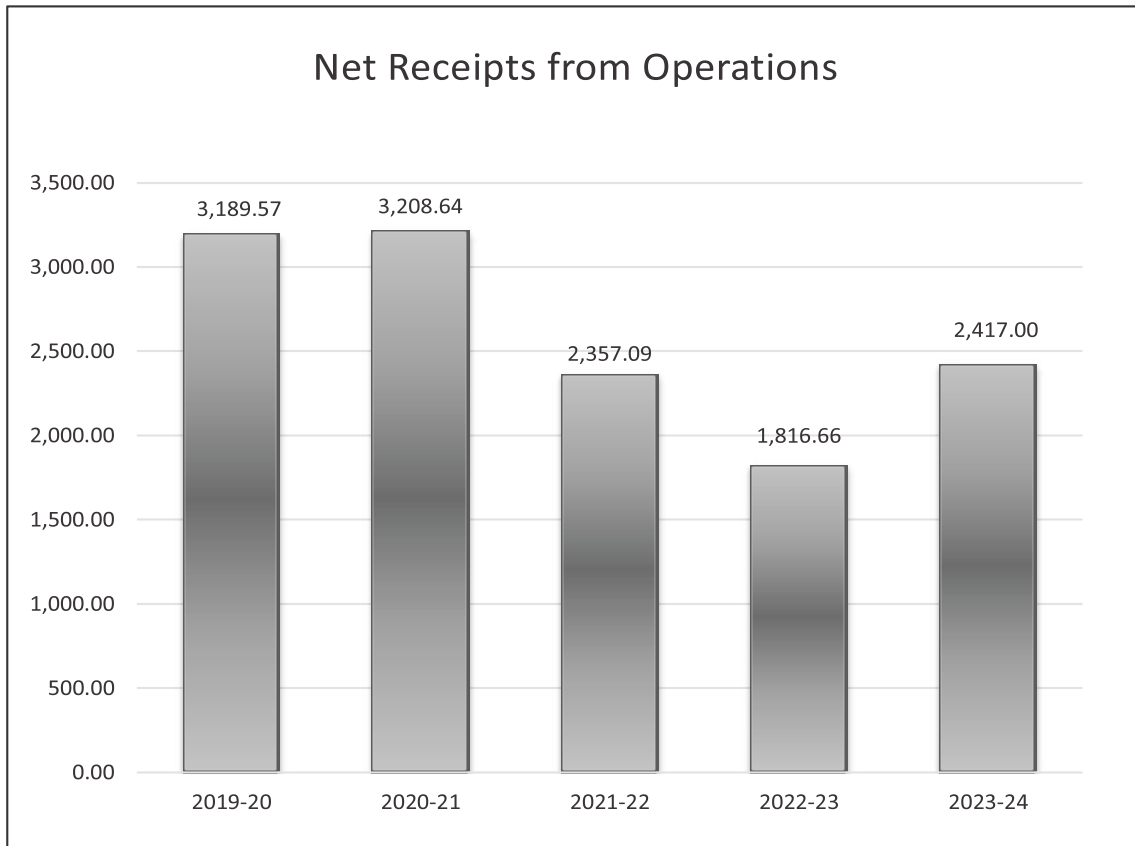
* Standalone figures

FINANCIAL RATIOS:

| PARTICULARS | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---------|---------|---------|---------|---------|
| Operating Ratio | 25.62% | 26.30% | 35.91% | 31.13% | 42.41% |
| PBIDT Ratio | 24.38% | 24.40% | 31.24% | 40.98% | 25.46% |
| PBT Ratio | 13.29% | 16.68% | 23.37% | 35.69% | 21.56% |
| PAT Ratio | 10.71% | 11.34% | 15.26% | 24.44% | 18.34% |
| Net Worth | 3947.49 | 4699.70 | 5011.86 | 5565.68 | 5928.95 |
| Return on Equity (PBT/Equity) | 11.29% | 11.39% | 10.99% | 11.65% | 8.79% |
| Interest Coverage Ratio | 3.02 | 3.12 | 3.11 | 4.05 | 4.44 |
| Debt Equity Ratio (Secured Loan/Equity) | 0.24 | 0.35 | 0.37 | 0.21 | 0.17 |
| EPS (Basic)* | 6.58 | 6.72 | 6.14 | 7.61 | 7.33 |
| EPS (Diluted)* | 6.58 | 6.59 | 6.14 | 7.61 | 7.33 |

Previous year's figures have been regrouped/ rearranged/ reclassified wherever required.

* EPS is calculated after considering the effect of Goodwill and Minority Interest.





ARTEFACT PROJECTS LIMITED

CIN: L65910MH1987PLC044887

Reg. Office: Block No. 105, 2nd Floor, Artefact Towers, 54/3, Chhatrapati Square, Wardha Road, Nagpur- 440015

Tel: +91712-7197100 Fax: +91712-7197120

Email : shareholders@artefactprojects.com_Website: www.artefactprojects.com

NOTICE

Notice is hereby given that the 36th (Thirty Sixth) Annual General Meeting (AGM) of the members of the Company will be held on Friday, 27th September, 2024 at 11.00 A.M. at the Registered Office of the company at Block No. 105, 2nd Floor, "Artefact Towers", Chhatrapati Square, Nagpur-440015 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2024 together with the Boards' Report and Auditors' Report thereon;
2. To appoint a Director in place of Mrs. Ankita Shah (DIN: 06772621), Director who retires by rotation and being eligible, offers herself for re-appointment;

SPECIAL BUSINESS :

3. **REGULARIZATION OF ADDITIONAL DIRECTOR, MRS. PRITTI KUMAR AGARWAL (DIN: 10386174) AS DIRECTOR OF THE COMPANY.**

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, , Mrs. Pritti Kumar Agrawal (DIN: 10386174), who was appointed as an Additional Director and also as an Independent Director of the Company by the Board of Directors with effect from November 09, 2023 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2023-2024 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation.

4. **APPROVAL OF RELATED PARTY TRANSACTIONS :**To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and



its Power) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, along with the amendments from time to time, consent of the members of the Company be and is hereby accorded to enter into transactions with the following related parties for a period of 3 years w.e.f 1st September, 2024 for the values as follows:

| Name of The Related Parties | Nature of transactions | Approximate Value of Transaction during the 3 years (Rs. in Cr.) |
|--|---|---|
| Artefact Infrastructure Private Limited | Rendering of services under Project Management Consultancy Contract | Upto 7 Crores |
| Renaissance IOT LLP | Rendering of services under Project Management Consultancy Contract | Upto 5 Crores |

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be required to give effect to the above resolution from time to time.”

**By Order of the Board of Directors of
Artefact Projects Limited**

Place: Nagpur
Date: 1/09/2024

Sd/-
Siddharth Shah
Whole-Time Director
DIN: 05304116

Registered Office:
Block No. 105, 2nd Floor,
"Artefact Towers",
54/3, Chhatrapati Square,
Wardha Road, Nagpur - 440 015
Maharashtra



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORMS IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** Further, a person can act as proxy on behalf of member or members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto and forms part of this Notice. In respect of Resolution at Item No. 3 & 4, a statement giving additional information is annexed hereto as required under SEBI Listing Regulations, as amended, read with Secretarial Standard – 2 on General Meetings.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The Company has engaged services of CDSL for facilitating remote e-voting. The facility for voting through polling paper shall also be made available at the venue of the AGM.
4. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
5. The Company has appointed CS Jigar Gorsia, Practicing Company Secretaries, Mumbai as the scrutinizer for conducting the process of e-voting and voting at the AGM in a fair and transparent manner.
6. Corporate members are requested to send their duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 (“the Act”) authorizing their representative to attend and vote at the Annual General Meeting (including through remote e-voting) or any adjournment thereof.
7. Pursuant to the provisions of Section 91 of the Companies Act, 2013, Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 23rd September, 2024 to Friday, 27th September, 2024 (both days inclusive).
8. In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 read with SEBI press release PR No.: 51/2018 dated 3rd December, 2018, effective from 1st April, 2019, Company's shares can be transferred in dematerialized form only. Hence members, who hold shares in physical form, are requested to dematerialize their shares, so they can transfer their shares in future, if so desire.



9. The Register of Directors and Key Managerial Personnel and their Shareholdings, maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be open for inspection for the members during the AGM.
10. Members holding shares in physical form are requested to notify immediately of any change in their address or bank mandates to the Company / Registrar and Share Transfer Agent (RTA) quoting their Folio Number and Bank Account details along with self-attested documentary proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants (DP).
11. Members holding shares in identical order of names in one or more folio are requested to write to the Company's RTA, viz. M/s. Link Intime India Private Limited, enclosing their share certificate(s) to enable the Company to consolidate their holding into one folio for better services.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their respective PAN details to their respective Depository Participants with whom they have their DEMAT account(s). Members holding shares in physical form can submit their PAN details to the RTA of the Company- M/s. Link Intime India Private Limited.
13. Non Resident Indian members are requested to inform the Company's RTA of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, IFSC and MICR Code, as applicable if such details were not furnished earlier.
14. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has to transfer all shares in the in respect of which dividend has remained unpaid or unclaimed for 7 (seven) consecutive years or more to IEPF Authority.
15. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in e-Form/ web form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules. For details, please refer to <http://www.mca.gov.in>



16. To comply with the provisions of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company is required to update its database by incorporating some additional details of its members in its records.

Members are therefore requested to submit their e-mail ID and other details vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and returning the same by post/email/by submitting the same at the time of AGM. The E-mail ID provided shall be updated subject to successful verification of signatures as per record available with the RTA of the Company.

17. Route Map for the venue of the 36th AGM of the Company is annexed at the end of this Annual Report and is also uploaded on the website of the Company i.e. www.artefactprojects.com.

18. In line with the Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dt. 13.05.2022, the Notice calling the AGM has been uploaded on the website of the Company at www.artefactprojects.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

19. In compliance with SEBI Circular dated May 12, 2020, January 5, 2023 and MCA Circulars, Notice of the AGM and the Annual Report for the financial year 2023-24 including therein the Audited Financial Statements for financial year 2023-24, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the AGM and the Annual Report for the financial year 2023-24 can write to the Company at shareholders@artefactprojects.com.

For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

20. **Voting through electronic means**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of Listing Regulations and SS-2 issued by the ICSI, the Company is pleased to provide e-voting facility to its members to cast their votes electronically on the resolutions mentioned in the Notice of the 36th AGM of the Company dated 1st September, 2024. The Company has engaged services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The facility for voting through polling paper shall also be made available at the venue of the 36th AGM. The members attending the meeting, who have not already cast their vote



through e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed CS Jigar Gorsia, Practicing Company Secretary, Mumbai as the scrutinizer for conducting the process of e-voting and voting through poll papers at the AGM in a fair and transparent manner.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING :

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Tuesday, 24th September, 2024 (09.00 am) and ends on Thursday 26th September, 2024+ (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 20th September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.



Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below :

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <ol style="list-style-type: none">1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab.2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.3. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. |



| | |
|---|--|
| <p>Individual Shareholders holding securities in demat mode with NSDL Depository</p> | <ol style="list-style-type: none">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> |

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



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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com_or contact at toll free no. 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000 |

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below :

| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
|--|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company / RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field. |



- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant “Artefact Projects Limited” on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; shareholders@artefactprojects.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33



In pursuance of the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India(ICSI), details of Directors seeking re-appointment at the 36th AGM is as follows:

1. Ms. Ankita Shah, B. Arch aged 35 years, is an Architect by Profession & has Degree in Management with specialization in Family Business Management from Indian School of Business, Hyderabad. She has undergone intern training with “Meinhardt Singapore Pte. Ltd.” She is actively managing business development, strategy implementation, operations and infrastructure services for the Company. She has contributed technical knowledge and creativity with management expertise for various B.O.T projects in infrastructure. She has worked on thesis project for design and development of Airport Terminal Building for Tier-2 city, keeping in view of the current needs of infrastructural development in India. She is a member of TEDx, TiE, and Woman Corporate Directors (WCD) and is involved in various social activities.
2. Mrs. Pritti Agrawal, aged 35 has done Chartered Accountant. She is a Practising Chartered Accountant since the year 2015. She is having versatile experience in Conducting audits, inspections, and investigations to ensure compliance with financial regulations and laws.

| Name of Director | Mrs. Ankita Shah | Mrs. Pritti Agrawal |
|---------------------------------|---|--|
| DIN | 06772621 | 10386174 |
| Date of Birth / Age | 15.01.1989/35 years | 30.09. 1989 /34 years |
| Nationality | Indian | Indian |
| Date of appointment as director | 28.03.2015 | 09.11.2023 |
| Designation | Non-Executive Director | Independent Director |
| Qualification | B. Arch & MFAB - Management for Family Business | C.A. (Chartered Accountant) |
| Experience/Expertise | She has experience in Architectural & Technical Designing for various Infra Projects, Business Development & Business Management. | She is a Practising Chartered Accountant since the year 2015. She is having versatile experience in Conducting audits, inspections, and investigations to ensure compliance with financial regulations and laws. She has rendered specialized services in Implementing and enforcing rules and regulations that promote fair and transparent financial practices including preparation of Credit Monitoring Arrangement for the financial appraisal by the Banks/ lenders. |



| | | |
|--|--------------------------------|--------------------------------|
| Shareholding in the Company (Equity shares of Rs.10/- each) | Nil | Nil |
| List of Directorship held in other listed companies | Nil | Nil |
| List of Chairmanship and Membership in other listed Companies | Chairman – Nil Member – Nil | Chairman – NIL Member – Nil |
| Relationship with other directors of the Company | N.A. | N.A |
| Number of Meetings attended | 4 | 2 |
| Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid | Retirement by rotation | N.A |
| Remuneration last drawn | Nil | Nil |

STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 3:

The Board of Directors of the Company at its meeting held on 09th November, 2023, appointed Mrs. Pritti Agrawal as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from 09th November, 2023, subject to the approval of the Members of the Company. In terms of section 160 of the Companies Act, 2013, Nomination and Remuneration Committee, the Board have recommended the appointment of Mrs. Pritti Agarwal as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013. The Company has also received a notice in writing from a member



proposing the candidature of Mrs. Pritti Agrawal to be appointed as Independent Director of the Company. The Company has received a declaration from Mrs. Pritti Agrawal confirming that she meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Mrs. Pritti Agrawal consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Pritti Agrawal fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and she is independent of the management. Considering Mrs. Pritti Agrawal knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of Five years with effect from 09th November, 2023.

Additional information in respect of Mr. Shourya Batta, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure to this Notice.

Except Mrs. Pritti Agrawal, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 3.

ITEM NO.4:

In view of the nature of business of the Company it is essential to enter into contracts with Artefact Infrastructure Private Limited and Renaissance IOT LLP for handling the Project Management Consultancy Services. The composite nature of the projects involved in infrastructure development, covering various aspects like designing, executing, supervising, operating and managing the whole sphere of activities require the company to resort to outsourcing and contracting with many other participants in the business. During the course of its business, the company has to enter into various contracts with the parties mentioned above.

Further, as per the prevalent and customary practice in the industry, the contracting parties and the company, provide/grant services to/from each other. The nature of these transactions are generally adopted in the industry and hence these are not prejudicial to the interest of the shareholders and /or the Company.

The above are related parties as per the applicable provisions.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the proposed transaction(s) with aforesaid parties being material in nature, and exceeding the limits



prescribed under the Companies (Meetings of Board and its Power) Rules, 2014 of Companies Act, 2013, the same requires approval of the Members of the Company by way of Ordinary resolution.

The details regarding proposed transaction with the said parties, as per the provisions of Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 are as follows:

| Name of Related Party | Artefact Infrastructure Private Limited | Renaissance IOT LLP (RIOT) |
|---|--|--|
| Name of Director or KMP who is related | Mr. Pankaj Shah (Relative of Siddharth Shah, Whole time Director) | Mrs. Ankita Shah (Designated Partner in RIOT) |
| Nature of relationship | Relative | Common Directorship |
| Nature of Contract | Rendering of services under Project Management Consultancy Contract | Rendering of services under Project Management Consultancy Contract |
| Monetary Value | Upto Rs. 7 crores. | Upto Rs. 5 crores. |
| Material terms and particulars of arrangement | The transactions would at all times be on arm's length basis and in the ordinary course of business. | The transactions would at all times be on arm's length basis and in the ordinary course of business. |
| Any advance paid or received for the arrangement, If any. | As per Industry norms and agreed between the parties | As per Industry norms and agreed between the parties |

The above proposals were approved by the Audit Committee and recommended by the Board of Directors at their meetings to the unrelated shareholders of the Company for their approval.

The Board recommends the Ordinary Resolution as set out at item no. 4 of the Notice for approval. As per Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of Material Related Party Transactions is sought from the shareholders. Accordingly, all related parties of the Company will not vote on this resolution.

Except the directors as mentioned above, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the said resolution.

**By Order of the Board of Directors of
Artefact Projects Limited**

**Sd/-
Siddharth Shah
Whole-Time Director
DIN: 05304116**

**Place: Nagpur
Date: 1/09/2024**



LETTER FROM DIRECTOR

Dear Shareholders,

My sincere greetings to all on behalf of Artefact Projects Limited. Hope you all are doing well!

Looking back at the year with a sense of gratification, I am pleased to present the 36th Annual report of our Company at the conclusion of the fiscal year 2023-24. It's my honor and privilege to share the company's performance highlights and future plans for the Financial Year 2024-25 on this occasion of 36th year of the Company - Artefact Projects Limited.

The Company continued to focus on our commitments to services.

The Union Interim Budget for the FY 2024-25 provides numerous initiatives for the infra industry. The Government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway. The Union Budget FY 2024-25, focus for Phase IV of the Pradhan mantra Gram Sadak Yojana (PMGSY) will be launched to provide all-weather connectivity to 25000 rural Habitations.

During the year under review, your Company earned Net Revenues from operations of Rs. 28.54 crores as compared to Rs. 21.87 crores in the last financial year. There was consequent increase in manpower costs. The Profit after Tax (PAT) stood Rs. 5.23 crores against Rs. 5.34 Crores in previous year. Nevertheless, the company delivered to the expectations of stakeholders even during the financial year 2023-24.

I am excited to share with you our recent advancements aimed at fortifying our operational capabilities and expanding capacity through the implementation of CRM, ERP, and Compliance software solutions, complemented by significant hardware upgrades.

The integration of CRM and ERP software systems signifies a pivotal step towards optimizing our processes and enhancing data management. These platforms empower our teams to make data-driven decisions, streamline workflows, and deliver exceptional service to our valued clients.

In addition to these software implementations, we have also installed robust compliance software. This investment underscores our commitment to upholding regulatory standards and ensuring transparency in our operations.

Furthermore, our hardware upgrades are designed to support these new systems effectively, enhancing scalability and performance across our operational landscape.

As we continue to navigate dynamic market conditions, these initiatives position us strongly for sustained growth and operational excellence. We appreciate your ongoing support and confidence in our strategic direction.



Your Company is pleased to inform you that it has developed a strong order book with orders involving gross fees of Rs. 315.10 crores. The present Order book imparts a revenue visibility for next 4 to 5 years with substantial increase in Annual Turnover levels.

Besides, the Company has been able to reduce Bank debt by prepayment to the extent of Rs. 5 crores. This is a step further in Company's financial consolidation plans.

In the year 2023-24, the share price of Artefact rose Upto Rs.102 per share. We remain optimistic about our business growth.

On behalf of everyone at Artefact, I would like to extend my sincere gratitude to all our human resources, Associates, Clients, Bankers, Management and our esteemed stakeholders for having faith in our vision and capabilities. In the upcoming years, we intend to continue creating sustainable value for all while delivering on stakeholder expectations.

As we move forward, we remain committed to a high-performance culture that enables the Company to create value for all stakeholders. I hope you will continue to support us on our journey to achieve many more milestones.

Sincerely,

Sd/-
Siddharth Shah
Whole Time Director

Date : 01st September, 2024
Place : Nagpur



BOARD'S REPORT

To,
The Members

Your Directors present the 36th Annual Report of the Company together with the Audited Financial Statements for the year ended on 31st March, 2024.

FINANCIAL HIGHLIGHTS :

(Rs. In Lacs)

| Particulars | For the year ended 31 st March, 2024 | For the year ended 31 st March, 2023 |
|---|---|---|
| Net Income from operations | 2853.99 | 2186.51 |
| Profit before Depreciation & Amortization expenses, Finance Cost and tax (EBIDTA) | 726.50 | 896.13 |
| Less: Depreciation and Amortization Expenses | 38.81 | 49.80 |
| Finance Cost | 166.49 | 198.02 |
| Profit/(Loss) before tax | 521.20 | 648.31 |
| Less: Provision for tax | -2.12 | 113.89 |
| Profit/(Loss) after tax | 523.32 | 534.42 |
| Add: Other Comprehensive Income | 9.88 | 19.41 |
| Total Comprehensive Income | 533.20 | 553.83 |

OVERVIEW OF FINANCIAL PERFORMANCE :

During the year under review, there is Increase in Net Revenue was mainly due to certain new orders and Billings from new Project assignments after commencement of project assignments. However, there was reduction in project expenses and other overheads in consonance. Hence, the profit after tax is increased as compared to the previous financial year.

Manpower Cost: The manpower cost of the Company has increased by 28.55 % as compared to last year due to increase in Salaries of Project Staff and Consultant fees. We have expanded our workforce to support business growth and new projects. Also, we have adjusted our salary structures to be in line with industry standards in order to remain competitive.

Administrative, Selling & Other Expenses: The Administrative, selling and other expenses during the year are 3.64% of Net Receipts. There has been decrease of 29.16% of Net Receipts as compared to last financial year, due to cost optimization implemented in expenses. Over the past year, we have implemented various cost optimization initiatives aimed at improving operational efficiency.



Project Expenses: Project expenses during the year stood at 11.62% of Net Receipts. These have increased by 26.57% as compared to previous year. We have prioritized higher quality and safety standards for all our projects. This focus has led to increased project costs related to advanced technologies and comprehensive safety protocols.

Interest & Other Financial Charges: Interest and other financial charges of Rs. 166.49 lacs for the year have decreased by Rs. 31.53 lacs mainly on account of repayment of Term Loan and reduction of Overdraft/ Cash Credit loans by Rs. 500 lacs in January 2023 and consequent interest thereon for part of the year. The impact on reduction during current year shall be more.

Depreciation: The Depreciation is calculated as per statute.

DIVIDEND :

In order to consolidate the financial position of the company to reduce debt and liabilities for future growth of the Company, your Directors do not recommend dividend for the year under review.

SHARE CAPITAL :

During the year under review, there was no change in the Share Capital of the Company.

The Issued, Subscribed and Paid up equity share capital of your Company as on 31st March, 2024 stood at Rs. 7,27,50,000/- (Rupees Seven Crore Twenty seven lacs fifty thousand only) divided into 72,75,000 Equity shares of face value of Rs. 10/- (Rupees Ten) each.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate Section, forming part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY :

During the year under review, the Net Profit after tax reported by the Company stands at Rs. 533.20 lacs. However, as per calculation under Section 198 of the Companies Act, 2013, the Net Profit after tax stands at Rs.520.63 lacs.

Hence, pursuant to the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibility is applicable to the Company.



DISCLOSURES UNDER THE COMPANIES ACT, 2013 AND LISTING REGULATIONS:

Annual Return:

The Annual Return of the Company as on March 31, 2024 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, and is available on the website of the Company at www.artefactprojects.com.

Meetings of the Board:

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other business of the Board. A tentative annual calendar of the Board and Committee Meetings is informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The notice of Board Meeting is given well in advance to all the Directors of the Company. Usually, meetings of the Board are held at the registered office of the Company. The agenda of the Board / Committee meetings is circulated prior to the meeting. During the year under review, the Board met 11 (Eleven) times as per details given in the Report on Corporate Governance. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013.

