

12TH ANNUAL REPORT 2022-23



shanti
OVERSEAS (INDIA) LTD.
— synthesizing organically —

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CORPORATE INFORMATION

(As on 6th September,2023)

BOARD OF DIRECTORS

1. Mr. Ayush Kacholia : Chairman & Managing Director
2. Mrs. Karuna Kacholia : Whole Time Director
3. Mrs. Shribala Mandhanya : Independent Director
4. Mr. Sudeep Satyendra Saxena : Independent Director
5. Mrs. Pooja Chordia : Independent Director
6. Mr. Rahul Jain : Independent Director

STATUTORY AUDITORS

M/s. Muchhal & Gupta

Chartered Accountants

301, Shalimar Corporate

Centre, 8-B South Tukoganj

Indore-452001(M.P.)

AUDIT COMMITTEE

1. Mrs. Shribala Mandhanya : Chairperson
2. Mr. Sudeep Satyendra Saxena : Member
3. Mr. Ayush Kacholia : Member

SECRETARIAL AUDITORS

M/s. Archna Maheshwari & Co.

Company Secretaries

“Kamal Kripa”, 97, Jaora

Compound, Indore (M.P.) -452001

STAKEHOLDERS' RELATIONSHIP COMMITTEE

1. Mrs. Shribala Mandhanya : Chairperson
2. Mr. Sudeep Satyendra Saxena : Member
3. Mr. Ayush Kacholia : Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Ramita Otwani

NOMINATION AND REMUNERATION COMMITTEE

1. Mrs. Shribala Mandhanya : Chairperson
2. Mr. Sudeep Satyendra Saxena : Member
3. Mrs. Pooja Chordia : Member

CHIEF FINANCIAL OFFICER

Mrs. Karuna Kacholia

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

1. Mrs. Shribala Mandhanya : Chairperson
2. Mrs. Pooja Chordia : Member
3. Mr. Ayush Kacholia : Member



NAME OF THE STOCK EXCHANGE

(Where the Company's Shares are Listed)

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block,

Bandra –Kurla Complex

Mumbai – 400051

Symbol-SHANTI

INTERNAL AUDITOR

M/s S. Ramanand Aiyar & Co.

(FRN 000990N)

SPARK HOUSE, Plot No. 51

Scheme No. 53, Near Medanta

Hospital, Vijay Nagar, Indore

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai- 400083(M.H.)

Tel: + 91-22-49186000, Fax: + 91-22-41986060

E-mail: mumbai@linkintime.co.in

Website: www.linkintime.co.in

BANKERS

HDFC Bank

Sapna Sangeeta Road, Indore

Kotak Mahindra Bank

Shreemaya Sq. Branch, Indore

Punjab National Bank

Yeshwant Niwas Road, Indore

REGISTERED OFFICE

203, 2nd Floor, N.M. Verge,

8/5 Yeshwant Niwas Road,

Indore (M.P.) - 452003

CIN:L74110MP2011PLC025807

Tel: +91-731-4020586, +91-731-4020587

E-mail: cs@shantioverseas.com

Website: www.shantioverseas.com



NOTICE OF THE 12TH ANNUAL GENERAL MEETING

NOTICE is hereby given that 12th Annual General Meeting of the Members of **SHANTI OVERSEAS (INDIA) LIMITED** ("the Company") will be held on Saturday, the 30th day of September, 2023 at 12.30 P.M. at the Registered Office at 203, 2nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.) - 452003 to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statements of the Company on Standalone and Consolidated basis as at 31st March, 2023 and Statement of Profit and Loss Account together with the Notes & Schedules forming part thereof and Cash Flow Statement for the financial year ended on that date, and the Reports of the Board of Directors ("The Board") and Auditors thereon.
2. To appoint a Director in place of Mrs. Karuna Kacholia (DIN: 09307230), who retires by rotation and being eligible, offers herself for re-appointment.

**BY THE ORDER OF THE BOARD
FOR: SHANTI OVERSEAS (INDIA) LIMITED**

**SD/-
RAMITA OTWANI
COMPANY SECRETARY
ACS: 28101**

PLACE: INDORE

DATE: 06TH SEPTEMBER, 2023

NOTES

1. **PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 12TH ANNUAL GENERAL MEETING AND IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIM/HER AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as a proxy on behalf of maximum of 50 members and holding in aggregate ten or more than 10% of total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other Member.

2. Every Member entitled to vote at a meeting of the Company, or on any resolution to be moved there at, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three day's notice in writing of the intention so to inspect is given to the Company.
3. A proxy form is enclosed herewith. In case a Member wants to appoint a proxy, a duly completed and stamped proxy form must reach the registered office of the Company not later than 48 hours before the time of the aforesaid meeting.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the 12th Annual General Meeting.
5. Members who have not registered their email addresses so far are requested to register their email address in respect of their electronic holding with the Depository through their concerned Depository Participants and Members are further requested to register their email addresses with the Share Transfer and Registrar Agent of Company i.e. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083, Maharashtra.
6. Members/Proxies attending the meeting are requested to bring the duly completed attendance slip (which has been enclosed herewith) to the 12th Annual General Meeting.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours.

8. In terms of section 101 & 136 of the Companies Act, 2013 read together with the rules made there under, Listed Companies may send the notice of AGM and the Annual Report including all Financial Statements, Board Report etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their e-mail IDs with their respective DPs or with the Share Transfer Agent of the Company. The e-mail addresses indicated in your respective Depository Participant (DP) accounts, which will be periodically downloaded from NSDL/CDSL, will be deemed to be your registered e-mail address for serving notices/ documents including those covered under Section 136 of the Companies Act, 2013 read with rule 11 of the Companies (Accounts) Rules, 2014. In compliance with the MCA Circulars and the Securities and Exchange Board of India ('SEBI') Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI Circular No /HO/CFD/CMD2/CIR/P/2021/11 15th January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05th January, 2023, the Notice of AGM and the Annual Report for the Financial Year 2022-2023 is being sent only through electronic mode to all the Shareholders. The Notice of AGM and the copies of Audited Financial Statements, Board's Report, Auditor's Report etc. will also be displayed on Company's website www.shantioverseas.com and on the website of National Stock Exchange (NSE) www.nseindia.com. As per the green initiative taken by Ministry of Corporate Affairs, all the members are requested to ensure to keep their e-mail addresses updated with the Depository Participants to serve them documents/ all communications including Annual Reports, Notices, Circulars etc. in electronic form
In case any member is desirous of obtaining hard copy of the Annual Report for the Financial Year 2022-2023 and Notice of the 12th AGM of the Company, may send request to the Company's email address at cs@shantioverseas.com mentioning folio No./ DPID and Client ID.
9. Electronic copy of the notice of the Annual General Meeting along with Annual Report inter-alia, including Polling Paper, Proxy Form and Attendance Slip is being sent to all the Members whose name appears in the prelist furnished by NSDL and CDSL as Beneficial Owner as on 01st September, 2023 at the email ids registered with the Company/RTA/DP for communication purpose.
10. The members can opt for only one mode of voting, i.e., either by e-voting or the poll facility available at the venue of the meeting.
11. Members are requested to direct change of address notifications and updates of bank account details to their respective Depository Participant.
12. Members are requested to address all correspondence to the Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083, Maharashtra.
13. The Company has set Saturday, 23rd September, 2023 as the "cut-off Date" for taking record of the Members of the Company who will be eligible for casting their vote on the resolutions to be passed in the ensuing 12th Annual General Meeting
14. The Board of Directors of the Company has appointed M/s. Archana Maheshwari & Co., Practicing Company Secretaries, Indore as the Scrutinizer, who will also scrutinize the Remote E-Voting and the Poll Paper Voting process for the 12th Annual General Meeting in affair and transparent manner.
15. The Resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman of the Company, if the result of the E-voting or Paper Poll Votes indicates that the requisite majority of the Members had assented to the Resolution.
16. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in

writing, who shall countersign the same and declare the result of the voting forthwith. After declaration, the result of the Remote E-Voting or Paper Poll Votes will also be posted on the Company's website www.shantioverseas.com besides communicating the same to CDSL and Link Intime India Pvt. Ltd., Registrar & Share Transfer Agent on the said date and also to National Stock Exchange of India Limited (NSE), where the shares of the Company are listed.

17. Members may note that the Notice of this meeting has been posted under the Investor Tab on Company's Website www.shantioverseas.com.
18. In case of joint-holding, the Voting Poll Paper must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member.
19. Unsigned or incomplete and improperly or incorrectly ticked Voting Poll Papers shall be rejected.
20. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members are therefore requested to submit their PAN to their Depository Participant(s).
21. A brief resume of the Mrs. Karuna Kacholia proposed to be appointed/re-appointed at this AGM, nature of expertise in specific functional areas, names of companies in which she hold directorship and membership/chairmanship of Board Committees, shareholding and relationship between directors interest as stipulated under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is provided in '**Annexure A**'.
22. The route map showing directions to reach the venue of the 12th Annual General Meeting is annexed herewith.

VOTING THROUGH ELECTRONIC MEANS:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is also pleased to provide members facility to exercise their right to vote prior to AGM by electronic means and the business may also be transacted through e-voting Services.

The Company has made arrangement with Link Intime India Private Limited for facilitating e-voting services through e-voting platform.

The e-voting facility will be available during the following voting period:

| | |
|---------------------------------|--|
| Commencement of e-voting | From 09.00 AM (IST) on Wednesday, 27 th September, 2023 |
| End of e-voting | Upto 5.00 PM (IST) on Friday, 29 th September, 2023 |

During this period shareholders of the Company may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. Any person, who is not a Member as on cut-off date should treat this Notice for information purposes only.

Members can exercise their option to vote either through remote e-voting or the poll facility available at the venue. If a Member has opted for remote e-voting prior to the AGM, he/she may attend the AGM, but shall not be entitled to cast vote again during the AGM.

E-voting website of the Link Intime could be accessed by visiting <https://instavote.linkintime.co.in>.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsd.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is

available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>
 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.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 i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are 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, the option to register is available at CDSL 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 the 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, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants
- You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. Link Intime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

**Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

**Shareholders holding shares in NSDL form, shall provide ‘D’ above*

➤ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

➤ Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘SHARE HOLDER’ tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).

4. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|--|
| 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 : 022 - 4886 7000 and 022 - 2499 7000 |
| 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 Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No +Folio Number registered with the Company.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

ANNEXURE TO THE NOTICE

Details of Director seeking Appointment /Reappointment at the 12th Annual General Meeting in pursuance of provisions of the Companies Act, 2013 & Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

| | |
|--|--|
| Name of the Director | Mrs. Karuna Kacholia (DIN:09307230) |
| Date of Birth | 20/07/1987 |
| Nationality | Indian |
| Date of Appointment | 03/09/2022 (As a Whole Time Director) 01/05/2017 (As a Chief Financial Officer) |
| Qualification | Qualified from Institute of Chartered Accountants of India |
| Experience | 11 years of Experience in Finance, Accounts, Taxation and Internal Control Management of Companies. |
| No. of Shares held in the Company as on 31st March, 2023 | 29,26,125 Equity Shares of INR 10/-each |
| Relationship with other Directors, Manager and other | Mr. Ayush Kacholia - Spouse |
| Number of Meetings of the Board attended during the year | 5 (As a Whole Time Director) 8 (As a Chief Financial Officer) |
| Directorship in other Companies | 1. Biograin Protinex Private Limited 2. Shaan Agro Oils & Extractions Private Limited 3. SOIL Consultech Private Limited |
| Directorship in other Listed Companies | Nil |
| The Chairman/Members of Committees of the Board of Listed/other Companies | Nil |

BOARD'S REPORT

To,
The Members,
Shanti Overseas (India) Limited,

Your Directors delightfully present the 12th Annual Report on the Business & Operations of **Shanti Overseas (India) Limited** ('the Company') along with the Audited Standalone and Consolidated Financial Statements for the financial year ended on 31st March, 2023.

FINANCIAL RESULTS

The financial performance of the Company for the Financial Year ended on 31st March, 2023 and for the previous Financial Year ended on 31st March, 2022 is given below:

(Amount in INR)

| Particulars | Standalone | | Consolidated | |
|---|-----------------------|---------------------|-----------------------|-----------------------|
| | 2022-23 | 2021-22 | 2022-23 | 2021-22 |
| Revenue from operations | 25,66,28,851 | 69,79,48,956 | 1,49,32,87,033 | 2,02,81,07,370 |
| Miscellaneous income | 26,79,924 | 34,91,154 | 28,75,450 | 26,10,510 |
| Total Revenue | 25,93,08,775 | 70,14,40,110 | 1,49,61,62,484 | 2,03,07,17,880 |
| Total Expenses | 40,40,78,224 | 69,56,60,834 | 1,72,70,24,732 | 1,99,72,25,357 |
| Profit Before Exceptional and Extraordinary Items and Tax | (14,47,69,448) | 57,79,276 | (23,08,62,247) | 3,34,92,523 |
| Exceptional Items | - | - | - | - |
| Profit Before Extraordinary Items | (14,47,69,448) | 57,79,276 | (23,08,62,247) | 3,34,92,523 |
| Taxes of earlier years | 55,790 | - | 55,790 | - |
| Tax Expense: Current Tax | - | 33,41,220 | - | 79,58,996 |
| Deferred Tax | (3,95,99,460) | (26,27,079) | (6,18,97,580) | (54,36,278) |
| Profit for the period | (10,52,25,778) | 50,65,135 | (16,90,20,498) | 3,09,69,805 |
| Earnings per Share(EPS) | (9.47) | 0.46 | (15.22) | 2.79 |
| Basic Restate | (9.47) | 0.46 | (15.22) | 2.79 |

Note: Previous year figures have been reclassified/regrouped wherever necessary, to correspond with those of the current year.

OPERATIONS

Standalone

The total revenue from operations of the Company is INR 2,566.29 Lakhs and the profit before tax amounted to INR (1,447.69) Lakhs and the net profit after tax amounted to INR (1,052.26) Lakhs. The EBITD is INR (1,168.88) Lakhs, which is (45.55 %) of Turnover.

Consolidated

The total revenue from operations of the Company is INR 14,932.87 Lakhs and the profit before tax amounted to INR (2,308.63) Lakhs and the net profit after tax amounted to INR (1,690.20) Lakhs. The EBITD is INR (1,837.27) Lakhs, which is (12.30%) of Turnover.

THE STATE OF COMPANYS' AFFAIR

During the year under review, the Company has put all its efforts in serving required products to all its customers on time. The turnover of the Company during the reporting period amounted to INR 14,932.87 Lakhs. The directors are thankful to all its suppliers for on time delivery of the products.

Our Company is under the good management guidance and control that help continued in achieving the targets of cutting down in the cost of operations and getting efficiency by using better alternate means.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has 3 (three) Subsidiary Companies pursuant to section 2 (47) (i) of the Companies Act, 2013 as follows:

- (i) **Shaan Agro Oils & Extractions Private Limited**

(ii) Biograin Protinex Private Limited

(iii) SOIL Consultech Private Limited

All the Companies are 100% wholly owned subsidiaries. A report on the performance and the financial position of the subsidiaries as per Form AOC-1 is annexed to this report as **ANNEXURE-1**.

During the year under review, there has been no material change in the business of the Company's subsidiary Company.

No Company has become or ceased to be its joint venture or associate company during the year. SOIL Consultech Private Limited has been incorporated with effect from 06th July, 2022 as wholly owned subsidiary of the Company. However, the company has transferred 10,000 (100%) equity shares of INR10/- each held in Biograin Protinex Private Limited. Consequently, after transfer of the said shares, Biograin Protinex Private Limited has ceased to be wholly owned subsidiary with effect from 5th June, 2023.

The Consolidated Financial Statements presented by the Company for the year ended 31st March, 2023 are prepared in accordance with Section 129 (3) of the Act and include the financial results of all its subsidiary companies, which forms part of this Annual Report.

Moreover, pursuant to provisions of section 136(1) of the Companies Act, 2013, audited Financial Statement of the subsidiary companies are placed on the Company's website and can be accessed at www.shantioverseas.com. The Consolidated Financial Statements presented by the Company include the financial result of its subsidiary companies.

Policy for determining Material Subsidiaries is available on the Company's corporate website and can be accessed at www.shantioverseas.com. Presently, the Company has one material subsidiary namely Shaan Agro Oils & Extractions Private Limited.

CHANGE IN NATURE OF BUSINESS

The Company is engaged in the business of Trading and Manufacturing of Agri-Commodities and there were no changes in the nature of business of the Company during the year under review.

DIVIDEND

Considering the performance and the state of affairs of the Company, your Directors have decided not to recommend any dividend on Equity Shares for the year under review to cater the growing need of funds for upcoming business operations of the Company.

TRANSFER TO RESERVES

The Directors have decided to retain the entire total comprehensive income for the current year in Other Equity.

The Company has a Closing Balance of INR 918.95 Lakhs (INR Nine Crore Eighteen Lakhs Ninety Five Thousands) as Reserves and Surplus as on 31st March, 2023.

The Closing Balance of Reserves and Surplus is bifurcated as follows:

| Sr. No. | Particulars | Amount in INR |
|---------|--|-----------------------|
| 1. | Balance at the beginning of the year | 15,38,62,772.00 |
| 2. | Bonus issue of shares | - |
| 3. | Amount of Securities Premium | 4,31,41,000.00 |
| 4. | Current Years Profit | (10,51,09,465.00) |
| | Balance as on 31st March, 2023 | 9,18,94,307.00 |

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance as per Regulation 34(3) read with Schedule V of the SEBI Listing Regulations is included as a part of this Annual Report. The requisite certificate from Mrs. Archana Maheshwari, Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

ANNUAL RETURN

Pursuant to Section 92 (3) and Section 134 (3) (a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return on its website and the same can be accessed through www.shantioverseas.com. The Company is not required to provide the extract of Annual Return (Form MGT-9) as a part of this Board's Report by the virtue of amendment in Section 92(3) of the Companies Act, 2013.

LISTING OF EQUITY SHARE ON CAPITAL MARKET SEGMENT (MAIN BOARD)

The securities of the Company are listed on National Stock Exchange of India Limited. All Equity Shares are held in dematerialized form. The ISIN No. of the Company is INE933X01016.

The Annual Listing fee for the year 2023-24 has been paid on time.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Cessation of Directors

Mr. Mukesh Kacholia (DIN: 00376922), Mr. Rohan Kacholia (DIN: 03623354), Mrs. Sangeeta Kacholia (DIN: 07817342) and Mr. Vijay Nichani (DIN: 03136935) have resigned from directorship of the Company w.e.f. 04th June, 2022.

B. Appointment of Directors

Mrs. Karuna Kacholia (DIN: 09307230) and Mr. Rahul Jain (DIN: 01515159) were appointed as Additional Whole Time Director and Additional Non-Executive Independent Director respectively of the Company w.e.f. 03rd September, 2022 and their appointments were approved by the members at the AGM held on 30th September, 2022.

Mr. Mukesh Kacholia (DIN: 00376922) was appointed as an Additional Whole Time Director of the Company w.e.f. 06th December, 2022 and his appointment was approved by the members at the EGM held on 06th January, 2023.

C. Director seeking Re-appointment

Mrs. Karuna Kacholia, Whole Time Director (DIN: 09307230) retires from the Board by rotation and being eligible, offers herself for re-appointment.

D. Directors and Key Managerial Personnel

The Directors and Key Managerial Personnel of the Company as on 31st March, 2023 are tabled below:

| Sr. No. | Name | Designation | DIN/PAN |
|---------|--|------------------------------|------------|
| 1. | Mr. Ayush Kacholia | Chairman & Managing Director | 03096933 |
| 2. | Mr. Mukesh Kacholia* (w.e.f. 06.12.2022) | Whole Time Director | 00376922 |
| 3. | Mrs. Karuna Kacholia | Whole Time Director | 09307230 |
| 4. | Mr. Sudeep Satyendra Saxena | Independent Director | 05129819 |
| 5. | Mrs. Pooja Chordia | Independent Director | 09196546 |
| 6. | Mrs. Shribala Mandhanya | Independent Director | 09198012 |
| 7. | Mr. Rahul Jain | Independent Director | 01515159 |
| 8. | Mrs. Ramita Otvani | Company Secretary | ABAPO7882M |

**Note-Mr. Mukesh Kacholia (DIN: 00376922), has resigned from directorship of the Company w.e.f. 2nd June, 2023.*

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The Board meets at least four times in a year at quarterly intervals and more frequently if deemed necessary, to transact its business. During the Financial Year, the Board has met 8 (Eight) times i.e. 16th May, 2022, 04th June, 2022, 12th August, 2022, 03rd September, 2022, 14th November, 2022, 06th December, 2022, 13th December, 2022 and 14th February, 2023.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have confirmed to the Board that they meet the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and qualify to be Independent Directors.

They have also confirmed that they meet the requirements of Independence as mentioned under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

AUDIT COMMITTEE

The details pertaining to the role, objective and composition of the Audit Committee are included in the Corporate Governance Report forming part of this Annual Report.

FORMAL ANNUAL EVALUATION PROCESS BY BOARD

Pursuant to the provisions of the Companies Act, 2013 and rules made there under, the Board has carried the evaluation of its own performance, performance of individual Directors, Board Committees including the Chairman of the Board on the basis of attendance, contribution and various criteria as recommended by the Nomination and Remuneration Committee of the Company. The evaluation of the working of the Board, its Committees, experience and expertise, performance of specific duties and obligations etc. were carried out. The directors expressed their satisfaction with the evaluation process and outcome.

The performance of all the Non Independent Directors (including the Chairman) were also evaluated by the Independent Directors at the separate meeting of Independent Directors of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3) (c) and Section 134(5) of the Companies Act, 2013, to the best of their knowledge and belief, the Board of Directors hereby submits that:

- i. In the preparation of the annual accounts for the financial year ended on 31st March, 2023, the applicable Accounting Standards have been followed and there are no material departure from the same;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of Loss for the year ended on 31st March, 2023;
- iii. The Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts ongoing concern basis;
- v. The Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively;
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS:

1. STATUTORY AUDITOR

At the 08th AGM held on 27th September, 2019, the Members of the Company approved the appointment of M/s. Muchhal & Gupta, Chartered Accountants, (FRN: 004423C) as the Statutory Auditors of the Company to hold the office for a period of 5 (five) years from the conclusion of that AGM till the conclusion of the 13th AGM.

2. INTERNAL AUDITOR

The Board has appointed M/s. S. Ramanand Aiyar & Co. (FRN: 000990N) as the Internal Auditors of the Company to conduct Internal Audit for the Financial Year 2022-23 at such remuneration as decided by the Board of Directors of the Company.

3. SECRETARIAL AUDITOR

The Board appointed M/s. Archana Maheshwari & Co., Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2022-23.

Pursuant to Regulation 24A of the Listing Regulations, the Company has obtained Annual Secretarial Compliance Report from a Practicing Company Secretary on compliance of all applicable SEBI Regulations and circulars / guidelines issued there under and the same were submitted with the Stock Exchange.

The Audit Report of the Secretarial Auditor's of the Company and it's material subsidiary for the financial year ended 31st March, 2023 are attached herewith as **ANNEXURE 2 (i)** and **ANNEXURE 2 (ii)**.

REVIEW OF AUDITOR'S REPORT AND SECRETARIAL AUDITOR'S REPORT

There are no qualifications, reservations or adverse remarks made by Statutory Auditors M/s. Muchhal & Gupta, Chartered Accountants, (FRN: 004423C), in the Auditor's Report.

The reports of the Secretarial Auditors for the F.Y. 2022-23 submitted by M/s. Archana Maheshwari & Co., Practicing Company Secretary has qualified for non compliance of Regulation 25 (2A) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The management has explained that inadvertently mentioned the Ordinary Resolution instead of Special Resolution as required under Regulation 25 (2A) of the SEBI (LODR), Regulations, 2015 however, the resolution passed with 100% voting in favour of the said resolution which is in compliance of the said Regulation 25 (2A) of the SEBI (LODR), Regulations, 2015.

REPORTING OF FRAUD BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported to the Audit Committee under Section 143 (12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

POLICIES OF THE COMPANY

POLICY ON NOMINATION AND REMUNERATION COMMITTEE

The Company has a detailed policy on remuneration of Directors and senior management employees, details of the same are given on the website of the Company www.shantioverseas.com. The committee performs the following duties:

1. Identify persons who are qualified to become Directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for Directors, KMPs and other employees;
3. Formulation of criteria for evaluation of performance of Independent Directors and the board of directors;
4. Revising a policy on diversity of Board of Directors;
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
6. Determine our Company's policy on specific remuneration package for the Managing Director/Executive Director including pension rights;
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
9. Decide the amount of Commission payable to the Whole Time Directors;
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.;
11. To formulate and administer the Employee Stock Option Scheme.

PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading & securities by the Directors and Designated Employees of the Company. The same is made available on the website of the Company www.shantioverseas.com.

The Code requires Trading Plan, preclearance for dealing in the company's shares and prohibits the purchase or sale of Company's shares by the Directors and the Designated Employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of CSR are not applicable on the Company for the Financial Year 2022-23 taking into account the financials of immediate preceding Financial Year i.e. 2021-22. The Company does not fall in any of the limits as prescribed under section 135 of the Companies Act, 2013 amended by the Companies (Amendment) Act, 2017 which come into effect from 19th September, 2018.

The Annual Report on CSR activities is annexed herewith as **ANNEXURE-3** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, the policy of Corporate Social Responsibility is made available on the website of the Company at www.shantioverseas.com.

VIGIL MECHANISM/WHISTLE BLOWER MECHANISM

Through vigil mechanism Company seeks to provide a mechanism for the Directors and Employees to disclose their concerns and grievances on unethical behavior and improper/illegal practices and wrongful conducts taking place in the Company for appropriate action. Through this mechanism, the Company provides necessary safeguards to all such persons for making sheltered disclosures in good faith.

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism was received by the Company.

The Vigil Mechanism policy may be accessed on the Company's website at the link: www.shantioverseas.com.

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

The details of loans, investments, guarantees and securities covered under the provisions of Section 186 of Companies Act, 2013 are provided in the Financial Statements of the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The contract/arrangements entered into with the related parties for the year under review were in ordinary course of business and on arm's length basis and there is no material transaction to be reported under Section 188 (1) of the Companies Act, 2013, hence disclosure in Form AOC-2 is not required.

During the year the Company, has not entered into any materially significant Related Party Transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in AS-18 which is forming part of the notes to financial statements.

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION

Your Company has adopted policy on Materiality of Related Party Transactions to set out the manner of entering into transactions with the related parties.

The Policy on Materiality of Related Party Transactions has been made available on the website of the Company www.shantioverseas.com.

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval was obtained for related party transactions of repetitive nature and was entered in the ordinary course of business.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has its Internal Financial Control Systems commensurate with operations of the Company. The Management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, and the accuracy and completeness of the accounting records including timely preparation of reliable financial information. The SAPB1 module of accounting ensures strong financial control from beginning till end. It also ensures security of financial information from any data tampering.

The Head of Company's Internal Audit Team together with the Internal Auditors of the Company consult and review the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against any loss and that the financial and operational information is accurate and complete in all respects.

MATERIAL CHANGES & COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT

There were no material change and commitments, affecting the financial position of the Company which occurred between the end of the financial year to which this financial statement relates and upto the date of Report.

The whole organic Soyameal Manufacturing Industry in India saw a substantial fall in export to United States Of America (USA) due to levy of Countervailing Duty and Anti Dumping Duty on produce imported from India. The Soybean Processors Association of India (SOPA) has challenged such levy by USA before the appropriate forum and the matter is sub-judice as on date. The Company also got impacted by the same and saw decline in export turnover since last two years. Considering the same Company has decided to part away with Fixed Assets on going concern basis, related to the Manufacturing Process.

The shareholder's approval to dispose off the Fixed Assets is already taken vide Resolution passed in the last AGM dated 30th September, 2022.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven year. Therefore, there was no requirement to transfer any amount to the Investor Education and Protection Fund (IEPF).

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

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as stated below:

A. CONSERVATION OF ENERGY

1. The steps taken or impact on conservation of energy:

The Company has applied strict control system to monitor day to day consumption. The Company ensures optimal use of energy with minimum extent of wastage as far as possible. The day to day consumption is monitored as an effort to save energy.

2. The steps taken by the company for utilizing alternate source of energy:

The Company has not taken any step for utilizing alternate source of energy. The capital investment on energy conservation equipment. The Company has not made any capital investment on energy conservation equipment.

B. TECHNOLOGY ABSORPTION

The Company has no activities relating to technology absorption. Hence nothing is to be reported here.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

| Particulars | 2022-23 (Amount in INR) | 2021-22 (Amount in INR) |
|--|----------------------------|----------------------------|
| Foreign exchange earnings in terms of actual inflows | - | 1,61,34,189 |
| Foreign exchange outgo in terms of actual outflows | 4,64,84,122 | 11,64,59,529 |

*FOB Value of Exports & CIF Value of Imports.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Your Company is well aware of risks associated with its business operations and various project under execution. Comprehensively risk management system is being put in place involving classification of risk, adoption of risk mitigation measures and strong mechanism to deal with potential risks and situation leading to rise of risks in an effective manner. The Company is constantly on the lookout for identifying opportunities to enhance its enterprise value and keeping the need to minimize the risks associated with such efforts, every proposal of significant nature is screened and evaluated for the risks involved and then approved at different levels in the organization before implementation. Senior professionals conversant with risk management systems have been entrusted with the said task with a brief to implement the risk management.

The Company is not statutorily required to form risk management committee. However, the Audit Committee of the Company evaluates the risk management system regularly.

DEPOSITS

As per Section 73 of the Companies Act, 2013, the Company has neither accepted nor renewed any deposits during the financial year. Further the Company has not defaulted in repayment of deposits or payment of interest during the financial year.

Pursuant to the provisions of Rule 2(1)(c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014, the Directors of the Company have not accepted any deposits during the financial year.

PARTICULARS OF EMPLOYEES

During the year under review, none of the employees is drawing remuneration which is in excess of the limit as prescribed under Section 197 of the Companies Act, 2013 read with 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, the following details form part of **ANNEXURE-4** to the Board Report:

- Pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the names and other particulars of top ten employees in terms of Remuneration drawn by them in **ANNEXURE-4**.
- Disclosure Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 **ANNEXURE-4**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report providing Company's Current working and future outlooks forms an integral part of this report, as **ANNEXURE-5**.

OTHER DISCLOSURES

- No significant material orders passed by the Regulators/Courts/Tribunals impacting the going concern status of the Company and its future operations.
- The information with respect to Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility are disclosed in the Corporate Governance Report forming part of the Annual Report.
- The Company has followed the applicable secretarial standards i.e. SS-1 and SS-2, relating to meetings of the 'Board of Directors' and 'General Meetings' respectively.
- The Company has always been committed to provide as a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no case reported relating to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their gratitude to the Central and State Governments, Bankers, Investors and other Stakeholders for their continuous support, co-operation and their valuable guidance to the Company and for their trust reposed in the Company's management. The Directors also commend the continuing commitment and dedication of the employees at all levels and the Directors look forward to their continued support in future.

**BY THE ORDER OF THE BOARD
FOR: SHANTI OVERSEAS (INDIA) LIMITED**

**PLACE: INDORE
DATE : 06TH SEPTEMBER, 2023**

**SD/-
AYUSH KACHOLIA
CHAIRMAN
DIN:03096933**

ANNEXURE-1

FORMAOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

| S. no. | Particulars | Details |
|--------|---|---------------------------------------|
| 1 | Name of the subsidiary | M/s Biograin Protinex Private Limited |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | N.A |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | N.A |
| 4 | Share capital | INR 1,00,000/- |
| 5 | Reserves & surplus | Nil |
| 6 | Total assets | INR 2,59,650/- |
| 7 | Total Liabilities | INR 2,59,650/- |
| 8 | Investments | Nil |
| 9 | Turnover | Nil |
| 10 | Profit / Loss before taxation | Nil |
| 11 | Provision for taxation | Nil |
| 12 | Profit / Loss after taxation | Nil |
| 13 | Proposed Dividend | Nil |
| 14 | % of shareholding | 100% |

| S. no. | Particulars | Details |
|--------|---|---|
| 1 | Name of the subsidiary | M/s Shaan Agro Oils & Extractions Private Limited |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | N.A |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | N.A |
| 4 | Share capital | INR 4,56,00,000/- |
| 5 | Reserves & surplus | INR (4,70,15,000/-) |
| 6 | Total assets | INR 6,41,40,740.42/- |
| 7 | Total Liabilities | INR 6,41,40,740.42/- |
| 8 | Investments | Nil |
| 9 | Turnover | INR 1,29,83,47,377/- |
| 10 | Profit / Loss before taxation | INR (8,48,06,318/-) |
| 11 | Provision for taxation | INR (2,19,64,000/-) |
| 12 | Profit / Loss after taxation | INR (6,28,42,310/-) |
| 13 | Proposed Dividend | Nil |
| 14 | % of shareholding | 100% |

| S. no. | Particulars | Details |
|--------|---|--------------------------------------|
| 1 | Name of the subsidiary | M/s. SOIL Consultech Private Limited |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | N.A |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | N.A |
| 4 | Share capital | INR 10,00,000/- |
| 5 | Reserves & surplus | INR (9,51,500/-) |
| 6 | Total assets | INR 30,36,780/- |
| 7 | Total Liabilities | INR 30,36,780/- |
| 8 | Investments | Nil |
| 9 | Turnover | Nil |
| 10 | Profit / Loss before taxation | INR (12,86,481/-) |
| 11 | Provision for taxation | INR (3,34,000/-) |
| 12 | Profit / Loss after taxation | INR (9,52,481/-) |
| 13 | Proposed Dividend | Nil |
| 14 | % of shareholding | 100% |

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| S. no. | Particulars | Details |
|--------|--|----------------|
| 1 | Name of associates/Joint Ventures | |
| 2 | Latest audited Balance Sheet Date | |
| 3 | Shares of Associate/Joint Ventures held by the company on the year end | / |
| | (i) No. of Shares | |
| | (ii) Amount of Investment in Associates/Joint Venture | |
| | (iii) Extend of Holding% | |
| 4 | Description of how there is significant influence | NOT APPLICABLE |
| 5 | Reason why the associate/joint venture is not consolidated | |
| 6 | Net worth attributable to shareholding as per latest audited Balance Sheet | |
| 7 | Profit/Loss for the year | / |
| | (i) Considered in Consolidation | |
| | (ii) Not Considered in Consolidation | |

For & on Behalf of the Board
SHANTI OVERSEAS (INDIA) LIMITED

SD/-
Ayush Kacholia
Managing Director
DIN:03096933

SD/-
Karuna Kacholia
Whole Time Director
DIN:09307230

SD/-
Ramita Otwani
Company Secretary
M.No. 28101

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

SD/-
Shashank Sharma
(Partner)
M.NO. 426870, FRN: 004423C
UDIN: 23426870BGYRDI9852

Date: 30th May, 2023
Place: Indore

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

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

To,
The Members
SHANTI OVERSEAS (INDIA) LIMITED
(CIN: L74110MP2011PLC025807)
203, 2nd Floor, N.M. Verge,
8/5 Yeshwant Niwas Road,
Indore (M.P.) – 452003

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **SHANTI OVERSEAS (INDIA) LIMITED (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 Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i) The Companies Act, 2013 (the Act) and the Rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the extent of ODI AND ECBS);**
- 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, 2018; **(Not applicable to the Company during the audit period);**
 - d. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period);**
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period);**
 - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period);**
 - h. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period).**
- vi) Other laws applicable specifically to the Company namely:
 - (a) Factories Act, 1960
 - (b) Industries (Development & Regulation) Act, 1951

- (c) Labour laws and other incidental laws related to labour and employee appointed by the company either on it Payroll or on Contractual Basis as Related to Wages, Gratuity, Provident Fund, ESIC, Compensation etc.
- (d) Acts prescribed under Prevention and Control of Pollution
- (e) Acts prescribed under Environmental Protection
- (f) Income Tax Act, 1961
- (g) The Goods and Services Tax Act, 2017
- (h) The Food Safety Act, 1990

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings;
- ii. The Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE) read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above *except as per Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a Special Resolution, however, the Company has inadvertently mentioned the Ordinary Resolution instead of Special Resolution.*

I further report that:

On the basis of information provided by the Company, its officers and authorised representatives during the conduct of the audit, and also on the review of quarterly compliance reports by the respective department heads/ Company Secretary/CEO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law and environmental laws.

The compliance by the Company of applicable financial laws, like direct and indirect laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year under review, the following changes were occurred:-

- a) Mr. Mukesh Kacholia (DIN: 00376922) Mr. Rohan Kacholia (DIN: 03623354), Mrs. Sangeeta Kacholia (DIN: 07817342) and Mr. Vijay Nichani (DIN: 03136935) have resigned from directorship of the Company w.e.f. 04th June, 2022.
- b) Mrs. Karuna Kacholia (DIN: 09307230) and Mr. Rahul Jain (DIN: 01515159) were appointed as Additional Whole Time Director and Additional Non-Executive Independent Director respectively of the Company w.e.f. 03rd September, 2022 and their appointments were approved by the members at the AGM held on 30th September, 2022.
- c) Mr. Mukesh Kacholia (DIN: 00376922) was appointed as an Additional Whole Time Director of the Company w.e.f. 06th December, 2022 and his appointment was approved by the members at the EGM held on 06th January, 2023.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

Adequate notices were given to all directors of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, 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 are captured and recorded as part of the minutes.

There are adequate system 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.

**For Archana Maheshwari & Co.
Company Secretaries
(Peer Review Certificate No.1947/2022)**

Place: Indore

Date: 29th August, 2023

**Archana Maheshwari
Proprietor
FCS No.:9436
CP No.:12034
UDIN: F009436E000889007**

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

‘Annexure A’

To,
The Members
SHANTI OVERSEAS (INDIA) LIMITED
(CIN: L74110MP2011PLC025807)
203, 2nd Floor, N.M. Verge,
8/5 Yeshwant Niwas Road,
Indore (M.P.) – 452003

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. 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 procedure on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore
Date: 29th August, 2023

For Archana Maheshwari & Co.
Company Secretaries
(Peer Review Certificate No.1947/2022)

Archana Maheshwari
Proprietor
FCS No.:9436
CP No.:12034
UDIN: F009436E000889007

ANNEXURE 2 (ii)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

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

To,
The Members
SHAAN AGRO OILS & EXTRACTIONS PRIVATE LIMITED
(CIN:U74999MP2017PTC042643)
203, 2nd Floor, N.M. Verge,
8/5 Yeshwant Niwas Road,
Indore (M.P.) – 452003

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. SHAAN AGRO OILS & EXTRACTIONS PRIVATE LIMITED (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i) The Companies Act, 2013 (the Act) and the Rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not applicable to the Company during the audit period);**
- iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the Company during the audit period);**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the period under audit period);**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during the period under audit period);**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period);**
 - d. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period);**
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period);**
 - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period);**

- h. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period).**
- vi) Other laws applicable specifically to the Company namely:
- (a) Factories Act, 1960
 - (b) Industries (Development & Regulation) Act, 1951
 - (c) Labour laws and other incidental laws related to labour and employee appointed by the company either on it Payroll or on Contractual Basis as Related to Wages, Gratuity, Provident Fund, ESIC, Compensation etc.
 - (d) Acts prescribed under Prevention and Control of Pollution
 - (e) Acts prescribed under Environmental Protection
 - (f) Income Tax Act, 1961
 - (g) The Goods and Services Tax Act, 2017
 - (h) The Food Safety Act, 1990

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings;
- ii. The Listing Agreement entered into by the Company with Stock Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not applicable to the Company during the audit period);**

During the year under review, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

On the basis of information provided by the Company, its officers and authorised representatives during the conduct of the audit, and also on the review of quarterly compliance reports by the respective department heads/ Company Secretary/CEO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law and environmental laws.

The compliance by the Company of applicable financial laws, like direct and indirect laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

The Board of the Company is duly constituted as per the provisions of Companies Act, 2013 and rules made thereunder. During the year under review, the following changes were occurred:-

- a) Mr. Mukesh Kacholia (DIN: 00376922) and Mr. Rohan Kacholia (DIN: 03623354), have resigned from directorship of the Company w.e.f. 02nd June, 2022.
- b) Mrs. Karuna Kacholia (DIN: 09307230) was appointed as a Director of the Company with effect from 02nd June, 2022.

Adequate notices were given to all directors of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, 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 are captured and recorded as part of the minutes.

There are adequate system 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.

**For Archana Maheshwari & Co.
Company Secretaries
(Peer Review Certificate No.1947/2022)**

**Place: Indore
Date: 29th August, 2023**

**Archana Maheshwari
Proprietor
FCS No.:9436
CP No.:12034
UDIN: F009436E000889205**

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

‘Annexure A’

To,
The Members
SHAAN AGRO OILS & EXTRACTIONS PRIVATE LIMITED
(CIN: U74999MP2017PTC042643)
203, 2nd Floor, N.M. Verge,
8/5 Yeshwant Niwas Road,
Indore (M.P.) – 452003

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. 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 procedure on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore
Date: 29th August, 2023

For Archana Maheshwari & Co.
Company Secretaries
(Peer Review Certificate No.1947/2022)

Archana Maheshwari
Proprietor
FCS No.:9436
CP No.:12034
UDIN: F009436E000889205

ANNEXURE - 3

1. Annual Report on Corporate Social Responsibility activities for the Financial Year 2022 -23.

Corporate Social Responsibility is a Company's sense of responsibility towards the community and environment in which it operates. The Company is committed to be a responsible corporate entity mindful of its social responsibilities. Weblink to the CSR policy of the Company www.shantioverseas.com.

2. Composition of the CSR Committee and Responsibility Statement of the Corporate Social Responsibility Committee:

| Name | Designation |
|-------------------------|-------------|
| Mrs. Shribala Mandhanya | Chairman |
| Mrs. Pooja Chordia | Member |
| Mr. Ayush Kacholia | Member |

The composition of the Committee is in compliance with Section 135 of the Companies Act, 2013.

3. Net Profit of the company of immediately preceding Financial Year 2022-23

INR 50.65 Lakhs

4. Prescribed CSR Expenditure

NIL

5. Details of CSR Spent during the Financial Year 2022-23

- (a) Total amount spent for the Financial Year- Nil
- (b) Amount unspent, if any—Nil

The provisions of CSR are not applicable to the Company for the Financial Year 2022-23 taking into account the financials of immediate preceding Financial Year i.e. 2021-22. The Company does not fall in any of the limits as prescribed under Section 135 of Companies Act, 2013 amended by the Companies (Amendment) Act, 2017 which come into effect from 19th September, 2018.

6. In case the Company has failed to spend two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report

For the FY 2022-23, the provisions of CSR are not applicable on the Company.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

**BY THE ORDER OF THE BOARD
FOR: SHANTI OVERSEAS (INDIA) LIMITED**

**SD/-
AYUSH KACHOLIA
CHAIRMAN
DIN:03096933**

PLACE: INDORE

DATE: 06TH SEPTEMBER, 2023

ANNEXURE-4
Particulars of Employees as per Rule 5(2) of Companies (Appointment and Remuneration of Personnel) Rules, 2014.
i. Ratio and Remuneration of Directors & KMPs

| Sr No. | Name | Designation | Remuneration for the year 2022-23 | Remuneration for the year 2021-22 | % Increase in Remuneration | Ratio Between Director or KMP and Median Employee |
|--------|-----------------------------|-------------|-----------------------------------|-----------------------------------|----------------------------|---|
| 1 | Mr. Ayush Kacholia | CMD | 30,00,000 | 40,00,000 | - | - |
| 2 | Mrs. Karuna Kacholia | CFO/ WTD | 25,02,779 | 15,00,000 | 68.92% | - |
| 3 | Mrs. Pooja Chordia | ID | 35,000 | 35,000 | | |
| 4 | Mrs. Shribala Mandhanya | ID | 30,000 | 35,000 | | |
| 5 | Mr. Rahul Jain | ID | 11000 | - | | |
| 6 | Mr. Sudeep Satyendra Saxena | ID | 50,000 | 50,000 | - | - |
| 7 | Mrs. Ramita Otvani | CS | 3,15,000 | 3,15,000 | - | - |

ii. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23.

As stated above in Item No. (i)

iii. The percentage increase in the median remuneration of employees in the financial year 2022-23.

The Remuneration of Median employee was INR 1,60,493/- during the year 2022-23 as compared to INR 2,30,040/- in the previous year. The decrease in the Remuneration of Median Employee was 30.24% during Financial Year under review.

iv. The number of permanent employees on the rolls of the company in the financial year 2022-23.

The Company has 21 permanent employees on its roll.

v. Particulars of Top employees in respect of the Remuneration drawn during the financial year 2022-23 are as under.

| Sr. No. | Name of Employee | Designation of the Employee | Remuneration Received | Nature of Employment, Whether Contractual or Otherwise | Qualification and Experience of the Employee | Date of Commencement of Employee | The age of such Employee | The last employment held by such employee before joining the Company | Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager | Remarks |
|---------|--------------------------|-----------------------------|-----------------------|--|--|----------------------------------|--------------------------|--|---|---------|
| 1. | Mr. Ayush Kacholia | Managing Director | 30,00,000/- | Permanent | B.Com | 18/04/2011 | 36 | Self Employed | - | - |
| 2. | Mrs. Karuna Kacholia | CFO/ Director | 25,02,779/- | Permanent | C.A. | 01/05/2017 | 33 | M/s Karuna & Associates (COP) | Spouse of Mr. Ayush Kacholia | - |
| 3. | Mr. Pankaj Agrawal | Sr.Accountant | 4,90,269/- | Permanent | M.Com | 05/01/2012 | 32 | - | - | - |
| 4. | Mr. Rajesh Singh Chouhan | H.R. Manager | 4,87,410/- | Permanent | B.Com | 10/12/2018 | 55 | Signet Industries Limited. | - | - |
| 5. | Mr. Rajat Malakar | Accountant | 4,07,418/- | Permanent | B.Com | 01/04/2016 | 33 | - | - | - |
| 6. | Mr. Ghanshyam Mehra | Purchase Manager | 3,54,156/- | Permanent | B.com | 01/04/2016 | 49 | - | - | - |
| 7. | Mrs. Ramita Otvani | Company Secretary | 3,15,000/- | Permanent | CS | 01/05/2017 | 34 | Ruchi Soya Industries Limited | - | - |

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE-5

ECONOMIC REVIEW

Global Economy

The global economy witnessed a good extent of volatility in FY2023, with rumours of a potential recession in the US and Europe exacerbated by rising inflation, supply chain predicaments and continuous geopolitical tensions in Europe. Central Bank policy continues to combat these issues, but time will be needed to fully show the counteractive effects.

According to International Monetary Fund (IMF), the world economy is expected to grow by 2.8% in 2023, 0.6% lower than the 2022 growth. This decline is influenced by slower growth in China, a major exporter to many economies, a trade-war brewing between China-US, and has been exacerbated by ongoing trade fallout from Russia-Ukraine conflict resulting into supply chain disruptions. The IMF noted that inflation continues to be persistent, although it is expected to decline slightly in 2023 due to falling food and energy prices.

However, developing economies have shown extreme resilience, growing nearly double the rate of developed economies. This is largely driven by the fact that developing countries have relatively more affordable alternatives towards economic recovery. Offshoring and outsourcing activities have led to larger inflow of funds, ultimately helping these economies in combating issues such as unemployment and driving up consumer demand. Global growth is expected to slow from 3.4% in 2022 to 2.9% in 2023, with advanced economies displaying a more pronounced slowdown. China and India are expected to account for 50% of global growth. Global headline inflation is expected to fall from 8.8% in 2022 to 4.3% in 2024.

(Source: IMF)

Indian Economy

FY2023 was a strong year for the Indian economy, displaying growth of 7.0% from the previous year. This is largely due to the increased pervasiveness of offshoring and outsourcing as multi-national corporations (MNCs) continued to optimize costs and India providing a vast pool of young talent as an attractive prospect to obtain quality services at a reduced cost.

The Reserve Bank of India (RBI) forecasts India's FY2024 GDP growth to be 6.5%, with global trade disruptions and inflation posing a threat. However, India's continued focus to improve physical infrastructure has supported the domestic economy. The push for better public digital infrastructure acted as a catalyst to the domestic economy, providing opportunities and growth prospects for business owners.

However, inflation of 6.7% in FY2023, has eased to 4.3% in May 2023 but there is still a long way to go before we can claim that India has achieved an ideal economic state. The RBI has implemented assertive monetary policies to guide headline inflation from 5.7% as of March 2023, towards the medium-term target of 4% by 2024. The RBI has projected India's Gross Domestic Product (GDP) growth to reach 6.4% for FY2024.

(Source: IMF)

Company Overview

The Whole organic Soyameal Manufacturing Industry in India saw a substantial fall in export to United States Of America (USA) due to levy of Countervailing Duty and Anti Dumping Duty on produce imported from India. The Soybean Processors Association of India (SOPA) has challenged such levy by USA before the appropriate forum and the matter is sub-judice as on date. The Company also got impacted by the same and saw decline in export turnover since last two years. Considering the same Company has decided to part away with Fixed Assets on going concern basis, related to the Manufacturing Process.

The Shareholder's approval to dispose off the Fixed Assets is already taken vide Resolution passed in the last AGM dated 30th September, 2022.

Industry Overview

The Indian agriculture sector, with second-largest agricultural land in the world is the backbone of the economy. The sector is projected to grow by 3.5% in FY23. The sector met domestic requirements, and also rapidly emerged as the net exporter of agricultural products in recent years. Agriculture exports touched US\$ 50 billion in FY23. The total kharif foodgrain production in the country is estimated at 150 MMT higher than the average of the previous five years. although, the area sown under paddy was about 20 lakh hectares less than compared to 2021.

According to Soyabean Processors Association of India (SOPA), the domestic production of soyabean is expected to reach 120.40 lakh tones in the 2022-23 season compared to 118.89 lakh tonnes in the last season. India's soyabean import is pegged lower by 64 per cent at 2 lakh tones in 2022-23 season compared to 5.55 lakh tonnes on prospects of higher domestic production. The country's carry-over stock remains higher at 25.15 lakh tonnes as against 1.83 lakh tonnes in the previous year. The total availability of soyabean is estimated at 147.55 lakh tonnes in 2022-23 season compared to 126.27 lakh tonnes in 2021-22 season. Out of the total soyabean, about 100 lakh tonnes would be available for crushing in 2022-23 season as against 84 lakh tonnes in 2021-22.

Madhya Pradesh, Maharashtra, Karnataka, Rajasthan and Gujarat are the major soyabean growing states in India. Soyabean production in Maharashtra is pegged at 5.5 to 6.0 Million tonnes in 2022- 23 season against 4.5 to 5.0 Million tonnes in 2021-22 season due to adequate rainfall and favourable weather conditions. Madhya Pradesh is the leading soyabean producing state with over 40 per cent share in the country's total production of around 13 Million tonnes. The ban on future and option trade has left soyabean farmers associated with farmer producer organisations in Madhya Pradesh in lurch as they are forced to sell their produce in local mandis to traders and nearby processing plants in the absence of an efficient price discovery process.

(Source: Business Standard, Informist)

FUTURE OUTLOOK

SOIL has team of professionals which includes Sales & marketing team, business & strategy experts, technology experts, finance experts and many more. Today we can proudly say that, we are now ready to expand, diversify and grow from here to the field of Sales, Marketing and Distribution of various products available to market globally and enter into service segment as well.

Your Company is also going towards debt-free Approach of operations and in an asset light model by grabbing various opportunities in sharing economy model and by way of using technology at its core.

We see a tremendous decrease in Debt Equity Ratio by (67%) in F.Y. 22-23.

Your Companies mission still remains to be 'World-Class Sales name in Quality of Products and Services'. Its business philosophy is based on five core values: Trust, Respect, Documentation, Operational Excellence and Dealing in Right Products and creating Value.

In line with the above objective, the company aims is to take digitalization to the next level to deliver superior experience and greater convenience to all its stakeholders, increase market share in India's and in the Global markets by cross-selling the broad product portfolio which company is in and getting into and expand in geographical reach.

SOIL - Shanti Overseas (India) Limited family, remains committed to the highest levels of ethical standards, professional integrity, corporate governance, and regulatory compliance and the same is also articulated in its Code of Conduct.

FINANCIAL REVIEW

The total revenue from operations of the Company is INR 2,566.29 Lakhs and the profit / (Loss) before tax amounted to INR (1,447.69) Lakhs and the net profit / (Loss) after tax amounted to INR (1,052.26) Lakhs. The EBITD is INR (1,168.88) Lakhs, which is (45.55%) of Turnover.