Committees of the Board:

There are currently following Committees of the Board:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee

In addition to the aforesaid Committees, the Company also has the following Committees:

1. Borrowing Committee
2. Management Committee
3. Ad-hoc Committee

Details of all the Committees with respect to their terms of reference, meetings and attendance at the meetings held during the year, are provided in the Report on Corporate Governance, forming part of this Annual Report.

Composition of Audit Committee:

The Audit Committee is duly constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The composition of the Audit Committee is provided in Report on Corporate Governance.

During the year under review, the recommendations made by the Audit Committee were accepted by the Board.

Related Party Transactions:

All the Related Party Transactions that were entered into during the Financial Year were in Ordinary course of business and on an arm's Length Basis and are reported in the Notes to Financial Statements.



There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. There were no transactions of the Company with any person or entity belonging to the Promoter(s)/Promoter(s) Group which individually holds 10% or more shareholding in the Company. Hence, accordingly disclosure as required under Section 134(3) of the Companies Act, 2013 in Form AOC-2 is not applicable to the company

In accordance with the provisions of Regulation 23 of Listing Regulations, the Company has formulated the Policy on Related Party Transactions and the same is uploaded on the website of the Company i.e.
<http://www.artefactprojects.com>

Particulars of loans, guarantees or investments:

The Company has complied with provisions of Section 186 of the Act, to the extent applicable with respect to Loans, Guarantees or Investments during the year. The details of loans, guarantee or investment under Section 186 of the Companies Act, 2013 are given under Notes to Financial Statements.

Policy on Sexual Harassment of Women at Workplace:

The Company has zero tolerance towards sexual harassment at the workplace and to this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees are covered under the said Policy The Company has complied with the provisions relating to the constitution of Internal Committee (IC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

During the financial year under review, no complaint was received by the Committee on sexual harassment.

The Company is committed to providing a safe and conducive work environment to all its employees and associates.

CORPORATE GOVERNANCE:

The Company has complied with the corporate governance requirements under the Companies Act, 2013 and the Listing Regulations. A separate Section on corporate governance, along with a certificate from the auditors confirming compliance is annexed and forms part of the Annual Report.

RISK MANAGEMENT :

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.



INTERNAL AUDITS AND CONTROLS :

The establishment of an effective corporate governance and internal control system is essential for sustainable growth and long-term improvements in corporate value, and accordingly the Company works to strengthen such structures. The Company believes that a strong internal control framework is an important pillar of Corporate Governance.

The Company has in place adequate systems for ensuring the orderly and efficient conduct of its business.

The current system of internal financial control is in line with the statutory requirements. Effectiveness of internal financial control is ensured through Audit Committee and management reviews, controlled self-assessment and independent testing by the Internal Auditor.

MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES :

Vigil Mechanism/Whistle-Blower Policy:

Creating a fraud and corruption-free culture has always been at the Company's core. In view of the potential risk of fraud, corruption and unethical behavior that could adversely impact the Company's business operations, performance and reputation, it has emphasized addressing these risks. To meet this objective, a comprehensive Whistle-Blower Policy has been laid down pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations.

The mechanism provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee, in the exceptional cases. The details of Vigil Mechanism/ Whistle Blower Policy is explained in the Report on Corporate Governance and also posted on the website of the Company at <http://www.artefactprojects.com>

We affirm that during the financial year 2023-24, no employee or director or any other person was denied access to the Audit Committee.

Code of Conduct:

The Company has laid down a robust Code of Business Conduct and Ethics, which is based on the principles of ethics, integrity and transparency. More details about the Code is given in the Corporate Governance Report.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Cessation:

Mr. Sandeep Batta (DIN: 02220509) who was appointed as an Independent Director of the Company, resigned from the post of Directorship with effect from 21st April, 2023 due to his personal reasons. The Board expresses its sincere gratitude on behalf of the Company for the contribution made by him in the growth of the Company with his specialized inputs to the Board.



Mr. Shourya Batta (DIN:07684909) who was appointed as an Independent Director of the Company, resigned from the post of Directorship with effect from 09th November, 2023 due to his personal reasons. The Board expresses its sincere gratitude on behalf of the Company for the contribution made by him in the growth of the Company with his specialized inputs to the Board.

Mrs. Snehal Jaiswal who was appointed as a Company Secretary cum Compliance officer of the company, resigned from the post of Company Secretary and Compliance Officer with effect from 25th November, 2023 due to her personal reasons. The Board expresses its sincere gratitude on behalf of the Company for the contribution made by her in the growth of the Company with her specialized inputs to the Board.

Mr. AnandKumar Jain who was appointed as a Company Secretary cum Compliance officer of the company, resigned from the post of Company Secretary and Compliance officer with effect from 16th March, 2024 due to his personal reasons. The Board expresses its sincere gratitude on behalf of the Company for the contribution made by him in the growth of the Company with his specialized inputs to the Board.

Appointment:

Mr. Shourya Batta was appointed as Independent Director (Additional) with effect from 30th May, 2023 to hold office till the ensuing Annual General Meeting.

Ms. Pritti Agrawal was appointed as Independent Director (Additional) with effect from 09th November, 2023 to hold office till the ensuing Annual General Meeting.

Mr. Anand Kumar Jain was appointed as Company Secretary cum Compliance Officer with effect from 08th January, 2024.

Mrs. Rani Maheshwari was appointed as Company Secretary cum Compliance Officer with effect from 16th March, 2024.

Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mrs. Ankita Shah (DIN: 06772621), Director of the Company retires by rotation at the ensuing Annual General Meeting ('AGM') and being eligible, has offered herself for re-appointment. The Notice convening the forthcoming AGM includes the proposal for re-appointment of aforesaid Director along with brief resume and other details as required under the Listing Regulations and

Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).



Key Managerial Personnel:

The Key Managerial Personnel of the Company as on 31st March, 2024 are:

| Sr. No. | Name of Key Managerial Personnel | Designation |
|----------------|---|--|
| 1. | Mr. Siddharth Shah | Whole-Time Director |
| 2. | Mr. Chandrashekar Baseshankar | Chief Financial Officer |
| 3. | Mrs. Rani Maheshwari | Company Secretary & Compliance Officer |

Independent Directors:

The Independent Directors have submitted the Declaration of Independence, stating that they continue to fulfil the criteria of independence as required pursuant to Section 149 of the Companies Act, 2013 and Regulations 16 of the Listing Regulations. This Section require companies to have at least one-third of the total number of Directors as Independent Director and the Company complies with this requirement. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

Evaluation of the Board's Performance:

In terms of the provisions of Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the committees of the Board. The Board performance was evaluated based on inputs received from all the Directors after considering the criteria such as Board Composition and structure, effectiveness of Board / Committee processes and information provided to the Board, etc. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of the Annual Report.

Appointment and Remuneration Policy:

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is in Accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further details on the same are given in the Corporate Governance Report which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY :

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii) Accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2024 and of the profit of the Company for that year ended on that date;



- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and detecting fraud and other irregularities;
- iv) Annual accounts for the year ended March 31, 2024 have been prepared on a going concern basis;
- v) Internal Financial controls were in place and that the financial controls were adequate and were operating effectively; and
- vi) Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

AUDITORS & AUDITORS' REPORT :

Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s Naresh Patadia & Co., Chartered Accountants, Nagpur (FRN: 106936W) were appointed as Statutory Auditors of the Company in the 34th Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company.

M/s Naresh Patadia & Co., Chartered Accountants have confirmed their eligibility and qualification in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Auditors' Report:

The Auditor's Report for the year ended 31st March, 2024 on the financial statements of the Company is a part of this Annual Report. The notes on Financial Statements referred in the Annual Report are self-explanatory and do not call for any further comments. The Auditor's Report for the financial year 2023-24 does not contain any qualification, reservation or adverse remark.

Maintenance of Cost Records/Cost Auditor:

The provisions of Rule 8(5)(ix) of Companies (Accounts) Rules, 2014 of Section 134(3) of Companies Act, 2013 regarding maintenance of cost records are not applicable to the Company.

Secretarial Auditor:

The Secretarial Audit for the year 2023-24 was undertaken by Mr. Khushal Bajaj, Practicing Company Secretary, the Secretarial Auditor of the Company. The Secretarial Audit Report for the financial year ended March 31, 2024 under the Act, read with Rules made thereunder and Regulation 24A of the Listing Regulations of the Company is annexed herewith as **“Annexure III”**.



The Secretarial Audit Report for the financial year 2023-24, does not contain any qualification, reservation, or adverse remark.

Internal Auditor:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditors of the Company M/s. LNJ & Associates, Chartered Accountants, Nagpur (FRN: 135772W).

Based on the report of internal audit, management undertakes corrective action in the respective areas and strengthens the levels of Internal Financial and other operational controls.

The Board of Directors of the Company has appointed M/s. LNJ & Associates, Chartered Accountants, Nagpur (FRN: 135772W) to conduct the Internal Audit as per Rule 13 of the Companies (Accounts) Rules, 2014 prescribed under Section 138 of the Companies Act, 2013 for the financial year 2024-25.

Reporting of Fraud:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1), Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant or material orders passed by any regulator or court or tribunal, which can impact the going concern status of the Company or will have bearing on Company's operations in future.

TRANSFER OF UNCLAIMED DIVIDEND AND UNCLAIMED SHARES:

The details relating to Unclaimed Dividend and Unclaimed Shares forms part of the Corporate Governance Report forming part of this Report.



ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE :

Information in terms of requirement of clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, read along with Rule 8 of the Companies (Accounts) Rules, 2014 is as follows:

A. CONSERVATION OF ENERGY:

- i. Installation of Sensors and Energy saving devices, to avoid wastage of energy.
- ii. Implementing practices among Employees to conserve energy and follow its protocols.
- iii. Procurement of equipment with focus on energy efficient systems for greener energy.
- iv. Use of Solar Energy for reducing thermal energy usage and conserving energy.
- v. Extensive use of LED lights and bulbs for energy saving.

B. TECHNOLOGY ABSORPTION AND BENEFITS:

With the advent of new infrastructure, the IT Systems and software's used by the Company are installed as per standards. The major technological base includes the following:-

- i) Undertook up gradation to contemporary IT Hardware and Infrastructure to save time and costs.
- ii) Use of Internet leased lines for communication systems for quicker and transparent information systems.
- iii) The benefits derived from Technology absorption are higher efficiency, better reliability and availability, reduced maintenance, environment friendly atmosphere and reduction in printing cost.
- iv) The Company's operations do not require significant import of technology.
- v) The company commenced implementation of complete process automation and digitization to adopt to the new working norms.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Amount in Rs.)

| Particulars | For the year ended 31 st March, 2024 | For the year ended 31 st March, 2023 |
|------------------------------------|--|--|
| Foreign exchange earned | Nil | Nil |
| Expenditure in foreign currency | Nil | Nil |

PARTICULARS OF EMPLOYEES:

Pursuant to provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of remuneration paid to all the Directors/Employees and the details of the ratio of remuneration of each Director to the median employee's remuneration is provided in **Annexure- I**.



Further, the information as required as per the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended to this report as **Annexure II**.

SUBSIDIARY /ASSOCIATE COMPANIES/ JOINT VENTURES:

As on 31st March, 2024, the Company does not have any subsidiary or associate companies hence preparation of Consolidated Financial Statements is not applicable to the Company. However, the Company has 2 Joint Ventures namely:-

- Zaidun Leeng Sdn. Bhd.-Artefact Projects.
- Sheladia Associates Inc.-Artefact Projects- Zaidun Leeng Sdn. Bhd.

The salient features of Joint Ventures in Form AOC-1 as per the provisions of Section 129 of the Companies Act, 2013 is provided in **Annexure IV**, which is appearing after the Financial Statements.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements and related information of the Company are available on our website at www.artefactprojects.com.

OTHER DISCLOSURES:

No disclosure or reporting is made with respect to the following items, as there were no transactions during the year under review:

- Details relating to deposits that are covered under Sections 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.
- No issue of equity shares with differential rights as to dividend, voting or otherwise.
- There was no change in the nature of business.
- There were no material changes and commitments affecting financial position of the Company between the end of the financial year and the date of this report.
- The Company has not transferred any amount to reserves during the year under review.

DISCLOSURE IN RESPECT OF STATUS OF APPLICATION OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 AND DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANK OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF :

No application was made or any proceedings were pending under the Insolvency and Bankruptcy Code, 2016 during the period; further there have been no one-time settlement of any loan taken by the company from Banks/Financial Institutions during the period under review.



ACKNOWLEDGEMENT :

Your Directors would like to place on record their gratitude for all the guidance and co-operation received from the shareholders and other government and regulatory agencies. Your Directors would also like to take this opportunity to express their appreciation for the hard work and dedicated efforts put in by the employees and look forward to their continued contribution and support.

**For and on behalf of the Board of Directors of
ARTEFACT PROJECTS LIMITED**

**Place: Nagpur
Date:01/09/2024**

Sd/-

SIDDHARTH SHAH

**WHOLE-TIME DIRECTOR
DIN: 05304116**

Sd/-

KAUSTUBH PAUNIKAR

**DIRECTOR
DIN: 08621592**



REPORT ON CORPORATE GOVERNANCE

INTRODUCTION :

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in terms of Regulation 34 read with Chapter IV and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Listing Regulations, 2015] and the report contains the details of Corporate Governance for the year ended 31st March, 2024.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy of Corporate Governance is founded on the pillars of fair disclosures, accountability and transparency. The sound governance processes and systems guide the Company on its journey towards continued success.

Your Company believes that ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term shareholders value while safeguarding the interest of all the stakeholders. Good governance enables the Company to operate in an ethical manner, meet business expectations and fulfill its social responsibilities. Core values of 'Artefact Projects Limited' are based on integrity, respect for the law and compliance thereof, emphasis on quality services.

Sound Corporate Governance is critical for enhancing and retaining investor trust. Your Company seeks to ensure that its performance goals are met accordingly yet continues to focus its resources, strengths and strategies to be a true leader in infrastructure services, while upholding the core values of excellence, integrity, responsibility and professional excellence. The Company focuses on the need to also provide a sustainable competitive return for our investors.

Your Company recognizes that good Corporate Governance is a continuous exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders for effective implementation of the Corporate Governance practices.

The Company has adopted a Code of Conduct for its employees including the Board Members. The details of Company's board structure and the various committees that constitute the governance structure of the organization are covered in detail in this report.



BOARD'S OF DIRECTORS :

A. COMPOSITION :

The Board has an appropriate mix of Executive and Non-Executive Directors to maintain its independence. As on 31st March, 2024, the Company had four Directors including one woman Director. Of the four Directors, three are Non-Executive Directors out of which two are Independent Directors.

The Composition of the Board as on 31st March, 2024 was as follows:

| Sr.No. | Name of the Director | Category |
|---------------|-----------------------------|------------------------|
| 1. | Mr. Siddharth Shah | Whole Time Director |
| 2. | Mrs. Ankita Shah | Non-Executive Director |
| 3. | Mr. Kaustubh Paunikar | Independent Director |
| 4. | Mrs. Pritti Agrawal | Independent Director |

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 (“the Act”) and the Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limits under applicable regulations. The maximum tenure of independent directors is in compliance with the Act. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Act read with the Rules framed thereunder.

None of the Independent Directors has any other material pecuniary relationship or transaction with the Company, its Promoters, its Directors or its senior management personnel, which would affect their independence.

None of the Non-Executive Director has any other material pecuniary relationship or transaction with the Company, its Promoters, its Directors or its senior management personnel.

The Company annually obtains from Directors, details of the Board and Board Committee positions he/ she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from CS Khushal Bajaj, Practicing Company Secretary, under Regulation 34(3) and Schedule V Para C Clause (10) (i) of Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the SEBI and Ministry of Corporate Affairs or any such authority and the same forms part of this Report.



B. PROCEDURES ADOPTED AT MEETING OF THE BOARD :

Minimum four Meetings of the Board are scheduled in a year, and the meetings are usually held at the Registered Office of the Company. The agenda for the Board Meeting is prepared in consultation with Directors and other Senior Managerial Personnel. The agenda for the meetings of the Board and Committees are circulated well in advance of the meeting. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

Considerable time is spent by the Directors on discussion and deliberations at the Board Meetings.

At the meetings of the Board, presentations on finance & accounts, industry outlook, business development opportunities and initiatives, statutory compliances etc. are being presented. This includes financial statements, minutes of the board meetings, investments, bid submission, corporate developments, any JV agreement, if any entered into, etc.

The meetings are conducted in compliance with the provisions of Secretarial Standard-1 on "Meetings of the Board of Directors", issued by the Institute of Company Secretaries of India (ICSI).

Information placed before the Board of Directors, *inter alia*, includes:

- Quarterly/Half yearly/Annual results of the Company.
- Short-term investment of surplus funds, if any.
- Major investments, formation of Joint Ventures, Strategic Alliances etc., planned and executed.
- Status of bidding for new projects, ongoing projects, new awards.
- Any material default in financial obligations, if any.
- Annual operating plans and Capital Budgets.
- Annual Financial Statements, Board's Report etc.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Information relating to major legal disputes.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- The information on recruitment and promotion of Key Senior Officers and Functional Heads to the level of Executive Director.
- Fatal or serious accidents, dangerous occurrences etc., if any.
- Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- Compliance Certificate of any regulatory / statutory nature.
- Non-compliance of any regulatory, statutory or listing requirement and shareholders service, if any.
- Other materially important information.



C. ATTENDANCE AT THE MEETINGS OF THE BOARD AND LAST ANNUAL GENERAL MEETING:

During the financial year 2023-24, the Board of Directors met 10 (Ten) times on the following dates:

| | | | |
|---|------------|----|------------|
| 1 | 21.04.2023 | 2 | 30.05.2023 |
| 3 | 01.08.2023 | 4 | 14.08.2023 |
| 5 | 09.11.2023 | 6 | 25.11.2023 |
| 7 | 01.02.2024 | 8 | 08.02.2024 |
| 9 | 16.03.2024 | 10 | 29.08.2023 |

As stipulated, the gap between two consecutive meetings did not exceed one hundred and twenty days as the provisions of the Act and SS-1 issued by the ICSI.

The details of composition of Directors, their attendance at each Board Meeting and at the previous Annual General Meeting (AGM) along with the number of Directorships and Memberships/Chairmanships held in various Committees, in other public companies as on 31st March, 2024 is given below:

| Sr. No. | Name of the Director | No. of Board Meetings | | Attendance at AGM held on 29th August 2023 | As on 31st March, 2024 (Excluding Position in the Company) | | | Inter se relation among Directors | No. of shares/ convertible instruments held |
|---------|---|-----------------------|----------|--|--|------------|--------------|-----------------------------------|---|
| | | Held | Attended | | No. of Directorships in other Entities | Committee | | | |
| | | | | | | Membership | Chairmanship | | |
| 1 | Mr. Siddharth Shah, Whole Time Director | 10 | 10 | Yes | 0 | 0 | 0 | Not Related | 0 |
| 2 | Mrs. Ankita Shah, Non-Executive Director | 10 | 7 | No | 0 | 0 | 0 | Not Related | 0 |
| 3 | Mr. Shourya Batta, Independent Director | 10 | 3 | Yes | 1 | 0 | 0 | Not Related | 0 |
| 4 | Mr. Sandeep Batta, Independent Director | 10 | 0 | Yes | 0 | 0 | 0 | Not Related | 0 |
| 5 | Mr. Kaustubh Paunikar, Independent Director | 10 | 5 | Yes | 0 | 0 | 0 | Not Related | 0 |
| 6 | Ms. Pritti Agrawal | 10 | 4 | No | 0 | 0 | 0 | Not Related | 0 |



Note :

1. Directorships held by Directors in respect of Private Limited companies, companies incorporated under Section 8 of the Companies Act, 2013 and foreign companies have not been included.
2. Position in Audit Committee and Stakeholder's Relationship Committee alone are considered for the purpose.
3. None of the Directors is a member of more than Ten Committees and Chairman of more than Five Committees [as specified in Regulation 26 of Listing Regulations] across all the companies in which they are directors.
4. None of the Independent Director serves as an Independent Director in more than seven listed companies [as specified in Regulation 25 of Listing Regulations].
5. The necessary quorum was present for all the meetings.

SEPARATE MEETING OF INDEPENDENT DIRECTORS :

As stipulated by the Code of Independent Directors under Schedule IV of the Act and Regulation 25(3) of Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 16th March, 2024 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole and to ensure the system devised for checking the flow of information between the Board and the Management is operating effectively and vice versa.

DIRECTORS FAMILIARIZATION PROGRAMME :

The Board of Directors is responsible for overall supervision of the Company. To achieve this, Board undertakes periodic review of various matters including business performance, risk management etc. In order to enable the directors to understand the company procedures and business models, the Company undertakes necessary induction program for new Directors and ongoing training for existing Directors.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of Director's induction and familiarization are available on the Company's website at <http://www.artefactprojects.com/>



CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS :

INDUSTRY KNOWLEDGE & EXPERIENCE :

| Core skills/ competencies/ expertise | Name of the Directors | | | |
|--|-----------------------|------------------|---------------------------------|-----------------------|
| | Mr. Siddharth Shah | Mrs. Ankita Shah | Ms. Pritti Kamal Kishor Agrawal | Mr. Kaustubh Paunikar |
| Business Strategy | √ | √ | √ | √ |
| Business Policy | √ | √ | √ | - |
| Business Development | √ | √ | √ | √ |
| Risk Management | √ | √ | √ | - |
| Legal | √ | √ | √ | - |
| Commercial | √ | √ | √ | - |
| Project Management | √ | √ | √ | - |
| Procurement | √ | √ | - | - |
| Engineering | √ | - | - | - |
| Finance | √ | - | - | - |
| Human Resource | √ | - | - | - |

The above list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business (es) and sector(s) for it to function effectively, are available with the Board.

CONFIRMATION ON INDEPENDENT DIRECTORS:

In the opinion of the Board, the independent directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTORS :

- Mr. Sandeep Batta (DIN: 02220509), Independent Director of the Company resigned from Directorship on 21st April, 2023 due to his personal reasons and to pursue other pursuits in life during the year under review.
- Mr. Shourya Batta (DIN: 07684909), Independent Director of the Company resigned from the Directorship on 9th November, 2023 due to other Business and Professional pursuits during the year under review.



CODE OF CONDUCT :

The Board of Directors has laid down a Code of Conduct for all members of the Board of Directors and Senior Management Personnel. The Code covers the Company's commitment to honest and ethical professional conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. A declaration by Mr. Siddharth P. Shah, Whole Time Director of the Company affirming the compliance of the same in respect of the financial year ended on 31st March, 2024 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed to this Annual Report.

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, Designated Employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the said code.

COMMITTEES OF THE BOARD :

With an objective of efficient and smooth operations, the Board has constituted various Committees. These committees are responsible to decide upon and execute various routine matters and such other decisions as the Board may authorize. The draft minutes of the proceedings of each Committee meeting duly initialed by the Chairman of the respective Committee Meeting are circulated to the members of the respective Committee for their comments and thereafter, confirmed by the respective Committee in its next meeting. The terms of reference of each committee have been approved by the Board.

Currently the Company has the following three (3) Committees of the Board :

- i) Audit Committee
- ii) Nomination & Remuneration Committee
- iii) Stakeholders' Relationship Committee

In addition to the aforesaid committees, the Company also has following three (3) committees :

- i) Borrowing Committee
- ii) Management Committee
- iii) Ad-hoc Committee



A) BOARD COMMITTEES :

i) AUDIT COMMITTEE :

The Company has an Audit Committee constituted in terms of Section 177 of the Act and Regulation 18 of Listing Regulations, which exercises the powers and discharges the functions as stipulated under the applicable laws. The Committee also undertakes and reviews such matters as may be delegated by the Board from time to time.