Profit after tax: During the period under review the Company registered a consolidated profit / (Loss) of INR (1,690.20) Lakhs.

DEBT: The Consolidated Borrowings of the Group in F.Y. 2021-2022 811.70 Lakhs which was reduced in F.Y. 2022-2023 to 140.62 Lakhs. This shows that company is slowly moving towards Debt Free condition since its new facilities were built with huge capex.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company's business activities fall within single or primary business segment as of now. Accordingly, disclosures under Accounting standard 17, segment reporting as mandated under Section 133 of Companies Act, 2013 read with rules framed there under are not required to be made.

RISK MANAGEMENT

Several risks can impact the achievement of your Company's business objectives. Being present in a competitive and regulated environment, your company is exposed to various strategic and operational risks such as financial, regulatory, compliances, political, legal and market risk, among others. Our focused risk management approach seeks to minimize the adverse impact of these risks on our business and enables us to leverage market opportunities.

The focus of the risk management framework is primarily to mitigate perceived risks in the current structure of market dynamics including strategic and operational risks that may affect the business.

HUMAN RESOURCES

The Company believes that its skilled and trained workforce is the biggest asset that it possesses and is instrumental towards the achievement of organizational goals. The Company is dedicated to furnish them with skills, resulting the continuous growth of employees. Our primary objective is to establish a secure, supportive, cooperative and salubrious work setting, which fosters both personal and professional development for our employees. The Company's employee strength stood at 21 as on 31st March, 2023.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal audit system has been continuously reviewed and upgraded to that assets are protected; existing regulations are followed with and unsettled issues are promptly addressed. The audit committee reviews reports presented by the internal auditors

periodically. The committee takes care of the audit observations and takes remedial measures, if necessary. It constantly communicates with statutory and internal auditors to ensure that internal control systems are operating efficiently.

CAUTIONARY STATEMENT

The statements made in this report describe the Company's objectives and projections that may be forward-looking statements within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors which are beyond the control of the Company. The Company is not under any obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or even.

PLACE: INDORE
DATE: 06TH SEPTEMBER, 2023

**BY THE ORDER OF THE BOARD
FOR SHANTI OVERSEAS (INDIA) LIMITED**

**SD/-
AYUSH KACHOLIA
CHAIRMAN
DIN:03096933**

CORPORATE GOVERNANCE REPORT

Report, in line with the requirements of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on Corporate Governance practices and other voluntary compliances followed by the Company:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Board recognises the importance of maintaining high standards of corporate governance, which strengthens our Company's ability to deliver consistent financial performance and value to stakeholders. Our Company has a strong legacy of fair, transparent and ethical governance practices and continues to implement progressive actions that promote excellence within our business as well as the market place.

On the same lines the Company has always followed fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and the society at large.

Your Company adheres to the principles of Corporate Governance and commits itself to accountability and fiduciary duty in the implementation of guidelines and mechanisms to ensure its corporate responsibility to the members and other stakeholders.

The Company is committed to adopt and learn best practices of Corporate Governance.

2. BOARD OF DIRECTORS

The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals & targets, policies, governance standards, reporting mechanism & accountability and decision making process to be followed.

The meetings of the Board of Directors are held generally at Company's Registered Office at Indore, and are scheduled well in advance. The Board regularly reviews the compliance reports of all laws applicable to the Company.

2.1 COMPOSITION AND CATEGORY

The Board of the Company has an optimum combination of Executive and Non-Executive Directors. The Board comprises of Seven Directors, Three of whom are Executive Directors and remaining are Non-Executive Independent Directors, including three Woman Directors.

The category of Directors as on 31st March, 2023 is as follows:

| S. No. | Name of Director | Designation | Category |
|--------|---|------------------------------|------------------------------------|
| 1. | Mr. Ayush Kacholia | Chairman & Managing Director | Promoter/Executive Director |
| 2 | Mr. Mukesh Kacholia* (w.e.f. 06.12.2022) | Whole Time Director | Promoter/Executive Director |
| 3. | Mrs. Karuna Kacholia | Whole Time Director | Promoter/Executive Director |
| 4. | Mr. Sudeep Satyendra Saxena | Independent Director | Non-Executive Independent Director |
| 5. | Mrs. Pooja Chordia | Independent Director | Non-Executive Independent Director |
| 6. | Mrs. Shribala Mandhanya | Independent Director | Non-Executive Independent Director |
| 7. | Mr. Rahul Jain | Independent Director | Non-Executive Independent Director |

*Note- Mr. Mukesh Kacholia (DIN. 00376922) has resigned from directorship of the Company w.e.f. 02nd June, 2023.

2.2 ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND AT THE LAST ANNUAL GENERAL MEETING

| S. No. | Name of Directors | No. of Directorship/ (Committees membership) of other Companies/ Chairmanship | Name of other listed entity (s) in which Director is Director and category of directorship thereof | No. of Board Meetings | | Attendance at Last Annual General Meeting |
|--------|--|---|--|-----------------------|----------|---|
| | | | | Entitled | Attended | |
| 1. | Mr. Mukesh Kacholia (DIN: 00376922) | Nil | Nil | 3 | 3 | No |
| 2. | Mr. Ayush Kacholia (DIN: 03096933) | 03 | Nil | 8 | 8 | Yes |

| | | | | | | |
|-----|--|-----|-----|---|---|-----|
| 3. | Mrs. Karuna Kacholia (DIN : 09307230) | 03 | Nil | 5 | 5 | Yes |
| 4. | Mr. Rohan Kacholia* (DIN: 03623354) | Nil | Nil | 1 | 1 | No |
| 5. | Mrs. Sangeeta Kacholia* (DIN: 07817342) | Nil | Nil | 1 | 1 | No |
| 6. | Mr. Vijay Nichani* (DIN: 03136935) | 02 | Nil | 1 | 1 | No |
| 7. | Mr. Sudeep Satyendra Saxena (DIN: 05129819) | Nil | Nil | 8 | 8 | No |
| 8. | Mrs. Pooja Chordia (DIN: 09196546) | Nil | Nil | 8 | 8 | No |
| 9. | Mrs. Shribala Mandhanya (DIN: 09198012) | 01 | Nil | 8 | 8 | Yes |
| 10. | Mr. Rahul Jain (DIN : 01515159) | 02 | Nil | 5 | 4 | Yes |

*Note- Mr. Rohan Kacholia (DIN: 03623354), Mrs. Sangeeta Kacholia (DIN: 07817342) and Mr. Vijay Nichani (DIN: 03136935) have resigned from directorship of the Company w.e.f. 04th June, 2022.

Notes:

All the Independent Directors possess requisite qualifications and experience and general knowledge in the fields of corporate management, corporate governance, finance, banking, legal and other allied fields enabling them to contribute effectively in the capacity of Director of the Company.

The Board of Directors of the Company after reviewing the declarations submitted by the Independent Directors is of the opinion that the said Directors meet the criteria of independence as per section 149(6) of the Companies Act, 2013 and the rules made there under and are independent of the management and also meet the requirements of Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for being the Independent Directors on the Board of the Company.

2.3 NUMBER OF BOARD MEETINGS AND DATES ON WHICH MEETINGS WERE HELD

The Board meets in executive session four times in a year at quarterly intervals and more frequently if deemed necessary, to transact its business. The Notice of the Board Meetings was given well in advance to all the Directors of the Company. Additional meetings were held depending upon the requirements of the Company.

During the year under review, the Board of Directors met 8 (Eight) times and the Board Meetings were held on 16th May, 2022, 04th June, 2022, 12th August, 2022, 03rd September, 2022, 14th November, 2022, 06th December, 2022, 13th December, 2022 and 14th February, 2023. The necessary quorum was present for all the meetings and the gap between two meetings did not exceed one hundred and twenty days.

2.4 DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

- Mr. Mukesh Kacholia, Whole Time Director is the father of Mr. Ayush Kacholia, Chairman & Managing Director.
- Mr. Ayush Kacholia, Chairman & Managing Director and Mrs. Karuna Kacholia, Whole Time Director are husband and wife.
- None of the other Directors are related to each other.

2.5 NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTOR

None of the Non-Executive Directors hold any Equity shares in the Company.

2.6 DETAILS OF FAMILIARIZATION PROGRAM

Details of familiarisation programme of the Independent Directors are available on the website of the Company at: www.shantioverseas.com

2.7 A MATRIX SETTING OUT THE SKILLS/ EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS

The Board of Directors of the Company comprises of qualified members who possess relevant skills, expertise, competencies and other criteria (collectively referred to as 'skill sets') considered appropriate in the context of its business and sector and effective functioning of the Company.

The skill sets identified by the Board along with availability assessment is mapped below:

| Core skills/experience/competence identified | Actual Availability with the Board |
|--|---|
| Industry Knowhow | Mr. Ayush Kacholia and Mrs. Karuna Kacholia possess the extensive knowledge of industry's know how. |
| Strategic Planning & Leadership | Mr. Ayush Kacholia and Mrs. Karuna Kacholia are involved in Strategic planning and dedicated to provide strategic guidance to the Company. |
| Managerial Skills | Mr. Ayush Kacholia and Mrs. Karuna Kacholia are involved at this front in the business of the Company. |
| Governance and Compliance | All the directors namely Mr. Mukesh Kacholia, Mr. Ayush Kacholia, Mrs. Karuna Kacholia, Mr. Rahul Jain, Mr. Sudeep Satyendra Saxena, Mrs. Pooja Chordia and Mrs. Shribala Mandhanya possess the requisite working knowledge w.r.t. governance and compliance. |

2.8 DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have confirmed to the Board that they meet the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and qualify to be Independent Directors.

They have also confirmed that they meet the requirements of Independence as mentioned under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

2.9 MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 14th November, 2022 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

2.10 DETAILED REASON FOR RESIGNATION OF INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH THE CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASON OTHER THAN THOSE PROVIDED

During the Financial Year 2022-23, Mr. Vijay Nichani (DIN: 03136935) Non-Executive Independent Director of the Company had resigned from the office of Non-Executive Independent Director of the Company with effect from 4th June, 2022 due to advancing age and other personal commitments.

Further, Mr. Vijay Nichani (DIN: 03136935) in his resignation letter also confirmed that there is no material reason other than those mentioned in resignation letter.

3 AUDIT COMMITTEE

The primary objective of the Audit Committee of the Company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

3.1 BRIEF DESCRIPTION OF TERMS OF REFERENCE

The constitution, terms of reference, role and scope shall be as prescribed by Regulation 18 of SEBI Listing Regulations read with Section 177 of the Act, inter-alia, covering:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements; disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, 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 a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the listed entity with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary; II. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
 16. Discussing with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. 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 systems of a material nature and reporting the matter to the board;
 18. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act, 2013 or referred to it by the Board.
 20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 21. To review the functioning of the whistle blower/Vigil mechanism;
 22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
 23. Audit Committee shall oversee the vigil mechanism.
 24. Audit Committee will facilitate KMP/Auditor(s) of the Company to be heard in its meetings.
 25. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

- c) Management letters /letters of internal control weaknesses issued by the Statutory Auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
- f) Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

3.2 COMPOSITION OF THE AUDIT COMMITTEE AND DETAILS OF MEETINGS HELD AND ATTENDED BY ITS MEMBERS

The Committee comprises of three members out of whom two are Non-Executive Independent Directors. All the members of the Audit Committee are financially literate and have accounting or related financial management expertise. During the year under review, Eight (8) meetings of the Audit Committee were held on 16th May, 2022, 04th June, 2022, 12th August, 2022, 03rd September, 2022, 14th November, 2022, 06th December, 2022, 13th December, 2022 and 14th February, 2023. The gap between two meetings did not exceed one hundred and twenty days.

The Composition of the Committee and details of attendance of the Committee members is as follows:

| Name of Members | Designation | No. of Committee Meeting entitled | No. of Committee Meeting attended |
|---|-------------|-----------------------------------|-----------------------------------|
| Mr. Vijay Nichani* Independent Director | Chairman | 1 | 1 |
| Mr. Mukesh Kacholia* Managing Director | Member | 1 | 1 |
| Mrs. Shribala Mandhanya* Independent Director | Chairman | 7 | 7 |
| Mr. Sudeep Satyendra Saxena Independent Director | Member | 8 | 8 |
| Mr. Ayush Kacholia* Managing Director | Member | 7 | 7 |

* Mr. Mukesh Kacholia and Mr. Vijay Nichani have resigned from the membership of the Committee w.e.f. 04th June, 2022 and Mrs. Shribala Mandhanya and Mr. Ayush Kacholia have been appointed w.e.f. 04th June, 2022.

All the recommendations made by the Audit Committee were accepted by the Board. The Company Secretary of the Company acts as the Secretary to the committee.

Mrs. Shribala Mandhanya, Chairman of the Audit Committee attended the AGM of the Company held on 30th September, 2022.

4 NOMINATION AND REMUNERATION COMMITTEE

The major function of a Nomination Committee is to assist the Board of Directors in developing and administering a fair and transparent procedure for setting policy on the overall human resources strategy of the Company and the Remuneration of Directors and senior management of the Company.

4.1 BRIEF DESCRIPTION OF TERMS OF REFERENCE

The constitution and terms of reference of the Nomination and Remuneration Committee is in compliance with provisions of the Section 178 of the Act, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 inter-alia, covering:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees;
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
4. Devising a policy on diversity of Board of Directors;
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
6. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Director;
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
9. Decide the amount of Commission payable to the Whole time Directors;
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc;
11. To formulate and administer the Employee Stock Option Scheme.

4.2 COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE AND DETAILS OF MEETINGS HELD AND ATTENDED BY ITS MEMBERS

The Committee comprises of three Non-Executive Independent Directors. The constitution and composition of Nomination and Remuneration Committee of the Board of Directors is in compliance with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. During the year under review, Four (4) meetings of the Nomination and Remuneration Committee were held on 04th June, 2022, 3rd September, 2022, 06th December, 2022 and 13th December, 2022.

The Composition of the Committee and details of attendance of the Committee members is as follows:

| Name of Members | Designation | No. of Committee Meeting entitled | No. of Committee Meeting attended |
|---|-------------|-----------------------------------|-----------------------------------|
| Mrs. Shribala Mandhanya* Independent Director | Chairman | 4 | 4 |
| Mr. Sudeep Satyendra Saxena Independent Director | Member | 4 | 4 |
| Mrs. Pooja Chordia* Independent Director | Member | 4 | 4 |

* Mrs. Sangeeta Kacholia and Mr. Vijay Nichani have resigned from the membership of the Committee w.e.f. 04th June, 2022 and Mrs. Shribala Mandhanya and Mr. Pooja Chordia have been appointed w. e.f. 04th June, 2022.

All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board. Mrs. Shribala Mandhanya, Chairman of the Nomination and Remuneration Committee attended the AGM of the Company held on 30th September, 2022.

4.3 PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

As per Nomination and Remuneration Policy of the Company major criteria for performance evaluation of Independent Directors includes planning, managerial skills, participation in the meetings, frequency and intervals of the meeting, governance and compliance, fulfilling duties and responsibilities etc.

5 STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to provisions of Section 178(5) of the Act and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Stakeholders Relationship Committee is empowered, inter alia, to oversee all matters relating to the interest of the stakeholders, ensuring expeditious share transfer process and evaluating performance and service standards of the Registrar and Share Transfer Agent of our Company.

5.1 BRIEF DESCRIPTION OF TERMS OF REFERENCE

The composition and the terms of reference of Committee are in line with the requirements of provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter-alia, covering:

Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
- Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.

Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
- Carrying out any other functions contained in the equity listing agreements as and when amended from time to time.

5.2 COMPOSITION OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE AND DETAILS OF MEETINGS HELD AND ATTENDED BY ITS MEMBERS

The Stakeholders Relationship Committee comprises of three members out of which two are Independent Directors of the Company. The Company Secretary is the Compliance Officer of the Committee for attending the Complaints/grievances of the members.

During the year under review, Six (6) meetings of the Stakeholders Relationship Committee were held on 16th May, 2022, 04th June, 2022, 12th August, 2022, 03rd September, 2022, 14th November, 2022 and 14th February, 2023 and considered issue of transfer/transmission of shares and other investor grievances.

The Composition of the Committee and details of attendance of the Committee members is as follows:

| Name of Members | Status | No. of Committee Meeting entitled | No. of Committee Meeting attended |
|---|----------|-----------------------------------|-----------------------------------|
| Mr. Vijay Nichani* Independent Director | Chairman | 1 | 1 |
| Mrs. Shribala Mandhanya* Independent Director | Chairman | 5 | 5 |
| Mr. Ayush Kacholia Managing Director | Member | 6 | 6 |
| Mr. Sudeep Satyendra Saxena Independent Director | Member | 6 | 6 |

* Mr. Vijay Nichani has resigned from the membership of the Committee w.e.f. 04th June, 2022 and Mrs. Shribala Mandhanya has been appointed w. e.f. 04th June, 2022.

5.3 DETAILS OF COMPLAINTS/GRIEVANCES RECEIVED AND ATTENDED

During the year under review, there were no complaints hence; no complaints were pending at the end of financial year 31st March, 2023, in the above respect.

5.4 SENIOR MANAGEMENT:

| Sr.No. | Name of the Senior Management Personnel | Designation | Changes Since Previous Financial Year |
|--------|---|-------------------------|---------------------------------------|
| 1. | Mrs. Karuna Kacholia | CFO | -- |
| 2. | Mrs. Ramita Otwani | CS & Compliance Officer | -- |

6 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The ultimate purpose of CSR is to maximize shared value among organizations, employees, customers, shareholders, and community members.

6.1 BRIEF DESCRIPTION OF TERMS OF REFERENCE

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

6.2 COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE AND DETAILS OF MEETINGS HELD AND ATTENDED BY ITS MEMBERS

The Committee comprises of three members out of which one is Independent director of the Company. During the year under review, One (1) meeting of Corporate Social Responsibility Committee was held on 04th June, 2022.

The attendance records and Composition of the Committee are as follows:

| Name of Members | Status | No. of Committee Meeting entitled | No. of Committee Meeting attended |
|--|----------|-----------------------------------|-----------------------------------|
| Mrs. Shribala Mandhanya* Independent Director | Chairman | 1 | 1 |
| Mrs. Pooja Chordia* Independent Director | Member | 1 | 1 |
| Mr. Ayush Kacholia Managing Director | Member | 1 | 1 |

* Mr. Mukesh Kacholia and Mr. Vijay Nichani have resigned from the membership of the Committee w.e.f. 04th June, 2022 and Mrs. Shribala Mandhanya and Mrs. Pooja Chordia have been appointed w.e.f. 04th June, 2022.

7 REMUNERATION PAID TO THE DIRECTORS DURING THE FINANCIAL YEAR 2022-23

The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees is available on the Company's website at www.shantioverseas.com.

| S. No. | Name of the Director | Nature of Directorship | Salary, Perquisites/Sitting Fees |
|--------|---|------------------------------|----------------------------------|
| 1 | Mr. Ayush Kacholia (DIN: 03096933) | Chairman & Managing Director | 30,00,000 |
| 2 | Mrs. Karuna Kacholia (DIN: 09307230) | Whole Time Director | 25,02,779 |
| 3 | Mr. Mukesh Kacholia (DIN: 00376922) | Whole Time Director | Nil |
| 4 | Mr. Rohan Kacholia (DIN: 03623354) | Whole Time Director | Nil |
| 5 | Mrs. Sangeeta Kacholia (DIN: 07817342) | Non-Executive Director | Nil |

| | | | |
|----|--|----------------------|--------|
| 6 | Mr. Vijay Nichani (DIN: 03136935) | Independent Director | Nil |
| 7 | Mr. Sudeep Satyendra Saxena (DIN: 05129819) | Independent Director | Nil |
| 8 | Mrs. Pooja Chordia (DIN: 09196546) | Independent Director | 35,000 |
| 9 | Mrs. Shribala Mandhanya (DIN: 09198012) | Independent Director | 30,000 |
| 10 | Mr. Rahul Jain (DIN: 01515159) | Independent Director | 11,000 |

Notes: Remuneration of Executive Directors comprises a fixed salary and annual remuneration based on profits of the Company. The tenure of office of the Whole Time Director is for 5 (Five) years from their respective dates of appointments and may be terminated as per Company's Policy. There is no separate provision for payment of severance fees.

8 GENERAL BODY MEETINGS

8.1 ANNUAL GENERAL MEETINGS

The location and time of the last three (3) Annual General Meetings are as under:

| S. No. | Date of Annual General Meeting | AGM | Time | Venue | No. of Special Resolutions Passed |
|--------|----------------------------------|------------------|------------|---|-----------------------------------|
| 1 | 30 th September, 2022 | 11 th | 12:30 P.M. | 203, 2 nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.) - 452003 | 04 |
| 2 | 30 th September, 2021 | 10 th | 12:30 P.M. | 215-216, Vikram Tower, Sapna Sangeeta Road, Indore MP-452001 | 02 |
| 3 | 30 th September, 2020 | 9 th | 12:30 P.M. | 215-216, Vikram Tower, Sapna Sangeeta Road, Indore MP-452001 | 02 |

8.2 EXTRA ORDINARY GENERAL MEETING

The location and time of the last Extra Ordinary General Meeting are as under:

| S. No. | Date of Extra Ordinary General Meeting | Time | Venue | No. of Special Resolutions Passed |
|--------|--|------------|---|-----------------------------------|
| 1 | 06 th January, 2023 | 12:30 P.M. | 203, 2 nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.) - 452003 | 02 |

9 SUBSIDIARY COMPANIES

The Company has 3 (Three) Subsidiary Companies pursuant to section 2 (47) (i) of the Companies Act, 2013 as follows:

- (i) Shaan Agro Oils & Extractions Private Limited
- (ii) Biograin Protinex Private Limited
- (iii) SOIL Consultech Private Limited

All the Companies are 100% wholly owned subsidiaries.

No Company has become or ceased to be its joint venture or associate company during the year. SOIL Consultech Private Limited has been incorporated with effect from 06th July, 2022 as wholly owned subsidiary of the Company. However, the Company has transferred 10,000 (100%) equity shares of INR 10/- each held in Biograin Protinex Private Limited. Consequently, after transfer of the said shares, Biograin Protinex Private Limited has ceased to be wholly owned subsidiary with effect from 5th June, 2023.

The Audit Committee reviews the Financial Statements of the Subsidiary Companies. During the year, the Board took on the minutes of the Board Meetings of the subsidiary companies.

10 MEANS OF COMMUNICATION

10.1 FINANCIAL RESULTS: The Company regularly posts annual, half-year and quarter financial results on its website and also submits to the Stock Exchange(s) in accordance with the Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015 and simultaneously publishes in English Newspaper 'Financial Express' and Hindi Newspaper 'Indore Samachar'.

- 10.2 WEBSITE:** The Company's website namely www.shantioverseas.com contains a separate dedicated section 'Investors' where shareholders information viz basic information about the Company such as details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated official of the Company who is responsible for assisting and handling investor grievances etc. is available. Full Annual Report is also available on the website in a user friendly and downloadable form.
- 10.3 CORPORATE FILING:** Announcements, Quarterly Results, Shareholding Pattern etc. of the company are regularly filed by the Company and are also available on the website of 'National Stock Exchange of India Limited' - www.nseindia.com.
- 10.4 SEBI COMPLAINT REDRESS SYSTEM (SCORES):** The investor complaint(s) are processed in a centralized web based complaint redress system. Apart from the above, the Company has not displayed any official news release(s) and not made presentation(s) to institutional investors or to the analysts.