As on 31st March, 2024, the Audit Committee comprises of Two Independent Directors and One Non - Executive Director. The Chairman of the Audit Committee is an Independent Director. All the members of Audit Committee are financially literate and possess a sound insight to interpret and understand the financial statements.

a) Composition of the committee, meetings and attendance :

During the financial year 2023-24, the Audit Committee met 4 (Four) times on the following dates:

| | | | |
|---|-------------------------------|---|--------------------------------|
| 1 | 30 th May, 2023 | 3 | 9 th October, 2023 |
| 2 | 14 th August, 2023 | 4 | 1 st February, 2024 |

As stipulated, the gap between any two meetings of the Committee did not exceed one hundred and twenty days and the necessary quorum was present for all meetings. The composition and attendance of members of the Committee at meetings were as follows:

| Name of Member | Designation | No. of Committee Meetings | |
|-----------------------|-------------|---------------------------|----------|
| | | Held | Attended |
| Mr. Sandeep M. Batta | Member | 4 | 0 |
| Mr. Shourya Batta | Chairman | 4 | 2 |
| Mrs. Ankita S. Shah | Member | 4 | 4 |
| Mr. Kaustubh Paunikar | Chairman | 4 | 4 |
| Mrs. Pritti Agrawal | Chairman | 4 | 2 |

The Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee. The Chairman of the Audit Committee was present at the previous Annual General Meeting of the Company held on Tuesday, 29th August, 2023.



- b) Terms of reference of Audit Committee:
1. Discussion with Auditors periodically about internal control systems and the scope of audit including observations of the auditors.
 2. (a) Review of the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on:
 - i. Any changes in accounting policies and practices, if occurred.
 - ii. Qualifications in draft audit report, if any.
 - iii. Significant adjustments arising out of audit, if any.
 - iv. The going concern assumption.
 - v. Compliance with accounting standards.
 - vi. Compliance with Stock Exchange and legal requirements concerning financial statements.
 - vii. Any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large.
 - viii. Matters required to be included in the director's responsibility statement forming part of the Board's report.
 - ix. Major accounting entries involving estimates based on the exercise of judgment by Management.
 - (b) Review and take on record the un-audited quarterly/half yearly and annual results of the Company before submission to the Board.
 3. Review of compliance of Internal Control Systems.
 4. Overview the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 5. Recommending to the Board the appointment, remuneration and terms of appointment of auditors of the Company.
 6. Reviewing the adequacy of internal control system with the Management, external and internal auditors.
 7. Reviewing with the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
 8. Discussion with internal auditors any significant findings and follow-up thereon.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
 10. Discussion with Statutory Auditors before the audit commences with respect to the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
 11. Approval of appointment of CFO after assessing the qualifications, experience and background etc. of the candidate.
 12. Reviewing the Company's policies.
 13. To look into the reasons for any major defaults in the payments to the depositors, debenture-holders, shareholders (in case of non- payment of declared dividends) and creditors, if any.



14. Reviewing with the Management, the statement of uses/application of funds raised through an issue (public Issue, Rights Issue, Preferential Issues etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of public/rights issue and making appropriate recommendation to the Board to take up steps in this matter.
15. Scrutiny of inter corporate loans and investments
16. Valuation of undertakings and assets of the Company, wherever it is required
17. Carrying out any other function as delegated by the Board of Directors.
18. Review the functioning of Whistle Blower Mechanism.
19. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The key elements of processes used by the Audit Committee to review the effectiveness of the system of Internal Control include –

- Discussion with management on risk areas identified by management auditors in the audit process.
- The review of internal and external audit plans.
- The review of significant issues arising from internal and external audit.
- The review of significant risk & threats reported by the management committee.

c) REVIEW OF INFORMATION BY AUDIT COMMITTEE:

The Audit Committee mandatorily reviews the following information:

- i. Management Discussion and Analysis of financial conditions and results of operations.
- ii. Statement of significant related party transactions submitted by Management.
- iii. Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- iv. Internal Audit Reports relating to internal control weaknesses.
- v. The appointment/re-appointment/ removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

ii) NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is duly constituted as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. The Committee is empowered to formulate the Remuneration Policy which includes the criteria for qualifications, experience, independence and remuneration of Directors, KMP and employees and criteria for evaluation of Independent Directors and to recommend the appointment/re-appointment. The Nomination and Remuneration Committee recommends the remuneration payable to Executive directors of the Company.



a) Composition of the committee, meetings and attendance:

During the financial year 2023-24, the Committee met 2 (Two) time on 9th November, 2023, and 16th March, 2024. The composition and attendance of members of the Committee at meetings were as follows :

| Name of Member | Chairman / Member | No. of Committee Meetings | |
|-----------------------|-------------------|---------------------------|----------|
| | | Held | Attended |
| Mr. Kaustubh Paunikar | Chairman | 2 | 2 |
| Mr. Shourya Batta | Chairman | 2 | 1 |
| Mrs. Ankita Shah | Member | 2 | 2 |
| Mrs. Pritti Agrawal | Chairman | 2 | 2 |

The Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

b) Terms of reference of Nomination and Remuneration Committee:

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii. devising a policy on diversity of board of directors;
- iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal ;
- v. whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors.
- vi. recommend to the board, all remuneration, in whatever form, payable to senior management.

c) Remuneration Policy :

The Company follows a comprehensive policy for selection, re-commendation, appointment of Directors and other senior managerial employees and also on the remuneration, and such other related provision as applicable.



- **Selection :**

- Any person to be appointed as a Director on the Board of Directors of the Company or as KMP or Senior Management Personnel, including Independent Directors, shall possess appropriate skills, experience and knowledge in one or more fields of sciences, actuarial sciences, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations.
- Any person to be appointed as a Director on the Board of the Company shall possess the relevant experience and shall be able to provide policy directions to the Company, including directions on good corporate governance.
- While appointing any person as Chief Executive Officer, Managing Director or a Whole-time director of the Company, his / her educational qualification, work experience, industry experience, etc. shall be considered.

- **Remuneration of Executive Director :**

- At the time of appointment or re-appointment, the Executive Director's shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Executive Director within the overall limits prescribed under the Companies Act.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the Executive Director's is broadly divided into fixed and variable component.
- The fixed compensation shall comprise salary, allowances, perquisites, amenities and retirement benefits. The variable component shall comprise of performance bonus.

In determining the remuneration (including the fixed increment and performance bonus) the Nomination & Remuneration Committee shall consider the following:

1. The relationship of remuneration and performance benchmarks ;
2. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
3. Responsibility of the Executive Director's and the industry benchmarks and the current trends;
4. The Company's performance vis-à-vis the annual budget achievement and individual performance.



- **Remuneration of Non - Executive Director :**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The criteria for making payment to Non-Executive Directors is available on the website of the Company i.e. www.artefactprojects.com.

No sitting fee is paid to the Non- executive/ Independent Directors during the financial year.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Schemes of the Company, if any, introduced by the Company.

- **Remuneration of Senior Management Employees :**

In determining the remuneration of the Senior Management employees (i.e. KMPs and Executive Committee Members) the Nomination & Remuneration Committee shall consider the following:

1. The relationship of remuneration and performance benchmark is clear;
2. The fixed pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
3. The components of remuneration includes salaries, perquisites and retirement benefits;
4. The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.

d) Performance evaluation criteria for Independent Directors :

The Committee shall carry out evaluation of every director's performance based on the criteria formulated by the Committee and after taking into account the appraisal score card and other factors, recommends the annual increment to the Board for its review and approval.

The performance evaluation of Independent Directors was done by the entire Board excluding the director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, as and when their respective term expires. The Board expressed satisfaction over their performance and decided that the Independent Directors shall continue with their term of appointment. The synopsis of which is provided in Board's Report.



Details of Remuneration/sitting fees paid during the Financial Year 2023-24 and No. of Shares held by directors as on 31st March, 2024 :

| Name of Director | Salary* (Rs.) | Commission (Rs.) | Pension | Service Contracts | Performance Linked incentive and Criteria | Notice Period | Severance Fees | Stock Option |
|-----------------------|------------------|------------------|----------|-------------------|--|-----------------------------|----------------|--------------|
| Mr. Siddharth Shah | 21,00,000 | - | - | - | As may be decided by Board from time to time | As per Rules of the Company | - | - |
| Mr. Sandeep Batta | - | - | - | - | | | - | - |
| Mrs. Ankita Shah | - | - | - | - | | | - | - |
| Mr. Kaustubh Paunikar | - | - | - | - | | | - | - |
| Total | 21,00,000 | - | - | - | | | - | - |

* Salary includes perquisites.

** None of the directors are paid any sitting fees for attending the Board or committee meeting.

Presently, the Company does not have any scheme to grant stock options either to the Executive Directors or to Employees of the Company.

The tenure of office of the Executive Director is for three years from the respective date of appointment and can be terminated by either party by giving reasonable period of notice in writing or as per the terms of Agreement.

iii) STAKEHOLDERS' RELATIONSHIP COMMITTEE :

The Stakeholders' Relationship Committee is duly constituted as per the provisions of Section 178 of the Act and Regulation 20 of Listing Regulations. This Committee is empowered to oversee the redressal of investors' complaints pertaining to Share transfers, non-receipt of annual reports, declared dividends, issue of duplicate certificates, transfer/transmission/ demat/ remat of shares and other miscellaneous complaints. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

a) Composition of the Committee, Meetings and Attendance :

During the financial year 2023-24, the Committee met 4 (Four) times on 15th April, 2023, 10th July, 2023, 12th October, 2023 and 24th January, 2024. The composition and attendance of members of the Committee at meetings were as follows:



| Name of Member | Chairman / Member | No. of Meetings | |
|-----------------------|-------------------|-----------------|----------|
| | | Held | Attended |
| Mr. Sandeep Batta | Chairman | 4 | 1 |
| Mr. Shourya Batta | Chairman | 4 | 2 |
| Mrs. Ankita Shah | Member | 4 | 2 |
| Mrs. Pritti Agrawal | Chairman | 4 | 2 |
| Mr. Kaustubh Paunikar | Member | 4 | 4 |

Mrs. Rani Maheswari, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

b) Terms of reference of Stake holder's Relationship Committee

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

c) Status of Investors Complaints (As on 31st March 2024) :

| At the beginning of the year | Received during the year | Resolved during the year | Pending at the End of the year |
|------------------------------|--------------------------|--------------------------|--------------------------------|
| 0 | 0 | 0 | 0 |

B) OTHER COMMITTEES :

i) BORROWING COMMITTEE :

a) Composition of the Committee, Meetings and Attendance :

During the financial year 2023-24, the Committee met 4 (Four) times on 6th June, 2023, 2nd August, 2023, 1st December, 2023 and 29th February 2024. The composition and attendance of members of the Committee at meetings were as follows:



| Name of Member | Chairman / Member | No. of Meetings Held | Attended |
|-----------------------|--------------------------|-----------------------------|-----------------|
| Mr. Siddharth Shah | Chairman | 4 | 4 |
| Mr. Chetan B. Shah | Member | 4 | 4 |
| Mrs. Ankita Shah | Member | 4 | 3 |

b) Terms of reference of Borrowing Committee :

The Committee has been formed to ensure that the borrowings of the Company from Banks, Financial Institutions are borrowed at competitive costs by the Company and are also used appropriately. It reviews the financial assets and liabilities framework of the Company and prepares, updates the Board for approval on the financial asset and liability risk management guidelines. It is free to appoint outside counsel.

ii) MANAGEMENT COMMITTEE :

a) Composition of the Committee, Meetings and Attendance :

No meeting of Management Committee was held during the financial year 2023-24. The composition of the Committee was as follows:

| Name of Member | Chairman / Member |
|-----------------------|--------------------------|
| Mr. Siddharth P. Shah | Chairman |
| Mr. Chetan B. Shah | Member |
| Mrs. Ankita S. Shah | Member |

b) Terms of reference of Management Committee :

The Management Committee was constituted to ensure guidance in terms of providing strategic direction to the Company and be architect of pursuing growth of the Company. The scope of the management committee shall be, but not limited to :

- a) Providing feedback to the management on performance in all aspects covering operations, planning, development and implementation of projects.
- b) To examine the efficiency of the existing systems and procedures laid down and suggest policy changes, if any.
- c) To comment on management audit, aspects furtherance of corporate goals, image building, decision-making process, tapping new business and organizational goals.
- d) Strategize growth initiatives with the purpose of moving with market requirements.
- e) Add in developing a robust management structure to take on future challenges.
- f) Put in place a comprehensive risk management strategy.
- g) Advise the Board and discuss diverse issues arising from time to time.



iii) AD-HOC COMMITTEE :

a) Composition of the Committee, Meetings and Attendance :

During the financial year 2023-24, the Committee met 11 (Eleven) times on 20th April, 2023, 26th April, 2023, 11th May, 2023, 13th July, 2023, 1st August, 2023, 30th August, 2023, 4th October, 2023, 6th October, 2023, 1st December, 2023, 9th January, 2024, and 19th January, 2024. The composition and attendance of members of the Committee at meetings were as follows:

| Name of Member | Chairman/ Member |
|-----------------------|-------------------------|
| Mr. Siddharth P. Shah | Chairman |
| Mr. Chetan B. Shah | Member |
| Mrs. Ankita S. Shah | Member |

b) Terms of Reference of Ad-Hoc Committee :

To take care of the day-to-day operations and smooth functioning of the Company, the Board of Directors has formed an Ad-hoc Committee. The main function of the committee is to authorize the day-to-day transactions for carry on smooth operations of the Company.

GENERAL BODY MEETINGS :

i) The details of last three Annual General Meetings of the Company are as follows :

| Date and Year | Time | Location |
|----------------------------------|-------------|---|
| 29 th August, 2023 | 11.00 A.M. | Block No. 105, 2 nd Floor, "Artefact Towers", Chhatrapati Square, Wardha Road, Nagpur - 440015 |
| 30 th September, 2022 | 11.00 A.M. | Block No. 106, 2 nd Floor, "Artefact Towers", Chhatrapati Square, Wardha Road, Nagpur - 440015 |
| 30 th September, 2021 | 11.00 A.M. | Video Conference (VC/ Other Audio Video Means (OAVM)) |

ii) Details of Special Resolutions passed in the previous three Annual General Meetings are as under :

| Date | Purpose of Special Resolution |
|----------------------------------|---|
| 29 th August, 2023 | Appointment of Mr. Shourya Batta (DIN: 07684909) As an Independent Director of the Company. |
| 30 th September, 2022 | No Special Resolution was passed at the AGM held on 30 th September, 2022 |
| 30 th September, 2021 | Special Resolution for : Increase in Remuneration of Mr. Siddharth Shah |



iii) Postal Ballot of EGM conducted during the year :

No Special Resolution was proposed through Postal Ballot during the financial year 2023-24. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal ballot.

No Extra-ordinary General Meeting was held during the financial year 2023-24.

MEANS OF COMMUNICATION TO SHAREHOLDERS :

Your Company disseminates timely information about its operations, business and financial performance to stock exchanges, media, shareholders, analysts and society at large. The quarterly/half yearly and yearly financial results are sent to BSE Limited immediately after they are approved by the Board in their meeting. The Financial Results were published in English Newspaper i.e. The Indian Express and Marathi Newspaper i.e. Loksatta. The results are posted on Company's website www.artefactprojects.com and BSE Limited i.e. www.bseindia.com.

Shareholders can contact Company Secretary & Compliance Officer on shareholders@artefactprojects.com

The Company has not made any presentations/press release to Institutional Investors or to the Analysts during the year under review.

DISCLOSURES :

I. RELATED PARTY TRANSACTIONS :

There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2023-24 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee.

As required under Regulation 23 of Listing Regulations, the Company has adopted a policy on dealing with and materiality of Related Party Transactions has been placed on the Company's website and can be accessed at:

<http://www.artefactprojects.com>

II. DISCLOSURE OF ACCOUNTING TREATMENT :

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

III. COMPLIANCE RELATED TO CAPITAL MARKET :

The Company has complied with the requirements of the Stock Exchange, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or other Statutory Authorities during the financial year 2023-24.



IV. ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS :

The Company Secretary is an Officer of the Company responsible for compliances by the Company of the provisions of the Companies Act, 2013 and SEBI Regulations and guidelines as applicable to the Company. The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed.

The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to the capital markets during the year under review. There were no penalties imposed nor any strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authority relating to the above.

V. AUDITS AND INTERNAL CHECKS :

M/s. Naresh Patadia & Co., Chartered Accountants, Nagpur were the Statutory Auditors of the Company for the financial year 2023-24.

The Company had appointed M/s LNJ & Associates, a firm of Chartered Accountants, Nagpur as an Internal Auditor who conducted Internal Audit to monitor and ensure that the Company is following high standards of conduct in accounting methods and procedures, complying with the regulatory requirements.

VI. SUBSIDIARY COMPANY :

As on 31st March, 2024, the Company does not have any Subsidiary or Associate companies. However, the Company has 2 Joint ventures as on 31st March, 2024, the details of which are provided in the Board's Report.

The Company has a policy for determining material subsidiaries which is disclosed on the website http://www.artefactprojects.com/Investors_Policy.pdf

VII. RISK MANAGEMENT :

Risk management is a critical component of corporate governance. It is recognized as a key business process within both the private and public sector around the world for planning and decision-making.



Your Company has created a separate risk management policy for different departments depending upon the nature of work. The risk management includes internal as well as external risk factors. The company's risk management policy covers the following points:

1. The Company aims to use the best practice in risk management to support and enhance the activities, in all areas of the organization.
2. The Company will ensure, to make risk management as an integral part of all the decision-making processes.
3. The Company will use a structured risk management program to minimize reasonably foreseeable interruption to operations, harm to human resource and damage to the environment and property of the Company.
4. The Company will identify the risk exposures and will take advantage of opportunities as well as minimize the adverse effects.
5. The Company will train its employees to effectively implement organization wide risk management policy.
6. The Company will strive to continually improve and update the risk management practices.

VIII. VIGIL MECHANISM POLICY / WHISTLE BLOWER MECHANISM :

The Company promotes ethical behavior in all its business activities and adopted Vigil Mechanism/Whistle Blower Policy to report unethical and fraudulent behavior. Under the said policy the Employees, Directors can report any suspected or confirmed incident of fraud, misconduct, unethical behavior etc. to the Company. This will ensure fraud-free work & ethical environment.

The unethical and fraudulent behavior can be communicated at:

Mr. Chandrashekar Baseshankar
Chief Financial Officer
Artefact Projects Limited
Block No. 105, 2nd Floor, "Artefact Towers",
54/3, Chhatrapati Square,
Wardha Road, Nagpur – 440 015
E-mail : artefactngp@artefactprojects.com
Tel: # 91 - 712 - 7197100
Fax: # 91 - 712 – 7197120

The mechanism also provides for adequate safeguards against victimization of employees and directors who avail of the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases. The Whistle Blower Policy is available on the website of the Company at <http://www.artefactprojects.com/Whistle%20Blower%20Policy.pdf>.

We affirm that during the financial year 2023-24, no employee or director was denied access to the Audit Committee.



IX. CEO / CFO CERTIFICATION :

As required under Regulation 17(8) of Listing Regulations, a certificate from Mr. Chandrashekar Baseshankar, CFO of the Company certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

X. CODE ON INSIDER TRADING :

The Company has adopted a Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders as per the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Under this Code, Insiders (Officers and Designated Employees) are prevented to deal in the Company's shares during the closure of Trading Window. To deal in Securities, beyond limits specified permission of Compliance Officer is required. All Directors/Officers/Designated Employees are also required to disclose related information periodically as defined in the Code, which in turn is being forwarded to Stock Exchanges, wherever necessary.

XI. DETAILS OF COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS :

The Company has complied with all mandatory requirements under Regulation 27 of the Listing Regulations. The Company has also complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with all other Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing

| Sr. No. | Particulars | Regulation Number | Compliance status (Yes/No/NA) |
|----------------|-------------------------------|--------------------------|--------------------------------------|
| 1 | Board composition | 17(1), 17(1A) & 17(1B) | Yes |
| 2 | Meeting of Board of directors | 17(2) | Yes |
| 3 | Quorum of Board meeting | 17(2A) | Yes |
| 4 | Review of Compliance Reports | 17(3) | Yes |



| | | | |
|-----|---|------------------------------|-----|
| 5 | Plans for orderly succession for appointments | 17(4) | Yes |
| 6 | Code of Conduct | 17(5) | Yes |
| 7 | Fees/compensation | 17(6) | Yes |
| 8 | Minimum Information | 17(7) | Yes |
| 9 | Compliance Certificate | 17(8) | Yes |
| 10 | Risk Assessment & Management | 17(9) | Yes |
| 11 | Performance Evaluation of Independent Directors | 17(10) | Yes |
| 12 | Recommendation of Board | 17(11) | Yes |
| 13 | Maximum number of Directorships | 17A | Yes |
| 14 | Composition of Audit Committee | 18(1) | Yes |
| 15 | Meeting of Audit Committee | 18(2) | Yes |
| 16 | Composition of nomination & remuneration committee | 19(1) & (2) | Yes |
| 17 | Quorum of Nomination and Remuneration Committee meeting | 19(2A) | Yes |
| 18 | Meeting of Nomination and Remuneration Committee | 19(3A) | Yes |
| 19 | Composition of Stakeholder Relationship Committee | 20(1), 20(2) & 20(2A) | Yes |
| 20 | Meeting of Stakeholders Relationship Committee | 20(3A) | Yes |
| 21 | Composition and role of risk management committee | 21(1),(2),(3),(4) | NA |
| 22 | Meeting of Risk Management Committee | 21(3A) | NA |
| 23 | Vigil Mechanism | 22 | Yes |
| 24. | Policy for related party Transaction | 23(1),(1A),(5),(6),(7) & (8) | Yes |
| 25. | Prior or Omnibus approval of Audit Committee for all related party transactions | 23(2), (3) | Yes |
| 26. | Approval for material related party transactions | 23(4) | Yes |
| 27. | Disclosure of related party transactions on consolidated basis | 23(9) | Yes |
| 28. | Composition of Board of Directors of unlisted material Subsidiary | 24(1) | NA |
| 29. | Other Corporate Governance requirements with respect to subsidiary of listed entity | 24(2),(3),(4),(5) & (6) | NA |
| 30. | Annual Secretarial Compliance Report | 24(A) | Yes |
| 31. | Alternate Director to Independent Director | 25(1) | NA |



| | | | |
|-----|---|---------------|-----|
| 31. | Alternate Director to Independent Director | 25(1) | NA |
| 32. | Maximum Tenure | 25(2) | NA |
| 33. | Meeting of independent directors | 25(3) & (4) | Yes |
| 34. | Familiarization of independent directors | 25(7) | Yes |
| 35. | Declaration from Independent Director | 25(8) & (9) | Yes |
| 36. | D & O Insurance for Independent Directors | 25(10) | NA |
| 37. | Memberships in Committees | 26(1) | Yes |
| 38. | Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel | 26(3) | Yes |
| 39. | Disclosure of Shareholding by Non-Executive Directors | 26(4) | Yes |
| 40. | Policy with respect to Obligations of directors and senior management | 26(2) & 26(5) | Yes |

Discretionary Requirements under Regulation 27 of Listing Regulation:

a. The Board - Chairman's Office and tenure of Independent Directors:

As on March 31, 2024, the Chairman of the Company is a Whole-Time Director and hence this clause is not applicable.

b. Shareholders rights

As the Company's quarterly and half yearly, financial results are published in the English newspaper (Indian Express) having a circulation all over India and in a Marathi newspaper (Loksatta) having a circulation in Nagpur, the same are not sent separately to the shareholders of the Company, but hosted on the website of the Company.

c. Audit Qualifications

During the year under review, there is no audit qualification in your Company's financial statements. Your Company continues to adopt best practices to ensure regime of unqualified financial statements.

d. Reporting of Internal Auditor

The Internal Auditors of the Company reports to the Audit Committee.

e. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:

The Chairman is a Whole-Time Director of the Company and is not related to the Chief Executive Officer of the Company,



XII. COMMODITY PRICE RISK AND COMMODITY HEDGING ACTIVITIES: Not Applicable

XIII. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A):

During the financial year 2023-24, the Company has not raised any funds through preferential allotment or qualified institutions placement.

XIV. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE :

A Certificate received from Mr. CS Khushal Bajaj , Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority forms part of this report.

XV. RECOMMENDATION BY COMMITTEE :

The Board has accepted all recommendations from all the committees of the Board, which is mandatorily required, during the financial year under review.

XVI. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:

The details of fees paid to M/s. Naresh Patadia & Associates, Chartered Accountants, Statutory Auditors by the Company during the year ended March 31, 2024 are as follows:

| Sr. No. | Particulars | Amount (Rs.) |
|---------|--------------------------------------|--------------|
| 1. | Audit Fees and Certification charges | 1,50,000 |
| | Total | 1,50,000 |

XVII. DISCLOSURES IN RELATION TO THE HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

- number of complaints filed during the financial year-NIL
- number of complaints disposed of during the financial year-NIL
- number of complaints pending as on end of the financial year.- NIL

XVIII. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:



The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus /right issues as at 31st March, 2024. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities are as follows:

| | |
|---|----------------|
| aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; | Not Applicable |
| number of shareholders who approached listed entity for transfer of shares from suspense account during the year; | Not Applicable |
| number of shareholders who approached listed entity for transfer of shares from suspense account during the year; | Not Applicable |
| aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; | Not Applicable |
| that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. | Not Applicable |

XIX. PRACTISING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE WITH THE PROVISIONS RELATING TO CORPORATE GOVERNANCE:

The Certificate on Compliance with provisions related to Corporate Governance provided by Practising Company Secretary as stipulated in Schedule V (E) of Listing Regulations by the Company is also annexed to this report.



ADDITIONAL INFORMATION FOR THE SHAREHOLDERS:

1. UNCLAIMED DIVIDENDS :

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred the unpaid or unclaimed dividend along with shares for the financial year 2011-12 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

No Dividend was declared since the financial year 2012-13. Hence, there is no amount or shares due for transfer to Investor Education and Protection Fund.

As per the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the DEMAT account of the IEPF Authority. The shareholders are requested to claim the unclaimed dividend immediately in order to avoid the transfer of shares to the Authority.

2. SERVICE OF DOCUMENTS THROUGH ELECTRONIC MODE :

As a part of Green Initiative, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agents, Link Intime (India) Private Limited or to the Company at 'shareholders@artefactprojects.com' or fill up the Email Updation Form and send to the Company.

GENERAL SHAREHOLDERS INFORMATION :

| | | |
|--|--|---|
| (a) Annual General Meeting Date: Time: Venue: | 27 th September, 2024 11.00 A.M. Block No. 105, 2 nd Floor, "Artefact Towers", Chhatrapati Square, Wardha Road, Nagpur | |
| (b) Financial Year: | 1 st April, 2023 to 31 st March, 2024 | |
| (c) Financial Calendar: | Result for the quarter ending 30 th June | On or before 14 th August |
| | Result for the quarter and Half year ending 30 th September | On or before 14 th November |
| | Result for the quarter and nine months ending 31 st December | On or before 14 th February |
| | Audited Result for the quarter and year ending 31 st March | On or before 30 th May (Audited) |
| | Annual General Meeting for the year ended 31 st March | On or before 30 th September |



| | |
|--|---|
| (d) Dividend Payment Date: | Not Applicable |
| (e) Book Closure Date: | Not Applicable |
| (f) Listing on Stock Exchanges: | BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 The Company has paid Listing fees for the year 2023-24. |
| (g) Scrip Code & ISIN: | Equity – BSE 531297 ISIN- INE885B01014 |
| (h) Market Price Data: | As per Appendix “A” |
| (i) Stock performance in Comparison to BSE Sensex: | As per Appendix “B” |
| (j) Registrar & Share Transfer Agent: | Link Intime (India) Private Limited (Unit: Artefact Projects Limited) C-101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083 Phn: 02249186000 |
| (k) Distribution of shareholding & Shareholding pattern: | As per Appendix “C” |
| (l) Share Transfer System: | Share transfer and related operations for the Company is conducted by M/s. Link Intime India Pvt. Ltd which is registered with SEBI as a Category 1 registrar. Share transfer is normally affected within maximum period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. |
| (m) Dematerialization of shares: | As on 31 st March, 2024, 98.81% of the equity shares of the Company are held in dematerialized form with NSDL and CDSL. |
| (n) Conversion of Share Warrants: | NIL |
| (o) Plant Location: | Nil |
| (p) Address for the correspondence: Company: | Block No. 105, 2 nd Floor, “Artefact Towers”, Chhatrapati Square, Wardha Road, Nagpur – 440015 Tel: # 91 – 712 – 7197100 Fax: # 91 – 712 – 7197 120 Email: shareholders@artefactprojects.com ; artefactngp@artefactprojects.com |
| (q) Outstanding ADRs, GDRs or any convertible instruments, conversion date and impact on Equity: | As on 31 st March, 2024 your Company has not issued any ADRs, GDRs or any convertible instruments. |
| (r) Commodity price risk or foreign exchange risk and hedging activities | Not Applicable |
| (s) Credit Rating: | Not Applicable |



APPENDIX - A

MARKET PRICE DATA

COMPANY : ARTEFACT PROJECTS LIMITED

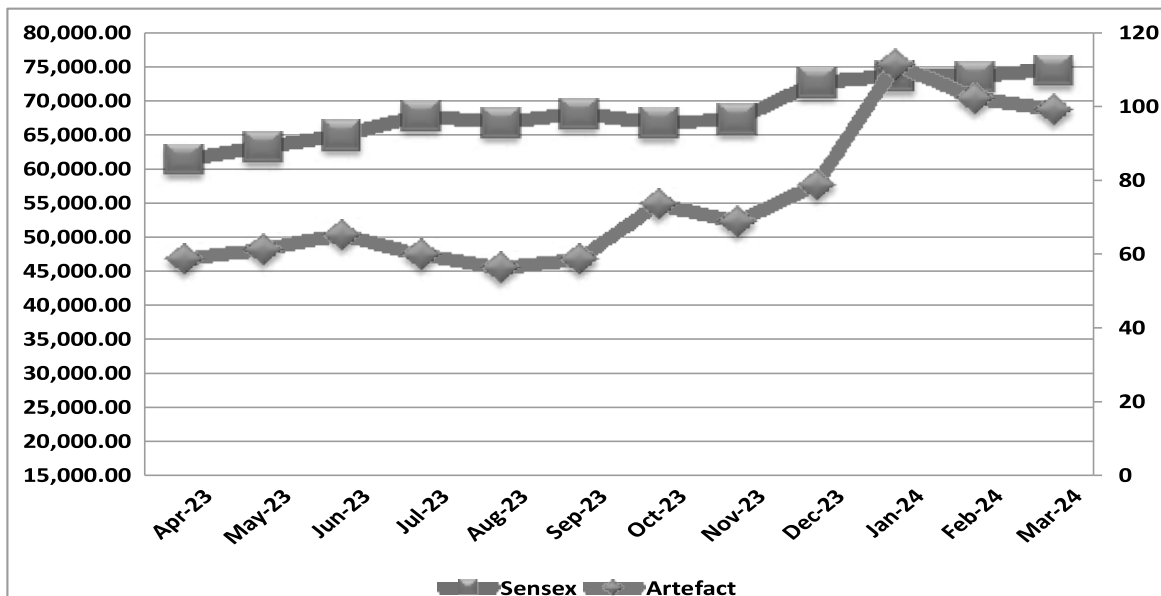
SCRIP CODE : 531297

| Month | Prices of shares of the Company at BSE (Rs.)* | | Volume* (No. of Shares) | BSE Sensex* (Points) | |
|----------|---|-----------|----------------------------|-------------------------|-----------|
| | High Price | Low Price | | High | Low |
| Apr 2023 | 58.40 | 35.50 | 4,83,831 | 61,209.46 | 58,793.08 |
| May 2023 | 61.00 | 51.0 | 1,79,433 | 63,036.12 | 61,002.17 |
| Jun 2023 | 65.00 | 52.25 | 5,91,401 | 64,768.58 | 62,359.14 |
| Jul 2023 | 59.69 | 52.05 | 1,09,517 | 67,619.17 | 64,836.16 |
| Aug 2023 | 56.10 | 45.60 | 1,34,401 | 66,658.12 | 64,723.63 |
| Sep 2023 | 58.40 | 45.91 | 6,50,247 | 67,927.23 | 64,818.37 |
| Oct 2023 | 73.25 | 56.20 | 13,32,806 | 66,592.16 | 63,092.98 |
| Nov 2023 | 68.50 | 60.00 | 6,89,325 | 67,069.89 | 63,550.46 |
| Dec 2023 | 78.50 | 57.15 | 14,48,331 | 72,484.34 | 67,149.07 |
| Jan 2024 | 111.00 | 73.00 | 23,75,200 | 73,427.59 | 70,001.60 |
| Feb 2024 | 102.00 | 87.00 | 7,38,402 | 73,413.93 | 70,809.84 |
| Mar 2024 | 98.94 | 70.00 | 5,92,144 | 74,245.17 | 71,674.42 |

* Source: www.bseindia.com

APPENDIX - B

INDEX COMPARISON





APPENDIX C

DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 31ST MARCH, 2024

| Category | Number of Shareholders (#) | Total number of Shareholders (%) | Total number of Shares for Range | Total number of Shares (%) |
|----------------|----------------------------|----------------------------------|----------------------------------|----------------------------|
| 1-500 | 4337 | 84.50 | 535696 | 7.36 |
| 501 -1,000 | 408 | 7.95 | 334960 | 4.61 |
| 1,001 -2,000 | 175 | 3.40 | 272785 | 3.75 |
| 2,001 - 3,000 | 76 | 1.48 | 196298 | 2.70 |
| 3,001 - 4,000 | 23 | 0.44 | 83186 | 1.14 |
| 4,001 - 5,000 | 24 | 0.47 | 114058 | 1.57 |
| 5,001 - 10,000 | 39 | 0.76 | 279719 | 3.85 |
| 10,001 & Above | 51 | 0.94 | 5458298 | 75.02 |
| Total | 5133 | 100 | 7275000 | 100 |

#Total numbers of Shareholders are not consolidated on PAN basis.

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2024

| Category | No. of Shares held | Shareholding (%) |
|----------------------------------|--------------------|------------------|
| Promoters Holding | | |
| 1. Promoters and their relatives | 2843586 | 39.09 |
| Non - Promoters Holding | | |
| 2. Bodies Corporate | 988900 | 13.59 |
| 3. Individuals | 2794429 | 38.41 |
| 4. HUF | 369599 | 5.08 |
| 5. NRI's/ OCB's | 137720 | 1.89 |
| 6. IEPF | 90766 | 1.25 |
| 7. Foreign Portfolio Investor | 50000 | 0.69 |
| 8. | | |
| TOTAL | 7275000 | 100.00 |



SHAREHOLDER'S REFRENCER :

At a glance :

- Face value of the Company's Equity shares is Rs.10/-
- The Company's Equity Shares are listed on BSE Limited (BSE).
- The Company's Equity Shares are under compulsory trading in DEMAT form only.
- 98.79% of the Company's Equity Shares are held in DEMAT form.
- The Company's Equity shares are freely transferable except as may be required statutorily.
- Link Intime (India) Private Limited is the Registrar & Share Transfer Agent of the Company.

Investor Grievance Handling Mechanism:

All share related transactions viz. transfer, transmission, transposition, nomination, dividend, change of name/address/signature, registration of mandate/ Power of Attorney, replacement/ split/ consolidation of share certificates, demat/ remat of shares, issue of duplicate certificates etc. are being handled by Link Intime (India) Private Limited, the Registrar and Share Transfer Agent. They also discharge investor service functions effectively, efficiently and expeditiously.

Investors are required to correspond directly with Link Intime (India) Private Limited, on all share related matters.

The Board of Directors of the Company has constituted a Stakeholders' Relationship Committee (the Committee) which *inter alia*, approves issue of duplicate certificates and oversees and reviews all matters connected with share transfers and other processes. The Committee also looks into the redressal of shareholders complaints related to transfer of shares, non-receipt of Dividend etc. The Committee oversees the performance of the R & T Agent and recommends measures for overall improvement in the quality of investor services.

Recommendation by Company to Shareholders/ Investors:

In pursuit of the Company's objective to mitigate / avoid risks while dealing with shares and related matters, the following are the Company's recommendations to shareholders/ investors:

- **Adoption of Green Initiative :**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.



- **Opening of DEMAT account and dematerialize your shares :**
Investors should convert their physical holdings of shares into DEMAT holdings. Holding shares in DEMAT form helps investors to get immediate transfer of the shares. No stamp duty is payable on transfer of shares held in DEMAT form and risk associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.
- **Register ECS mandate and furnish correct bank account particulars with the Company/ Depository Participant (DP):**
Investors should provide an ECS mandate to the Company in case of shares held in physical form and in case of shares held in DEMAT form ensure that the correct and updated particulars of his bank account are available with the Depository Participant (DP). This would facilitate direct credit of dividends, refunds etc. from companies to their bank account and avoid postal delays and loss in transit.
- **Fill and submit nomination form:**
Investors should register the nominations, in case of physical shares, with the Company and in the case of dematerialized shares with their DP. Nomination would help successors to get the shares transmitted in their favor without any hassles.
- **Proper updation by the shareholders:**
There is likelihood of fraudulent transfers in case of folios with no movement or where the shareholders have either expired or is not residing at the address registered with the Company. The Company / DP should be updated on any change of address or contact details.
- **SEBI Complaints Redress System (SCORES):**
The investors' complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of the complaints.

Course of action in case of non-receipt of Dividend, Revalidation of Dividend warrant etc.

Shareholders may write to the Company's R & T Agent, furnishing particulars of the dividend not received and quoting the folio number (in case of shares held in physical mode)/ DP ID and Client ID particulars (in case of shares held in DEMAT mode). The R & T Agent shall check the records and issue Demand Draft if the dividend remains unpaid in the records of the Company after expiry of the validity period of the warrant which is normally three months from the date of its issue. In case of loss of original dividend warrant the shareholders have to wait since demand draft cannot be issued till the expiry of the validity period of the original dividend warrant and the shareholder has to execute a letter



of indemnity. On the expiry of the validity period if the dividend warrant is still shown as unpaid in the records of the Company, demand draft will be issued. However, demand drafts will not be issued against those shares wherein a 'stop transfer indicator' has been instituted either by virtue of a complaint or by law, unless the procedure for releasing the same has been completed.

No demand draft will be issued in respect of dividends which have remained unclaimed and unpaid for a period of seven years in the unpaid dividend account of the Company as they are required to be transferred to the Investor Education and Protection Fund constituted by the Central Government.



CERTIFICATE UNDER SCHEDULE V (C)(10)(I) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Artefact Projects Limited

I, Khushal Bajaj, Practicing Company Secretary, have examined the Company and Registrar of Companies records, books, and papers of Artefact Projects Limited (CIN : L65910MH1987PLC044887) having its Registered at Block No. 106, 3rd Floor, "ARTEFACT TOWERS", 54/3 Chhatrapati Square, Wardha Road, Nagpur-440015, Maharashtra, India (the Company) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and Regulations made thereunder for the Financial year ended on March 31, 2024.

In my Opinion and to the best of our information and according to the examinations carried out by us and explanations and representation furnished to me by the Company, its officers and agents, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2024.

Directors of Companies by the SEBI, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2024:

Directors of Companies by the SEBI, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2024:

| Sr. No. | Name of Director | Designation | DIN |
|---------|----------------------------------|------------------------|----------|
| 1 | Mr. Siddharth Pankaj Shah | Whole Time Director | 05304116 |
| 2 | Mrs. Ankita Shah | Non-Executive Director | 06772621 |
| 3 | Mrs. Pritti Kamal Kishor Agrawal | Independent Director | 10386174 |
| 4 | Mr. Kaustubh Paunikar | Independent Director | 08621592 |

For: CS Khushal Bherulal Bajaj
Practising Company Secretary

Sd/-

CS Khushal Bajaj

ACS No. 49466

CP No. 18087

PR No: 2453/2022

Place: Nagpur

Date: 24.07.2024

UDIN: A049466F000816760



DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

I Siddharth P. Shah, Whole Time Director of the Company hereby confirm that the Company has obtained declarations from all the members of the Board and Senior Management affirmation that they have complied with the Code of Conduct for Directors and Senior Management for the financial year 2023-24.

**For and behalf of the Board
of Directors of
Artefact Projects Limited**

**Place : Nagpur
Date : 01/09/2024**

**Sd/-
Siddharth P. Shah
Whole Time Director
DIN: 05304116**



PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF

ARTEFACT PROJECTS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Artefact Projects Limited ("the Company"), for the year ended on 31st March, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (the Listing Regulations).
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to the information and explanations provided to us and the representations made by the Directors and the Management, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C and D of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2024:
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For: CS Khushal Bherulal Bajaj
Practising Company Secretary

Place: Nagpur
Date: 24.07.2024
UDIN: A049466F000816760

Sd/-
CS Khushal Bajaj
ACS No. 49466
CP No. 18087
PR No: 2453/2022



ANNEXURE I

DETAILS OF THE RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION

Median Remuneration of the employees of the company for the financial year is Rs. 3.60 Lakhs.

| | | |
|---|--|---|
| (i) | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :- | |
| Sr. no. | Name of the Director | Ratio of remuneration to the median remuneration of the employees |
| 1 | Mr. Siddharth Shah | 5.83 |
| 2 | Mrs. Ankita Shah | 0.00 |
| 3 | Mr. Sandeep Batta | 0.00 |
| (ii) | The percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year | |
| Sr. no. | Name of the Director | % Increase over last F.Y. |
| 1 | Mr. Siddharth Shah | 0.00 |
| 2 | Mrs. Ankita Shah | 0.00 |
| 3 | Mr. Sandeep Batta | 0.00 |
| 4 | Mr. Chandrashekar Baseshankar – CFO | 0.00 |
| 5 | Mrs. Snehal Jaiswal- CS | 0.00 |
| (iii) | The percentage increase in the median remuneration of employees in the financial year | 0.00 |
| (iv) | The number of permanent employees on the payroll of the company | 114 |
| (v) | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | The increase in the salary of the employees, if any, other than managerial personnel is based on various parameters as per the Human Resource Policy of the Company. Also, the number of employees has decreased as compared to the previous financial year 22-23. During the year under review, there is increase in the remuneration of the managerial personnel as per the details stated above. |
| We hereby confirm that the remuneration is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company. | | |
| Place: Nagpur | Sd/- | Sd/- |
| Date:01st September,2024 | Siddharth Shah | Kaustubh Paunikar |
| | Whole Time Director | Chairman of Nomination& |
| | DIN: 05304116 | Remuneration Committee |
| | | DIN: 08621592 |



ANNEXURE II

Information as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Names of the top ten employees of the Company in terms of remuneration drawn | | | | | | | | | | |
|--|--------------------------|-----------------------------|--|--|---|------------------------------------|-----|---|---|---|
| Sr. No | Name of employee | Designation of the employee | Remuneration received in Rs. per annum | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | Date of commencement of employment | Age | Last employment held before joining the Company | The percentage of equity shares held by the employee in the Company within the meaning of Clause(iii) of sub-rule(2) Rule 5 | Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager |
| 1 | Mr. Jagmohan Singh | Team Leader | 3,600,000 | Retainership Contract | BE (Civil), MBA | 14.05.2019 | 61 | Lion Engineering Consultant | NIL | NA |
| 2 | Gudipati V Rao | Team Leader | 3,360,000 | Employment + Part-time Retainership Contract | BE (Civil), M.Tech | 04.11.2022 | 65 | M/s Wadia Techno Engineering Services Lt. | NIL | NA |
| 3 | Ashok Kumar Goyal | Team Leader | 2,880,000 | Retainership Contract | BE (Civil), MCM | 09.05.2017 | 60 | CDM Smith India Pvt. Ltd. | NIL | NIL |
| 4 | Rajeev Kumar | Team Leader | 2,880,000 | Employment + Part-time Retainership Contract | BE (Civil), MBA | 11.11.2022 | 65 | CEMOSA | NIL | NIL |
| 5 | Swanand Patodkar | Team Leader | 2,700,036 | Employment Contract | BE(Civil), M.Tech | 27.04.2023 | 56 | Creation Engineers Aurangabad | NIL | NIL |
| 6 | Anarendra Suresh Jaitare | Sr. VP Structure | 2,400,000 | Employment Contract | BE(Civil), M.Tech | 01.01.2009 | 51 | RCC Consultant Nagpur | NIL | NA |
| 7 | Sanjeev Goel | Team Leader | 2,280,000 | Employment Contract | BE(Civil), M.Tech | 23.12.2023 | 48 | Highway Engineering Consultant | NIL | NA |
| 8 | Mr. Siddharth Shah | Vice President , Highway | 2,100,000 | Employment Contract | BE(Civil), M.Tech | 06.07.2013 | 32 | NA | NIL | NA |
| 9 | Anil Prasad | | 2,100,000 | Employment Contract | | 01.07.2023 | 59 | | NIL | NA |
| 10 | Avinash Rai | Bridge Structure Engineer | 2,040,000 | Employment Contract | BE(Civil), M.Tech | 18.05.2023 | 40 | Lion Engineering Consultant Pvt Ltd | NIL | NA |

II Name of employees who were employed throughout the Financial Year 2023-24 and were paid remuneration not less than 1 Crore 2 lakhs Rupees per annum.: NIL

III Name of employees who were employed in part during the Financial Year 2023-24 and were paid remuneration not less than 8 lakhs 50 thousand per month.: NIL

IV Name of employees who were employed throughout the Financial Year 2023-24 or part thereof and were paid remuneration in excess of Managing Director or Whole-time Director or Manager and holds along with his spouse and dependent children not less than 2% of equity shares of the Company.: NIL

For and on behalf of Board of Directors
Artefact Projects Limited

Place: Nagpur
Date: 1st
September, 2024

Sd/-
Siddharth Shah
Whole Time Director
DIN: 05304116

Sd/-
Kautubh Paunikar
Director
DIN: 06772621



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To,
The Board of Directors and Members of Artefact Projects Limited
Nagpur

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Artefact Projects Limited (CIN: L65910MH1987PLC044887) and having its registered office at Block No. 105, 2nd Floor, "Artefact Towers", Chhatrapati Square, Wardha Square, Vivekanand Nagar, Nagpur 440015, Maharashtra (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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 (Not applicable to the Company during the audit period);



- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
- 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, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period); and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. There are no laws that are specifically applicable to the company based on their sector/industry.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc.



I further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The composition of the Board of Directors during the period under review was 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that based on the information received and records maintained 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.

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

Place: Nagpur
Date: 24.07.2024
UDIN: A049466F000816738

Sd/-
CS Khushal Bajaj
M.NO. 49466
COP No. 18087



“Annexure A”

To,
The Board of Directors and Members of Artefact Projects Limited
Nagpur

Our report of even date is to 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 record. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. I believe that the processes and practices followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliances 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 the test basis.
6. The Secretarial Audit Report is neither 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: 24.07.2024
UDIN: A049466F000816738

Sd/-
CS Khushal Bajaj
M.NO. 49466
COP No. 18087



MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

This analysis report briefly describes the Company, current industry and business environment, ability of company to avail opportunities, exhibit strength, handling of threats/weaknesses, financial performance, internal controls and other related issues.