11 OTHER GENERAL SHAREHOLDERS' INFORMATION

| 12 th Annual General Meeting | |
|---|---|
| Date | 30 th September, 2023 |
| Time | 12:30 P.M. |
| Venue | 203, 2 nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.) - 452003 |
| Financial Year | 2022-23 |
| Date of Book Closure | Saturday, 23 rd September, 2023 to Saturday, 30 th September, 2023 (both days inclusive) |
| ISIN No. | INE933X01016 |
| Dividend Payment Date | None, as no dividend has been recommended for the year |
| Listing on Stock Exchange | National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (E), Mumbai-400051 Symbol : SHANTI |
| Annual Listing Fees | The listing fee for the Financial Year 2023-24 has been paid to the National Stock Exchange of India Limited. |
| Stock Code (NSE Symbol) | SHANTI |
| Registrar & Share Transfer Agent | M/s. Link Intime India Private Limited C-101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400 083 |

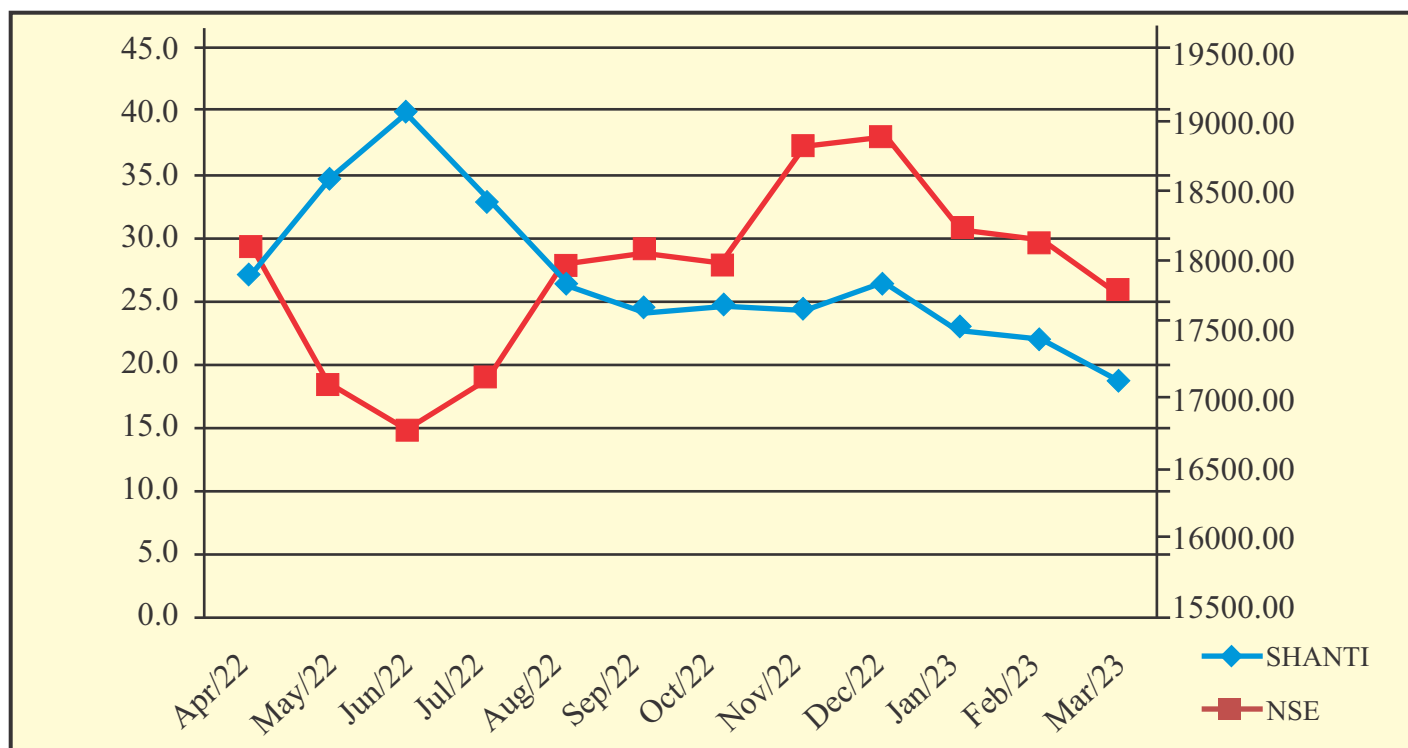
12 MARKET PRICE DATA

Monthly high and low quotations as well as the volume of shares traded at National Stock Exchange (NSE) for the financial year 2022-23 are as follows:

| Month | Shanti Overseas (India) Limited | | Nifty 50 | |
|--------|---------------------------------|---------|----------|----------|
| | High (₹) | Low (₹) | High (₹) | Low (₹) |
| Apr-22 | 27.10 | 22.75 | 18114.65 | 16824.70 |
| May-22 | 35.1 | 19.45 | 17132.85 | 15735.75 |
| Jun-22 | 39.90 | 30.00 | 16793.85 | 15183.40 |
| Jul-22 | 32.7 | 22.9 | 17172.8 | 15511.05 |
| Aug-22 | 26.5 | 21.35 | 17992.2 | 17154.8 |
| Sep-22 | 24.45 | 20.80 | 18096.15 | 16747.70 |

| | | | | |
|--------|-------|-------|----------|----------|
| Oct-22 | 24.50 | 20.05 | 18022.80 | 16855.55 |
| Nov-22 | 24.40 | 18.60 | 18816.05 | 17959.20 |
| Dec-22 | 26.60 | 16.65 | 18887.60 | 17774.25 |
| Jan-23 | 23.00 | 19.55 | 18251.95 | 17405.55 |
| Feb-23 | 21.80 | 15.80 | 18134.75 | 17255.20 |
| Mar-23 | 18.80 | 13.55 | 17799.95 | 16828.35 |

13 PERFORMANCE IN COMPARISON TO BROAD BASED INDICES SUCH AS NIFTY 50 WITH SHANTI SCRIPT



14 SHARE TRANSFER SYSTEM

In terms of Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities can be transferred only in dematerialized form w.e.f. 01st April, 2019, except in case of request received for transmission or transposition of securities.

The Stakeholders Relationship Committee approve transfer of shares in physical mode with respect to requests for transmission and transposition of securities. The Company's RTA transfers the shares within 15 days of receipt of request, subject to documents being valid and complete in all respects. The Stakeholders Relationship Committee will meet as often as required to approve share transfers and to attend to any grievances or complaints received from members.

15 DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2023

| Slab of Shareholding | Shareholders | | Shares | |
|----------------------|--------------|------------|--------|------------|
| | Number | % of total | Number | % of Total |
| 1-500 | 1379 | 74.1797 | 121197 | 1.09 |
| 501-1000 | 144 | 7.7461 | 120907 | 1.09 |
| 1001-2000 | 92 | 4.9489 | 141624 | 1.28 |
| 2001-3000 | 30 | 1.6138 | 78464 | 0.71 |

| | | | | |
|---------------|-------------|-----------------|--------------------|---------------|
| 3001-4000 | 30 | 1.6138 | 107222 | 0.97 |
| 4001-5000 | 100 | 5.3792 | 452497 | 4.07 |
| 5001-10000 | 38 | 2.0441 | 286328 | 2.58 |
| 10001 & above | 46 | 2.4744 | 9797761 | 88.22 |
| Total | 1859 | 100.0000 | 1,11,06,000 | 100.00 |

16 DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on 31st March, 2023 all equity shares of the Company are held in dematerialized form. The breakup of equity shares as on 31st March, 2023 is as follows:

| Particulars | No. of Shares | Percentage |
|--------------|--------------------|----------------|
| NSDL | 1068153 | 9.61% |
| CDSL | 10037847 | 90.39% |
| Total | 1,11,06,000 | 100.00% |

17 RECONCILIATION OF SHARE CAPITAL AUDIT

In line with the requirements stipulated by Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit is carried out on quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL) tally with the total number of issued, paid up, listed and admitted capital of the Company.

18 COMMODITY PRICE RISK AND/OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During the year under review, the Company was not engaged in hedging activity and all the foreign exchange risks were fully covered. The Company is not dealing in commodities market; therefore, there is no commodity price risk.

19 OUTSTANDING GDRS /ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company does not have any outstanding GDRs/ADRs/ Warrants or any convertible instruments.

20 PLANT LOCATIONS

The Company does not own any immovable property in its name.

21 ADDRESS FOR CORRESPONDENCE

All Members correspondence should be forwarded to M/s. Link Intime India Private Limited, the RTA of the Company or to the Company at the Registered Office of the Company at the addresses mentioned below.

| Registrar and Share Transfer Agent(RTA) | Company Secretary |
|--|---|
| M/s. Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400 083 | Mrs. Ramita Otvani 203, 2 nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.) - 452003 Ph. No. (0731) 4250595 |

22 DISCLOSURES

22.1 RELATED PARTY TRANSACTIONS

The contract/arrangements entered into with the related parties for the year under review were in ordinary course of business and on arm's length basis and there is no material transaction to be reported under Section 188 (1) of the Companies Act, 2013, hence disclosure in Form AOC-2 is not required.

During the year the Company, has not entered into any materially significant Related Party Transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in AS-18 which is forming part of the notes to financial statements. The policy is available on the website of the Company at www.shantioverseas.com.

22.2 RISK MANAGEMENT

Pursuant to Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement of constituting Risk Management Committee is applicable to top 1000 listed entities determined on the basis of market capitalization, as at the end of the immediate preceding financial year. The said provisions are not applicable to the Company during the year under review therefore; the Company is not required to comply with the said regulation.

22.3 WHISTLE BLOWER/VIGIL MECHANISM

In terms of provisions of sub section (9) of section 177 of the Companies Act, 2013 read with Companies (Meetings of Board & its Powers) Rules, 2014, and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a vigil mechanism for their directors and employees to report their genuine concerns or grievances.

Through vigil mechanism Company seeks to provide a mechanism for the Directors and Employees to disclose their concerns and grievances on unethical behavior and improper/illegal practices and wrongful conducts taking place in the Company for appropriate action. Through this mechanism, the Company provides necessary safeguards to all such persons for making sheltered disclosures in good faith.

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism was received by the Company.

The Vigil Mechanism Policy may be accessed on the Company's website at the link: www.shantioverseas.com.

The vigil mechanism provides adequate safeguards against victimization of employees and directors who avail the vigil mechanism.

22.4 CODE OF CONDUCT

The Board has laid down a code of conduct in accordance with the regulations of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Listing Agreement with the Stock Exchange(s), for all the Board Members and Senior Management which is also placed on the website of the Company. The duties of all Board Members and Senior Management Personnel have been suitably incorporated in the Code of Conduct and they have affirmed compliance with the said code. The Annual Report of the company contains a declaration to this effect signed by the Managing Director as part of the Corporate Governance Report.

22.5 COMPLIANCE OF MANDATORY AND NON-MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of Corporate Governance Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Company has presently not adopted the discretionary requirement of sending half-yearly declaration of financial performance including summary of the significant events in last six months to each household of shareholders, however, discretionary requirement viz. regime of financial statements with unmodified audit opinion and internal auditor may directly report to the Audit Committee are complied with.

22.6 FEES TO STATUTORY AUDITORS

Total fees for all services by the Company to the Statutory Auditors for the Financial Year 2022-23 and network entity of which the Statutory Auditor was part during the year is as mentioned below:-

| S. No. | Name of the Entity | Amount (in INR) |
|--------|---|-------------------|
| 1 | Shanti Overseas (India) Limited | 1,20,000 plus GST |
| 2 | Shaan Agro Oils & Extractions Private Limited | 75,000 plus GST |
| 3 | Biograin Protinex Private Limited | 5,000 plus GST |
| 4 | SOIL Consultech Private Limited | 10,000 plus GST |

22.7 DETAIL OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY

The listed entity has one Material Subsidiary, the details of which are mentioned below:-

| Sr. No | Name of the Entity | Date and Place of Incorporation | Name and Date of Appointment of Statutory Auditors |
|--------|---|---|--|
| 1. | Shaan Agro Oils & Extractions Private Limited | 17 th February, 2017, Indore | M/s. Muchhal & Gupta, 30 th September, 2022 |

The Company's Policy for determining Material Subsidiary is available on the Company's website at www.shantioverseas.com.

22.8 DISCLOSURES IN RELATION TO THE SEXUAL 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

22.9 CERTIFICATE OF NON-DISQUALIFICATION AND NON DEBARMENT OF DIRECTORS

The Company has obtained certificate from CS Archana Maheshwari, proprietor of M/s. Archana Maheshwari & Co., Company Secretaries in Practice certifying that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority is separately provided in the Annual Report.

22.10 DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

There is no share in demat suspense account or unclaimed suspense account, therefore, the Company is not required to make disclosure with respect to demat suspense account/ unclaimed suspense account as mentioned in Part F of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

22.11 The Company or its Subsidiaries has not given any loans and advances in the nature of loans to firms/companies in which directors are interested.

22.12 The Company has not raised any funds through preferential allotment or QIP as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year under review.

22.13 There are no instances of recommendation of any committee of the Board which is mandatorily required and not accepted by the Board during the year under review.

22.14 DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING ON LISTED ENTITY.

The Company has not entered into any type of agreements as required to be disclosed under Clause 5A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015.

**BY THE ORDER OF THE BOARD
FOR: SHANTI OVERSEAS (INDIA) LIMITED**

**PLACE : INDORE
DATE : 06TH SEPTEMBER, 2023**

**SD/-
AYUSH KACHOLIA
CHAIRMAN
DIN:03096933**

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Shanti Overseas (India) Limited
CIN: L74110MP2011PLC025807
203, 2nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road,
Indore (M.P.) – 452003

I have examined the compliance of conditions of Corporate Governance by Shanti Overseas (India) Limited (“the Company”), for the year ended on 31st March, 2023, as stipulated in Regulation 17 to 27, clause (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) as amended from time to time.

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

Our examination was limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March, 2023.

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

For Archana Maheshwari & Co.
Company Secretaries
(Peer Review Certificate No.1947/2022)

Place: Indore
Date: 05th September, 2023

Archana Maheshwari
Proprietor
FCS No.:9436
CP No.:12034
UDIN:F009436E000945899

DECLARATION FROM MANAGING DIRECTOR

Pursuant to the provisions of Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Ayush Kacholia (DIN: 03096933), Managing Director of the Company declare that Members of the Board and Senior Management Personnel have affirmed compliance with the code of conduct of the Company for Board of Directors and Senior Management as provided under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the FY ended on 31st March, 2023.

For Shanti Overseas (India) Limited

Place: Indore
Date: 30th August, 2023

Sd/-
Ayush Kacholia
Managing Director
DIN:03096933

CERTIFICATE OF CHIEF FINANCIAL OFFICER

**Regulation 17 (8) and Part B of Schedule II of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,
The Board of Directors
Shanti Overseas (India) Limited

I, Karuna Kacholia, Chief Financial Officer appointed in terms of the Companies Act, 2013 of Shanti Overseas (India) Limited, to the best of my knowledge and belief, certify that:

I have reviewed financial statements and cash flow statement (standalone and consolidated) for the year ended on 31st March, 2023 and to the best of my knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of Company's internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

I have indicated to the Auditors and the Audit Committee:

- (i) that there were no significant changes in internal control over financial reporting during the year;
- (ii) that there were no significant changes in accounting policies during the year and the fact is disclosed in the notes to the financial statements for the period under review; and
- (iii) that there were no instances of significant fraud of which I have become aware and the involvement therein, if any of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Date: 30th August, 2023
Place: Indore

For Shanti Overseas (India) Limited

Sd/-
Karuna Kacholia
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members of
SHANTI OVERSEAS (INDIA) LIMITED
(CIN: L74110MP2011PLC025807)
203, 2nd Floor, N.M. Verge,
8/5 Yeshwant Niwas Road,
Indore (M.P.) – 452003

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shanti Overseas (India) Limited**, having CIN L74110MP2011PLC025807 and having Registered Office at 203, 2nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.) – 452003 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

| Sr. No. | Name of Director | DIN/PAN | Date of appointment in Company |
|---------|-----------------------------|----------|--------------------------------|
| 1. | Mr. Ayush Kacholia | 03096933 | 18/04/2011 |
| 2. | Mrs. Karuna Kacholia | 09307230 | 03/09/2022 |
| 3. | Mr. Mukesh Kacholia* | 00376922 | 06/12/2022 |
| 4. | Mr. Sudeep Satyendra Saxena | 05129819 | 03/02/2020 |
| 5. | Mrs. Pooja Chordia | 09196546 | 10/06/2021 |
| 6. | Mrs. Shribala Mandhanya | 09198012 | 10/06/2021 |
| 7. | Mr. Rahul Jain | 01515159 | 03/09/2022 |

* Mr. Mukesh Kacholia (DIN: 00376922) has resigned from directorship of the Company w.e.f. 2nd June, 2023.

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

For Archna Maheshwari & Co.
Company Secretaries
(Peer Review Certificate No.1947/2022)

Place: Indore
Date: 05th September, 2023

Archna Maheshwari
Proprietor
FCS No.:9436
CP No.:12034
UDIN:F009436E000946273

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHANTI OVERSEAS (INDIA) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Shanti Overseas (India) Limited (the 'Company'), which comprise the Standalone Balance Sheet as at 31st March 2023, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the 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 (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 31st March 2023, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key audit matters

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

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and the Board of Directors' Responsibility for the Standalone Financial Statements

The Company's management and the Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government in terms of section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31st, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31st, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended.
- h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act and section 67 of the Companies (Amendment) Act, 2017.
- i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
1. The company does not have any pending litigations which would impact its financial position.
 2. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
 4. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the company; or
 - Provide any guarantee or security or like to or on behalf of the Ultimate Beneficiaries
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall:
 - Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the company; or
 - Provide any guarantee or security or like to or on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representations under subclause (a) and (b) contain any material mis-statement.
5. The Company has not declared and paid any dividend during the year.
3. With respect to the matter to be included in the Auditor’s Report under section 197(16) of the Act :
- In our opinion and according to information and explanation given to us, the remuneration paid by the company to its director during the current year is in accordance with the provision of the section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affair has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For: Muchhal & Gupta
Chartered Accountants
FRN: 004423C

Shashank Sharma
Partner
M.No. 426870
UDIN: 23426870BGYRDK9821

Place: Indore
Date: 30th May, 2023

Annexure ‘A’ to the Independent Auditor’s Report on Standalone Financial Statements

The Annexure referred to in the Independent Auditor’s Report to the members of Shanti Overseas (India) Limited (the ‘Company’) on the standalone financial statements for the year ended 31 March 2023, we report that:

- i. In respect of the Company's Property, Plant and Equipment:
 - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - B. The Company has maintained proper records showing full particulars of Intangible Assets.
 - (b) The Company has a program of verification to cover all the items of Property, Plant and Equipment, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not own any immovable property.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- ii.
 - (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans and made investment, advances in the nature of unsecured loans to subsidiaries companies during the year. The Company has granted loans to two companies during the year and made investment in nature of equity shares in its wholly owned subsidiary, details of the loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.
 - (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans and investment in its subsidiaries.

| Particulars | Amount paid (Rs. In Lakhs) - During the year | Amount (Rs. In Lakhs)- Balance outstanding as at balance sheet date |
|--|---|--|
| Soil Consultech Pvt Ltd (Unsecured Loan | 11.06 | 3.56 |
| Soil Consultech Pvt Ltd (Investment) | 10.00 | 10.00 |

- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loan to a party other than subsidiaries.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has not been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has given loans repayable on demand or without specifying any terms or period of repayment.

| Particulars | Aggregate Amount outstanding as on 31.03.2023 | Percentage to Total Loans |
|--|---|---------------------------|
| Shaan Agro oils and extraction Pvt. Ltd. | 125 | 96.73% |
| Biograin Protinex Pvt. Ltd. | 0.23 | 0.18% |
| Soil Consultech Pvt Ltd | 3.56 | 2.76% |

- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi. The Company is required to maintain cost records as specified by Central Government under sub section (1) of section 148 of the Companies Act, 2013, and as per the information and explanation along with records and documents produced before us, such accounts and records have been so made and maintained.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31st, 2023 for a period of more than six months from the date they became payable.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. (a) The company has not defaulted in repayment of dues to financial institution, or a bank.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the term loans of the company were applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company.
- (e) According to the information and 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
- (f) According to the information and 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.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- 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 the information and 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) There were no whistle blowing complaints received during the year by the company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, 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. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) 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) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) 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)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has incurred cash losses in the current financial year, amounting to Rs. 1240.64 lacs.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the 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 the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For: Muchhal & Gupta
Chartered Accountants
FRN: 004423C

Shashank Sharma
Partner
M No. 426870
UDIN: 23426870BGYRDK9821

Place: Indore
Date: 30th May, 2023

Annexure “B” to the Independent Auditor’s Report on Standalone Financial Statements

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Shanti Overseas (India) Limited of even date)

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

We have audited the internal financial controls over financial reporting with reference to the Standalone Financial Statements of SHANTI OVERSEAS (INDIA) LIMITED (“the Company”) as on March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For: Muchhal & Gupta
Chartered Accountants
FRN: 004423C

Shashank Sharma
Partner
Membership No. 426870
UDIN: 23426870BGYRDK9821

Place: Indore
Date: 30th May, 2023

SHANTI OVERSEAS (INDIA) LTD.
CIN : L51211MP2011PLC025807
STANDALONE BALANCE SHEET AS AT 31ST MARCH 2023

(Rs in lakhs, unless stated otherwise)

| Particulars | Notes | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-------|-----------------------------------|-----------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 4 | 67.34 | 1,766.89 |
| (b) Right-of-Use Asset | 5 | 23.73 | - |
| (c) Financial Assets | | | |
| (i) Investments | 6 | 467.00 | 457.00 |
| (ii) Others | 7 | 25.58 | 55.92 |
| (d) Income Tax Assets (net) | 9d) | - | - |
| (e) Other Non-Current Assets | 8 | - | - |
| (f) Deferred Tax Assets | 9c) | 383.72 | - |
| Total Non-Current Assets | | 967.37 | 2,279.81 |
| Current Assets | | | |
| (a) Inventories | 10 | 5.18 | 475.13 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 11 | 597.41 | 432.36 |
| (ii) Cash and Cash Equivalents | 12a) | 23.83 | 16.51 |
| (iii) Bank balances other than (ii) above | 12b) | 145.47 | 129.03 |
| (iv) Loans and advances | 13 | 129.23 | 126.83 |
| (v) Others | 14 | - | 9.70 |
| (c) Other Current Assets | 15 | 224.34 | 467.78 |
| Total Current Assets | | 1,125.46 | 1,657.34 |
| Total Assets | | 2,092.83 | 3,937.15 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 16 | 1,110.60 | 1,110.60 |
| (b) Other Equity | 17 | 918.95 | 1,970.04 |
| Total Equity | | 2,029.55 | 3,080.64 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 18 | 17.59 | 185.94 |
| (ii) Lease Liability | 19 | 20.43 | - |
| (b) Provisions | 20 | 1.66 | 3.45 |
| (c) Deferred Tax Liabilities (net) | 9c) | - | 11.86 |
| Total Non-Current Liabilities | | 39.68 | 201.25 |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 21 | 2.18 | 560.29 |
| (ii) Trade Payables | 22 | - | - |
| Dues to Micro enterprises & small enterprises | | - | - |
| Dues to Others | | 9.27 | 31.43 |
| (iii) Other Financial Liabilities | 23 | 1.73 | 18.33 |
| (iv) Lease Liability | 24 | 4.28 | - |
| (b) Other Current Liabilities | 25 | 2.76 | 2.61 |
| (c) Provisions | 26 | 3.38 | 9.19 |
| (d) Current Tax Liabilities (Net) | 27 | - | 33.41 |
| Total Current Liabilities | | 23.60 | 655.26 |
| Total Equity and Liabilities | | 2,092.83 | 3,937.15 |

Significant accounting policies & key accounting estimates & judgements 1-3

See accompanying notes to the Financial Statements 4-50

This is the Balance Sheet referred to in our report of even date

For & on Behalf of the Board

SHANTI OVERSEAS (INDIA) LTD.

Ayush Kacholia
Managing Director
DIN:03096933

Karuna Kacholia
Director
DIN:09307230

Ramita Otwani
Company Secretary
M.No. 28101

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

Shashank Sharma
(Partner)

M.No.: 426870

FRN: 004423C

UDIN: 23426870BGYRDK9821

Date: 30th May 2023
Place: Indore

SHANTI OVERSEAS (INDIA) LTD.

CIN : L51211MP2011PLC025807

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs in lakhs, unless stated otherwise)

| | Particulars | Notes | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|-------|---|-------|---|---|
| | INCOME | | | |
| I. | Revenue From Operations | 28 | 2,566.29 | 6,979.49 |
| II. | Other Income | 29 | 26.80 | 34.91 |
| | III Total Income (I+II) | | 2,593.09 | 7,014.40 |
| | EXPENSES | | | |
| IV. | Cost of Material Consumed | 30 | 85.36 | 2,487.83 |
| | Purchases of Stock-in-Trade | 31 | 2,148.30 | 3,492.02 |
| | Changes in inventories of finished goods, Stock-in-Trade and work-in-progress | 32 | 441.25 | 148.44 |
| | Employee Benefit Expenses | 33 | 111.80 | 145.29 |
| | Finance Costs | 34 | 71.74 | 149.59 |
| | Depreciation Expense | 35 | 207.06 | 266.29 |
| | Other Expenses | 36 | 975.26 | 267.14 |
| | Total Expenses | | 4,040.78 | 6,956.61 |
| V. | Profit before tax | | (1,447.69) | 57.79 |
| VI. | Tax Expense | | | |
| | Taxes of earlier years | | 0.56 | - |
| | Current Tax | | - | 33.41 |
| | Deferred Tax | 9a) | (395.99) | (26.27) |
| | Total Tax Expense | | (395.44) | 7.14 |
| VII. | Profit for the period | | (1,052.26) | 50.65 |
| VIII. | Other Comprehensive Income | | | |
| | Items that will not be reclassified to profit or loss | | | |
| | Re-measurement gain/ (loss) on defined benefit plans | | 1.57 | 4.05 |
| | Income tax relating to re-measurement gain on defined benefit plans | | (0.41) | (1.05) |
| | Total Other Comprehensive Income | | 1.16 | 3.00 |
| | Total Comprehensive Income | | (1,051.09) | 53.65 |
| IX. | Earnings Per Share (In Rs) | 37 | | |
| | (1) Basic | | (9.47) | 0.46 |
| | (2) Diluted | | (9.47) | 0.46 |

Significant accounting policies & key accounting estimates & judgements 1-3

See accompanying notes to the Financial Statements 4-50

This is the Balance Sheet referred to in our report of even date

For & on Behalf of the Board
SHANTI OVERSEAS (INDIA) LTD.

Ayush Kacholia
Managing Director
DIN:03096933

Karuna Kacholia
Director
DIN:09307230

Ramita Otwani
Company Secretary
M.No. 28101

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

Shashank Sharma
(Partner)
M.No.: 426870
FRN: 004423C
UDIN: 23426870BGYRDK9821

Date: 30th May 2023
Place: Indore

SHANTI OVERSEAS (INDIA) LTD.

CIN : L51211MP2011PLC025807

Statement of Changes in Equity for the year ended 31st March 2023

(Rs in lakhs, unless stated otherwise)

a) Equity Share Capital

| | As at 31 st March 2023 | | As at 31 st March 2022 | |
|---|-----------------------------------|-----------------|-----------------------------------|-----------------|
| | Number of Shares | Amount | Number of Shares | Amount |
| Issued, Subscribed & Fully Paid up (Equity Shares of Rs.10/- each) | | | | |
| Opening Balance | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |
| Issued during the year | - | - | - | - |
| Closing Balance | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |

(b) Other equity

| | Reserves & Surplus | | Other Comprehensive Income | Total |
|---|--------------------|--------------------|----------------------------|-----------------|
| | Retained Earnings | Securities Premium | | |
| Balance as at 1st April 2021 | 1,486.38 | 431.41 | (1.40) | 1,916.38 |
| Loss for the period | 50.65 | - | - | 50.65 |
| Other comprehensive income for the year | - | - | 3.00 | 3.00 |
| Balance as at 31st March 2022 | 1,537.03 | 431.41 | 1.60 | 1,970.03 |
| Balance as at 1st April 2022 | 1,537.03 | 431.41 | 1.60 | 1,970.03 |
| Profit for the period | (1,052.26) | - | - | (1,052.26) |
| Other comprehensive income for the year | - | - | 1.16 | 1.16 |
| Balance as at 31st March 2023 | 484.77 | 431.41 | 2.76 | 918.94 |

This is the Statement of Changes in Equity referred to in our report of even date

For & on Behalf of the Board
SHANTI OVERSEAS (INDIA) LTD.

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

Karuna Kacholia
Director
DIN:09307230

Ayush Kacholia
Director
DIN:03096933

Ramita Otvani
Company Secretary
M.No. 28101

Shashank Sharma
(Partner)
M.No.: 426870
FRN: 004423C
DIN: 23426870BGYRDK9821

Date: 30th May 2023
Place: Indore

SHANTI OVERSEAS (INDIA) LTD.

CIN : L51211MP2011PLC025807

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs in lakhs, unless stated otherwise)

| | Particulars | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|-----------|---|---|---|
| A. | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Profit before tax | (1,447.69) | 57.79 |
| | Adjustments for: | | |
| | Depreciation expense | 207.06 | 266.29 |
| | Finance Costs | 71.74 | 149.59 |
| | Interest on Deposit | (8.16) | (7.12) |
| | Actuarial gain and loss | 1.57 | 4.05 |
| | Loss On Sale of PPE | 805.98 | (1.95) |
| | Operating profit before working capital changes | (369.51) | 468.65 |
| | Adjustments for: | | |
| | Decrease/(Increase) in Inventories | 469.95 | 512.32 |
| | Decrease/(Increase) in Loans | (2.40) | (126.23) |
| | Decrease/(Increase) in Trade Receivables | (165.11) | 1,448.55 |
| | Decrease/(Increase) in Other Financial Assets | 39.995 | 1.10 |
| | Decrease/(Increase) in Other assets | 243.42 | 466.49 |
| | Increase/(Decrease) in Trade Payables | (22.15) | (739.82) |
| | Increase/(Decrease) in Other Financial Liabilities | (16.61) | (264.25) |
| | Increase/(Decrease) in Other Liabilities | 0.15 | (19.77) |
| | Increase/(Decrease) in Provisions | (7.60) | (9.19) |
| | Cash flow from operating activities post working capital changes | 170.13 | 1,737.85 |
| | Direct taxes | (33.97) | 3.07 |
| | Net cash flow from operating activities (A) | 136.16 | 1,740.92 |
| B. | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of Property Plant and Equipment | (47.32) | (28.20) |
| | Sale of Property Plant and Equipment | 737.12 | 3.25 |
| | Interest received | 8.16 | 7.12 |
| | Investment | (10.00) | - |
| | Net cash used in investing activities (B) | 687.96 | (17.83) |
| C. | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Proceeds from Borrowings | (726.45) | (1,594.67) |
| | Interest paid | (71.74) | (149.59) |
| | Payments for Lease Liabilities | (2.16) | - |
| | Net cash used in financing activities (C) | (800.35) | (1,744.26) |
| | NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C) | 23.77 | (21.17) |
| | Cash and cash equivalents as at 1st April | 145.54 | 166.71 |
| | Cash and cash equivalents as at 31st March | 169.30 | 145.54 |
| | NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS | 23.77 | (21.17) |

Notes 1. The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 - 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.

| Cash and Cash Equivalents | As at 31 st March 2023 | As at 1 st April 2022 |
|---|-----------------------------------|----------------------------------|
| Balances with banks | 10.06 | 0.57 |
| Cash on hand | 13.77 | 15.94 |
| Bank deposit with maturity more than 3 months but less than 12 months | 145.47 | 129.03 |
| | 169.30 | 145.54 |

This is the Statement of Cash Flow referred to in our report of even date

For & on Behalf of the Board
SHANTI OVERSEAS (INDIA) LTD.

Karuna Kacholia
Director
DIN:09307230

Ayush Kacholia
Director
DIN:03096933

Ramita Otwni
Company Secretary
M.No. 28101

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

Shashank Sharma
(Partner)
M.No.: 426870
FRN: 004423C
DIN: 23426870BGYRDK9821

Date: 30th May 2023
Place: Indore

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE STANDALONE SUMMARY OF STATEMENTS

1. Corporate Information

Shanti Overseas (India) Limited having registered office at 203, 2nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (MP) 452003 was originally formed and registered as a partnership firm under the Partnership Act in the name and style of “Shanti Overseas”, pursuant to a deed of partnership dated 15th November, 2004. “Shanti Overseas” was thereafter converted from a partnership firm to a private limited company under Part IX of the Companies Act, 1956 with the name of “Shanti Overseas (India) Private Limited” vide certificate of incorporation received on 18th April, 2011 from Registrar of Companies, Madhya Pradesh. Subsequently, the Company was converted into a public limited company vide fresh Certificate of Incorporation dated 20th January, 2017 issued by the Registrar of Companies, Gwalior. The company is listed on NSE EMERGE platform via initial public offer on 3rd August, 2017 till 15th September 2021. From 16th September 2021 the Company migrated to main board of National Stock Exchange. Shanti Overseas (India) Limited is engaged in primary processing and trading of agri commodities and manufacturing of Soya Products such as Organic Soyabean Meal and Soy Crude Oil.

The Company has three wholly owned subsidiaries namely Shaan Agro Oils & Extractions Private Limited (incorporated on 14th February, 2017) and Biograin Protinex Private Limited (incorporated on 31st May, 2016) and Soil Consultech Private Limited (incorporated on 6th July 2022).

2. Basis Of Preparation of Standalone Financial Statements

a) Statement of compliance:

These Financial Statements have been prepared on a going concern basis following the accrual basis of accounting in accordance with the Generally accepted Accounting Principles (GAAP) in India (Indian Accounting standards referred to as “IndAS”) as specified under the section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard)

Rules, 2015 and relevant amendments rules issued thereafter.

The Standalone Financial Statements are presented in Rupees and all values are rounded to the nearest lakhs up to two decimal places except when otherwise indicated.

b) Basis of measurement:

The Financial Statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant IndAS.

c) Significant accounting judgements, estimates and assumptions

The preparation of the company’s Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

d) Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

i. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Employee benefit plans

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractual, and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

iv. Property Plant and Equipment

Useful lives and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

3. Significant Accounting Policies

3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle

3.2 Property, Plant & Equipments

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are

included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment has been provided using written down value method using rates determined based on management's assessment of useful economic lives of the asset.

Followings are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act, 2013:

| | |
|----------------------|----------|
| Factory Building | 30 Years |
| Plant & Machinery | 15 Years |
| Office Equipment | 5 Years |
| Office Furniture | 5 Years |
| Electrical Equipment | 5 Years |
| Electrical fittings | 15 Years |
| RCC Road | 10 Years |
| Computer | 3 Years |
| Vehicles | 8 Years |

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition:

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

Capital work-in-progress (CWIP)

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress.

3.3 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.4 Provisions, Contingent Liabilities and Contingent Assets

Provisions:

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

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in respective expense.

Contingent Liabilities and Contingent Assets

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

3.5 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether,

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

The company applies a single recognition and measurement approach for all leases, except for short term leases (twelve month or less) and leases of low-value. For short-term and leases of low value, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease. For all other leases, the Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset

Lease liability and ROU asset, if any, have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.6 Inventories:

Inventories are valued as under:

Raw materials & stores and spares

Lower of cost and net realisable value. Cost is determined on a weighted average basis. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

Finished Goods & Work In Progress

Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of attributable overheads.

Stock-In-Trade

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Income tax

Current tax:

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

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

3.8 Employee Benefits

Short-term Employee Benefits:

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans:

Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's gratuity scheme is a defined benefit plan. Currently, the Company's gratuity scheme is unfunded. The Company recognises the defined benefit liability in Balance sheet. The present value of the obligation under such defined benefit plan and the related current service cost and, where applicable past service cost are determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Statement of Profit and loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to Statement of Profit and Loss hence it is treated as part of retained earnings in the Statement of Changes In Equity.

3.9 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.10 Financial Instruments

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

a) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- ▶ **Debt instruments at amortised cost** - The Company has cash & cash equivalents, loans and trade receivables classified within this category.
- ▶ **Debt instruments at fair value through other comprehensive income (FVTOCI)** - The Company does not have any financial asset classified in this category.
- ▶ **Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)** - The Company does not have any financial asset classified in this category.
- ▶ **Equity instruments measured at fair value through other comprehensive income (FVTOCI)** - The Company does not have any financial asset classified in this category.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation and losses arising from impairment are recognised in the Statement of Profit & Loss. The amortised cost of the financial asset is also adjusted for loss allowance, if any.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Company has not designated any such debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets

In accordance with IndAS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit

risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g. Loans and trade receivables.

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b) Financial liabilities

Initial recognition and measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Company's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

3.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.12 Revenue Recognition

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Sale of goods

Revenue from the sale of goods is recognised when control of the goods have passed to the buyer, usually on delivery of the goods. In determining the transaction price for the sale of goods, the company considers the effects of variable

consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Interest income

Interest income on financial asset is recognised using the effective interest rate (EIR) method.

Dividends

Dividend income from investment is accounted for when the right to receive is established, which is generally when shareholders approve the dividend.

Export incentives receivable, TMA scheme incentive receivable, duty drawback receivable and Other Government incentives receivables

Export incentives receivable, TMA scheme incentive receivable and duty drawback receivable are accounted for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of such proceeds.

3.13 Earnings per share

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

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares.

3.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the company.

3.16 Preliminary & Pre-Operative Expenses

Preliminary & pre-operative expenses have been written-off 1/5th over the course of five years from the year in which company has incurred these expenses. As the management believes that actual benefit from those expenses will be derived in a period of 5 years and not immediately. Till then Company shows Preliminary & pre-operative expenses under other non current assets head. However during the year under review, on completion of five years, the entire preliminary expenses have been written off.

3.17 Foreign currency transactions

Transactions in foreign currencies are recorded by the Company entities at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Non-Monetary asset and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss with the exception that the exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

3.18 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.19 Rounding off of figures of financial statements:

In compliance with the amendment made by Ministry of Corporate Affairs (MCA) vide notification dated 24th March 2021 in Schedule III of the Companies Act 2013, all the figures forming part of the Financial Statement are rounded off in Rupees lakhs until and unless stated otherwise.

3.20 Stock Statement Summary

Below is summary of stock values submitted by company to bank

| Months | Stock Values (in Lakhs) | |
|--------------|--------------------------|----------------|
| | Stock Statement | Books |
| Apr-22 | 256.81 | 256.82 |
| May-22 | 238.17 | 238.17 |
| Jun-22 | 255.05 | 255.05 |
| Jul-22 | 256.26 | 256.29 |
| Aug-22 | 255.93 | 255.94 |
| Sep-22 | 239.07 | 239.07 |
| Oct-22 | 235.98 | 236.02 |
| Nov-22 | 14.72 | 14.72 |
| Dec-22 | 14.54 | 14.54 |
| Jan-23 | 118.48 | 118.50 |
| Feb-23 | 29.44 | 29.50 |
| Total | 1914.45 | 1914.62 |

SHANTI OVERSEAS (INDIA) LTD.

CIN : L51211MP2011PLC025807

SCHEDULES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rs in lakhs, unless stated otherwise)

4 Property, Plant and Equipment (PPE)

| | Land | Factory Building | Plant & Machinery | Office Equipment | Office Furniture | Electrical Equipment | Electrical fittings | RCC Road | Computer | Vehicles | Total |
|---|---------------|------------------|-------------------|------------------|------------------|----------------------|---------------------|---------------|--------------|---------------|-----------------|
| Gross Value | | | | | | | | | | | |
| Balance as at 1 st April 2021 | 255.80 | 989.44 | 1,124.11 | 6.34 | 55.96 | 13.80 | 173.88 | 26.57 | 19.51 | 42.66 | 2,708.07 |
| Additions during the year | - | 26.01 | - | - | - | 0.99 | - | - | 1.20 | - | 28.20 |
| Disposals during the year | - | - | - | - | - | - | - | - | - | (1.30) | (1.30) |
| Balance as at 31st March 2022 | 255.80 | 1,015.45 | 1,124.11 | 6.34 | 55.96 | 14.79 | 173.88 | 26.57 | 20.71 | 41.36 | 2,734.97 |
| Balance as at 1 st April 2022 | 255.80 | 1,015.45 | 1,124.11 | 6.34 | 55.96 | 14.79 | 173.88 | 26.57 | 20.71 | 41.36 | 2,734.97 |
| Previous Year Corrections | 0.00 | 101.94 | 353.49 | (3.88) | 6.58 | 27.60 | 19.87 | 3.43 | 12.30 | 48.28 | 569.62 |
| Additions during the year | - | 25.63 | - | - | - | - | - | - | 0.15 | 21.69 | 47.47 |
| Disposals during the year | (255.80) | (1,143.02) | (1,385.05) | - | (52.36) | (16.74) | (193.75) | (30.00) | - | - | (3,076.73) |
| Balance as at 31st March 2023 | - | - | 92.54 | 2.46 | 10.18 | 25.65 | - | - | 33.17 | 111.33 | 275.34 |
| Accumulated Depreciation | | | | | | | | | | | |
| Balance as at 1 st April 2021 | - | 122.45 | 459.13 | 1.02 | 23.71 | 8.47 | 42.85 | 6.88 | 15.61 | 21.67 | 701.79 |
| Depreciation charge for the year | - | 31.89 | 187.70 | - | 8.54 | 5.72 | 23.55 | - | 2.47 | 6.42 | 266.29 |
| Balance as at 31st March 2022 | - | 154.34 | 646.83 | 1.02 | 32.25 | 14.19 | 66.40 | 6.88 | 18.08 | 28.09 | 968.08 |
| Balance as at 1 st April 2022 | - | 154.34 | 646.83 | 1.02 | 32.25 | 14.19 | 66.40 | 6.88 | 18.08 | 28.09 | 968.08 |
| Previous Year Corrections | - | 101.94 | 320.99 | 1.32 | 6.58 | 15.89 | 58.89 | 3.43 | 12.56 | 48.29 | 569.88 |
| Depreciation charge for the year | - | 74.00 | 92.33 | - | 6.63 | 3.79 | 13.95 | 2.80 | 0.58 | 9.83 | 203.92 |
| Depreciation Deletion | - | (330.28) | (1,001.23) | - | (36.08) | (13.95) | (139.25) | (13.11) | - | - | (1,533.89) |
| Balance as at 31st March 2023 | - | 0.00 | 58.92 | 2.34 | 9.38 | 19.92 | (0.00) | (0.00) | 31.22 | 86.21 | 208.00 |
| Net carrying value | | | | | | | | | | | |
| As at 31 st March 2022 | 255.80 | 861.11 | 477.28 | 5.32 | 23.71 | 0.60 | 107.48 | 19.69 | 2.63 | 13.27 | 1,766.89 |
| As at 31 st March 2023 | - | (0.00) | 33.62 | 0.13 | 0.80 | 5.73 | 0.00 | 0.00 | 1.94 | 25.12 | 67.34 |

Note : The Company has applied the optional exemption to measure its Property, Plant & Equipment at the date of transitional at their previous GAAP carrying amount and used it as the deemed cost for such assets.

Gross value of PPE and Accumulated depreciation have been corrected as compared to last year, this correction does not have any impact on statement of profit & loss.

SCHEDULES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rs in lakhs, unless stated otherwise)

| 5 | Right-of-Use Asset | As at | As at |
|---|--------------------|-----------------------------|-----------------------------|
| | | 31 st March 2023 | 31 st March 2022 |
| | Right-of-Use Asset | 23.73 | - |
| | Total | 23.73 | - |

| 6 | Non Current Investments | As at 31 st March 2023 | | As at 31 st March 2022 | |
|---|--|-----------------------------------|---------------|-----------------------------------|---------------|
| | | Units | Amount | Units | Amount |
| | <u>Investments in Equity Instruments</u> | | | | |
| | In Subsidiary Companies | | | | |
| | Unquoted, fully paid up | | | | |
| | Equity Shares of Biograin Protinex Pvt. Ltd. of Rs 10 each | 10,000 | 1.00 | 10,000 | 1.00 |
| | Equity Shares of Shaan Agro oils & Extractions Pvt. Ltd. of Rs 10 each | 45,60,000 | 456.00 | 45,60,000 | 456.00 |
| | Equity Shares of Soil Consultech Pvt. Ltd. of Rs 10 each | 1,00,000 | 10.00 | - | - |
| | | 46,70,000 | 467.00 | 45,70,000 | 457.00 |
| | Aggregate amount of Unquoted investments | | 467.00 | | 457.00 |

| 7 | Other Non-Current Financial Assets | As at | As at |
|---|--|-----------------------------|-----------------------------|
| | | 31 st March 2023 | 31 st March 2022 |
| | Unsecured, considered good, unless otherwise stated | | |
| | Security Deposits | 25.58 | 26.69 |
| | Fixed Deposits with original maturity of more than 12 months | - | 29.23 |
| | | 25.58 | 55.92 |

| 8 | Other Non-Current Assets | As at | As at |
|---|------------------------------------|-----------------------------|-----------------------------|
| | | 31 st March 2023 | 31 st March 2022 |
| | Preliminary Expenses | | |
| | IPO Expenses | - | 26.98 |
| | Less : Written off during the year | - | (26.98) |
| | | - | - |

| 9 | Income tax | As at | Year ended |
|-----|--|-----------------------------|-----------------------------|
| | | 31 st March 2023 | 31 st March 2022 |
| 9a) | The major components of income tax expense for the year are as under: | | |
| i) | Amounts recognised in the Statement of Profit and Loss comprises : | | |
| | Current tax: | | |
| | - in respect of the current year | - | 33.41 |
| | | - | 33.41 |
| | Deferred tax expense: | | |
| | <u>Attributable to -</u> | | |
| | - Origination and reversal of temporary differences | (395.99) | (26.27) |
| | | (395.99) | (26.27) |
| | Total Income tax expense | (395.99) | 7.14 |

Note: Due to calculation mistake deferred tax reported in Statement of Profit and Loss of AFR published was incorrect the same has now been corrected and the same has differed by Rs 0.54 Lakhs.

| ii) | Income tax recognised in Other Comprehensive Income | As at | Year ended |
|-----|--|-----------------------------|-----------------------------|
| | | 31 st March 2023 | 31 st March 2022 |
| | Net loss/(gain) on remeasurements of defined benefit plans | (0.41) | (1.05) |
| | Income tax charged to OCI | (0.41) | (1.05) |

| 9b) | Reconciliation of effective tax rate | | As at 31 st March 2023 | Year ended 31 st March 2022 |
|-----|--|------------------|--------------------------------------|---|
| | Profit before tax | A | - | 57.79 |
| | Company's domestic tax rate | B | 27.82% | 27.82% |
| | Tax expense | C = A * B | - | 16.08 |
| | Tax effect of : | | | |
| | Income not liable to tax | | - | - |
| | Expenses not allowable | | - | 17.18 |
| | Deferred tax recognised | | (395.99) | (26.27) |
| | Others | | - | 0.15 |
| | Tax expense as recognised in Statement of Profit and Loss | | (395.99) | 7.14 |

| 9c) | Deferred Tax Liabilities (Net) / (Deferred Tax Assets) | | | | |
|-----|--|-------------------------------------|-----------------|-------------|--------------------------------------|
| | | As at 1 st April 2021 | Profit & Loss | OCI | As at 31 st March 2022 |
| | Deferred tax relates to the following: | | | | |
| | Property, Plant & Equipment | 39.51 | (27.25) | - | 12.26 |
| | Provision for gratuity | (1.91) | 0.98 | - | (0.93) |
| | Re-measurements of the defined benefit plans | (0.52) | - | 1.05 | 0.53 |
| | Deferred Tax Liabilities (Net) | 37.08 | (26.27) | 1.05 | 11.86 |
| | | As at 1 st April 2022 | Profit & Loss | OCI | As at 31 st March 2023 |
| | Deferred tax relates to the following: | | | | |
| | Property, Plant & Equipment | 12.26 | (250.04) | - | (237.78) |
| | Provision for gratuity | (0.93) | 0.68 | - | (0.26) |
| | Re-measurements of the defined benefit plans | 0.53 | - | 0.41 | 0.94 |
| | Unabsorbed Depreciation | - | (20.11) | - | (20.11) |
| | Business and Capital Losses | - | (126.26) | - | (126.26) |
| | Right of use assets and lease liabilities | - | (0.25) | - | (0.25) |
| | Deferred Tax Liabilities (Net) | 11.86 | (395.99) | 0.41 | (383.72) |

Note: Due to arithmetical error the figure of Deferred Tax Asset was reported wrongly in Annual Financial Results the same has now been corrected of amount Rs 0.54 Lakhs and other equity has differed by same amount.

| 9d) | Income Tax Assets (Net) | | As at 31 st March 2023 | As at 31 st March 2022 |
|-----|--|--|--------------------------------------|--------------------------------------|
| | Advance income-tax (net of provision for taxation) | | - | - |
| | | | | - |

| 10 | Inventories (valued at lower of cost and net realizable value) | | As at 31 st March 2023 | As at 31 st March 2022 |
|----|--|--|--------------------------------------|--------------------------------------|
| | Finished Goods | | - | 441.25 |
| | Soyabean Meal | | - | 314.72 |
| | Soyabean Crude Oil | | - | 125.16 |
| | By Products / Rejection | | - | 1.37 |
| | Others | | 5.18 | 33.88 |
| | Stores and Spares | | 5.18 | 18.36 |
| | Packing Material | | - | 15.51 |
| | Total | | 5.18 | 475.13 |

| 11 | Trade Receivables | As at 31 st March 2023 | As at 31 st March 2022 |
|----|--|--------------------------------------|--------------------------------------|
| | Unsecured, considered good, unless otherwise stated | | |
| | Others | 597.41 | 432.36 |
| | Total | 597.41 | 432.36 |

Trade receivables are non-interest bearing and are generally on credit terms of 30 days.

| 12a) | Cash & Cash Equivalents | As at 31 st March 2023 | As at 31 st March 2022 |
|------|-------------------------|--------------------------------------|--------------------------------------|
| | Balances with banks | 1.68 | 0.57 |
| | Cash on hand | 13.77 | 15.94 |
| | HDFC Bank CC Accounts | 8.38 | - |
| | Total | 23.83 | 16.51 |

| 12b) | Bank Balances other than "Cash & Cash Equivalents" | As at 31 st March 2023 | As at 31 st March 2022 |
|------|---|--------------------------------------|--------------------------------------|
| | Bank deposit with maturity more than 3 months but less than 12 months | 145.47 | 129.03 |
| | Total | 145.47 | 129.03 |

| 13 | Current Financial Assets - Loans and advances | As at 31 st March 2023 | As at 31 st March 2022 |
|----|---|--------------------------------------|--------------------------------------|
| | Unsecured, considered good unless otherwise stated | | |
| | Staff loan | 0.44 | 1.60 |
| | Related Parties Balances | | |
| | Biograin Protinex Pvt. Ltd. | 0.23 | 0.23 |
| | Shaan Agro Oils & Extractions Pvt. Ltd. | 125.00 | 125.00 |
| | Soil Consultech Pvt Ltd | 3.56 | - |
| | Total | 129.23 | 126.83 |

| 14 | Other Current Financial Assets | As at 31 st March 2023 | As at 31 st March 2022 |
|----|------------------------------------|--------------------------------------|--------------------------------------|
| | Interest accrued on Fixed Deposits | - | 9.70 |
| | Total | - | 9.70 |

| 15 | Other Current Assets | As at 31 st March 2023 | As at 31 st March 2022 |
|----|--|--------------------------------------|--------------------------------------|
| | Balances with Government Authorities | 219.20 | 381.30 |
| | Amount recoverable in cash or kind from others | - | 77.61 |
| | Prepaid Expenses | 1.37 | 2.05 |
| | Quarterly Incremental License | - | 3.02 |
| | TDS Receivables (NBFC) | 3.78 | 3.81 |
| | Total | 224.34 | 467.78 |

| 16 | Equity Share Capital | As at 31 st March 2023 | | As at 31 st March 2022 | |
|-----|---|-----------------------------------|---------------|-----------------------------------|---------------|
| (a) | Authorised & Issued Share Capital | Number | Amount | Number | Amount |
| | Authorised Share Capital | | | | |
| | Equity Shares of Rs 10/- each | 1,20,00,000 | 1,200.00 | 1,20,00,000 | 1,200.00 |
| | Issued, Subscribed & Fully Paid up | Number | Amount | Number | Amount |
| | Equity Shares of Rs 10/- each | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |

(b) Reconciliation of Share Capital

Issued, Subscribed & Fully Paid up

| Equity Shares of Rs 10/- each | Number | Amount | Number | Amount |
|-------------------------------|--------------------|-----------------|--------------------|-----------------|
| Opening Balance | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |
| Add: Bonus Shares issued | - | - | - | - |
| Closing Balance | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |

(c) Terms and rights attached to equity shares

- The Company has one class of equity shares referred to as equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share.
- In the event of liquidation of the group, the holders of equity share will be entitled to received 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.
- The Company declares and pays dividends in Indian rupees. During the year ended 31st March, 2023, the company has not declared any dividend.