INDUSTRY DEVELOPMENTS:

The Industry Outlook for Infrastructure development is very positive in short & long term. The Interim Union budget for 2024-25 provides numerous initiatives for the industry. One of the major highlights is increase in funding in the road sector. The scheme providing 50-year interest free loans to state governments will be made available in 2023-24 also with an outlay of Rs 1.3 lakh crore. 100 critical transport infrastructure projects for last and first mile connectivity for various sectors such as ports, coal, steel will be taken up.

An Urban Infrastructure Development Fund will be established for development of urban infrastructure by public agencies in tier-2 and tier-3 cities. The Fund will be managed by the National Housing Bank and is expected to have an annual allocation of Rs 10,000 crore. States and cities will be encouraged to undertake urban planning reforms such as efficient land use and transit-oriented development. Cities will be incentivized to improve their credit worthiness for municipal bonds through property tax reforms and setting aside user charges.

New Infrastructure Finance Secretariat established to enhance opportunities for private investment in infrastructure.

The Union Budget 24-25, Strong fiscal support for infrastructure to continue over the next 5 years, in conjunction with imperatives of other priorities and fiscal consolidation. This year, INR 11,11,111 Cr has been provisioned for capital expenditure. This would be 3.4% of our GDP.

(https://prsindia.org/files/budget/budget_parliament/2023/Union_Budget_Analysis-2023-24.pdf)
<https://pib.gov.in/PressReleasePage.aspx?PRID=1895315>

BUSINESS OUTLOOK :

The Indian economy has increased in size from being 10th to 5th largest in the world. The Business outlook is very positive likely to outperform the GDP growth estimates. Three major economic railway corridor programs will be implemented. These are: (i) energy, mineral and cement corridors, (ii) port connectivity corridors and (iii) high traffic density corridors. Forty thousand normal rail bogies will be upgraded to Vande Bharat standards to ensure passenger safety and comfort. .

The Union budget, core vision on expansion of existing airports and comprehensive development of new airports under UDAN scheme and Phase IV of PMGSY will be launched to provide all-weather connectivity to 25,000 rural habitations.

<https://www.investindia.gov.in/team-india-blogs/indias-union-budget-2024-25-key-highlights>

<https://prsindia.org/budgets/parliament/interim-union-budget-2024-25-analysis>



THE INFRASTRUCTURE SECTOR – DEVELOPMENT, OPPORTUNITIES AND THREATS:

DEVELOPMENT AND OPPORTUNITIES:-

India's is on high growth trajectory in 2024. Major strides in key sectors of infrastructure development is a critical force aiding the economic progress.

Infrastructure is a key enabler in India to become a US\$ 26 trillion economy. Investments in building and upgrading physical infrastructure remains pivotal to increase efficiency and costs. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

The Infrastructure sector is highly responsible for propelling India's overall development and enjoys focus from Government for ensuring time-bound creation of world class infrastructure in the country.

It provides a good opportunity to established players & service providers in the Infra Space.

THREATS:-

After the election result of Lok Sabha Poll 2024, with a stable government, there are no perceivable threats or risks to the long-term viability of Company's business.

The company has acquired substantial new orders exceeding Rs. 200 crores and the Gross Order Book under execution stands at approx. Rs. 315 crores which is sufficient for Revenue Visibility for next 4 to 5 years.

Hence the Company perceives no immediate threat on short term.

RISKS AND CONCERNS:

The Company's ability to foresee and manage business risks is already proven in spite of adverse external conditions. The Company's long-term outlook is positive.

Your Company continues to focus on its core strength in Highways as it has a strong domain expertise. Your Company has collaborated with number of reputed Foreign and Domestic Consultancy organizations for expansion in separate verticals in the Infrastructure space, especially Railways and urban Infrastructure.

Appropriate and timely Management intervention reduce the risk of volatility of revenue receipts.

INTERNAL CONTROLS AND THEIR ADEQUACY:

Your Company has adequate system of internal controls. Such internal controls are supplemented by Internal Financial Control Manual and Programme of internal audits. These are designed to ensure that financial and other records are reliable for preparing financial information and other reports and for maintaining regular accountability of the Company's assets. The Internal Auditors of your Company present their report on a quarterly basis to the Audit Committee of the Board.



A Management Information System covers major operating parameters and is reviewed regularly by the Board of Directors. Material deviations from planning and budgeting are reviewed on a quarterly basis by the Board for corrective actions.

NET WORTH :

As on 31st March, 2024, the Net Worth of the Company stood at Rs. 5928.95 Lacs as compared to Rs. 5565.68 lacs during the previous financial year. This increase of 6.53% was mainly due to profits for the year of the Company. The Book value of the equity shares of the company stood at a healthy Rs. 81.50 per share (Previous year Rs. 76.50 per share).

SECURED LOANS :

Total Secured Long Term Borrowing of the Company was NIL. Working capital loan as Overdraft/Cash Credit, secured loan outstanding was of Rs.1,007.97 (Sanctioned limits of Rs. 1125 Lacs). There was a prepayment and reduction in Bank Term Loans to the extent of Rs. 557.24 lacs during the year under review.

FIXED ASSETS :

The gross block of fixed assets stood at Rs. 2226.01 Lacs as against Rs. 2201.16 Lacs for the previous year. The increase in Gross block of Fixed Assets is as a result of Normal Capital Expenditure on account of Project expansion and new project offices set up to cater to Enhanced orders.

CURRENT ASSETS: SUNDRY DEBTORS :

Sundry Debtors stood at Rs. 1578.22 Lacs as on 31st March 2024 as against Rs. 1474.13 Lacs during the previous financial year. Debtors include GST Receivable of Rs. 403.03 lacs. Debtors mainly comprise of project and quarter end billings and outstanding Bills due of last quarter pending approvals. All clients are Government/ PSU. Due to the formal prior approval based system of obtaining payments of the invoices, the Company has to sustain certain levels of Debtors as a normal business feature. The Company continues to make efforts to reduce the level of debtors constantly and during the year the level of Debtors was proportionately lesser as a of Receipts.

CASH & BANK BALANCES :

The Cash and Bank Balances stood at Rs. 400.49 Lacs. This is mainly includes due to fixed deposits pledged with Banks as 100% cash Collateral for Bank guarantees issued by the company to its Clients as per Contractual requirement. The same shall be available to the Company once Bank Guarantee limits are availed fully the Company.

LOANS & ADVANCES:

Current Short Term Business Loans and Advances stood at Rs. 4858.90Lacs (Previous year Rs. 3922.81 Lacs). The increase is due is normal business requirements.



CURRENT LIABILITIES & PROVISIONS (EXCLUDING CURRENT MATURITY OF SECURED LOAN):

The current liabilities and provisions stood at Rs. 2592.96 Lacs (previous year Rs. 2097.52 Lacs). This mainly consists of Trade Payables of Rs. 573.40 Lacs, Statutory Liability of Rs. 590.08 Lacs and other payables and provisions amounting to Rs. 1429.48 Lacs.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company continues its committed priority on Human capital.

The Company has adopted Indian Accounting Standard (IND-AS), notified under the Companies (Accounting) Rules, 2015.

At the end of the Year 2023-2024, the break-up of Human Resource was employment of 39 Technical, 138 Non-Technical and 24 Supporting Staff, total being 201 number of staff.

DETAILS OF SIGNIFICANT CHANGES IN FINANCIAL RATIOS:

| Particulars | 2024 | 2023 |
|---|-------------|-------------|
| Operating Ratio | 42.41% | 31.13% |
| PBIDT Ratio | 25.46% | 40.98% |
| PBT Ratio | 21.56% | 35.69% |
| PAT Ratio | 18.34% | 24.44 % |
| Net Worth (Rs.) | 5928.95 | 5565.68 |
| Return on Net Worth | 8.83% | 9.60% |
| Return on Equity (PBT/Equity) | 8.79% | 11.65% |
| Interest Coverage Ratio | 4.44 | 4.05 |
| Debt Equity Ratio (Secured Loan/Equity) | 0.17 | 0.21 |
| Current Ratio | 1.98 | 2.52 |
| Debtors Turnover Ratio | 1.58 | 1.28 |
| Debtors Turnover Ratio | 1.58 | 1.28 |
| EPS (Basic)* | 7.33 | 7.61 |
| EPS (Diluted)* | 7.33 | 7.61 |

CAUTIONARY STATEMENT :

Statement in this Management Discussion and Analysis report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' with the meaning of applicable laws and regulations. Actual results might differ.



INDEPENDENT AUDITORS' REPORT

To
The Members
ARTEFACT PROJECTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ARTEFACT PROJECTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 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 audit opinion on the standalone financial statements.

Emphasis on Matter:

We draw attention to:

- 1) Note No. 5.02 and 10, regarding management opinion that there is no decline in the carrying value of Loans and Investment aggregating to Rs. 7.78 Crores made to associate company for the reason stated therein.
- 2) The Company observed significant positive developments on the operations of the business based on long term contracts, awarded during the FY 2023-24 on useful life of the assets and its financial position.

Our opinion is not qualified in respect of above matters

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 for the financial year ended March 31, 2024. 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. Except for the matters described in Emphasis on matters for paragraph above, we have determined that there are no other key audit matters to communicate in our report.



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our Auditor's Report thereon. The Board's report is expected to be made available to us after the date of this Auditor's Report.

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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matters

The Financial Statements and other financial information include the companies proportionate share in jointly controlled total assets (Net of liabilities) of Rs. 27.46 Lakhs, revenue of Rs. 0.00 Lakhs, expenditure of Rs. 0.13 Lakhs and share of loss of Rs. 0.13 Lakhs in joint ventures for the year ended March 31, 2024 and the elements making up the cash flow statements and related disclosures in respect of unincorporated joint ventures which is based on the audited financial statements of the respective joint ventures audited by us.

Report on Other Legal and Regulatory Requirements

1. 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 purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement 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, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to these standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**” to this report.
 - g. In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2016, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements as referred to in Note no. 31 to the standalone financial statements.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
2. As required by the Companies (Auditor's Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in “**Annexure B**” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Naresh Patadia & Co.**
Chartered Accountant
Firm Registration Number- 106936W

Place : Nagpur
Date : 21/05/2024

SD/-
Naresh Patadia
Proprietor
Membership No. 035620
UDIN NO:24035620BKKBGZX4994



“ANNEXURE A” TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (f) of the Independent Auditors Report of even date to the members of Artefact Projects Limited on the standalone Financial Statements as of and for the year ended March 31, 2024)

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

We have audited the Internal Financial Controls with reference to Financial Statements of **ARTEFACT PROJECTS LIMITED (“the Company”)** as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting (the “Guidance Note”) 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Financial Controls over financial reporting and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly



reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India . Also refer paragraph “**Emphasis on Matters**” in main audit report

For **Naresh Patadia & Co.**
Chartered Accountant
Firm Registration Number : 106936W

Place : Nagpur
Date : 21/05/2024

SD/-
Naresh Patadia
Proprietor
Membership No.035620
UDIN NO: 24035620BKBGZX4994



“ANNEXURE B” TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 of the Independent Auditors Report of even date to the members of Artefact Projects Limited on the standalone Financial Statements as of and for the year ended March 31, 2024)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of its Property, Plant and Equipment:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
 - b. According to the information and explanations given to us, the Company has physically verified all the Property, Plant and Equipment and no material discrepancies were noticed on such physical verification as compared with the available records.
 - c. According to the information and explanations given to us, the original title deeds of immovable properties have been pledged as security for loans with a lender. The Company has produced the photocopy of the title deeds of these immovable properties and based on such documents, the title deeds are held in the name of the Company except that the Land on which the building has been constructed is jointly owned by the Company, and directors' relatives (Refer Note No. 3.01 to the Financial Statements).
 - d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. In respect of its inventories:
 - a. The Company does not have any Inventories of Raw Material, Finished Goods and Stores & Spares. The Inventory/ WIP at the year end represents expenditure incurred in respect of the Project Management Consultancy Services executed but remained un-billed as on the reporting date and accordingly the provisions of Clause (ii) of Paragraph 3 of the Order as far as it relates to Physical Verification of Inventories are not applicable to the Company.
 - b. During the year, the Company has been sanctioned working capital limits of Rs. 11.25 Crores from Punjab National Bank on the basis of security of current assets.
- iii. The Company has not made investments in, provided guarantee or security and granted loans and advances in the nature of loan to companies, firms, Limited Liability Partnerships and other parties, during the year, in respect of which:
 - a. The Company has provided loans and advances in the nature of loan. As informed to us and certified by the management, the company has not provided any security to any other entity during the year.



| Particulars | Guarantees Amount (Rs. In Lakhs) | Security Amount (Rs. In Lakhs) | Loans / Advances in the nature of loans Amount (Rs. In Lakhs) |
|---|---|---------------------------------------|--|
| Aggregate amount granted / provided during the year | NIL | NIL | |
| (a) Associates | - | - | 193.19 |
| (b) Joint Ventures | - | - | 12.54 |
| Balance Outstanding as at balance sheet date in the above-mentioned cases | | | |
| (a) Associates | - | - | 687.90 |
| (b) Joint Ventures | - | - | 81.00 |

Corporate Guarantee given to associate concern is released on repayment of entire Bank loan by the Associate Company.

- b. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, and the terms and conditions of unsecured loans granted by the company are not prejudicial to the interest of the company.
- c. In respect of loans and advances in the nature of loans given during the year, the schedule of repayment of principal and payment of interest has not been stipulated in the Memorandum of understanding (MOU) entered with the borrowers and the aid loans are repayable on demand. The management has informed that no loans given have been recalled during the year, hence no question of overdue amount arises in respect of such loans.
- d. The granting of loans and its repayments wholly and partially is a continuous process within the overall limit agreed to be provided. Loans are granted and received back during the year as a continuous process. As informed and certified by management, no loans granted by the Company have fallen due during the year, and hence no question of renewal or extension of the said loans or granting fresh loans to settle overdue existing loans given to the same parties arises.
- e. Yes. The aggregate amount, and percentage thereof to total loans are as given below.

| Particulars | All Parties (Rs. in Lakhs) | Promoters (Rs. in Lakhs) | Related Parties (In Rs. Lacs) |
|--|-----------------------------------|---------------------------------|--------------------------------------|
| Aggregate amount of Loans / advances in the nature of loans | | | |
| A) Repayable on Demand | 3849.24 | - | 687.90 |
| B) Memorandum of Agreement does not specify any terms or period of repayment | - | - | - |
| TOTAL (A+B) | 3849.24 | - | 687.90 |
| Percentage of loans/advances in nature of loans to the total loans | 84.84 | - | 15.16 |



- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, as applicable, in respect of loans granted, investments made and guarantees and securities provided.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of the cost records under sub section (1) of section 148 of the act in respect of business activities carried on by the company. Therefore, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) Some delay have been noticed in depositing undisputed statutory dues in respect of ESIC, Provident fund, Profession tax, GST and TDS with the appropriate authorities during the year. According to the information and explanations given to us, undisputed amounts payable in respect of such statutory dues outstanding as at March 31, 2024 for a period of more than six months from the date they became payable are as given below:

| Name of the Statute | Nature of the Dues | Amount (In Rs. Lakhs) |
|---|------------------------------|----------------------------------|
| Income Tax Act, 1961 | Tax Deducted at Source (TDS) | 24.35 |
| Goods and Service Tax Act 2017 | GST | 269.58 |
| Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975 | Profession Tax | 10.28 |
| TOTAL | | 304.21 |

- (i) According to information & explanations given to us by the management and on the basis of our examination of the records of the company examined by us, the company has receivable of Rs. 403.03 Lakhs from client as reimbursement of GST charged in bills against the GST payable.
- viii) According to information & explanations given to us and on the basis of our examination of the records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix) (a) According to information & explanations given to us and on the basis of our examination of the records of the company examined by us, the company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any financial institution or bank as at the balance sheet date except that there has been some delay in payment of installment/interest during the year. The company does not have any loans or borrowings from the government, nor has it issued any debenture.



- (b) According to information & explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- c) According to information & explanations given to us and on the basis of our examination of the records of the company, the company has utilized the money obtained by way of loans during the year for the purpose for which they were obtained.
- (d) According to information & explanations given to us, the procedures performed by us and on an overall examination of the financial statements of the company, we report that no funds raised on a short-term basis have been used for long-term purposes by the Company.
- (e) According to information & explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Companies Act, 2013.
- (f) According to information & explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The company has obtained term loans from banks during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to information & explanations given to us and on the basis of our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to information & explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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.
- (c) According to information & explanations given to us by the management, no whistle-blower complaints have been received by the Company during the year.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause 3 (xii) of the Order is not applicable to the Company.



- xiii) According to information & explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details of related party transaction have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) (a) Based on information and explanations provided to us and audit procedures performed by us, in our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with its directors during the year and hence provisions of section 192 of the companies Act, 2013 are not applicable to the company.
- xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Clause 3 (xvi)(a) and Clause 3 (xvi)(b) of the order are not applicable.
- (b) The Company is not a core investment company (CIC) as defined in the regulations made by the Reserve bank of India. Accordingly, Clause 3(xvi)(b) of the Order is not applicable.
- (c) According to information & explanations given to us during the course of audit, the group does not have any CIC. Accordingly, Clause 3 (xvi)(d) of the Order is not applicable.
- xvii) The company has not incurred cash losses in the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the company during the year.
- xix) According to the information and explanations given to us and on the basis of the financial ratios and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) In our opinion and according to information and explanations provided to us, the provisions of Section 135 of the Companies Act 2013 are not applicable to the company and hence Clause 3(xx)(a) and 3 (xx)(b) of the Order are not applicable.

Place : Nagpur
Date : 21/05/2024

For Naresh Patadia & Co.
Chartered Accountant
Firm Registration Number- 106936W
sd/-
Naresh Patadia
Proprietor
Membership No. - 035620
UDIN NO:24035620BKBGZX4994



ARTEFACT PROJECTS LIMITED

Regd. Office : Block No. 105 "Artefact Towers", Plot No.-54/3, Chhatrapati Square, Wardha Road, Nagpur -440015, Maharashtra

CIN : L65910MH1987PLC044887, Phone. No. : +91 -712 - 7197120

Email : artefactngp@artefactprojects.com; shareholders@artefactprojects.com; website : www.artefactprojects.com

BALANCE SHEET AS AT MARCH 31ST, 2024

| Particulars | Note No | As at March 31st, 2024 (Amount in Lakhs) | | As at Mar 31st, 2023 (Amount in Lakhs) | |
|---|---------|---|-----------------|---|-----------------|
| ASSETS | | | | | |
| Non-Current Assets | | | | | |
| (a) Property, Plant and Equipment | 3 | 1,187.49 | | 1,181.64 | |
| (b) Intangible Assets | 4 | - | 1,187.49 | - | 1,181.64 |
| (c) Financial Assets | | | | | |
| (i) Non Current Investments | 5 | 1,306.00 | | 1,306.00 | |
| (ii) Other Financial Assets | 6 | 184.70 | 1,490.70 | 59.56 | 1,365.56 |
| (e) Other Non Current Assets | | | - | | - |
| Current Assets | | | | | |
| (a) Inventories / Work in Progress | 7 | | - | | 27.28 |
| (b) Financial Assets | | | | | |
| (i) Trade Receivables | 8 | 1,578.22 | | 1,474.13 | |
| (ii) Cash & Cash Equivalents | 9 | 400.49 | | 517.92 | |
| (iii) Loans | 10 | 4,447.54 | 6,426.25 | 3,578.78 | 5,570.83 |
| (c) Other Current Assets | 11 | | 712.13 | | 1,002.21 |
| TOTAL ASSETS | | | 9,816.58 | | 9,147.51 |
| EQUITY & LIABILITIES | | | | | |
| Equity | | | | | |
| (a) Equity Share Capital | 12 | 727.50 | | 727.50 | |
| (b) Other Equity | 13 | 5,201.45 | 5,928.95 | 4,838.18 | 5,565.68 |
| NON-CURRENT LIABILITIES | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Long Term Borrowings | 14 | - | | 557.24 | |
| (ii) Deferred Tax Liability (Net) | 15 | 264.75 | | 283.62 | |
| (iii) Lease Liabilities | | - | | - | |
| (b) Long Term Provisions | 16 | 21.94 | 286.70 | 21.26 | 862.13 |
| CURRENT LIABILITIES | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Short Term Borrowings | 17 | 1,007.97 | | 622.18 | |
| (ii) Trade and Other Payables | 18 | 573.40 | | 446.14 | |
| (iii) Lease Liability | 19 | - | | 0.76 | |
| (b) Other Current Liabilities | 19 | 2,013.76 | | 1,644.07 | |
| (c) Short Term Provisions | 16 (a) | 5.80 | 3,600.93 | 6.55 | 2,719.70 |
| TOTAL LIABILITIES | | | 9,816.58 | | 9,147.51 |
| Significant accounting policies | 1 | | | | |
| Critical estimates and adjustment | 2 | | | | |
| The accompanying notes are an integral part of financial statements | | | | | |
| As per our Report of even date | | For and on behalf of Board of Directors | | | |
| For, NARESH PATADIA & COMPANY | | | | | |
| Chartered Accountant | | | | | |
| Firm Reg. No. 106936W | | | | | |
| Sd/- | | Sd/- | | Sd/- | |
| CA NARESH PATADIA | | SIDDHARTH P SHAH | | KAUSTUBH PRAKASH PAUNIKAR | |
| Proprietor | | Director | | Director | |
| Membership No. 035620 | | DIN: 05304116 | | DIN: 08621592 | |
| Date : 21/05/2024 | | | | | |
| Place : Nagpur | | | | | |
| UDIN : 24035620BKBGZX4994 | | Sd/- | | Sd/- | |
| | | Rani Maheshwari | | CHANDRASHEKAR BASESHANKAR | |
| | | Company Secretary | | Chief Financial Officer | |
| | | Membership No. A54149 | | | |



ARTEFACT PROJECTS LIMITED

Regd. Office : Block No. 105 "Artefact Towers", Plot No.-54/3, Chhatrapati Square, Wardha Road, Nagpur -440015, Maharashtra
CIN : L65910MH1987PLC044887, Phone. No. : +91 -712 - 7197120
Email : artefactngp@artefactprojects.com; shareholders@artefactprojects.com; website : www.artefactprojects.com

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

| Particulars | Note No. | Year ended March 31st, 2024 (Amount in Lakhs) | Year ended March 31st, 2023 (Amount in Lakhs) |
|--|----------|---|---|
| INCOME | | | |
| Revenue from Operations | 20 | 2,417.00 | 1,816.66 |
| Other Income | 21 | 436.99 | 369.85 |
| Total Income | | 2,853.99 | 2,186.51 |
| EXPENSES | | | |
| Project Expenses | 22 | 331.62 | 262.01 |
| Retainers and Consultancy Fees | 23 | 878.65 | 418.69 |
| Change in Inventories of Work in Progress | 24 | 27.28 | 32.54 |
| Employee Benefits Expense | 25 | 786.75 | 612.03 |
| Finance Cost | 26 | 166.49 | 198.02 |
| Depreciation and Amortization Expenses | 27 | 38.81 | 49.80 |
| Other Expenses | 28 | 103.76 | 146.46 |
| Total Expenses | | 2,333.36 | 1,719.54 |
| Profit Before Tax And Exceptional Item | | 520.63 | 466.97 |
| Exceptional Item | | | |
| Profit on Sale of Assets | 3 | 0.57 | 181.34 |
| Profit Before Tax | | 521.20 | 648.31 |
| Income Tax Expenses: | | -2.12 | 113.89 |
| Current Tax | | 16.75 | 100.00 |
| MAT Credit Availed | | - | - |
| Deferred Tax | | -18.87 | 13.89 |
| Income Tax for Earlier Years | | - | - |
| Profit/(Loss) for the Year | | 523.32 | 534.42 |
| Other Comprehensive Income (net of Tax) (item that will not be reclassified to profit & loss) | 29 | 9.88 | 19.41 |
| Remeasurements of post -employment benefit obligations. | 16.01 | | |
| Total Comprehensive Income/(Loss) for the Year | | 533.20 | 553.83 |
| Earnings per equity share of Rs 10 each | 30 | | |
| - Basic (in Rs.) | | 7.33 | 7.61 |
| - Diluted (in Rs.) | | 7.33 | 7.61 |