(d) Disclosure of Shares in the company held by each shareholder holding more than 5% Equity Shares

| Name of Shareholder | As at 31 st March 2023 | | As at 31 st March 2022 | |
|-----------------------------|-----------------------------------|---------------|-----------------------------------|---------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Mr. Mukesh Kacholia | - | - | 24,22,875 | 21.82% |
| Mr. Ayush Kacholia | 28,11,375 | 25.31% | 17,01,000 | 15.32% |
| Mrs. Sangeeta Devi Kacholia | - | - | 8,08,125 | 7.28% |
| Mrs. Karuna Kacholia | 29,26,125 | 26.35% | 8,05,500 | 7.25% |
| Mr. Amit Neema | - | - | 6,66,000 | 6.00% |
| Nova Plasmold Pvt. Ltd. | 10,00,235 | 9.01% | 10,00,235 | 9.01% |
| Dhruv Neema | 5,76,922.00 | 5.19% | - | - |
| Total | 73,14,657 | 65.86% | 74,03,735 | 66.67% |

(e) Shareholding of Promoters

| Shares held by the Promoters at the end of the year 31/03/2023 | | | %Change during the year |
|--|------------------|-------------------|-------------------------|
| Promoter's Name | No. of Shares | % of Total Shares | |
| Mr. Mukesh Kacholia | - | - | 100.00% |
| Mr. Ayush Kacholia | 28,11,375 | 25.31% | 65.28% |
| Mrs. Sangeeta Devi Kacholia | - | - | 100% |
| Mrs. Karuna Kacholia | 29,26,125 | 26.35% | 263.27% |
| Mukesh Kacholia HUF | 81,000 | 0.73% | NIL |
| Total | 58,18,500 | 52.39% | |

(f) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the year ended March 31, 2020, the Company has allotted 37,02,000 equity shares of ₹ 10/- each as fully paid up bonus shares in current year by capitalisation of reserves & surplus to the existing shareholders in the ratio of 1:2. No ordinary shares have been reserved for issue under options/contracts/commitments for the sale of shares/disinvestment at the Balance Sheet date. The company has also not allotted any equity shares against consideration other than cash, bought back any shares or issued securities convertible into Equity/Preference shares. Neither are any calls unpaid by any director or officer of the company during the year.

| 17 | Other Equity | Reserves & Surplus | | Other Comprehensive Income | Total |
|----|--|-------------------------------|---------------------------|-----------------------------------|-----------------|
| | | Retained Earnings | Securities Premium | | |
| | Balance as at 1st April 2021 | 1,486.38 | 431.41 | (1.40) | 1,916.38 |
| | Loss for the period | 50.65 | - | - | 50.65 |
| | Other comprehensive income for the year | - | - | 3.00 | 3.00 |
| | Balance as at 31st March 2022 | 1,537.03 | 431.41 | 1.60 | 1,970.03 |
| | This is the Statement of Changes in Equity referred to in our report of even date | 1,537.03 | 431.41 | 1.60 | 1,970.03 |
| | Profit for the period | (1,052.26) | - | - | (1,052.26) |
| | For & on Behalf of the Board | - | - | 1.16 | 1.16 |
| | Balance as at 31st March 2023 | 484.77 | 431.41 | 2.76 | 918.95 |

| 18 | Borrowings | As at 31st March 2023 | As at 31st March 2022 |
|----|--|---|---|
| | Secured | | |
| | Term loans from bank* | 16.09 | 185.94 |
| | Unsecured | | |
| | Loans from Related Parties (Refer note 39) | 1.51 | - |
| | Loans from Banks | - | - |
| | Loans from NBFC's | - | - |
| | Total | 17.59 | 185.94 |

- (i) Secured loans is car loan from Punjab National Bank. Loan is Sanctioned against hypothecation of skoda car.
- (ii) The Term loan was availed from Kotak Mahindra Bank during the F.Y. 2017-18, which carries interest @ 8.80% p.a. The loan is secured by hypothecation of movable Plant & Machinery which is located at Dhannad. The loan is further secured by immovable assets of the company and personal guarantee of the directors. The same has been closed during the year.
- (iii) The Car loan is availed from Axis Bank during the F.Y. 2019-20, which carries interest @ 9.86% p.a. Loan is sanctioned against hypothecation of Hyundai Venue Car and the loan is re-payable in 36 equal installments. The same has been closed during the year.

Note: While publishing Annual Financial Results Term loan from bank was not bifurcated into Current and Non Current borrowing same has been corrected and bifurcated into short term borrowing amounting Rs 2.18 Lakhs.

| 19 | Lease Liabilities | Year ended 31st March 2023 | Year ended 31st March 2022 |
|----|--------------------------|--|--|
| | Lease Liabilities | 20.43 | - |
| | Total | 20.43 | - |

| 20 | Provisions (Non-current) | Year ended 31st March 2023 | As at 31st March 2022 |
|----|--|--|---|
| | Provision for employee benefits (Refer Note 38) | | |
| | Provision for gratuity | 1.66 | 3.45 |
| | Total | 1.66 | 3.45 |

| 21 | Current Borrowings | Year ended 31st March 2023 | As at 31st March 2022 |
|----|---------------------------|--|---|
| | Secured Loans from Banks | 2.18 | 560.29 |
| | Total | 2.18 | 560.29 |

- (i) Secured loans is car loan from Punjab National Bank. Loan is Sanctioned against hypothecation of skoda car.
- (ii) The Term loan was availed from Kotak Mahindra Bank during the F.Y. 2017-18, which carries interest @ 8.80% p.a. The loan is

secured by hypothecation of movable Plant & Machinery which is located at Dhannad. The loan is further secured by immovable assets of the company and personal guarantee of the directors. The same has been closed during the year.

(iii) The Car loan is availed from Axis Bank during the F.Y. 2019-20, which carries interest @ 9.86% p.a. Loan is sanctioned against hypothecation of Hyudai Venue Car and the loan is re-payable in 36 equal installments. The same has been closed during the year.

| 22 | Trade Payables | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|---|---|--------------------------------------|
| | Dues to Micro enterprises & small enterprises | - | - |
| | Dues to Others | 9.27 | 31.43 |
| | Total | 9.27 | 31.43 |

Notes:

- a) Trade payables are non-interest bearing.
 b) For explanations on the Company's liquidity risk management processes, (refer to Note 39).

| c) | Trade Payable from others | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|----------------------------|---|--------------------------------------|
| | Creditor for Capital Goods | 8.73 | 0.14 |
| | Creditor for Goods | - | 10.12 |
| | Creditor for Expense | 0.54 | 21.17 |
| | Total | 9.27 | 31.43 |

| 23 | Other Financial Liabilities (Current) | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--|---|--------------------------------------|
| | Current maturities of long-term borrowings (Secured) | - | 10.70 |
| | Interest accrued and due on Term Loan | - | - |
| | Unpaid dividends | 0.11 | 0.11 |
| | Employee Liabilities | 1.62 | 7.52 |
| | Total | 1.73 | 18.33 |

| 24 | Lease Liabilities | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|-------------------|---|--------------------------------------|
| | Lease Liabilities | 4.28 | - |
| | Total | 4.28 | - |

| 25 | Other Current Liabilities | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--|---|--------------------------------------|
| | Statutory Liabilities | 2.59 | 2.10 |
| | Contribution to Provident Fund and other Funds | 0.17 | 0.51 |
| | Total | 2.76 | 2.61 |

| 26 | Provision (Current) | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--|---|--------------------------------------|
| | Provision for employee benefits (Refer Note 38) | | |
| | Provision for gratuity | 0.20 | 0.13 |
| | Others | | |
| | Provision for expenses | 1.38 | 1.17 |
| | Director Sitting Fee Payable | 1.81 | 2.33 |
| | Electricity Payable | - | 5.56 |
| | Total | 3.38 | 9.19 |

| 27 | Current Tax Liabilities (Net) | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|-------------------------------|---|--------------------------------------|
| | Provision for taxation | - | 33.41 |
| | | - | 33.41 |

| 28 | Revenue from Operations | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|---------------------------------|--------------------------------------|---|
| | Sale of products | | |
| | Export Sales | | |
| | Soyabean Meal | - | 161.34 |
| | Domestic Sales | | |
| | Sale of Products | 2,516.33 | 6,503.68 |
| | Other Operating Revenue: | | |
| | Duty Drawback | - | 0.24 |
| | Freight on Export Sale | - | 38.20 |
| | Foreign Exchange Fluctuation | 8.37 | 22.02 |
| | Packing Material Sales | 1.89 | 8.41 |
| | TMA Scheme Incentive | - | 1.57 |
| | Qty Claim & Discount Received | - | 94.07 |
| | RodTEP Scheme Incentive | 0.77 | 5.65 |
| | Profit From Dollar Hedging | - | 5.33 |
| | Contract Settlement | 36.85 | 138.98 |
| | Store Sales | 2.08 | - |
| | Total | 2,566.29 | 6,979.49 |

| 29 | Other Income | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|-------------------------------|--------------------------------------|---|
| | Interest from MPSEB | 0.63 | 1.23 |
| | Interest on deposits | 8.16 | 7.12 |
| | Factory Rent | 6.00 | - |
| | Lease Rent Received | 12.00 | 9.00 |
| | Sundry Balances Written Off | 0.001 | 9.38 |
| | Interest on Income Tax Refund | - | 6.24 |
| | Profit on sale of Vehicle | - | 1.95 |
| | Round Off | 0.0004 | - |
| | Total | 26.80 | 34.91 |

| 30 | Cost of Material Consumed | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|---------------------------|--------------------------------------|---|
| | Soyabean | | |
| | Opening Stock | - | 366.97 |
| | Add: Purchases | - | 1,826.80 |
| | Add: Direct Expenses | 85.36 | 294.06 |
| | Less: Closing Stock | - | - |
| | Total | 85.36 | 2,487.83 |

| 31 | Purchases of Stock-in-Trade | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|-----------------------------|--------------------------------------|---|
| | Stock-in-trade | | |
| | Imported Purchase | | |
| | Soyabean | 464.84 | 1,164.60 |
| | Domestic Purchase | 1,683.46 | 2,327.43 |
| | Total | 2,148.30 | 3,492.02 |

| 32 | Changes in Inventories | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|--------------------------------|--------------------------------------|---|
| | Finished Goods | | |
| | Opening Stock | 441.25 | 212.96 |
| | Closing Stock | - | 441.25 |
| | (Increase)/Decrease | 441.25 | (228.29) |
| | Stock-in-trade | | |
| | Opening Stock | - | 376.73 |
| | Closing Stock | - | - |
| | (Increase)/Decrease | - | 376.73 |
| | Net (Increase)/Decrease | 441.25 | 148.44 |

| 33 | Employee Benefits Expenses | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|---|--------------------------------------|---|
| | Salaries, Wages and Bonus | 63.09 | 49.38 |
| | Contribution to Provident & Other Funds | 2.12 | 2.83 |
| | Gratuity Contribution & Provisions | 0.47 | 0.90 |
| | Staff Welfare Expenses | 1.15 | 1.06 |
| | Remuneration of Directors and Key Managerial Personnel | | |
| | Salary to whole time directors | 43.52 | 75.00 |
| | Salary to Chief Financial Officer | - | 15.00 |
| | Director Sitting Fee | 1.46 | 1.11 |
| | Total | 111.80 | 145.29 |

| 34 | Finance Cost | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|-----------------------------|--------------------------------------|---|
| | Interest | | |
| | Bank Interest | 46.69 | 70.23 |
| | Interest on Term Loan | 13.44 | 74.22 |
| | Interest on Car Loan | 1.37 | 0.34 |
| | Interest on Unsecured Loan | 7.10 | 1.08 |
| | Interest on Income Tax | - | - |
| | Interest on Gratuity | 0.24 | 0.57 |
| | Interest on Lease Liability | 1.29 | - |
| | Others | | |

| | | |
|------------------------------|--------------|---------------|
| Brokerage on Unsecured loans | - | - |
| Factoring Charges | - | 1.96 |
| Bank Charges | 0.93 | 0.74 |
| Processing Fees | 0.68 | 0.45 |
| Total | 71.74 | 149.59 |

| 35 | Depreciation expense | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|---|--------------------------------------|---|
| | Depreciation expense on Property, Plant & Equipment | 203.92 | 266.29 |
| | Depreciation expense on ROU Assest | 3.13 | - |
| | Total | 207.06 | 266.29 |

| 36 | Other Expenses | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|----|---|---|---|
| | <u>Administrative, Selling & Other Expenses</u> | | |
| | <u>Administrative Expense</u> | | |
| | Auditors Remuneration* | 1.20 | 1.20 |
| | Business Promotion | 0.24 | 0.38 |
| | Loss on sale of MEIS License | - | 26.49 |
| | Conveyance | 3.01 | 2.96 |
| | Computer Repair & Maintenance | 2.14 | 0.73 |
| | Electricity Expenses | 1.04 | 0.95 |
| | Factory Expense - Indirect | 8.47 | 15.95 |
| | Insurance | 0.91 | 5.52 |
| | Medical Expense | 0.01 | - |
| | Legal Expenses | 0.15 | 6.40 |
| | Office Expense | 4.17 | 2.64 |
| | Office Rent | 17.74 | 3.30 |
| | Professional fees | 21.77 | 31.52 |
| | Professional Tax | 0.02 | 0.03 |
| | Postage & Stamp Charges | 0.03 | 0.15 |
| | Printing & Stationery | 0.55 | 0.62 |
| | Vehicle Repair & Maintenance | 1.49 | 0.79 |
| | Telephone Expense | 3.22 | 3.47 |
| | Travelling Expense | 9.02 | 1.79 |
| | Stamp Duty and Registration Fees | 12.87 | - |
| | Website Expenses | 0.32 | - |
| | Total (A) | 88.37 | 104.89 |
| | *Auditor's Remuneration | | |
| | Statutory Audit | 0.85 | 0.85 |
| | Tax Audit | 0.35 | 0.35 |
| | Total | 1.20 | 1.20 |
| | (All amounts are exclusive of Goods and Service Tax) | | |
| | <u>Selling Expense</u> | | |

| | | |
|--|---------------|---------------|
| Brokerage on sales | 1.20 | 28.73 |
| Export Expenses | - | 25.52 |
| Commission charges | 0.64 | 12.59 |
| Sampling & Inspection | 0.09 | 5.45 |
| Freight on Sales | 2.19 | 59.58 |
| Total (B) | 4.12 | 131.87 |
| Other Expense | | |
| Preliminary Expenses Written off | - | 26.98 |
| Other Interest & Late Fees | 0.02 | 0.31 |
| Membership Fees | 0.02 | 0.03 |
| Sundry Balance Written off | 58.82 | - |
| Income Tax A.Y. 2021-22 | - | 0.18 |
| Income Tax - Demand | - | 2.87 |
| Interest on Income Tax (AY 22-23) | 2.92 | - |
| Other expenses | 0.02 | 0.01 |
| Quality Claim Settlement | 6.75 | - |
| Loss on sale of PPE (Refer note 47 & 48) | 814.23 | - |
| Total (C) | 882.77 | 30.38 |
| Total (A+B+C) | 975.26 | 267.14 |

37. Earning per share

| | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|---|---|---|
| Total profit for the year | (1052.26) | 50.65 |
| Weighted average number of equity shares of Rs. 10/- each (Nos) | 1,11,06,000 | 1,11,06,000 |
| EPS - Basic and Diluted (per share in Rs.) | (9.47) | 0.46 |

38. Employee benefits

a) Description of the type of the plan

Defined Benefit Plan - Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

Post-Employment Benefits plan defined in a(ii) and a(iii) above typically expose the Company to actuarial risks such as: Salary increase, Discount rate, Morality and Disability and withdrawals

- Salary Increases: – Actual salary increases will increase the Plan’s liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
 - Discount Rate: – Reduction in discount rate in subsequent valuations can increase the plan’s liability.
 - Mortality & disability: – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
 - Withdrawals: – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan’s liability.
- b) The following tables set out the status of the gratuity plan, unavailed leave and amounts recognized in the Company’s financial statements.

| i) | Change in benefit obligations | As at 31st March 2023 | As at 31st March 2022 |
|--------------|---|--|--|
| | Present value of obligation as at beginning of the period | 3.58 | 8.13 |
| | Interest Cost | 0.24 | 0.57 |
| | Current Service Cost | 0.47 | 0.90 |
| | Benefits paid | (0.86) | (1.96) |
| | Actuarial (Gain)/Loss on obligation | (0.38) | (4.05) |
| | Present value of obligation as at the end of the period | 1.85 | 3.58 |
| ii) | Fair Value of Plan Assets | - | - |
| iii) | Net Assets/(Liability) (ii-i) | (1.85) | (3.58) |
| iv) | Amount recognised in Statement of Profit and Loss | Year ended 31st March 2023 | Year ended 31st March 2022 |
| | Service cost | 0.47 | 0.90 |
| | Net Interest cost | 0.24 | 0.57 |
| | Actuarial (gain) /loss for the year | - | - |
| | Expense recognized in the Income Statement | 0.71 | 1.47 |
| v) | Amount recognised in Other Comprehensive Income (OCI) | | |
| | Actuarial (Gain)/Loss for the year on Projected Benefit Obligation | 1.57 | (4.05) |
| | Expense recognized in the Income Statement | (1.57) | (4.05) |
| vi) | Principal Actuarial Assumptions | As at 31st March 2023 | As at 31st March 2022 |
| | i) Discount rate (p.a.) | 7.50% | 7.00% |
| | ii) Future salary increase (p.a.) | 5.00% | 5.00% |
| vii) | Demographic Assumptions | | |
| | i) Retirement age | 60 Years | 60 Years |
| | ii) Mortality rates inclusive of provision for disability | IALM 2012-14 | IALM 2012-14 |
| | iii) Withdrawal Rate | 10.00% | 10.00% |
| viii) | Expected contributions for the next annual reporting period | Year ended 31st March 2023 | Year ended 31st March 2022 |
| | Expected expense for the next annual reporting period | 0.17 | 1.41 |
| ix) | Sensitivity Analysis of the Defined Benefit Obligation | | |
| | Impact of the change in discount rate | | |
| | Present value of obligation as at the end of the period | 1.85 | 3.58 |
| | Impact due to increase of 1.00% | (0.13) | (0.25) |
| | Impact due to decrease of 1.00% | 0.15 | 0.29 |

| Impact of the change in salary increase | | |
|---|-------------|-------------|
| Present value of obligation as at the end of the period | 1.85 | 3.58 |
| Impact due to increase of 1.00% | 0.15 | 0.29 |
| Impact due to decrease of 1.00% | (0.13) | (0.26) |

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment & life expectancy are not applicable being a lump sum benefit on retirement.

| x) Maturity Profile of Defined Benefit Obligation | As at 31st March 2022 |
|--|---|
| 01 Apr 2022 to 31 Mar 2023 | 0.13 |
| 01 Apr 2023 to 31 Mar 2024 | 0.10 |
| 01 Apr 2024 to 31 Mar 2025 | 0.10 |
| 01 Apr 2025 to 31 Mar 2026 | 0.11 |
| 01 Apr 2026 to 31 Mar 2027 | 0.10 |
| 01 Apr 2027 Onwards | 3.04 |

| Maturity Profile of Defined Benefit Obligation | As at 31st March 2023 |
|---|---|
| 01 Apr 2023 to 31 Mar 2024 | 0.20 |
| 01 Apr 2024 to 31 Mar 2025 | 0.06 |
| 01 Apr 2025 to 31 Mar 2026 | 0.06 |
| 01 Apr 2026 to 31 Mar 2027 | 0.06 |
| 01 Apr 2027 to 31 Mar 2028 | 0.06 |
| 01 April 2028 onwards | 1.41 |

39. Related Party Transactions

In accordance with the requirement of IndAS 24 on Related Parties notified under the Companies (Indian Accounting Standards) Rules, 2015, the name of related parties where control exists and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the Management are:

a) List of related parties and nature of relationship where control exists:

| | | |
|---|--------------------------|--|
| 1 | Key Managerial Personnel | i. Mr. Ayush Kacholia (Managing Director) ii. Mrs. Karuna Kacholia (Chief Financial Officer, Director) iii. Mr. Mukesh Kacholia (Director) iv. Mr. Rahul Jain (Independent Director) v. Mr. Sudeep Satyendra Saxena (Independent Director) vi. Mrs. Pooja Chordia (Independent Director) vii. Mrs. Shribala Mandhanya (Independent Director) |
| 2 | Subsidiary Companies | i. M/s. Shaan Agro Oils & Extractions Pvt.Ltd. ii. M/s. Biograin Protinex Pvt. Ltd. iii. M/s. Soil Consultech Pvt. Ltd. |

b) Transactions with the related parties for the year ended

(Rs. In Lakhs)

| Particulars | Subsidiary | Key Managerial Personnel | Relatives of KMP | Entities where control exists |
|--|------------|--------------------------|------------------|-------------------------------|
| 31st March 2023 | | | | |
| Employee Benefit Expenses | | | | |
| Ayush Kacholia | - | 30.00 | - | - |
| Karuna Kacholia | - | 25.03 | - | - |
| Pooja Chordia | - | 0.70 | - | - |
| Shribala Mandhanya | - | 0.65 | - | - |
| Rahul Jain | - | 0.11 | - | - |
| Unsecured Loans Received | | | | |
| Ayush Kacholia | - | 364.53 | - | - |
| Karuna Kacholia | - | 2.47 | - | - |
| Soil Consultech Pvt Ltd | 7.50 | | | |
| Unsecured Loans Repaid | | | | |
| Ayush Kacholia | - | 364.53 | - | - |
| Karuna Kacholia | - | 0.96 | - | - |
| Soil Consultech Pvt Ltd | 11.06 | | | |
| Rent Paid | | | | |
| Sangeeta Kacholia | - | 1.54 | - | - |
| Rent Received | | | | |
| M/s. Shaan Agro Oils & Extractions Pvt. Ltd. | 12.00 | - | - | - |
| Sales During the Year | | | | |
| M/s. Shaan Agro Oils & Extractions Pvt. Ltd. | 616.90 | - | - | - |
| 31st March 2022 | | | | |
| Employee Benefit Expenses | | | | |
| Mr. Mukesh Kacholia | - | 17.50 | - | - |
| Mr. Ayush Kacholia | - | 40.00 | - | - |
| Mr. Rohan Kacholia | - | 17.50 | - | - |
| Mrs. Karuna Kacholia | - | 15.00 | - | - |
| Unsecured Loans Received | | | | |
| Mr. Mukesh Kacholia | - | 5.00 | - | - |
| Mr. Ayush Kacholia | - | 531.54 | - | - |
| Unsecured Loans Repaid | | | | |
| Mr. Mukesh Kacholia | - | 82.10 | - | - |
| Mr. Ayush Kacholia | - | 560.90 | - | - |
| Mr. Rohan Kacholia | - | 23.04 | - | - |
| Rent Paid | | | | |
| Mrs. Sangeeta Kacholia | - | - | 3.30 | - |
| Purchases During the Year | | | | |
| M/s. Shaan Agro Oils & Extractions Pvt. Ltd. | 84.86 | - | - | - |
| Sales During the Year | | | | |
| M/s. Shaan Agro Oils & Extractions Pvt. Ltd. | 793.05 | - | - | - |
| M/s. Agri Wing Organics | - | - | - | 39.83 |
| Rent Received | | | | |
| M/s. Shaan Agro Oils & Extractions Pvt. Ltd. | 9.00 | - | - | - |

c) Detail of Outstanding Balances are as follows:-

| Particulars | Subsidiary | Key Managerial Personnel | Relatives of KMP | Entities where control exists |
|--|------------|--------------------------|------------------|-------------------------------|
| 31st March 2023 | | | | |
| Unsecured Loans | | | | |
| Karuna Kacholia | - | 1.50 | - | - |
| Biograin Protinex Pvt. Ltd. | 0.23 | - | - | - |
| Shaan Agro Oils & Extractions Pvt. Ltd. | 125.00 | - | - | - |
| Soil Consultech Private Limited | 3.56 | - | - | - |
| Remuneration Payable | | | | |
| Ayush Kacholia | - | 3.03 | - | - |
| Karuna Kacholia | - | 0.43 | - | - |
| As on 31st March 2022 | | | | |
| Trade Receivables | | | | |
| M/s. Shaan Agro Oils & Extractions Pvt. Ltd. | 52.43 | - | - | - |
| Salary Payable | | | | |
| Mr. Ayush Kacholia | - | 7.07 | - | - |
| Mrs. Karuna Kacholia | - | 1.37 | - | - |

 40. **Financial instruments**

Fair value measurements

Following table shows the carrying amounts and fair values of financial assets and financial liabilities:

| | As at 31 st March 2023 | | As at 31 st March 2022 | |
|--|--------------------------------------|----------------|--------------------------------------|-----------------|
| | FVTPL | Amortised Cost | FVTPL | Amortised Cost |
| Financial Assets | | | | |
| Investments | - | 467.00 | - | 457.00 |
| Trade Receivables | - | 597.41 | - | 432.36 |
| Cash and Cash Equivalents | - | 23.83 | - | 16.51 |
| Bank balances other than Cash and Cash Equivalents | - | 145.47 | - | 129.03 |
| Loans and advances | - | 129.23 | - | 126.83 |
| Others | - | 25.58 | - | 65.62 |
| Total | - | 1388.52 | - | 1,227.35 |
| Current | - | 895.94 | - | 714.43 |
| Non-Current | - | 492.58 | - | 512.92 |
| Financial Liabilities | | | | |
| Borrowings | - | 19.78 | - | 756.93 |
| Trade Payables | - | 9.27 | - | 31.43 |
| Other Financial Liabilities | - | 1.73 | - | 7.63 |
| Total | - | 30.78 | - | 795.99 |
| Current | - | 13.19 | - | 610.05 |
| Non-Current | - | 17.59 | - | 185.94 |

Fair Value hierarchy

The following tables shows the levels in the fair value hierarchy of financial assets and financial liabilities

| | Fair value Measurement | | |
|--|------------------------|---------|---------------|
| | Level 1 | Level 2 | Level 3 |
| As at 31st March 2023 | | | |
| Financial Assets | | | |
| Trade Receivables | - | - | 597.41 |
| Cash and Cash Equivalents | - | - | 23.83 |
| Bank balances other than Cash and Cash Equivalents | - | - | 145.47 |
| Loans and advances | - | - | 129.23 |
| Others | - | - | 25.58 |
| Total | - | - | 921.52 |
| Financial Liabilities | | | |
| Borrowings | - | - | - |
| Trade Payables | - | - | 9.27 |
| Other Financial Liabilities | - | - | - |
| Total | - | - | - |
| As at 31st March 2022 | | | |
| Financial Assets | | | |
| Trade Receivables | - | - | 432.36 |
| Cash and Cash Equivalents | - | - | 16.51 |
| Bank balances other than Cash and Cash Equivalents | - | - | 129.03 |
| Loans and advances | - | - | 126.83 |
| Others | - | - | 65.62 |
| Total | - | - | 770.35 |
| Financial Liabilities | | | |
| Borrowings | - | - | 756.93 |
| Trade Payables | - | - | 31.43 |
| Other Financial Liabilities | - | - | 7.63 |
| Total | - | - | 795.99 |

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values of borrowings are based on discounted cash flows using a borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

41. Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise borrowings, security deposits, trade and other payables, etc. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivable, security deposit, cash and cash equivalents, etc. that derive directly from its operations. The Company also holds investments in the shares of its subsidiary measured at amortised cost.

The Company is exposed to market risk, credit risk and liquidity risk. The management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and periodically reviewing the same. The management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and Equity price risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has borrowings, therefore Company is exposed to such risk.

(ii) Foreign Currency Risk

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. So, the Company is exposed to such risk.

(iii) Equity Price Risk

The Company's investment in shares are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the management on a regular basis.

b) Credit Risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

| Particulars | As at | As at |
|------------------------|-----------------------------|-----------------------------|
| | 31 st March 2023 | 31 st March 2022 |
| Trade receivables | 597.41 | 432.36 |
| Other financial assets | 25.58 | 65.62 |

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises mainly from loans, trade receivables and financial assets. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. None of the trade receivables are credit impaired as on reporting date.