As per our Report of even date
For, NARESH PATADIA & COMPANY
Chartered Accountant
Firm Reg. No. 106936W

For and on behalf of Board of Directors

Sd/-
CA NARESH PATADIA
Proprietor
Membership No. 035620
Date : 21/05/2024
Place : Nagpur

Sd/-
SIDDHARTH P SHAH
Director
DIN: 05304116

Sd/-
KAUSTUBH PRAKASH PAUNIKAR
Director
DIN: 08621592

UDIN : 24035620BKBGZX4994

Sd/-
Rani Maheshwari
Company Secretary
Membership No. A54149

Sd/-
CHANDRASHEKAR BASESHANKAR
Chief Financial Officer



ARTEFACT PROJECTS LIMITED

Regd. Office : Block No. 105 "Artefact Towers", Plot No.-54/3, Chhatrapati Square, Wardha Road, Nagpur -440015, Maharashtra

CIN : L65910MH1987PLC044887, Phone. No. : +91 -712 - 7197120

Email : artefactngp@artefactprojects.com; shareholders@artefactprojects.com; website : www.artefactprojects.com

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

(Rs. In Lakhs)

| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 |
|---|--|--|
| Net Profit Before Tax as per Statement of Profit and Loss | 521.20 | 648.31 |
| Adjustments for: | | |
| a) Appropriation of Funds: | | |
| Depreciation and Amortization Expenses | 38.81 | 49.80 |
| Loss / (profit) on sale of Fixed Assets | -0.57 | -181.34 |
| b) Non Operating Income & Expense: | | |
| Finance Costs | 166.49 | 198.02 |
| Interest Income | -434.06 | -369.01 |
| Assets Discarded | - | - |
| Gratuity Expenses | 9.82 | 10.75 |
| Prior period Income Tax Paid Directly adjusted to Reserves | -169.93 | - |
| Operating profit before working capital Adjustment | 131.76 | 356.53 |
| Changes in operating assets and liabilities | | |
| (Increase) / Decrease in Other Non Current Assets | - | - |
| (Increase) / Decrease in Changes in Inventories | 27.28 | 32.54 |
| (Increase) / Decrease in Trade and Other Receivables | -104.09 | -115.06 |
| (Increase) / Decrease in Bank Balance other than above | -868.75 | -590.66 |
| (Increase) / Decrease in Other Current Assets | 290.07 | -237.01 |
| Increase / (Decrease) in Long Term Provisions | - | - |
| Increase / (Decrease) in Trade Payables and Other Liabilities | 127.26 | 133.36 |
| Increase / (Decrease) in Other Current Liabilities | 352.94 | 296.18 |
| Increase / (Decrease) in Short Term Provisions | - | - |
| Cash generated from operations | -175.29 | -480.65 |
| Income taxes paid (net of refunds received) | - | - |
| Net cash inflow/ (outflow) from operating activities (A) | -43.53 | -124.13 |
| Cash Flows from Investing Activity | | |
| Payments for property, plant and equipment | -44.66 | 339.70 |
| Proceeds from sale of property, plant and equipment | 0.57 | 181.34 |
| Interest Income | 434.06 | 369.01 |
| (Increase) / Decrease in Non Current Investments | - | 13.34 |
| (Increase) / Decrease in Other Financial Assets | -125.15 | 29.95 |
| (Increase) / Decrease in Fixed deposits with Bank | 117.76 | -38.02 |
| Net cash flow from investing activities (B) | 382.58 | 895.32 |
| Cash Flow from Financing Activities | | |
| Finance Cost | -166.49 | -197.98 |
| Proceeds from issue of shares | - | - |
| Increase / (Decrease) in Short Term Borrowings | 385.79 | -648.25 |
| Proceeds/ (Repayment) from/ (of) borrowings | -557.24 | 94.73 |
| Proceeds/ (Repayment) from/ (of) Lease Liability | -0.76 | -0.45 |
| Net cash Flow from Financing activities (C) | -338.71 | -751.94 |
| Net Increase/Decrease in Cash & Cash Equivalent (A)+(B)+(C) | 0.34 | 19.26 |
| Cash & Cash Equivalent in the beginning of the Year | 25.91 | 6.65 |
| Cash & Cash Equivalent in the end of the Year | 26.25 | 25.91 |
| Reconciliation of cash and cash equivalents as per the cash flow statement: | | |
| | Year ended March 31st, 2024 | Year ended March 31st, 2023 |
| Cash and cash equivalents excluding FD with banks | 26.25 | 25.91 |
| Balances as per statement of Cashflow | 26.25 | 25.91 |

i. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Cash Flow Statements".

ii. Figures in brackets indicate Outflows.

iii. Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

As per our Report of even date
For, NARESH PATADIA & COMPANY
Chartered Accountant
Firm Reg. No. 106936W

For and on behalf of Board of Directors

Sd/-
CA NARESH PATADIA
Proprietor
Membership No. 035620
Date : 21/05/2024
Place : Nagpur
UDIN : 24035620BKBGZX4994

Sd/-
SIDDHARTH P SHAH
Director
DIN: 05304116

Sd/-
Rani Maheshwari
Company Secretary
Membership No. A54149

Sd/-
KAUSTUBH PRAKASH PAUNIKAR
Director
DIN: 08621592

Sd/-
CHANDRASHEKAR BASESHANKAR
Chief Financial Officer



ARTEFACT PROJECTS LIMITED

Regd. Office : Block No. 105 "Artefact Towers", Plot No.-54/3, Chhatrapati Square, Wardha Road, Nagpur -440015, Maharashtra
CIN : L65910MH1987PLC044887, Phone. No. : +91 -712 - 7197120
Email : artefactngp@artefactprojects.com ; shareholders@artefactprojects.com ; website : www.artefactprojects.com

DISCLOSURE OF RATIOS YEAR ENDED MARCH 31ST, 2024

| Sr. No. | Particulars | Year ended March 31st, | | Remarks |
|---------|---|---------------------------|--------------|---|
| | | 2024 | 2023 | |
| | | Audited | Audited | |
| 1 | Current Ratio [Current Assets / Current Liabilities] | 1.98 | 2.43 | |
| 2 | Debt Equity Ratio (Total borrowings/ Total equity) | 0.17 | 0.21 | |
| 3 | Debt Service Coverage Ratio (Times) [Profit after Tax+ Finance Cost+ Depreciation]/ [Finance Costs+ Principal Repayment] | 2.19 | 4.05 | |
| 4 | Interest Coverage Ratio [Profit Before Tax+ Finance Cost+ Depreciation]/ [Finance Costs] | 4.44 | 4.05 | |
| 5 | Return on Equity [PBT/Equity] | 8.79% | 11.65% | |
| 6 | Inventory Turnover Ratio (Times) (Direct Expenses/ Average Inventory) | 146.41 | 29.69 | Ratio has changed as there is no closing inventory as all billings for the year is completed in March itself |
| 7 | Trade Receivable to Turnover Ratio [Revenue from Operations / Average Trade Receivable] | 1.58 | 1.28 | |
| 8 | Trade Payables to Turnover Ratio [Revenue from Operations / Average Trade Payables] | 4.74 | 4.79 | |
| 9 | Net Capital to Turnover Ratio [Revenue from Operations / Share Capital] | 3.32 | 2.50 | Increase in turnover of 33.05% due to start of various projects during the year |
| 10 | Operating Margin [[Profit before Exceptional Item and Tax+ Finance Costs- Other Income]/ (Revenue from Operations - GST)] | 10.35% | 16.25% | Major increase in Retainership & Consultancy expenses % as compared to % increase in sales due to start of various services. |
| 11 | Net Profit Margin [Profit after Tax/ (Revenue from Operations- GST)] | 21.65% | 29.42% | Net Profit of previous year had increased due to gains on sale of one Block of partially Building and there is no such transaction during the year. |
| 12 | PBDIT Ratio [PBDIT / Total income] | 25.46% | 40.98% | ---- Do---- |
| 13 | PBT Ratio [PBT / Revenue] | 21.56% | 35.69% | ---- Do---- |
| 14 | Return on Capital Employed [PAT / Equity] | 8.83% | 9.60% | ---- Do---- |
| 15 | Return on Investment [PAT / (Equity+borrowings)] | 7.54% | 7.92% | ---- Do---- |
| 16 | Networth (₹ in lakhs) | 5,928.95 | 5,565.68 | |
| 17 | Earnings Per Share Basic Diluted | 7.33 7.33 | 7.61 7.61 | |



ARTEFACT PROJECTS LTD.

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

Background

Artefact Projects Limited (hereinafter referred to as the 'Company') is a company limited by shares, incorporated and domiciled in India. The Company's equity shares are listed on the Bombay Stock Exchange in India. The registered office of the Company is situated at Regd. Office :105, 2nd Floor, "Artefact Towers", Chhatrapati Square, Wardha Road, Nagpur- 440015, Maharashtra, India. The principal place of the business of the Company is situated at 105, 2nd Floor, "Artefact Towers", Chhatrapati Square, Wardha Road, Nagpur- 440015.

The Company is primarily engaged in Project Consultancy business in India.

Note 1 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements of the Company. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.01 Basis of preparation

Compliance with Ind AS

- i The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with Indian GAAP, including the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

The financial statements for the year ended 31st March, 2018 were the first financial statements of the Company under Ind AS.

- ii *Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for the following:

Defined benefit plans - plan assets measured at fair value; and

- iii *Current and non-current classification* All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

1.02 Foreign currency translation

- i *Functional and presentation 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 (INR / Rs.), which is the Company's functional and presentation currency.

- ii *Transaction and balances*

Foreign currency transactions, if any are translated into the functional currency using the exchange rates on the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions if any and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss or Other Comprehensive Income.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses), if any



1.03 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and is Net of GST. The Company recognises revenue when the amount of revenue can be reliably accepted by client as per contract. It is probable that future economic benefits will flow to the entity.

Revenue from services

Project Consultancy Income is recognized in the accounting period in which the services are rendered, and accepted and approved by client.

1.04 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in India where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.05 Impairment of assets

Property, plant and equipment and other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

1.06 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.07 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.

1.08 Investments and other financial assets

Classification

The Company classifies its financial assets in the following measurement categories: -those to be measured subsequently at fair value (through profit or loss), and -those measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.



For assets measured at fair value, gains and losses will be recorded in profit or loss. For investment in debt instrument, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

Equity instruments

The Company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in profit or loss as other income when the right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised. For trade receivables, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognised only when: The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

1.09 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods on above

Depreciation on property, plant and equipment (other than leasehold land, leasehold improvements, continuous process plant and machinery and vehicles) is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed under Schedule II to the Companies Act, 2013, which approximate the useful lives of the assets estimated by the management.

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

1.10 Intangible assets

Acquired intangible assets are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods: Computer software: 3 years

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.11 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 90 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.

1.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).



Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

1.13 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

1.14 Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent asset is disclosed and not recognised, where an inflow of economic benefits is probable.

1.15 Employee benefits

Short-term obligation

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefits obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.



The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post employment obligation

The Company operates the following post-employment schemes: defined benefit plan, i.e., gratuity, defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund and employee state insurance contributions to government administered Employee Provident Fund Organisation and Employee State Insurance Corporation respectively. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.16 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.

1.17 Earnings per share

Basic earnings per share is calculated by dividing: the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.18 Inventories

Inventories represents the WIP in respect of Project Management Consultancy Services in progress and remained unbilled. Inventories have been valued at cost.



1.19 Accounting for Joint Venture Operations

The Financial Statements reflect the share of the Company's assets and liabilities as well as income and expenditure of Joint Venture. Operations which are accounted for according to the participating interest of the company as per the various Joint Venture Agreements on a line by line basis along with similar items in the company's financial statements.

1.20 Provision for current and deferred tax

Provision for current and deferred tax is made after taking into consideration benefits admissible under the Provision of Income Tax Act 1961. Deferred tax resulting from timing differences "between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is reasonable/virtual certainty that asset will be realized against future taxable profits.

Note 2 Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving critical estimates or judgements are as under:

a Estimation of current tax expenses and payable:

Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the Company operates. Any difference between the estimates and final tax assessments will impact the income tax as well the resulting assets and liabilities.

b Estimated fair value of unlisted securities:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on the market conditions existing at the end of each reporting period.

c Useful lives of property, plant and equipment and Intangible assets:

Depreciation and amortization is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.



d Estimation of defined benefit obligation:

The liabilities of the company arising from employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions.

e Impairment of financial assets (including trade receivables):

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the Customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the group as well as forward looking estimates at the end of each reporting period.

f Estimation of Provisions and contingencies:

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
MARCH 31ST, 2024**

A EQUITY SHARE CAPITAL

1 Current Reporting Period

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital | Restated Balance at the beginning of the current reporting period | Changes in Equity Share Capital during current year | Balance at the end of the current reporting period |
|--|---------------------------------|---|---|--|
| 727.50 | - | - | - | 727.50 |

2 Previous Reporting Period

| Balance at the beginning of the Previous reporting period | Changes in Equity Share Capital | Restated Balance at the beginning of the Previous reporting period | Changes in Equity Share Capital during Previous year | Balance at the end of the Previous reporting period |
|---|---------------------------------|--|--|---|
| 727.50 | - | - | - | 727.50 |

B OTHER EQUITY

| Particulars | Note | Capital Reserve | Securities Premium | General Reserve | Surplus | Total |
|---|------|-----------------|--------------------|-----------------|-----------------|-----------------|
| As at 1st April, 2022 | 13 | 119.94 | 1,703.90 | 113.00 | 2,347.51 | 4,284.36 |
| Profit for the Year | | - | - | - | 534.42 | 534.42 |
| Other Comprehensive Income | | - | - | - | 19.41 | 19.41 |
| Total comprehensive income for the year | | - | - | - | - | - |
| Exercise of share options | | - | - | - | - | - |
| Tax/Penalty for Earlier Period | | - | - | - | - | - |
| Cash dividends | | - | - | - | - | - |
| Dividend distribution tax | | - | - | - | - | - |
| As at Mar 31st, 2023 | | 119.94 | 1,703.90 | 113.00 | 2,901.34 | 4,838.18 |
| Profit for the Year | | - | - | - | 523.32 | 523.32 |
| Other Comprehensive Income | | - | - | - | 9.88 | 9.88 |
| Total comprehensive income for the year | | - | - | - | 533.20 | 533.20 |
| Total comprehensive income for the year | | - | - | - | - | - |
| Exercise of share options | | - | - | - | - | - |
| Tax/Penalty for Earlier Period | | - | - | - | 169.93 | 169.93 |
| Issue of Share Capital at premium | | - | - | - | - | - |
| Cash dividends | | - | - | - | - | - |
| As at March 31st, 2024 | | 119.94 | 1,703.90 | 113.00 | 3,264.61 | 5,201.45 |

Notes:

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

As per our Report of even date
For, NARESH PATADIA & COMPANY
Chartered Accountant
Firm Reg. No. 106936W

For and on behalf of Board of Directors

Sd/-
CA NARESH PATADIA
Proprietor
Membership No. 035620
Date : 21/05/2024
Place : Nagpur

UDIN : 24035620BKBGZX4994

Sd/-
SIDDHARTH P SHAH
Director
DIN: 05304116

Sd/-
Rani Maheshwari
Company Secretary
Membership No. A54149

Sd/-
KAUSTUBH PRAKASH PAUNIKAR
Director
DIN: 08621592

Sd/-
CHANDRASHEKAR BASESHANKAR
Chief Financial Officer



| ARTEFACT PROJECTS LIMITED | | | | | | | | | | | |
|--|--------|----------|--------------------------------|-------------------|----------------------|-----------|----------|--------------|----------|---------------------|--------------------|
| Notes forming part of the financial statements for the Period ended March 31st, 2024 | | | | | | | | | | | |
| Property, Plant and Equipment | | | | | | | | | | | |
| | Land | Building | Right of Use Assets (Building) | Plant & Machinery | Furniture & Fixtures | Computers | Vehicles | Building WIP | Total | Joint Venture Share | Total including JV |
| Gross Carrying Cost as at April 1, 2022 | 159.72 | 1593.32 | 40.57 | 297.32 | 233.92 | 261.62 | 63.51 | 0.00 | 2,650.24 | 1.67 | 2,651.91 |
| Additions | 0.00 | 0.00 | 0.00 | 1.22 | 7.37 | 1.78 | 0.00 | 0.00 | 10.37 | - | 10.37 |
| Disposals/ Adjustments | 37.05 | 369.67 | 40.57 | 11.84 | 2.00 | 0.00 | 0.00 | 0.00 | 461.12 | - | 461.12 |
| Gross Carrying Cost as at Mar 31, 2023 | 122.67 | 1223.92 | 0.00 | 286.70 | 239.29 | 263.40 | 63.51 | 0.00 | 2,199.49 | 1.67 | 2,201.16 |
| Accumulated Depreciation as at April 01, 2022 | 0.00 | 289.80 | 39.67 | 222.37 | 219.13 | 252.32 | 56.77 | 0.00 | 1,080.05 | 0.73 | 1,080.78 |
| Depreciation during the year. | 0.00 | 73.84 | 0.90 | 16.94 | 1.55 | 5.10 | 1.37 | 0.00 | 99.71 | 0.09 | 99.80 |
| Disposals/ Adjustments | 0.00 | 63.30 | 40.57 | 6.26 | 0.92 | 0.00 | 0.00 | 0.00 | 111.05 | - | 111.05 |
| Accumulated Depreciation as at Mar 31st, 2023 | 0.00 | 250.34 | 0.00 | 233.04 | 219.76 | 257.43 | 58.14 | 0.00 | 1,018.71 | 0.81 | 1,019.52 |
| Net Block as at Mar 31, 2023 | 122.67 | 973.58 | 0.00 | 53.66 | 19.54 | 5.97 | 5.37 | 0.00 | 1,180.79 | 0.86 | 1,181.64 |
| Gross Carrying Cost as at April 1, 2023 | 122.67 | 1,223.92 | - | 286.70 | 239.29 | 263.40 | 63.51 | - | 2,199.49 | 1.67 | 2,201.16 |
| Additions | - | - | - | 3.97 | 5.93 | 0.41 | 1.88 | 35.30 | 47.49 | - | 47.49 |
| Disposals/ Adjustments | - | - | - | - | - | - | 22.64 | - | 22.64 | - | 22.64 |
| Gross Carrying Cost as at Mar 31, 2024 | 122.67 | 1,223.92 | - | 290.67 | 245.22 | 263.81 | 42.75 | 35.30 | 2,224.34 | 1.67 | 2,226.01 |
| Accumulated Depreciation as at April 01, 2023 | - | 250.34 | - | 233.04 | 219.76 | 257.43 | 58.14 | - | 1,018.71 | 0.81 | 1,019.52 |
| Depreciation during the year. | - | 19.26 | - | 14.19 | 1.31 | 2.60 | 1.38 | - | 38.74 | 0.07 | 38.81 |
| Disposals/ Adjustments | - | - | - | - | - | - | 19.81 | - | 19.81 | - | 19.81 |
| Accumulated Depreciation as at Mar 31st, 2024 | - | 269.61 | - | 247.23 | 221.07 | 260.03 | 39.70 | - | 1,037.64 | 0.88 | 1,038.52 |
| Net Block as at Mar 31, 2024 | 122.67 | 954.32 | - | 43.44 | 24.15 | 3.78 | 3.04 | 35.30 | 1,186.70 | 0.79 | 1,187.49 |

3.01 Building constructed is on the land jointly owned by the company, on which additional construction is undertaken for additional office blocks. Expenditure of Rs. 35.30 Lakhs is considered as WIP.

3.02 During the year the company has sold Vehicle (Skoda Octavia). The Gross cost of Rs. 22.64 Lakhs and depreciation accumulated thereon of Rs. 19.81 Lakhs are taken as disposal/adjustments in Asset Value.



Note No 4

Intangible Assets

| | Computer Softwares | Total |
|---|--------------------|-------|
| Gross Block as on 1 April 2022 | 70.22 | 70.22 |
| Add during 12 months fixed assets | - | - |
| Gross Block as on 31 March 2022 | 70.22 | 70.22 |
| Accumulated Depreciation till 1 April 2022 | 70.22 | 70.22 |
| During the Period | - | - |
| Disposals/ Adjustments | - | - |
| Accumulated depreciation Upto 31 March 2023 | 70.22 | 70.22 |
| Net block As on 31 March 2023 | -0.00 | -0.00 |
| Gross Block as on 1 April 2023 | 70.22 | 70.22 |
| Add during 12 months fixed assets | | - |
| Gross Block as on 31 March 2023 | 70.22 | 70.22 |
| Accumulated Depreciation till 1 April 2023 | 70.22 | 70.22 |
| During the Period | - | - |
| Disposals/ Adjustments | | |
| Accumulated depreciation Upto 31 March 2024 | 70.22 | 70.22 |
| Net block As on 31 March 2024 | - | - |

4.01 The Company has taken Indian GAAP carrying values as deemed cost as on 01.04.2016 i.e. date of transition to IND AS.

4.02. There are no intangible assets as on 31/03/2024 (NIL as on 31/03/2023).



| ARTEFACT PROJECTS LIMITED | | | | | |
|--|--------------------------|-----------|----------------------|----------------------|----------------------|
| Notes forming part of the financial statements for the Period ended March 31st, 2024 | | | | | |
| Note No 5 | | | | | |
| Financial Assets | | | | | |
| NON-CURRENT INVESTMENTS | | | | | |
| Particulars | No. of Shares/Debentures | | Face Value | As at Mar 31st, 2024 | As at Mar 31st, 2023 |
| | 31.3.2024 | 31.3.2023 | | | |
| Investments at Deemed Cost | | | | | |
| In Associates | | | | | |
| Unquoted Equity Shares (fully paid) | 9.00 | 9.00 | 10 | 90.00 | 90.00 |
| In Bank | 0.64 | 0.64 | 25 | 16.00 | 16.00 |
| Unquoted CCD's (Fully paid) | 120.00 | 120.00 | 10 | 1,200.00 | 1,200.00 |
| Total deemed cost of OCI Investments | | | | 1,306.00 | 1,306.00 |
| <p>5.01 The company has made investment of Rs.12.00 Crores (excluding cumulative interest of Rs.3.40 Crores accrued thereon), in Unquoted fully compulsory convertible debentures as at reporting date. The management does not deem necessary to make any provision for impairment of expected Losses, if any, in accordance with Ind-As-109 "Financial Instruments". Such investments in mining companies are long term and strategic in nature, have large value of explored mining reserves and based on the expected cash flows in the said companies , registered external valuers have valued the shares of the said companies above par value and are considered good and fully recoverable. Hence no provision for impairment in value of investment is required</p> <p>5.02 Regarding investment of Rs. 90.00 Lakhs standing in equity shares of unlisted company being erstwhile subsidiary company has not earned profit in previous year ending on 31/03/2023, However the company has positive net worth as per audited balance sheet for the year ending 31/3/2023 and there is no diminution in the value of investment and hence no provision for impairment loss is required.</p> <p>5.03 Investment of Rs. 16.00 Lakhs represents loan linked Equity shares investment of Akola Urban Co Operative Bank Ltd as per sanction conditions.</p> | | | | | |
| Note No 6 | | | | | |
| OTHER FINANCIAL ASSETS | | | | | |
| (Unsecured, considered good unless otherwise stated) | | | | | |
| Particulars | | | As at Mar 31st, 2024 | As at Mar 31st, 2023 | |
| Security Deposits | | | 29.26 | 23.44 | |
| Bank deposits with more than 12 months maturity Pledged with Bank for Margin of Bank Guarantees | | | 155.44 | 36.12 | |
| Total | | | 184.70 | 59.56 | |
| <p>6.01 The Bank deposits are pledged with Banks as cash margin for issue of Bank Guarantees as Performance Security under the Contract of Services issued to the client.</p> | | | | | |



| ARTEFACT PROJECTS LIMITED | | |
|--|-------------------------------|-----------------------------|
| Notes forming part of the financial statements for the Period ended March 31st, 2024 | | |
| Note No 7 | | |
| INVENTORIES/ WORK IN PROGRESS | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Work In Progress (at cost) | - | 27.28 |
| Total | - | 27.28 |
| 7.01 Work in progress represent costs incurred on services to be billed to the client in next financial year, However in the current FY all the bills have been raised for cost incurred and services rendered in the FY 2024. | | |
| Note No 8 | | |
| TRADE RECEIVABLES | | |
| (Unsecured, subject to confirmations and considered good unless otherwise stated) | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Trade Receivables | 1,436.57 | 1,302.99 |
| Receivables from Joint Ventures | 141.65 | 171.14 |
| Less: Provision for doubtful debts | - | - |
| Total | 1,578.22 | 1,474.13 |
| Break-up of security details | | |
| (a) Trade Receivable considered good-Secured; | | |
| (b) Trade Receivable considered good-Unsecured; | 1,578.22 | 1,474.13 |
| (c) Trade Receivable wich have significant increase in Credit Risk; | | |
| (d) Trade Receivables- credit impaired; | | |
| Doubtful | | |
| Less: Provision for doubtful debts | - | - |
| Total | 1,578.22 | 1,474.13 |
| Ageing Schedule : | | |
| i) Undisputed Trade receivables - considered good | | |
| a) Less than 6 months | 487.00 | 578.04 |
| b) 6 months - 1 year | 199.85 | 257.56 |
| c) 1 - 2 years | 288.73 | 217.98 |
| d) 2 - 3 years | 306.03 | 97.58 |
| e) More than 3 years | 296.61 | 322.98 |
| ii) Undisputed Trade receivables - considered Doubful | | |
| ii) Disputed Trade receivables - considered good | | |
| ii) Disputed Trade receivables - considered Doubtful | | |
| 8.01 Trade receivables includes Rs. 403.03 Lakhs receivable from clients as reimbursment of GST charged in bills. It mainly Consist of the bills of the last quarters which are under process of approval, Consequently, GST liability is also taken at Gross value of Rs. 510.49 Lakhs as on 31-03-2024 and is included in total statutory liability of Rs. 590.08 as stated in Note No.19. | | |
| Note No 9 | | |
| CASH AND CASH EQUIVALENTS | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Cash and Cash Equivalents | | |
| Balances with Banks - in Current Accounts | 24.07 | 23.69 |
| Cash in Hand | 2.18 | 2.22 |
| Total | 26.25 | 25.91 |
| Note No 9(a) | | |
| BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Bank Balances Other Than Cash And Cash Equivalents | | |
| Fixed Deposit with Banks * | 374.25 | 492.01 |
| Total | 374.25 | 492.01 |
| 9(a).01 Fixed Deposits with banks of Rs. 374.24 Lakhs maturity within 12 Months, is pledged with bank as margin money for bank guarantee issued as performance security to clients. | | |
| Total | 400.49 | 517.92 |



| Note No 10 | | | |
|--|-------------------------|----------------------|-----------------------------|
| LOANS (Unsecured) | | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 | |
| Loans | | | |
| to related parties for business purpose | 687.90 | | 461.12 |
| to other body corporate | 3,759.63 | | 3,117.66 |
| to employees | | | |
| Less: Allowance for doubtful loans (Considered doubtful) | | | |
| Total | 4,447.54 | | 3,578.78 |
| Considered good | 4,447.54 | | 3,578.78 |
| Considered doubtful, provided: | | | |
| Loans to other body corporate | | | |
| Loans to related parties | | | |
| Total | 4,447.54 | | 3,578.78 |
| 10.01 Interest charged on loans is at 9% p.a. | | | |
| 10.02 During the year loans amounting to Rs. 311.49 Lakhs was received from related parties and Rs. 504.68 Lakhs was paid to them. | | | |
| 10.03 During the year loans amounting to Rs. 1036.56 Lakhs was received from body corporate and Rs. 1364.56 Lakhs was paid to them. | | | |
| Note No 11 | | | |
| OTHER CURRENT ASSETS | | | |
| (Unsecured, considered good unless otherwise stated) | | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 | |
| MAT Credit Entitlement | - | | - |
| Income Tax Refund Due (Net) ** | 259.51 | | 597.23 |
| Others*(members shares of jv) | 41.25 | | 60.95 |
| Advances to staff, vendors others | 411.37 | | 344.03 |
| Total | 712.13 | | 1,002.21 |
| Note No 12 | | | |
| Equity Share Capital | | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 | |
| Authorised | | | |
| 10,000,000 Equity Shares of Rs 10 each (Previous year 10,000,000) | 1,000.00 | | 1,000.00 |
| | - | | - |
| Issued, Subscribed and Paid up Capital | | | |
| 72,75,000 Equity Shares of Rs 10 each (Previous year 72,75,000) | 727.50 | | 727.50 |
| Total | 727.50 | | 727.50 |
| 12.01 Reconciliation of number of shares outstanding : | | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 | |
| Shares outstanding as at the beginning of the year | 72.75 | | 72.75 |
| Add: Shares issued during the year | - | | - |
| Shares outstanding as at end of the year | 72.75 | | 72.75 |
| 12.02 Details of Shareholders, holding more than 5% shares of Paid-up Equity Capital of the Company | | | |
| Name of Share Holder | As at 31st March , 2024 | | |
| | No of Shares | % of Holding | |
| Pankaj Balkrishna Shah | 972,550 | 13.37 | |
| Manoj Balkrishna Shah | 789,100 | 10.85 | |
| Chetan Balkrishna Shah | 643,300 | 8.84 | |
| Avon Sales and Services Pvt. Ltd. | 470,000 | 6.46 | |
| East and West Securities Pvt. Ltd. | 400,000 | 5.50 | |
| | 3,274,950 | 45.02 | |
| 12.03 Details of Promotor's Shareholders, at the end of the Year. | | | |
| Name of Share Holder | No of Shares | % of Holding | % of Change during the year |
| Pankaj Shah | 972,550 | 13.37 | 0.00 |
| Manoj Shah | 789,100 | 10.85 | 0.00 |
| Chetan Shah | 643,300 | 8.84 | 0.00 |
| Rupa Shah | 324,436 | 4.46 | 0.00 |
| Reena Shah | 100 | - | 0.00 |
| Madhavi Shah | 114,100 | 1.57 | 0.00 |
| | 2,843,586.00 | 39.09 | 0.00 |
| The Company has only one class of equity shares having face value of Rs 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the equity shareholders will be entitled to receive any of remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. | | | |



| Note No 13 | | | |
|------------------------------------|-------------------------------|-----------------|-----------------------------|
| OTHER EQUITY | | | |
| Particulars | As at March 31st, 2024 | | As at Mar 31st, 2023 |
| Capital Reserve | | 119.94 | 119.94 |
| Balance as per last Balance Sheet | | | |
| Securities Premium | | | |
| Balance As Per Last Balance Sheet | 1,703.90 | | 1,703.90 |
| Add: Additions During the Year | <u>-</u> | 1,703.90 | <u>-</u> 1,703.90 |
| General Reserve | | 113.00 | 113.00 |
| Balance as per last Balance Sheet | | | |
| Surplus | | | |
| Balance as per last Balance Sheet | 2,901.34 | | 2,347.51 |
| Less : Previous year Tax Provision | 169.93 | | - |
| Add: Profit for the Year | <u>533.20</u> | 3,264.61 | <u>553.83</u> 2,901.34 |
| TOTAL | | <u>5,201.45</u> | <u>4,838.18</u> |

| Note No 14 | | | |
|-----------------------------|--------------------------|-------------|------------------------|
| LONG TERM BORROWINGS | | | |
| Particulars | As at March 31st, | | As at Mar 31st, |
| | 2024 | 2023 | |
| Secured Loans | | | |
| Term Loan from a Bank | - | | 557.24 |
| Vehicle Loan from a Bank | - | | - |
| Total | <u>-</u> | <u>-</u> | <u>557.24</u> |

14.01 During the year the company has fully repaid balance outstanding of GECL Covid Loan sanctioned of Rs. 140 Lacs taken from The Akola Urban Co-operative Bank Ltd. The company also repaid secured OD Sampatti long term loan of Rs 500 Lakhs and Balance due of GECL sanctioned loan of Rs. 100 Lakhs taken from Punjab National Bank.



| Note No 15 | | |
|--|------------------------|----------------------|
| DEFERRED TAX LIABILITY (NET) | | |
| The balance of deferred tax comprises temporary differences attributable to: | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Deferred Tax Liability | 264.75 | 283.62 |
| Deferred Tax Liability (Net) | <u>264.75</u> | <u>283.62</u> |
| Net Increase in Deferred Tax Liability | -18.87 | 13.89 |
| Net Increase in Deferred Tax Liability is Debited to Statement of Profit and Loss Account | | |
| 15.01 Deferred Tax Liability to be adjusted and credited in the profit and loss accounts as per IND AS 12. | | |
| Note No 16 | | |
| LONG TERM PROVISIONS | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Provision for Employees Benefits * (Gratuity) | 21.94 | 21.26 |
| Total | <u>21.94</u> | <u>21.26</u> |
| * As per Acturial Valuation Certificate | | |



| Note No 16 (a) SHORT TERM PROVISIONS | | |
|---|-----------------------------------|-----------------------------------|
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Provision for Employee Benefits* | 5.80 | 6.55 |
| Total | 5.80 | 6.55 |
| * As per Actuarial Valuation Certificate | | |
| 16.01 As per IND AS 19 "Employees Benefits" the disclosures of Employee Benefits as defined in the Accounting Standard are given below: | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Defined Benefit Plan | | |
| Employers contribution to Provident Fund, ESIC and Other Funds | 1.17 | 4.22 |
| Defined Benefit Plan | | |
| The employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by a Trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. | | |
| | Gratuity (Non Funded) | Gratuity (Non Funded) |
| Reconciliation of Opening & Closing Balance of Defined Benefit Obligation | | |
| Opening Defined Benefit Obligation | 27.81 | 36.47 |
| Transfer in/ (out) obligation | - | - |
| Current service cost | 8.01 | 8.42 |
| Interest cost | 1.80 | 2.33 |
| Components of actuarial gain/losses on obligations: | | |
| Due to change in financial assumptions | 0.27 | -0.86 |
| Due to change in demographic assumptions | - | - |
| Due to experience assumptions | -10.15 | -18.55 |
| Closing Defined Benefit Obligation | 27.74 | 27.81 |
| Long Term | 21.94 | 21.26 |
| Short Term | 5.80 | 6.55 |
| | Year ended March 31st, 2024 | Year ended March 31st, 2023 |
| Expense recognised in Statement of Profit & Loss | | |
| Service cost: | | |
| Current service cost | 8.01 | 8.42 |
| Past service cost and loss/ (gain) on curtailments and settlements | - | - |
| Net interest cost | 1.80 | 2.33 |
| Total included in 'Employees Benefit Expense' charged to P & L | 9.82 | 10.75 |
| Actuarial Assumptions | 31.03.2024 | 31.03.2023 |
| Mortality Table (Indian Assured Lives Mortality) | IALM (2012-14) Published Table | IALM (2012-14) Published Table |
| Discount Rate (per annum) | 7.19% p.a. | 7.35% p.a. |
| Expected Rate of escalation in Salary (per annum) | 6.50% p.a. | 6.50% p.a. |
| Amounts for the current & previous periods as follows | | |
| Particulars | 31.03.2024 | 31.03.2023 |
| Defined Benefit Obligation | 27.74 | 27.81 |
| Experience Adj on plan Liab Gain/(Loss) | | |
| Other Comprehensive Income for the current period | | |
| Particulars | 31.03.2024 | 31.03.2023 |
| Components of actuarial gain/losses on obligations: | | |
| Due to change in financial assumptions | 0.27 | -0.86 |
| Due to change in demographic assumption | - | - |
| Due experience adjustments | -10.15 | -18.55 |
| Return on plan assets excluding amounts included in interest income | | |
| Amounts recognized in Other Comprehensive Income | -9.88 | -19.41 |



| Note No 17 | | |
|---|-------------------------------|-----------------------------|
| SHORT TERM BORROWINGS | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Secured Loan | | |
| Working Capital Loan from a Bank | 1,007.97 | 505.51 |
| Current Maturities of Long Term Debt | - | 116.68 |
| Others | - | - |
| Unsecured Loan from Other Corporates | - | - |
| Total | 1,007.97 | 622.18 |
| <p>17.01 During the year, the Company availed OD against property loan from PUNJAB NATIONAL BANK with sanctioned limit of Rs. 1125 Lakhs and balance outstanding there of as on 31.03.24 was Rs. 10.08 crs. The Company was also sanctioned Bank Guarantee limits of Rs. 375 lacs. These Credit limits are is secured by Equitable Mortgage of office block no.105, on 2nd floor, Block No. 104, on 1st floor, Block No. 101 & 102 of ground & lower ground floor of Artefact Towers, Nagpur owned by the Company, and secured by third party guarantee of one of the director in personal capacity.</p> <p>17.02 The working capital loan OD/CC Limit against immovable property sanctioned and availed from Akola Urban Co-operative Bank Ltd. (AUCB) was Rs. 500 Lakhs, was repaid during the current year.</p> | | |
| Note No 18 | | |
| TRADE AND OTHER PAYABLES | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| TRADE AND OTHER PAYABLES | | |
| (A) Total outstanding dues of Micro Enterprises & Small Enterprises | - | - |
| (B) Total Outstanding dues of creditors other than Micro and Small Enterprises | 573.40 | 446.14 |
| Total | 573.40 | 446.14 |
| <p>Ageing Schedule:</p> <p>i) MSME</p> <p>ii) Others</p> <p> a) Less than 1 Yrs 275.81 298.23</p> <p> b) 1 - 2 Yrs 225.43 111.30</p> <p> c) 2 - 3 Yrs 55.41 4.94</p> <p> d) More than 3 Yrs 16.74 31.67</p> <p>iii) Disputed dues - MSME - -</p> <p>iv) Disputed dues - Others - -</p> <p>Total 573.40 446.14</p> | | |
| <p>18.01 The Company has sent letters for obtaining confirmation from all the creditors regarding their status as Micro Small and Medium Enterprises (MSME), however the Company has not received response from any creditor. Accordingly Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the same has been relied upon by the auditors.</p> | | |
| Note No 19 | | |
| OTHER CURRENT LIABILITIES | | |
| Particulars | As at March 31st, 2024 | As at Mar 31st, 2023 |
| Lease Liability | | 0.76 |
| Statutory Liabilities | 590.08 | 465.44 |
| Others ** | 345.96 | 66.73 |
| Provision for Expenses | 479.84 | 554.20 |
| Salary Payable | 497.88 | 457.70 |
| Advances Received | 100.00 | 100.00 |
| TOTAL | 2,013.76 | 1,644.83 |
| <p>19.01 * Does not include any amount due and outstanding to be credited to Investor Education & Provident Fund.</p> <p>19.02 ** Mainly includes Imprest to staff and payable to retainers.</p> <p>19.03 Statutory Liabilities of Rs.590.08 Lakhs being GST, TDS, & Others payable. However, there against Rs. 403.03 Lakhs are receivable from clients as reimbursement of GST charged in bills and is included in Trade Receivables as stated in Note 8 above.</p> <p>19.04 Provision for expenses includes interest payable on payment of GST caused due to delay in receipt of GST against Bills from clients.</p> <p>19.05 A security from client received as per MOU dated 01/12/2020 of Rs. 100 Lakhs is classified as advance from customer under the head current liability as per Note 19. The said security deposits will be adjusted against invoice for services & expenses receivable from client in FY 2024-25.</p> | | |



| Note No 20 | | | |
|--|------------------------------------|-----------------|------------------------------------|
| REVENUE FROM OPERATIONS | | | |
| Particulars | Year ended March 31st, 2024 | | Year ended March 31st, 2023 |
| Income from Project Management and Consultancy Services (Net) | | 2,417.00 | 1,816.66 |
| Total | | 2,417.00 | 1,816.66 |
| Note: 20(a) | | | |
| Particulars | Year ended March 31st, 2024 | | Year ended March 31st, 2023 |
| Income from Project Management and Consultancy Services (Gross) | | 2,852.06 | 2,143.66 |
| Less: GST Payable | | -435.06 | -327.00 |
| Total | | 2,417.00 | 1,816.66 |
| Note No 21 | | | |
| OTHER INCOME | | | |
| Particulars | Year ended March 31st, 2024 | | Year ended March 31st, 2023 |
| Interest Income from financial assets carried at amortized cost: | | | |
| - Fixed Deposits of Banks | | 23.79 | 16.56 |
| - Income from Short Term Loans & Advances | | 347.57 | 281.82 |
| - Income on Interest accrued on Debentures | | 60.00 | 60.00 |
| Other Interest Income on: | | - | - |
| - Income Tax Refund | | 2.70 | 10.63 |
| Miscellaneous Income | | - | 0.03 |
| Dividend Received | | 2.93 | 0.81 |
| | | - | - |
| Total | | 436.99 | 369.85 |
| 21.01 Income from short term and advances as interest is received and accrued @ 9% p.a. | | | |
| 21.02 Income from Debenture is considered as accrued on year on year basis and income is booked accordingly. As per the term of Debenture Agreement the accrued interest shall be accumulative and alongwith principal debenture amount, be converted to Equity/Reduced on Redumption. | | | |
| 21.03 Dividend is received on Equity shares of Akola Urban Co-operative Bank. | | | |
| Note No 22 | | | |
| PROJECT EXPENSES | | | |
| Particulars | Year ended March 31st, 2024 | | Year ended March 31st, 2023 |
| Site & Survey Expenses | | 21.30 | 32.90 |
| Power & Electricity | | 14.13 | 16.16 |
| Rent | | 85.76 | 63.20 |
| Insurance | | 5.69 | 6.77 |
| Travelling & Conveyance: | | - | - |
| Site Taxi Hire Charges | 199.68 | - | 138.33 |
| Travelling: Others | 2.44 | 202.12 | 2.16 |
| Communication Expenses | | 1.34 | 0.97 |
| Repairs & Maintenance: | | - | - |
| Assets Discarded | | - | - |
| Repairs: Others | | 1.29 | 1.51 |
| Total | | 331.62 | 262.01 |
| Note No 23 | | | |
| RETAINERS AND CONSULTANCY FEES | | | |
| Particulars | Year ended March 31st, 2024 | | Year ended March 31st, 2023 |
| Retainership Fees | | 193.63 | 170.88 |
| Consultancy Fees | | 685.01 | 247.81 |
| | | - | - |
| Total | | 878.65 | 418.69 |



| Note No 24 | | | |
|---|-----------------------------|-----------------------------|-----------------------------|
| CHANGE IN INVENTORIES OF WORK IN PROGRESS | | | |
| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 | |
| Closing Inventories | | | - |
| Work in Progress | - | | 27.28 |
| Opening Inventories | | | - |
| Work in Progress | 27.28 | | 59.82 |
| (Increase) / Decrease in Inventories | 27.28 | | 32.54 |
| Note No 25 | | | |
| EMPLOYEE BENEFITS EXPENSE | | | |
| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 | |
| Salaries, Wages and Allowances | 766.81 | | 584.10 |
| Contribution to PF and other Funds | 1.17 | | 4.22 |
| Gratuity Expenses | 9.82 | | 10.75 |
| Welfare and other Amenities | 8.95 | | 12.96 |
| Total | 786.75 | | 612.03 |
| Note No 26 | | | |
| FINANCE COST | | | |
| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 | |
| Interest Expenses | 143.12 | | 173.48 |
| Other Borrowing Costs | 23.37 | | 24.50 |
| Interest on Lease Liability A/c | - | | 0.04 |
| Total | 166.49 | | 198.02 |
| Note No 27 | | | |
| DEPRECIATION AND AMORTIZATION EXPENSE | | | |
| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 | |
| Depreciation on property, plant and equipment | 38.81 | - | 48.89 |
| Amortization of Intangible Assets (Computer Softwares) | - | - | - |
| Depreciation on Right of Use Assets A/c | - | - | 0.90 |
| Total | 38.81 | | 49.80 |
| Note No 28 | | | |
| OTHER EXPENSES | | | |
| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 | |
| Sales & Administration Expenses | | | |
| Rates & Taxes | 5.26 | - | 1.53 |
| Printing & Stationery | 3.51 | - | 3.75 |
| Legal & Filing Fees | 9.60 | - | 4.15 |
| Tender Expenses | 3.26 | - | 5.17 |
| Travelling & conveyance | 32.18 | - | 39.43 |
| Audit fees & Certification charges | 4.28 | - | 5.83 |
| Professional and Consultancy charges | - | - | 0.96 |
| Repaires & Maintenance | 18.18 | - | 39.44 |
| Advertisement & Sales Promotion | 0.69 | - | 0.61 |
| Communication Exp | 5.28 | - | 5.43 |
| Computer & Software exp | 3.40 | - | 3.92 |
| Miscellaneous Expenses | 18.11 | - | 36.25 |
| Sub Total | 103.76 | | 146.46 |
| Total | 103.76 | | 146.46 |
| 28.1 Breakup Of Payment To Statutory Auditors | | | |
| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 | |
| Audit Fees | 1.50 | - | 1.13 |
| Certification & Other Matters | - | - | - |
| Total | 1.50 | | 1.13 |
| 28.02 Audit fees is fees for Statutoruy fees payable during the year. | | | |
| Note No 29 | | | |
| OTHER COMPREHENSIVE INCOME | | | |
| Particulars | | Year ended March 31st, 2024 | Year ended March 31st, 2023 |
| Gratuity Income | 9.88 | | |
| Less : Expense due to Lease Liability | - | 9.88 | 19.41 |



| Note No 30 | | |
|---|------------------------------------|------------------------------------|
| EARNING PER SHARE | | |
| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 |
| Net Profit/(Loss) after tax attributable to equity shareholders | 533.20 | 553.83 |
| Weighted average number of equity shares outstanding (Nos) | 72.75 | 72.75 |
| | 7.33 | 7.61 |

| NOTE 31 | | |
|---|------------------------------------|------------------------------------|
| CONTINGENT LIABILITIES | | |
| (To the extent not provided for) | | |
| Particulars | Year ended March 31st, 2024 | Year ended March 31st, 2023 |
| (i) Guarantees given by the Company's Bankers. (Bank guarantees are provided under contractual/legal obligation as Performance Security) | 488.97 | 481.64 |
| (ii) Third Party Claims :- (Matters are pending before various forums. The company doesn't expect any material impact on the financial position of the company on account of pending litigation) | 29.07 | 18.91 |
| (iii) Appeal filed in respect of disputed demand of income tax. | 0 | 0 |

31.01 The Company does not expect any financial liability or outgo on Bank guarantees issued because of the Security provided there against is 100% Fixed Deposits of Bank and besides the entire Contingent Civil Liability is secured by Professional Liability Insurance towards contract performance.

| NOTE -32 |
|---|
| In the opinion of the management, Current Assets, Loans and Advances are of the valued stated, if realised in the ordinary course of business |

| NOTE -33 |
|---|
| SEGMENT REPORTING |
| The Company is predominantly in the business of providing "Project Management Consultancy Services" and, as such there are no separate reportable segments. The company's operations are only in India. |



ARTEFACT PROJECTS LIMITED
Notes forming part of the financial statements for the Period ended March 31st, 2024

NOTE 34

RELATED PARTY DISCLOSURES

A. List of Related parties:

(As Certified by the Management)

I. Joint Ventures

Zaidun Leeng Sdn. Bhd. - Artefact Projects

Sheladia Associates Inc. - Artefact Projects - Zaidun Leeng Sdn. Bhd.