On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the expected credit loss for trade receivables is not significant.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitors credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

The Company's exposure to credit risk for trade receivables are as follows:

| Particulars | As at | As at |
|----------------------------|-----------------------------|-----------------------------|
| | 31 st March 2023 | 31 st March 2022 |
| Carrying Amount | | |
| 1-30 days past due | 26.59 | 304.78 |
| 31 to 90 days past due | 2.24 | 22.27 |
| More than 90 days past due | 568.58 | 105.31 |
| Total | 597.41 | 432.36 |

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2023:

| | Carrying amount | Contractual Cash Flows | | | |
|-----------------------------|-----------------|------------------------|--------------|----------|--------------|
| | | 0-1 year | 1-5 years | >5 years | Total |
| Borrowings | 19.78 | 2.18 | 17.59 | - | 19.78 |
| Trade Payables | 9.27 | 9.25 | 0.02 | - | 9.27 |
| Other Financial Liabilities | 1.73 | 1.62 | 0.11 | - | 1.73 |
| Total | 30.78 | 13.05 | 17.72 | | 30.78 |

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2022:

| | Carrying amount | Contractual Cash Flows | | | |
|-----------------------------|-----------------|------------------------|---------------|-----------|---------------|
| | | 0-1 year | 1-5 years | > 5 years | Total |
| Borrowings | 746.23 | 560.29 | 185.94 | - | 746.23 |
| Trade Payables | 31.43 | 22.79 | 8.64 | - | 31.43 |
| Other Financial Liabilities | 18.33 | 18.22 | 0.11 | - | 18.33 |
| Total | 795.99 | 601.30 | 194.69 | - | 795.99 |

42. Capital Management

The management policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Company's management monitor the return on capital employed.

Company's Gearing ratio

| | As at 31 st March 2023 | As at 31 st March 2022 |
|---------------------------------|--------------------------------------|--------------------------------------|
| Total Liabilities | 63.28 | 856.51 |
| Less: Cash and Cash Equivalents | 169.30 | 145.54 |
| Net Debt | (106.02) | 710.97 |
| Total Equity | 2029.55 | 3080.64 |
| Gearing Ratio | 0.05 | 0.23 |

43. Financial ratios

| Particulars | Numerator | Denominator | 31 st March 2023 | 31 st March 2022 | Variances |
|---|---|---|--------------------------------|--------------------------------|----------------------|
| Current Ratio (in times) | Current Assets | Current Liability | 47.69 Times | 2.53 Times | 1785% ⁽¹⁾ |
| Debt- Equity Ratio (in times) | Debt consists of borrowings and lease liabilities. | Total Equity | 0.02 Times | 0.06 Times | -67% ⁽²⁾ |
| Debt service coverage ratio (in times) | Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest on Loan + Other non-cash adjustments | Debt service = Interest and lease payments + Principal repayments | -9.59Times | 1.11 Times | -964% ⁽³⁾ |
| Return on equity ratio (in %) | Net profits after taxes | Average shareholder's equity | -41% | 1.66% | -125% ⁽⁴⁾ |
| Inventory turnover ratio(in times) | Cost of Goods Sold | Average Inventory | 0.36 Times | 3.40 Times | -90% ⁽⁵⁾ |
| Trade receivables turnover ratio (in times) | Revenue | Average trade Receivable | 4.98 Times | 6.03 Times | -17% |
| Trade payables turnover ratio (in times) | Purchases of services and other expenses | Average trade Payables | 105.57 Times | 13.25 Times | 697% ⁽⁶⁾ |
| Net capital turnover Ratio (in times) | Revenue | Working capital | 2.33 % | 6.97% | -67% ⁽⁷⁾ |
| Net profit ratio (in %) | Net profit | Revenue | -41% | 0.73% | -156% ⁽⁸⁾ |
| Return on Capital Employed (ROCE) (in %) | Earning before interest and taxes | Capital employed | -67% | 5.42% | -112% ⁽⁹⁾ |
| Return on investment (in %) | Income generated from invested funds | Average invested funds in treasury investments | 0.00 | 0.00 | - |

Reasons for Variances more than 25% in respective ratios

- 1) There is a decrease in current liabilities of the company as majority of the secured loans from banks have been repaid during the year, also there is a decrease in the inventories by 469.95 Lakhs which has led to a variance of 1785% in the ratio.
- 2) The variance is due to the decrease in the financial liability of the company as Debt Amounting to 147.91 Lakhs have been repayed by the company also the equity has been reduced due to current year losses of 1052.26 Lakhs.
- 3) Due to loss in current year of Rs 1447.69 Lakhs as compared to profit in previous year of Rs 57.79 Lakhs and decline in payment of interest by Rs 75.98 Lakhs there has been drastic change in Debt Service Coverage Ratio.
- 4) The variance is due to the vast losses of 1052.26 Lakhs leading to a decrease in equity and a negative RoE Ratio.
- 5) There is a decrease in the inventory by 469.95 Lakhs and also the COGS has been reduced by 2402.47 Lakhs which has led to a negative variance of 90%.
- 6) The variance is due to the decrease in purchases by 3170.53 Lakhs and Trade Payables amounting to 22.15 Lakhs have been repaid during the year which has led to variance of 697% in the ratio.
- 7) There is a decline in the Revenue of the company by 4413.20 Lakhs resulting a negative variance of 67%.
- 8) The losses on account decline in operating income of company and losses on sale PPE, Land and Building which has led to Net Loss of Rs 1052.26 Lakhs resulting in Variance of 156% in Net Profit Ratio.
- 9) The variance is due to the repayment of borrowings of the company of Rs 147.91 Lakhs and decrease in EBIT by Rs 1583.33 Lakhs.

44. Trade Payables ageing report

| Particulars | Outstanding for following periods from Due date of payment# | | | | Total |
|--------------------------|---|-----------|-----------|-------------------|-------|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | | | | | |
| (ii) Others | 9.25 | 0.02 | - | - | 9.27 |
| (iii) Disputeddues-MSME | | | | | |
| (iv) Disputeddues-Others | | | | | |

45. Trade receivables ageing report

| Particulars | Outstanding for following periods from Due date of payment# | | | | | Total |
|--|---|-----------------|-----------|-----------|-------------------|--------|
| | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables—considered good | 220.78 | 364.51 | 12.13 | - | - | 597.41 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | | | | | | |
| (iii) Undisputed Trade Receivables –credit impaired | | | | | | |
| (iv) Disputed Trade Receivables—considered good | | | | | | |
| (v) Disputed Trade Receivables –which have significant increase in credit risk | | | | | | |
| (vi) Disputed Trade Receivables—credit Impaired | | | | | | |

46) Discharge of Contigent Liability Obligation

Dextrous Products Private Limited versus Shanti Overseas (India) Pvt. Ltd. and another;

Dextrous Products Pvt. Ltd. has filed a case under Order 7 Rule 1 of Civil Procedure Code bearing case no. RCS B/00029/2016 against our Company with City Civil Court no XVII Civil Judge Class I, District Judge, and Indore for recovery of dues against our Company and Our Promoter Group Entity, Agri Wing International. The matter is in dispute for the quality issue and cancellation of supply of contract beyond 545.885 metric tons. The company claims that it has made the payment as per the agreed calculation. The liability in the present matter can be of an amount of Rs. 9.14 on our Company, and Rs. 4.40 on our Promoter Group Entity, Agri Wing International. The last date of hearing was 6th October 2016.

During the year both the parties mutually agreed to settle the matter, accordingly the company paid a sum of Rs 6.75 Lakhs and the matter stands closed.

- 47) The whole organic Soyameal Manufacturing Industry in India saw a substantial fall in export to United States Of America ('USA') due to levy of Countervailing Duty and antidumping duty on produce imported from India. The Soybean Processors Association of India ('SOPA') has challenged such levy by USA before the appropriate forum and the matter is sub-judice as on date. The Company also got impacted by the same and saw decline in export turnover since last two years, considering the same Company has decided to part away with Fixed Assets on going concern basis, related to the manufacturing process. Shareholders' approval to dispose off the Fixed Assets is already taken vide resolution passed in last AGM dated 30th September 2022.
- 48) During the year ended 31st March 2023, Company sold its majority of Fixed Assets. Total loss incurred due to the sale of fixed assets is Rs 814.23 Lakhs. The said loss is forming part of 'Other Expenses, in the Statement of Profit and Loss.
- 49) The Holding Company has incorporated a new wholly owned subsidiary Company naming "SOIL Consultech Private Limited" under the category "Company Limited by Shares" w.e.f. 6th July, 2022 having its registered office situated in Mumbai, Maharashtra by investing Rs 10 lakhs in 100% Equity Share Capital of the newly formed Company. The new company forms part of the Group.
- 50) There has been difference in some figures of Financial statements and Results published in Annual Financial Results due to some arithmetical mistake, note of same differences has been given in respective figures notes to accounts.

For: Muchhal & Gupta
Chartered Accountants
FRN: 004423C

Shashank Sharma
Partner
M.No. 426870
UDIN: 23426870BGYRDK9821

Place: Indore
Date: 30th May, 2023

Additional Regulatory Information
(i) Title deeds of immovable property not held in the name of the company

The company shall provide the details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company in following format and where such immovable property is jointly held with others, details are required to be given to the extent of the company's share.

| Relevant Line Item in the Balance Sheet | Description of item of property | Gross Carrying Value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company |
|---|---------------------------------|----------------------|---------------------------------|---|--------------------------------|--|
| Investment Property | Land Building | | | | N.A | |
| PPE | Land Building | | | | N/A | |
| PPE retired from active use and held for disposal | Land Building | | | | N/A | |

(ii) Capital-Work-in Progress (CWIP)

For Capital-work-in progress, following ageing schedule shall be given:

CWIP aging schedule

(Amount in Rs lakhs)

| CWIP | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | | | N/A | | |
| Projects temporarily suspended | | | N/A | | |

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given**:

| CWIP | To be completed in | | | |
|-----------|--------------------|-----------|-----------|-------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| Project 1 | | | N/A | |
| Project 2 | | | N/A | |

**Details of projects where activity has been suspended shall be given separately.

(iii) Intangible assets under development:

(a) For Intangible assets under development, following ageing schedule shall be given:

Intangible assets under development ageing schedule

| Intangible Assets under development | Amount in CWIP for a period of | | | | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | | | N/A | | |
| Projects temporarily suspended | | | N/A | | |

* Total shall tally with the amount of Intangible assets under development in the balance sheet.

(b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule shall be given**:

| CWIP | To be completed in | | | |
|-----------|--------------------|-----------|-----------|-------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| Project 1 | | | N/A | |
| Project 2 | | | N/A | |

**Details of projects where activity has been suspended shall be given separately.

iv) Details of Benami Property held-

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

v) Wilful Defaulter*-

Where a company is a declared wilful defaulter by any bank or financial Institution or other lender, following details shall be given:

- (a) Date of declaration as wilful defaulter,
- (b) Details of defaults (amount and nature of defaults)

Since the company is not declared wilful defaulter by any bank or financial Institution or other lender, no declaration is required to be made in this regard.

* “wilful defaulter” here means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Act) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

vi) Relationship with Struck off Companies

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose certain details.

Since no such transaction has been made with struck off companies during the financial year, this clause is not applicable.

(vii) Registration of charges or satisfaction with Registrar of Companies (ROC)

Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof shall be disclosed.

The clause is not applicable .

(viii) Compliance with number of layers of companies

Where the company has not complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship or extent of holding of the company in such downstream companies shall be disclosed.

Since the company has complied with Section 2(84), this clause is not applicable.

(ix) Compliance with approved Scheme(s) of Arrangements

Where the Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, the company shall disclose that the effect of such Scheme of Arrangements have been accounted for in the books of account of the Company ‘in accordance with the Scheme’ and ‘in accordance with accounting standards’ and any deviation in this regard shall be explained.

Since no such Scheme of Arrangements has been approved by the Competent Authority, this clause is not applicable.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHANTI OVERSEAS (INDIA) LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Shanti Overseas (India) Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at 31st March 2023, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

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

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and the Board of Directors' Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Consolidated 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 financial controls 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Holding 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 Consolidated 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 Holding Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books.
 - c) The Consolidated balance sheet, the Consolidated statement of profit and loss (including other comprehensive income), the

Consolidated statement of changes in equity and the Consolidated statement of cash flows dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31st, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31st, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended.
- h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act and section 67 of the Companies (Amendment) Act, 2017.
- i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 1. The company does not have any pending litigations which would impact its financial position.
 2. The Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
 4. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Holding Company; or
 - Provide any guarantee or security or like to or on behalf of the Ultimate Beneficiaries
 (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall:
 - Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Holding Company; or
 - Provide any guarantee or security or like to or on behalf of the Ultimate Beneficiaries; and
 (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representations under subclause (i) and (ii) contain any material mis-statement.
 5. The Company has not paid any dividend during the year.
2. With respect to the matter to be included in the Auditor’s Report under section 197(16) of the Act :
In our opinion and according to information and explanation given to us, the remuneration paid by the Holding Company to its director during the current year is in accordance with the provision of the section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affair has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.
3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/“CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For: Muchhal & Gupta
Chartered Accountants
FRN: 004423C

Shashank Sharma
Partner
M.No. 426870
UDIN: 23426870BGYRDI9852

Place: Indore
Date: 30th May 2023

Annexure “A” to the Independent Auditor’s Report on Consolidated Financial Statements

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Shanti Overseas (India) Limited of even date)

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

We have audited the internal financial controls over financial reporting of SHANTI OVERSEAS (INDIA) LIMITED (“the Company”) which includes its Subsidiaries as of March 31st, 2023, in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the company and its subsidiaries is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company and its subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company and its subsidiaries based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company and its subsidiaries.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company and its subsidiaries; (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 and its subsidiaries are being made only in accordance with authorizations of management and directors of the company and its subsidiaries; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company and its subsidiaries’ assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company and its subsidiaries has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2023, based on the internal control over financial reporting criteria established by the company and its subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For: Muchhal & Gupta
Chartered Accountants
FRN: 004423C

Shashank Sharma
Partner
M.No. 426870
UDIN: 23426870BGYRDI9852

Place: Indore
Date: 30th May 2023

SHANTI OVERSEAS (INDIA) LTD.
CIN : L51211MP2011PLC025807
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2023

(Rs in lakhs, unless stated otherwise)

| Particulars | Notes | As at 31 st March 2023 | As at 31 st March 2022 |
|---|-------|-----------------------------------|-----------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 4 | 67.37 | 2,649.24 |
| (b) Right-of-Use Asset | 5 | 47.47 | - |
| (c) Financial Assets | | | |
| (i) Others | 6 | 30.40 | 58.92 |
| (d) Income Tax Assets (net) | 8d) | - | - |
| (e) Other Non-Current Assets | 7 | 2.41 | 2.19 |
| (f) Deferred Tax Assets | 8c) | 596.54 | - |
| Total Non-Current Assets | | 744.18 | 2,710.35 |
| Current Assets | | | |
| (a) Inventories | 9 | 24.86 | 831.62 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 10 | 636.21 | 677.93 |
| (ii) Cash and Cash Equivalents | 11a) | 29.83 | 70.25 |
| (iii) Bank balances other than (ii) above | 11b) | 145.47 | 129.03 |
| (iv) Loans and advances | 12 | 0.44 | 1.62 |
| (v) Others | 13 | - | 9.89 |
| (c) Other Current Assets | 14 | 236.73 | 516.81 |
| Total Current Assets | | 1,073.53 | 2,237.15 |
| Total Assets | | 1,817.71 | 4,947.50 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 15 | 1,110.60 | 1,110.60 |
| (b) Other Equity | 16 | 439.29 | 2,128.32 |
| Total Equity | | 1,549.89 | 3,238.92 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 17 | 99.76 | 811.70 |
| (ii) Lease Liabilities | 18 | 40.87 | - |
| (b) Provisions | 19 | 1.66 | 3.45 |
| (c) Deferred Tax Liabilities (net) | 8c) | - | 22.03 |
| Total Non-Current Liabilities | | 142.28 | 837.18 |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 20 | 2.18 | 560.29 |
| (ii) Trade Payables | 21 | - | - |
| Dues to Others | | 67.93 | 75.47 |
| (iii) Other Financial Liabilities | 22 | 1.84 | 122.18 |
| (iv) Lease Liabilities | 23 | 8.55 | - |
| (b) Other Current Liabilities | 24 | 40.78 | 23.89 |
| (c) Provisions | 25 | 4.25 | 9.98 |
| (d) Current Tax Liabilities (Net) | 26 | - | 79.59 |
| Total Current Liabilities | | 125.54 | 871.40 |
| Total Equity And Liabilities | | 1,817.71 | 4,947.50 |

Significant accounting policies & key accounting estimates & judgements 1-3

See accompanying notes to the Financial Statements 4-49

This is the Balance Sheet referred to in our report of even date

For & on Behalf of the Board
SHANTI OVERSEAS (INDIA) LTD.

Ayush Kacholia
Managing Director
DIN:03096933

Karuna Kacholia
Director
DIN:09307230

Ramita Otvani
Company Secretary
M.No. 28101

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

Shashank Sharma
(Partner)
M.No.: 426870
FRN: 004423C
UDIN: 23426870BGYRDI9852

Date: 30th May 2023
Place: Indore

SHANTI OVERSEAS (INDIA) LTD.

CIN : L51211MP2011PLC025807

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs in lakhs, unless stated otherwise)

| | Particulars | Notes | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|-------|---|-------|---|---|
| | INCOME | | | |
| I. | Revenue From Operations | 27 | 14,932.87 | 20,281.07 |
| II. | Other Income | 28 | 28.75 | 26.11 |
| | III Total Income (I+II) | | 14,961.62 | 20,307.18 |
| b | Cost of Material Consumed | 29 | 3,026.94 | 7,845.51 |
| | Purchases of Stock-in-Trade | 30 | 11,496.21 | 10,935.34 |
| | Changes in inventories of finished goods, Stock-in-Trade and work-in-progress | 31 | 732.19 | 161.57 |
| | Employee Benefit Expenses | 32 | 167.17 | 158.00 |
| | Finance Costs | 33 | 153.05 | 180.80 |
| | Depreciation Expense | 34 | 318.31 | 385.53 |
| | Other Expenses | 35 | 1,376.39 | 305.51 |
| | Total Expenses | | 17,270.25 | 19,972.25 |
| V. | Profit before tax | | (2,308.62) | 334.93 |
| VI. | Tax Expense | | | |
| | Taxes of earlier years | | 0.56 | - |
| | Current Tax | | - | 79.59 |
| | Deferred Tax | 8(a) | (618.98) | (54.36) |
| | Total Tax Expense | | (618.42) | 25.23 |
| VII. | Profit for the period | | (1,690.20) | 309.70 |
| VIII. | Other Comprehensive Income | | | |
| | Items that will not be reclassified to profit or loss | | | |
| | Re-measurement gain on defined benefit plans | | 1.57 | 4.05 |
| | Income tax relating to re-measurement gain on defined benefit plans | | (0.41) | (1.05) |
| | Total Other Comprehensive Income | | 1.16 | 3.00 |
| | Total Comprehensive Income | | (1,689.04) | 312.70 |
| IX. | Earnings Per Share (In Rs) | 36 | | |
| | (1) Basic | | -15.22 | 2.79 |
| | (2) Diluted | | -15.22 | 2.79 |

Significant accounting policies & key accounting estimates & judgements 1-3

See accompanying notes to the Financial Statements 4-49

This is the Balance Sheet referred to in our report of even date

For & on Behalf of the Board
SHANTI OVERSEAS (INDIA) LTD.

Ayush Kacholia
Managing Director
DIN:03096933

Karuna Kacholia
Director
DIN:09307230

Ramita Otvani
Company Secretary
M.No. 28101

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

Shashank Sharma
(Partner)
M.No.: 426870
FRN: 004423C
UDIN: 23426870BGYRDI9852

Date: 30th May 2023
Place: Indore

SHANTI OVERSEAS (INDIA) LTD.

CIN : L51211MP2011PLC025807

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

(Rs in lakhs, unless stated otherwise)

a) Equity Share Capital

| | As at 31 st March 2023 | | As at 31 st March 2022 | |
|---|-----------------------------------|-----------------|-----------------------------------|-----------------|
| | Number of Shares | Amount | Number of Shares | Amount |
| Issued, Subscribed & Fully Paid up (Equity Shares of Rs.10/- each) | | | | |
| Opening Balance | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |
| Issued during the year | - | - | - | - |
| Closing Balance | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |

(b) Other equity

| | Reserves & Surplus | | Other Comprehensive Income | Total |
|---|--------------------|--------------------|----------------------------|-----------------|
| | Retained Earnings | Securities Premium | | |
| Balance as at 1st April 2021 | 1,385.63 | 431.40 | (1.40) | 1,815.63 |
| Profit for the period | 309.70 | - | - | 309.70 |
| Other comprehensive income for the period | - | - | 3.00 | 3.00 |
| Balance as at 31st March 2022 | 1,695.33 | 431.40 | 1.60 | 2,128.33 |
| Balance as at 1st April 2022 | 1,695.33 | 431.40 | 1.60 | 2,128.33 |
| Profit for the period | (1,690.20) | - | - | (1,690.20) |
| Other comprehensive income for the period | - | - | 1.16 | 1.16 |
| Balance as at 31st March 2023 | 5.13 | 431.40 | 2.76 | 439.29 |

This is the Statement of Changes in Equity referred to in our report of even date

For & on Behalf of the Board
SHANTI OVERSEAS (INDIA) LTD.

Ayush Kacholia
Managing Director
DIN:03096933

Karuna Kacholia
Director
DIN:09307230

Ramita Otwani
Company Secretary
M.No. 28101

Date: 30th May 2023
Place: Indore

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

Shashank Sharma
(Partner)
M.No.: 426870
FRN: 004423C
UDIN: 23426870BGYRDI9852

SHANTI OVERSEAS (INDIA) LTD.

CIN : L51211MP2011PLC025807

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs in lakhs, unless stated otherwise)

| | Particulars | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|-----------|---|---|---|
| A. | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Profit before tax | (2,308.62) | 334.93 |
| | Adjustments for: | | |
| | Depreciation expense | 318.31 | 385.53 |
| | Finance Costs | 153.05 | 180.80 |
| | Interest on Deposit | (8.16) | (7.31) |
| | Acturial gain and loss | 1.57 | 4.05 |
| | Profit on sale of Vehicle | - | (1.95) |
| | Loss on Stock due to Accident | 1.10 | - |
| | Loss on Stock of PPE | 1,172.81 | - |
| | Operating profit before working capital changes | (669.95) | 896.05 |
| | Adjustments for: | | |
| | Decrease/(Increase) in Inventories | 805.66 | 510.50 |
| | Decrease/(Increase) in Loans | (2.38) | (0.88) |
| | Decrease/(Increase) in Trade Receivables | (249.92) | 741.97 |
| | Decrease/(Increase) in Other Financial Assets | 38.55 | 0.91 |
| | Decrease/(Increase) in Other assets | 279.84 | 552.57 |
| | Increase/(Decrease) in Trade Payables | 283.94 | (705.01) |
| | Increase/(Decrease) in Other Financial Liabilities | (120.46) | (286.89) |
| | Increase/(Decrease) in Other Liabilities | 16.90 | (1.61) |
| | Increase/(Decrease) in Provisions | (7.51) | (8.71) |
| | Cash flow from operating activities post working capital changes | 374.67 | 1,698.90 |
| | Direct taxes | (80.15) | (5.08) |
| | Net cash flow from operating activities (A) | 294.52 | 1,693.82 |
| B. | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of Property Plant and Equipment | (79.94) | (46.74) |
| | Sale Of Property Plant and Equipment | 1,177 | 3.25 |
| | Interest received | 8.16 | 7.31 |
| | Investment | - | - |
| | Net cash used in investing activities (B) | 1,105.35 | (36.18) |
| C. | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Issue of shares | - | - |
| | Proceeds from Borrowings | (1,266.49) | (1,448.05) |
| | Interest paid | (153.05) | (180.80) |
| | Payments for Lease Liabilities | (4.31) | - |
| | Net cash used in financing activities (C) | (1,423.85) | (1,628.85) |
| | NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) | (23.98) | 28.79 |
| | Cash and cash equivalents as at 1st April | 199.28 | 170.49 |
| | Cash and cash equivalents as at 31st March | 175.30 | 199.28 |
| | NET INCREASE IN CASH AND CASH EQUIVALENTS | (23.98) | 28.79 |

Notes 1. The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 - 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.

| Cash and Cash Equivalents | As at 31 st March 2023 | As at 1 st April 2022 |
|---|-----------------------------------|----------------------------------|
| Balances with banks | 15.79 | 16.81 |
| Cash on hand | 14.04 | 53.44 |
| Bank deposit with maturity more than 3 months but less than 12 months | 145.47 | 129.03 |
| | 175.30 | 199.28 |

This is the Statement of Cash Flow referred to in our report of even date

For & on Behalf of the Board
SHANTI OVERSEAS (INDIA) LTD.

Ayush Kacholia
Managing Director
DIN:03096933

Karuna Kacholia
Director
DIN:09307230

Ramita Otwani
Company Secretary
M.No. 28101

As per our Report of even date annexed
For MUCHHAL & GUPTA
Chartered Accountants

Shashank Sharma
(Partner)

M.No.: 426870

FRN: 004423C

UDIN: 23426870BGYRDI9852

Date: 30th May 2023
Place: Indore

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED SUMMARY OF STATEMENTS

1. Corporate Information

Shanti Overseas (India) Limited having registered office at 203, 2nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road Indore M.P. was originally formed and registered as a partnership firm under the Partnership Act in the name and style of “Shanti Overseas”, pursuant to a deed of partnership dated 15th November, 2004. “Shanti Overseas” was thereafter converted from a partnership firm to a private limited company under Part IX of the Companies Act, 1956 with the name of “Shanti Overseas (India) Private Limited” vide certificate of incorporation received on 18th April, 2011 from Registrar of Companies, Madhya Pradesh. Subsequently, the Company was converted into a public limited company vide fresh Certificate of Incorporation dated 20th January, 2017 issued by the Registrar of Companies, Gwalior. The company is listed on NSE EMERGE platform via initial public offer on 3rd August, 2017 till 15th September 2021. From 16th September 2021 the Company got listed on main board of NSE. Shanti Overseas (India) Limited is engaged in primary processing and trading of agri commodities and manufacturing of Soya Products such as Organic Soyabean Meal and Soy Crude Oil.

The Company has three wholly owned subsidiaries namely Shaan Agro Oils & Extractions Private Limited (incorporated on 14th February, 2017), Biograin Protinex Private Limited (incorporated on 31st May, 2016) & Soil Consultech Private Limited (incorporated on 06th July, 2022).