II. Key Management Personnel (KMP) and their Relatives

Mr. Siddharth Shah - Whole - Time Director

Mr. Pankaj Shah (Relative of Director)

Mrs. Snehal Jaiswal - Company Secretary & Compliance Officer (Resigned w.e.f. 25.11.2023)

Mr. Anand Jain - Company Secretary & Compliance Officer (w.e.f. 08.02.2024 & Resigned on 15.03.2024)

Ms. Rani Maheshwari - Company Secretary & Compliance Officer (w.e.f. 16.03.2024)

Mr. Chandrashekar Baseshankar - Chief Financial Officer

III. Enterprises in which key managerial personnel and their relatives are able to exercise significant influence with whom transactions have taken place during the year :

(Other related parties)

a) Artefact Towers Association

b) Renaissance IOT LLP

c) Artefact Infrastructure Pvt Ltd.



ARTEFACT PROJECTS LIMITED

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

B. Transactions during the year with Related Parties :

(Amount In Rs.)

| Nature of transaction | Subsidiary Company | Joint Ventures | Key Management Personnel & their Relatives | Other Related Parties | Total |
|---|--------------------|----------------|--|-----------------------|------------|
| Non Current Investments | | | | | |
| Balance outstanding at year end | | 6.41 | | 90.00 | 96.41 |
| | | (6.41) | | (90.00) | (96.41) |
| Advances to suppliers | | | | | |
| Balance outstanding at year end | | - | | (15.39) | (15.39) |
| | | | | | - |
| Security Deposits | | | | | |
| Balance outstanding at year end | | | | 1.02 | 1.02 |
| | | | | (1.02) | (1.02) |
| | | | | | - |
| Long Term Loans & Advances | | | | | |
| | - | - | - | - | - |
| Short Term Loans & Advances | | | | | |
| Opening balance | - | 130.23 | - | 461.12 | 591.35 |
| | | (131.55) | | (878.73) | (1,010.28) |
| Given during the year | - | 12.54 | - | 538.27 | 550.81 |
| | | (108.61) | | (85.71) | (194.32) |
| Received during the year | | 61.77 | - | 311.50 | 373.26 |
| | | (109.94) | | (503.31) | (613.24) |
| Balance outstanding at year end | - | 81.00 | - | 687.90 | 768.90 |
| | - | (130.23) | | (461.12) | (591.35) |
| | | | | | - |
| Sundry Creditors | | | | | |
| Balance outstanding at year end | - | - | | 0.03 | 0.03 |
| | - | (49.17) | | - | (49.17) |
| Other current liabilities | | | | | |
| Balance outstanding at year end | - | - | | - | - |
| | - | - | | - | - |
| Trade Receivables | | | | | |
| Balance outstanding at year end | - | 110.45 | | | 110.45 |
| | - | (110.42) | | | (110.42) |
| | | | | | - |
| Employee Benefits Expenses | | | | | |
| Payment of Salaries & Allowance | - | | 34.09 | | 34.09 |
| (Refer Note (i) below Note No.31 (C)) | - | - | (21.83) | | (21.83) |
| | | | | | - |
| Professional and Consultancy Fees | | | | | |
| | | | | 129.80 | 129.80 |
| | | | | | - |
| Revenue from Operations | | | | | |
| Income from Project Management and Consultancy Services | - | - | - | - | - |
| | - | - | - | - | - |
| Other Income | | | | | |
| Interest on Loans | - | - | - | 33.58 | 33.58 |
| | - | - | - | (60.52) | (60.52) |
| Reimbursement of Expenses | | | | | |
| | | | | | - |
| Repair and Maintenance | | | | | |
| | - | - | - | 7.42 | 7.42 |
| | - | - | - | - | - |

Note : Figures in brackets represent previous year's amounts.



| ARTEFACT PROJECTS LIMITED | | | |
|--|---|--------------------------|--------------------------|
| Notes forming part of the financial statements for the Period ended March 31st, 2024 | | | |
| C. Details of major transactions during the year with Related Parties : | | Amount In Rs. | Amount In Rs. |
| Particulars | Name of Parties | Year Ended 31.03.2024 | Year Ended 31.03.2023 |
| Non Current Investments | | | |
| - in Equity Shares | Artefact Infrastructure Pvt Ltd | 90.00 | 90.00 |
| -In Joint Ventures | Sheladia -APL | 6.41 | 6.41 |
| Advance to suppliers | | | |
| Balance outstanding at year end | Renaissance IOT LLP | (55.66) | 29.79 |
| | Artefact Tower Association | 40.26 | 21.32 |
| Security Deposit | | | |
| Balance outstanding at year end | Artefact Tower Association | 1.02 | 1.02 |
| Long Term Loans and Advances | | | |
| Balance outstanding at year end | | - | - |
| Short Term Loans & Advances | | | |
| Opening Balance | Zaidun Leeng Sdn. Bhd.- Artefact Projects | 83.40 | 84.72 |
| | Sheladia Associates Inc.-Artefact Projects-Zaidun Leeng Sdn. Bhd. | 46.83 | 46.83 |
| | Artefact Infrastructure Pvt Ltd | 461.12 | 878.73 |
| Given during the period | Zaidun Leeng Sdn. Bhd.- Artefact Projects | 12.54 | 108.61 |
| | Sheladia Associates Inc.-Artefact Projects-Zaidun Leeng Sdn. Bhd. | - | - |
| | Artefact Infrastructure Pvt Ltd | 538.27 | 85.71 |
| Received during the period | Zaidun Leeng Sdn. Bhd.- Artefact Projects | 61.77 | 109.94 |
| | Sheladia Associates Inc.-Artefact Projects-Zaidun Leeng Sdn. Bhd. | - | - |
| | Artefact Infrastructure Pvt Ltd | 311.50 | 503.31 |
| Balance outstanding at year end | Zaidun Leeng Sdn. Bhd.- Artefact Projects | 34.17 | 83.40 |
| | Sheladia Associates Inc.-Artefact Projects-Zaidun Leeng Sdn. Bhd. | 46.83 | 46.83 |
| | Artefact Infrastructure Pvt Ltd | 687.90 | 461.12 |
| Trade Receivables | | | |
| Balance outstanding at year end | Zaidun Leeng Sdn. Bhd.- Artefact Projects | 94.70 | 94.70 |
| | Sheladia Associates Inc.-Artefact Projects-Zaidun Leeng Sdn. Bhd. | 15.75 | 15.72 |
| | | - | - |
| Sundry Creditors | | | |
| | Zaidun Leeng Sdn. Bhd.- Artefact Projects | - | 49.17 |
| | Artefact Tower Association | 0.03 | - |
| Other current liabilities | | | |
| | Meinhardt Singapore Pte. Ltd. - Artefact Projects | - | - |
| | Zaidun Leeng Sdn. Bhd.- Artefact Projects | - | - |
| Interest Income | | | |
| Interest on Loans | Artefact Infrastructure Pvt Ltd | 33.58 | 60.52 |
| Particulars | Name of Parties | Year Ended 31.03.2024 | Year Ended 31.03.2023 |
| Employee Benefits Expenses | | | |
| - Payment of Salaries & Allowance (Refer Note (i) below Note No.31 (C)) | Mr. Siddharth P Shah | 21.00 | 12.00 |
| | Mr. Ashok Karwa | - | 6.02 |
| | Mrs. Snehal Jaiswal | 6.60 | 3.81 |
| | Mr. Anand Jain | 0.53 | - |
| | Ms. Rani Maheshwari | 0.56 | - |
| | Mr. Chandrashekar | - | - |
| | Baseshankar | 5.40 | - |
| | | - | - |
| | | - | - |
| Repair and Maintenance | Artefact Towers Association | 7.42 | - |
| | | - | - |
| | | - | - |
| Professional Consultancy Fees | Renaissance IOT LLP | 129.80 | - |

Note (i) Salaries and allowances to key managerial personal do not include contribution to the gratuity fund for them since the provision for gratuity has been made to comply as a whole and separate figures for them are not available.



NOTE 35

JOINT VENTURE ACCOUNTING:

Jointly Controlled Operations

- (i) The Company has entered in to Joint Ventures (JVs) in respect of certain projects with various body corporates. The share in the residual profit remaining after sharing of receipts in proportion to the extent of services rendered is in the ratio as under -

| Name of the Joint Venture | Company's Share in residual profits | Other Partners' Participating Interest |
|---|-------------------------------------|--|
| Zaidun Leeng Sdn. Bhd. - Artefacts Projects | 60% | 40% |
| Sheladia Associates Inc. - Artefacts Projects- Zaidun Leeng Sdn. Bhd. | 65% | 35% |

- (ii) The Company's share in the total value of the assets and liabilities as at Rs 31st March, 2024 is Rs. 147.30 Lakhs (Previous year 201.79 Lakhs) and Rs. 73.09 Lakhs (Previous Year Rs. 73.11 Lakhs) respectively and in the income, expenditure and net profit / (Loss) before tax for the year ended 31st March, 2024 of the above Joint Ventures amounts to Rs. 0.00 Lakhs (Previous Year Rs. 0.00 Lakhs), Rs. 0.13 Lakhs (Previous Year Rs. 0.23 Lakhs) and Rs. 0.13 Lakhs (Previous Year Loss Rs. 0.23 Lakhs) respectively. The figures have been incorporated based on the audited financial statements received from the jointly controlled operations.

NOTE 36

The Company has not entered into any derivative contracts and accordingly there are no outstanding derivative contracts as on 31st March, 2024. The Company does not have any foreign currency exposure as on 31st March, 2024.

NOTE 37

Balances under sundry creditors, imprest accounts ,sundry debtors,salary payable and loans and advances are subject to confirmation from the said parties.

NOTE 38

Previous Year's figures have been reworked /regrouped / rearranged / reclassified wherever necessary to make them comparable with those of current year.

As per our Report of even date

For and on behalf of Board of Directors

For, **NARESH PATADIA & COMPANY**
Chartered Accountant
Firm Reg. No. 106936W

Sd/-
CA NARESH PATADIA
Proprietor
Membership No. 035620
Date : 21/05/2024
Place : Nagpur
UDIN : 24035620BKBGZX4994

Sd/-
SIDDHARTH P SHAH
Director
DIN: 05304116

Sd/-
KAUSTUBH PRAKASH PAUNIKAR
Director
DIN: 08621592

Sd/-
Rani Maheshwari
Company Secretary
Membership No. A54149
Nagpur

Sd/-
CHANDRASHEKAR BASESHANKAR
Chief Financial Officer



Annexure IV
Form AOC-1

Statement containing salient features of the Financial Statement of Subsidiary Companies/Associate Companies/ Joint Ventures pursuant to provisions of Section 129 (3) of the Companies Act, 2013 Read with Rule 5 of Companies (Account) Rules, 2014.

ASSOCIATES AND JOINT VENTURES

(Amount in Rs.)

| Sr. No. | Particulars | Zaidun Leeng Sdn Bhd - Artefact Projects Ltd. (JV) | Sheladia Associates Inc - Zaidun Leeng Sdn Bhd - Artefact Projects Ltd (JV) |
|----------------|---|---|--|
| 1 | Latest Audited Balance Sheet date | 31st March, 2024 | 31st March, 2024 |
| 2 | Shares of joint venture held by the Company | N. A | N. A |
| 3 | Nos. | N. A | N. A |
| 4 | Amount of Investment in Associates | N. A | N. A |
| 5 | Extend of Holding % | 60% | 65% |
| 6 | Description of how there is significance influence | Ownership of 20% or more of the voting power | Ownership of 20% or more of the voting power |
| 7 | Reason why the associate is not consolidated | N. A | N. A |
| 8 | Networth attributable to Shareholding as per latest Balance sheet | 598,061 | 3,368,405 |
| 9 | Profit / Loss for the year | 13,094 | 236 |
| | i) Considered in the Consolidation | - | - |
| | ii) Not considered in the consolidation | - | - |

The above statement also includes performance and financial position of each of the Associates and Joint Ventures.

**For and on behalf of Board of Directors of
Artefact Projects Limited**

**Sd/-
Siddharth P. Shah
Whole Time Director
DIN: 05304116**

**Sd/-
Chandrashekhar Baseshankar
Chief Financial Officer**



ARTEFACT PROJECTS LIMITED

(CIN: L65910MH1987PLC044887)

Regd. office: Block No. 105, 2nd Floor, 'Artefact Towers', Chhatrapati Square, Wardha Road, Nagpur 440 015.

Phone No.: +91-712-7197100; Fax No. +91-712-7197120; Website: www.artefactprojects.com

Email: shareholders@artefactprojects.com, artefactnagpur@gmail.com

ATTENDANCE SLIP

36TH ANNUAL GENERAL MEETING ON FRIDAY, 27TH September, 2024

| | |
|---|------------------------------|
| Registered Folio/DP ID & Client ID | |
| Name and Address of the shareholder(s) Joint Holder 1 Joint Holder 2 | |
| No. of shares held | |
| I/we hereby record my/our presence at the 36 th Annual General Meeting of the Members of the Company held at Block No. 105, 2 nd Floor, "Artefact Towers", Chhatrapati Square, Wardha Road, Nagpur - 440 015 on Friday, 27 th September, 2024 at 11.00 a.m. | |
| Member's / Proxy's name (in Block Letters) | Member's / Proxy's Signature |
| Note: 1. Please fill in the Folio/DP ID-Client ID No., name and sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL 2. Please read the instructions for e-voting given along with the Notice. The Voting period starts from Tuesday, 24 th September, 2024 (09.00 am) and ends on Thursday 26 th September, 2024 (5.00 pm). The voting module shall be disabled by CDSL for voting thereafter. | |
| | |

Note: PLEASE BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING. HALL



ARTEFACT PROJECTS LIMITED

(CIN: L65910MH1987PLC044887)

Regd. office: Block No. 105, 2nd Floor, 'Artefact Towers', Chhatrapati Square, Wardha Road, Nagpur 440 015.

Phone No.: +91-712-7197100; Fax No. +91-712-7197120; Website: www.artefactprojects.com

Email: shareholders@artefactprojects.com, artefactnagpur@gmail.com

Form No. MGT-11
PROXY FORM

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

36TH ANNUAL GENERAL MEETING ON DAY, 27TH September, 2024

Name of the member (s): _____

Name of the Joint holder, if any: _____

Registered address: _____

E-mail Id: _____

Folio No/ Client ID / DP ID: _____

I/We being a member(s) of _____ Shares of the above named Company hereby appoint:

(1) Name _____

Address _____

Email Id: _____ Signature _____ or failing him/her;

(2) Name _____

Address _____

Email Id: _____ Signature _____ or failing him/her;

(3) Name _____

Address _____

Email Id: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on Friday, 27th September, 2024 at 11.00 a.m. at **Block No. 105, 2nd Floor, "Artefact Towers", Chhatrapati Square, Wardha Road, Nagpur – 440015** and at any adjournment thereof in respect of such resolutions as are indicated below:



| Item No. | Resolutions | Vote (Optional see Note 2) (Please mention no. of share) | | |
|---------------------------|--|---|---------|---------|
| | | For | Against | Abstain |
| Ordinary Business: | | | | |
| 1 | Ordinary Resolution for adoption of Audited Financial Statements of the Company for the year ended 31 st March, 2024 along with Board's Reports and Auditors' Report thereon. | | | |
| 2 | Ordinary Resolution for appointment of a director in place of Mrs. Ankita Shah (DIN: 06772621), Director, who retires by rotation and being eligible, offers herself for re-appointment. | | | |
| Special Business: | | | | |
| 3 | Special resolution for regularization of additional Independent Director Mrs. Pritti Kumar Agrawal (DIN: 10386174) as Director of the Company. | | | |
| 4 | Ordinary Resolution for Approval of related party transactions. | | | |

Signed this _____ day of _____, 2024

Signature of shareholder _____

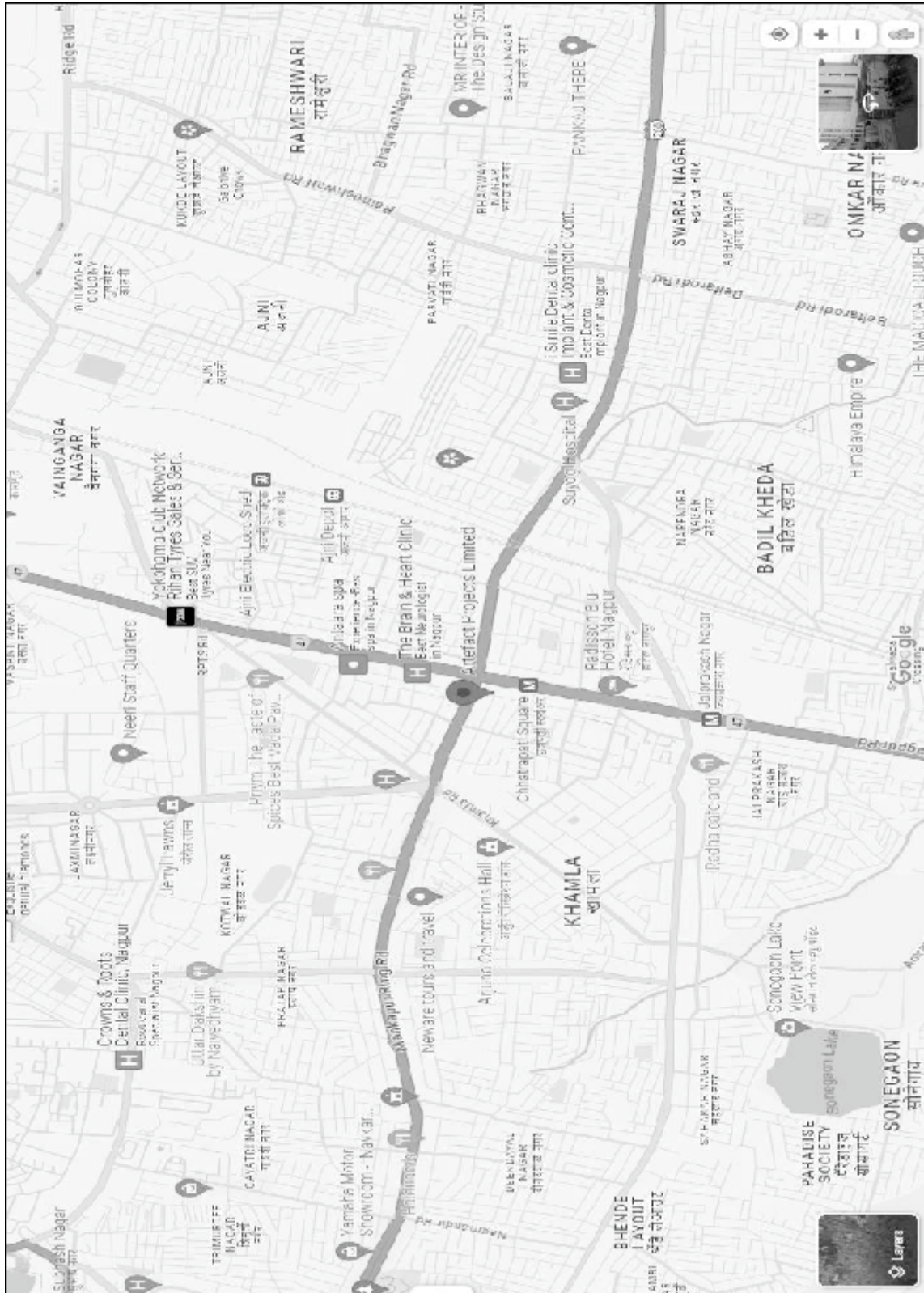
Signature of Proxy holder(s) _____

Affix
Revenue
Stamp
Re 1/-

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

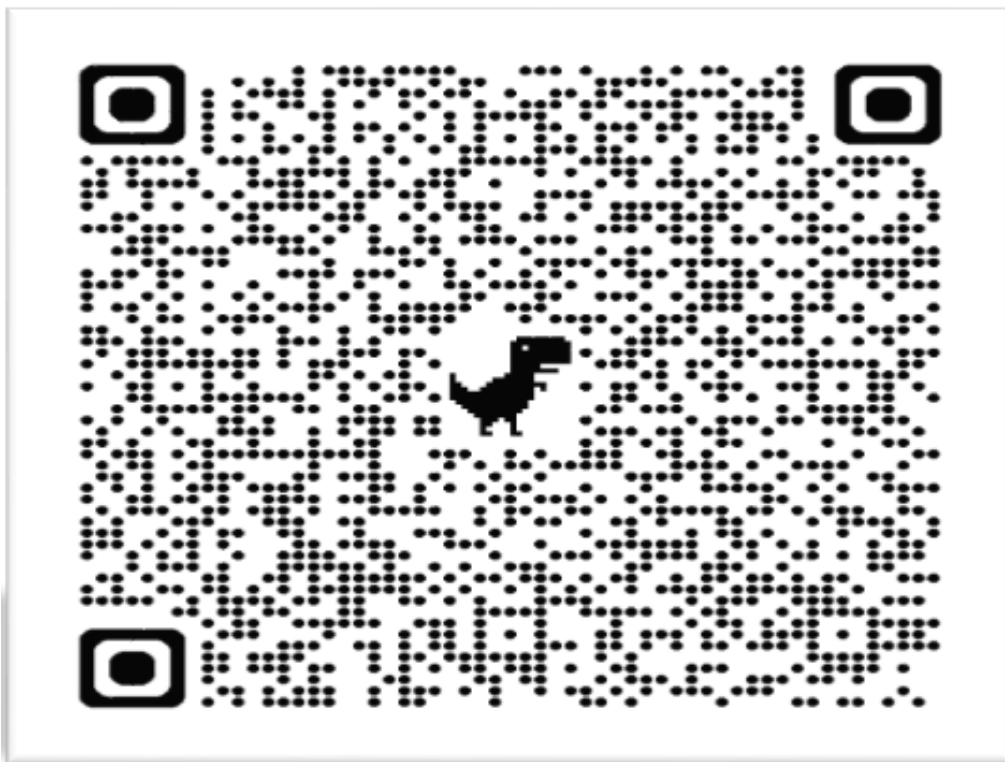


Route Map (<https://maps.app.goo.gl/os3XcesjA1nHFhHP7>)





(Scan to View MAP)



OUR PROJECT LOCATIONS



- AGRA (UP)
- AURANGABAD (MH)
- BHAVNAGAR (GJ)
- JHALAWAR (RJ)
- JHANSI (UP)
- JODHPUR (RJ)
- LUCKNOW (UP)
- MANIPUR
- NAGALAND
- MORENA (MP)
- NAGPUR (MH)
- NANDED (MH)
- RADHANPUR (GJ)
- RUDRAPUR (UK)
- SECUNDRABAD(TS)
- SAMARLAKOTA (AP)
- TIRUMAMGALAM (TN)



Artefact Projects Ltd.

Excellence in Infrastructure Services

• Registered Office •

Block No.105, 2nd Floor, Artefact Towers, 54/3, Chhatrapati Square,
Wardha Road, Nagpur - 440015, Maharashtra, India.

www.artefactprojects.com