Shanti Overseas (India) Limited together with its subsidiary is hereinafter referred to as the “Group”.

2. Basis of preparation

a) **Statement of compliance:**

These Consolidated Financial Statements have been prepared on a going concern basis following the accrual basis of accounting in accordance with the Generally accepted Accounting Principles (GAAP) in India (Indian Accounting standards referred to as “IndAS”) as specified under the section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant amendments rules issued thereafter.

The Consolidated Financial Statements are presented in Rupees and all values are rounded to the nearest lakhs upto two decimals places except when otherwise indicated.

b) **Basis of measurement:**

The consolidated financial statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant IndAS.

c) **Significant accounting judgements, estimates and assumptions**

The preparation of the Group consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accounting disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

d) **Basis of Consolidation:**

Subsidiaries

| Name of company | Country of Incorporation | As at 31 st March 2023 | As at 31 st March 2022 | As at 31 st March 2021 |
|---|--------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Shaan Agro Oils & Extractions Private Limited | India | 100% | 100% | 100% |
| Biograin Protinex Private Limited | India | 100% | 100% | 100% |
| Soil Consultech Private Limited | India | 100% | - | - |

e) **Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. **Employee benefit plans**

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. **Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

iv. **Property Plant and Equipment**

Useful lives and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

3. **Significant Accounting Policies**

3.1 **Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading

- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.2 **Property, Plant & Equipments**

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group.

All other repair and maintenance costs are recognized in Consolidated statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment has been provided using written down value method using rates determined based on management's assessment of useful economic lives of the asset.

Followings are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act, 2013 :

| | |
|----------------------|-------------|
| Factory Building | 30 Years |
| Plant & Machinery | 15-40 Years |
| Office Equipment | 5 Years |
| Office Furniture | 5- 10 Years |
| Electrical Equipment | 5- 10 Years |
| Electrical fittings | 10-15 Years |
| RCC Road | 10 Years |
| Computer | 3 Years |
| Vehicles | 8 Years |

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition:

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Consolidated statement of profit and loss, when the asset is de-recognized.

Capital work-in-progress (CWIP)

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress.

3.3 **Impairment of non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is

any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.4 Provisions, Contingent Liabilities and Contingent Assets

Provisions:

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

When the Group expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in respective expense.

Contingent Liabilities and Contingent Assets

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the consolidated financial statements.

3.5 Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether,

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

The Group applies a single recognition and measurement approach for all leases, except for short term leases (twelve month or less) and leases of low-value. For short-term and leases of low value, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease. For all other leases, the Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease

payments are discounted using the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset

Lease liability and ROU asset, if any, have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

3.6 Inventories:

Inventories are valued as under:

Raw materials, stores and spares

Lower of cost and net realisable value. Cost is determined on a weighted average basis. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

Finished Goods & Work In Progress:

Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of attributable overheads

Stock-In-Trade

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Income tax

Current tax:

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a

deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Consolidated Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

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

3.8 **Employee Benefits**

Short-term Employee Benefits:

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans:

Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group's gratuity scheme is a defined benefit plan. Currently, the Group's gratuity scheme is unfunded. The Group recognises the defined benefit liability in Consolidated Balance sheet. The present value of the obligation under such defined benefit plan and the related current service cost and, where applicable past service cost are determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Consolidated Statement of Profit and loss. All other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to Consolidated Statement of Profit and Loss hence it is treated as part of retained earnings in the Consolidated Statement of Changes In Equity.

3.9 **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Group.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.10 Financial Instruments

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

a) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- ▶ Debt instruments at amortised cost - The Group has cash & cash equivalents, loans and trade receivables classified within this category.
- ▶ Debt instruments at fair value through other comprehensive income (FVTOCI) - The Group does not have any financial asset classified in this category.
- ▶ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL) - The Group does not have any financial asset classified in this category.
- ▶ Equity instruments measured at fair value through other comprehensive income (FVTOCI) - The Group does not have any financial asset classified in this category.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise to specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation and losses arising from impairment are recognised in the Consolidated Statement of Profit & Loss. The amortised cost of the financial asset is also adjusted for loss allowance, if any.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Group has not designated any such debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit & Loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Consolidated Statement of Profit and Loss.

Impairment of financial assets

In accordance with IndAS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g. Loans and trade receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b) Financial liabilities

Initial recognition and measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Group's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Consolidated Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

3.11 Cash and cash equivalents

Cash and cash equivalent in the Consolidated balance sheet comprise cash at banks and on hand and short-term deposits

with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.12 Revenue Recognition

The Group recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Sale of goods

Revenue from the sale of goods is recognised when control of the goods have passed to the buyer, usually on delivery of the goods. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Interest income

Interest income on financial asset is recognised using the effective interest rate (EIR) method.

Dividends

Dividend income from investment is accounted for when the right to receive is established, which is generally when shareholders approve the dividend.

Other income

Export incentives receivable, TMA scheme incentive receivable and duty drawback receivable are accounted for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of such proceeds.

3.13 Earnings per share

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

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares.

3.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

3.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Group has been identified as being the chief operating decision maker by the Management of the Group.

3.16 Preliminary & Pre-Operative Expenses

Preliminary & pre-operative expenses have been written-off 1/5th over the course of five years from the year in which Group has incurred these expenses. As the management believes that actual benefit from those expenses will be derived

in a period of 5 years and not immediately. Till then Group shows Preliminary & pre-operative expenses under other non current assets head. However during the year under review, on completion of five years, the entire preliminary expenses have been written off.

3.17 Foreign currency transactions

Transactions in foreign currencies are recorded by the Group entities at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Non Monetary asset and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction

Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit and loss with the exception that the exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

3.18 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.19 Rounding off of figures of financial statements:

In compliance with the amendment made by Ministry of Corporate Affairs (MCA) vide notification dated 24th March 2021 in Schedule III of the Companies Act 2013, all the figures forming part of financial statement are rounded off in Rupees lacs until and unless stated otherwise.

SHANTI OVERSEAS (INDIA) LTD.

CIN : L51211MP2011PLC025807

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs in lakhs, unless stated otherwise)

4 Property, Plant and Equipment (PPE)

| | Land | Factory Building | Plant & Machinery | Office Equipment | Office Furniture | Electrical Equipment | Electrical fittings | RCC Road | Computer | Vehicles | Total |
|---|---------------|------------------|-------------------|------------------|------------------|----------------------|---------------------|---------------|--------------|---------------|-----------------|
| Gross Value | | | | | | | | | | | |
| Balance as at 1 st April 2021 | 284.51 | 1,410.63 | 1,917.11 | 4.01 | 67.40 | 19.57 | 191.10 | 26.57 | 20.03 | 42.66 | 3,983.59 |
| Additions during the year | - | 26.01 | 18.54 | - | - | 0.99 | - | - | 1.20 | - | 46.74 |
| Disposals during the year | - | - | - | - | - | - | - | - | - | (1.30) | (1.30) |
| Balance as at 31st March 2022 | 284.51 | 1,436.64 | 1,935.65 | 4.01 | 67.40 | 20.56 | 191.10 | 26.57 | 21.23 | 41.36 | 4,029.02 |
| Balance as at 1 st April 2022 | 284.51 | 1,436.64 | 1,935.65 | 4.01 | 67.40 | 20.56 | 191.10 | 26.57 | 21.23 | 41.36 | 4,029.02 |
| Previous Year Corrections (Note 2) | (28.71) | 130.65 | 353.51 | (1.55) | 6.57 | 27.60 | 17.54 | 3.43 | 12.30 | 48.28 | 569.63 |
| Additions during the year | - | 58.24 | - | - | - | - | - | - | 0.15 | 21.69 | 80.09 |
| Disposals during the year | (255.80) | (1,625.53) | (2,196.61) | - | (63.79) | (22.51) | (208.64) | (30.00) | - | - | (4,402.88) |
| Balance as at 31st March 2023 | - | - | 92.54 | 2.46 | 10.18 | 25.65 | - | - | 33.69 | 111.33 | 275.86 |
| Accumulated Depreciation | | | | | | | | | | | |
| Balance as at 1 st April 2021 | - | 198.51 | 629.45 | 0.25 | 28.60 | 11.50 | 81.33 | 6.88 | 16.05 | 21.67 | 994.24 |
| Depreciation charge for the year | - | 64.68 | 269.38 | - | 10.24 | 6.63 | 25.67 | - | 2.51 | 6.42 | 385.53 |
| Balance as at 31st March 2022 | - | 263.19 | 898.83 | 0.25 | 38.84 | 18.13 | 107.00 | 6.88 | 18.56 | 28.09 | 1,379.77 |
| Balance as at 1 st April 2022 | - | 263.19 | 898.83 | 0.25 | 38.84 | 18.13 | 107.00 | 6.88 | 18.56 | 28.09 | 1,379.77 |
| Previous Year Corrections (Note 2) | - | 118.95 | 335.75 | 2.09 | 6.57 | 15.12 | 27.13 | 3.43 | 12.57 | 48.29 | 569.90 |
| Depreciation charge for the year | - | 109.01 | 161.94 | - | 7.89 | 4.47 | 15.52 | 2.80 | 0.58 | 9.83 | 312.04 |
| Depreciation Deletion | - | (491.17) | (1,337.60) | - | (43.92) | (17.79) | (149.66) | (13.11) | - | - | (2,053.24) |
| Balance as at 31st March 2023 | - | 0.00 | 58.92 | 2.34 | 9.38 | 19.93 | (0.00) | (0.00) | 31.71 | 86.21 | 208.48 |
| Net carrying value | | | | | | | | | | | |
| As at 31 st March 2022 | 284.51 | 1,173.44 | 1,036.82 | 3.76 | 28.56 | 2.43 | 84.10 | 19.69 | 2.67 | 13.27 | 2,649.25 |
| As at 31 st March 2023 | - | (0.00) | 33.62 | 0.13 | 0.80 | 5.72 | 0.00 | 0.00 | 1.97 | 25.12 | 67.37 |

Note 1 The Group has applied the optional exemption to measure its Property, Plant & Equipment at the date of transitional at their previous GAAP carrying amount and used it as the deemed cost for such assets.

2 Gross value of PPE and Accumulated depreciation have been corrected as compared to last year, this correction does not have any impact on statement of profit & loss.

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs in lakhs, unless stated otherwise)

| 5 | Right-of-Use Asset | As at 31 st March 2023 | As at 31 st March 2022 |
|---|--------------------|--------------------------------------|--------------------------------------|
| | Right-of-Use Asset | 47.47 | - |
| | Total | 47.47 | - |

| 6 | Other Non-Current Financial Assets | As at 31 st March 2023 | As at 31 st March 2022 |
|---|--|--------------------------------------|--------------------------------------|
| | Unsecured, considered good, unless otherwise stated | | |
| | Security Deposits | 25.58 | 26.69 |
| | Fixed Deposits with original maturity of more than 12 months | 4.83 | 32.23 |
| | Total | 30.40 | 58.92 |

Note: Due to arithmetical error the figure of other financial assets was wrongly presented in AFR published the same has now been corrected and the amount of fixed deposits has, increased by Rs. 0.35 Lakhs.

| 7 | Other Non-Current Assets | As at 31 st March 2023 | As at 31 st March 2022 |
|---|------------------------------------|--------------------------------------|--------------------------------------|
| | Preliminary Expenses | | |
| | Expenses | 0.25 | 27.23 |
| | Less : Written off during the year | - | (26.98) |
| | Preoperative Expense | 2.16 | 1.94 |
| | Total | 2.41 | 2.19 |

| 8 | Income tax | As at 31 st March 2023 | Year ended 31 st March 2022 |
|-----|--|--------------------------------------|---|
| 8a) | The major components of income tax expense for the year are as under: | | |
| i) | Amounts recognised in the Statement of Profit and Loss comprises : | | |
| | Current tax: | | |
| | - in respect of the current year | - | 79.59 |
| | | - | 79.59 |
| | Deferred tax expense: | | |
| | <u>Attributable to -</u> | | |
| | - Origination and reversal of temporary differences | (618.98) | (22.75) |
| | - MAT Credit Entitlement | - | (31.61) |
| | | (618.98) | (54.36) |
| | Total Income tax expense | (618.98) | 25.23 |

Note: Due to calculation mistakes deferred tax reported in statement of profit and loss of AFR published was incorrect, the same has now been corrected and the same has differed by Rs. 2.81 Lakhs.

| ii) | Income tax recognised in Other Comprehensive Income | As at 31 st March 2023 | Year ended 31 st March 2022 |
|-----|--|--------------------------------------|---|
| | Net loss/(gain) on remeasurements of defined benefit plans | (0.41) | (1.05) |
| | Income tax charged to OCI | (0.41) | (1.05) |

| 8b) | Reconciliation of effective tax rate | As at 31 st March 2023 | Year ended 31 st March 2022 |
|-----|--|--------------------------------------|---|
| | Profit before tax A | - | 334.93 |
| | Company's domestic tax rate B | 18.66% | 18.66% |
| | Tax expense C = A * B | - | 62.50 |
| | Tax effect of : | | |
| | Income not liable to tax | - | - |
| | Expenses not allowable | - | 17.18 |
| | Deferred tax recognised | (618.98) | (54.36) |
| | Others | - | (0.09) |
| | Tax expense as recognised in Statement of Profit and Loss | (618.98) | 25.23 |

| 8c) | Deferred Tax Liabilities (Net) / (Deferred Tax Assets) | As at 1 st April 2021 | Profit & Loss | OCI | As at 31 st March 2022 |
|-----|---|-------------------------------------|----------------|-------------|--------------------------------------|
| | Deferred tax relates to the following: | | | | |
| | Property, Plant & Equipment | 87.53 | (23.73) | - | 63.80 |
| | Provision for gratuity | (1.91) | 0.98 | - | (0.93) |
| | Re-measurements of the defined benefit plans | (0.52) | - | 1.05 | 0.53 |
| | MAT Credit Entitlement | (9.76) | (31.61) | - | (41.37) |
| | Deferred Tax Liabilities (Net) | 75.34 | (54.36) | 1.05 | 22.03 |

| | | As at 1 st April 2022 | Profit & Loss | OCI | As at 31 st March 2023 |
|--|---|-------------------------------------|-----------------|-------------|--------------------------------------|
| | Deferred tax relates to the following: | | | | |
| | Property, Plant & Equipment | 63.80 | (469.68) | - | (405.87) |
| | Provision for gratuity | (0.93) | 0.68 | - | (0.26) |
| | Re-measurements of the defined benefit plans | 0.53 | - | 0.41 | 0.94 |
| | Unabsorbed Depreciation | - | (20.11) | - | (20.11) |
| | Business and Capital Losses | - | (129.35) | - | (129.35) |
| | Right of use assets and lease liabilities | - | (0.51) | - | (0.51) |
| | MAT Credit Entitlement | (41.37) | - | - | (41.37) |
| | Deferred Tax Liabilities (Net) | 22.03 | (618.98) | 0.41 | (596.54) |

Note: Due to arithmetical error the figure of Deferred Tax assets was reported wrongly in AFR published, the same has now been corrected by an amount of Rs. 0.53 Lakhs and other equity has differed by the same amount.

| 8d) | Income Tax Assets (Net) | As at 31 st March 2023 | As at 31 st March 2022 |
|-----|--|--------------------------------------|--------------------------------------|
| | Advance income-tax (net of provision for taxation) | - | - |
| | Total | - | - |

| 9 | Inventories (valued at lower of cost and net realizable value) | As at 31 st March 2023 | As at 31 st March 2022 |
|---|--|--------------------------------------|--------------------------------------|
| | Finished Goods | 11.89 | 563.20 |
| | Raw Material | 1.22 | 13.20 |
| | Stock-in-trade | 6.57 | 187.44 |
| | Others | 5.18 | 67.78 |
| | Total | 24.86 | 831.62 |

| 10 | Trade Receivables | As at 31 st March 2023 | As at 31 st March 2022 |
|----|--|--------------------------------------|--------------------------------------|
| | Unsecured, considered good, unless otherwise stated | | |
| | Others | 636.21 | 677.93 |
| | Total | 636.21 | 677.93 |

Trade receivables are non-interest bearing and are generally on credit terms of 30 days.

| 11a) | Cash & Cash Equivalents | As at 31 st March 2023 | As at 31 st March 2022 |
|------|-------------------------|--------------------------------------|--------------------------------------|
| | Balances with banks | 7.41 | 53.44 |
| | Cash on hand | 14.04 | 16.81 |
| | HDFC Bank CC Accounts | 8.38 | - |
| | Total | 29.83 | 70.25 |

| | | | |
|-------------|---|---|---|
| 11b) | Bank Balances other than "Cash & Cash Equivalents" | As at 31st March 2023 | As at 31st March 2022 |
| | Bank deposit with maturity more than 3 months but less than 12 months | 145.47 | 129.03 |
| | Total | 145.47 | 129.03 |

| | | | |
|-----------|---|---|---|
| 12 | Current Financial Assets - Loans and advances | As at 31st March 2023 | As at 31st March 2022 |
| | Unsecured, considered good unless otherwise stated | | |
| | Staff loan | 0.44 | 1.62 |
| | Total | 0.44 | 1.62 |

| | | | |
|-----------|---------------------------------------|---|---|
| 13 | Other Current Financial Assets | As at 31st March 2023 | As at 31st March 2022 |
| | Interest accrued on Fixed Deposits | - | 9.89 |
| | Total | - | 9.89 |

| | | | |
|-----------|--|---|---|
| 14 | Other Current Assets | As at 31st March 2023 | As at 31st March 2022 |
| | Balances with Government Authorities | 231.59 | 396.20 |
| | Amount recoverable in cash or Kind from others | - | 110.22 |
| | Prepaid Expenses | 1.37 | 3.56 |
| | Quarterly Incremental License | - | 3.02 |
| | TDS Receivable (NBFC) | 3.78 | 3.81 |
| | Total | 236.73 | 516.81 |

| | | | | | |
|------------|---|---|---------------|---|---------------|
| 15 | Equity Share Capital | | | | |
| (a) | Authorised & Issued Share Capital | As at 31st March 2023 | | As at 31st March 2022 | |
| | Authorised Share Capital | Number | Amount | Number | Amount |
| | Equity Shares of Rs 10/- each | 1,20,00,000 | 1,200.00 | 1,20,00,000 | 1,200.00 |
| | Issued, Subscribed & Fully Paid up | Number | Amount | Number | Amount |
| | Equity Shares of Rs 10/- each | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |

(b) Reconciliation of Share Capital
Issued, Subscribed & Fully Paid up

| | | | | | |
|--|--------------------------------------|--------------------|-----------------|--------------------|-----------------|
| | Equity Shares of Rs 10/- each | Number | Amount | Number | Amount |
| | Opening Balance | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |
| | Add: Bonus Shares issued | - | - | - | - |
| | Closing Balance | 1,11,06,000 | 1,110.60 | 1,11,06,000 | 1,110.60 |

(c) Terms and rights attached to equity shares

- The Group has one class of equity shares referred to as equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share.
- In the event of liquidation of the group, the holders of equity share will be entitled to received 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.
- The Group declares and pays dividends in Indian rupees. During the year ended 31st March, 2023, the group has not declared any dividend.

(d) Disclosure of Shares in the company held by each shareholder holding more than 5% Equity Shares

| Name of Shareholder | As at 31 st March 2023 | | As at 31 st March 2022 | |
|-----------------------------|-----------------------------------|---------------|-----------------------------------|---------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Mr. Mukesh Kacholia | - | - | 24,22,875 | 21.82% |
| Mr. Ayush Kacholia | 28,11,375 | 25.31% | 17,01,000 | 15.32% |
| Mrs. Sangeeta Devi Kacholia | - | - | 8,08,125 | 7.28% |
| Mrs. Karuna Kacholia | 29,26,125 | 26.35% | 8,05,500 | 7.25% |
| Mr. Amit Neema | - | - | 6,66,000 | 6.00% |
| Nova Plasmold Pvt. Ltd. | 10,00,235 | 9.01% | 10,00,235 | 9.01% |
| Dhruv Neema | 5,76,922.00 | 5.19% | - | - |
| Total | 73,14,657 | 65.86% | 74,03,735 | 66.67% |

(e) Shareholding of Promoters

| Shares held by the Promoters at the end of the year 31/03/2023 | | | %Change during the year |
|--|------------------|-------------------|-------------------------|
| Promoter's Name | No. of Shares | % of Total Shares | |
| Mr. Mukesh Kacholia | - | - | 100.00% |
| Mr. Ayush Kacholia | 28,11,375 | 25.31% | 65.28% |
| Mrs. Sangeeta Devi Kacholia | - | - | 100% |
| Mrs. Karuna Kacholia | 29,26,125 | 26.35% | 263.27% |
| Mukesh Kacholia HUF | 81,000 | 0.73% | NIL |
| Total | 58,18,500 | 52.39% | |

(f) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the year ended March 31, 2020, the Group has allotted 37,02,000 equity shares of ₹ 10/- each as fully paid up bonus shares in current year by capitalisation of reserves & surplus to the existing shareholders in the ratio of 1:2. No ordinary shares have been reserved for issue under options/contracts/commitments for the sale of shares/disinvestment at the Balance Sheet date. The group has also not allotted any equity shares against consideration other than cash, bought back any shares or issued securities convertible into Equity/Preference shares. Neither are any calls unpaid by any director or officer of the group during the year.

| 16 | Other Equity | Reserves & Surplus | | Other Comprehensive Income | Total |
|----|---|--------------------|--------------------|----------------------------|-----------------|
| | | Retained Earnings | Securities Premium | | |
| | Balance as at 1st April 2021 | 1,385.63 | 431.40 | (1.40) | 1,815.63 |
| | Profit for the period | 309.70 | - | - | 309.70 |
| | Other comprehensive income for the period | - | - | 3.00 | 3.00 |
| | Balance as at 31st March 2022 | 1,695.33 | 431.40 | 1.60 | 2,128.33 |
| | Balance as at 1st April 2022 | 1,695.33 | 431.40 | 1.60 | 2,128.33 |
| | Profit for the period | (1,690.20) | - | - | (1,690.20) |
| | Other comprehensive income for the period | - | - | 1.16 | 1.16 |
| | Balance as at 31st March 2023 | 5.13 | 431.40 | 2.76 | 439.29 |

| 17 | Borrowings | As at 31 st March 2023 | As at 31 st March 2022 |
|--|-------------------|-----------------------------------|-----------------------------------|
| | | Secured | |
| Term loans from bank* | 16.09 | 260.94 | |
| Unsecured | | | |
| Loans from related parties (Refer note 36) | 83.67 | 550.76 | |
| Total | 99.76 | 811.70 | |

- (i) Secured loans is car loan from Punjab National Bank. Loan is Sanctioned against hypothecation of skoda car.
- (ii) The Term loan was availed from Kotak Mahindra Bank during the F.Y. 2017-18, which carries interest @ 8.80% p.a. The loan is secured by hypothecation of movable Plant & Machinery which is located at Dhannad. The loan is further secured by immovable assets of the group and personal guarantee of the directors. The same has been closed during the year.
- (iii) The Car loan is availed from Axis Bank during the F.Y. 2019-20, which carries interest @ 9.86% p.a. Loan is sanctioned against hypothecation of Hyudai Venue Car and the loan is re-payable in 36 equal installments. The same has been closed during the year.

| 18 | Lease Liabilities | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|----|-------------------|---|---|
| | Lease Liabilities | 40.87 | - |
| | Total | 40.87 | - |

| 19 | Provisions (Non-current) | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--|---|--------------------------------------|
| | Provision for employee benefits (Refer Note 38) | | |
| | Provision for gratuity | 1.66 | 3.45 |
| | Total | 1.66 | 3.45 |

| 20 | Current Borrowings | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--------------------------|---|--------------------------------------|
| | Secured Loans from Banks | 2.18 | 560.29 |
| | Total | 2.18 | 560.29 |

- (i) Secured loans is car loan from Punjab National Bank. Loan is Sanctioned against hypothecation of skoda car.
- (ii) The Term loan was availed from Kotak Mahindra Bank during the F.Y. 2017-18, which carries interest @ 8.80% p.a. The loan is secured by hypothecation of movable Plant & Machinery which is located at Dhannad. The loan is further secured by immovable assets of the group and personal guarantee of the directors. The same has been closed during the year.
- (iii) The Car loan is availed from Axis Bank during the F.Y. 2019-20, which carries interest @ 9.86% p.a. Loan is sanctioned against hypothecation of Hyudai Venue Car and the loan is re-payable in 36 equal installments. The same has been closed during the year.

| 21 | Trade Payables | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|---|---|--------------------------------------|
| | Dues to Micro enterprises & small enterprises | - | - |
| | Dues to Others | 67.93 | 75.47 |
| | Total | 67.93 | 75.47 |

Notes:

- a) Trade payables are non-interest bearing.
- b) For explanations on the Company's liquidity risk management processes, (refer to Note 38).

| c) | Trade Payable from others | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|----------------------------|---|--------------------------------------|
| | Creditor for Capital Goods | 8.73 | 8.89 |
| | Creditor for Goods | 41.07 | 30.86 |
| | Creditor for Expense | 18.12 | 35.72 |
| | Total | 67.93 | 75.47 |

| 22 | Other Financial Liabilities (Current) | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--|---|--------------------------------------|
| | Current maturities of long-term borrowings (Secured) | - | 110.70 |
| | Interest accrued and due on Term Loan | - | - |
| | Unpaid dividends | 0.11 | 0.11 |
| | Employee Liabilities | 1.74 | 11.38 |
| | Total | 1.84 | 122.19 |

Note: Due to arithmetic error the figures of other current financial liabilities was wrongly presented in AFR published, the same has now been corrected and it has differed by Rs. 0.11 Lakhs.

| 23 | Lease Liabilities | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|-------------------|---|--------------------------------------|
| | Lease Liabilities | 8.55 | - |
| | Total | 8.55 | - |

| 24 | Other Current Liabilities | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--|---|--------------------------------------|
| | Statutory Liabilities | 40.61 | 22.92 |
| | Contribution to Provident Fund and other Funds | 0.17 | 0.96 |
| | Total | 40.78 | 23.89 |

| 25 | Provision (Current) | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--|---|--------------------------------------|
| | Provision for employee benefits (Refer Note 37) | | |
| | Provision for gratuity | 0.20 | 0.13 |
| | Others | | |
| | Provision for expenses | 2.25 | 1.95 |
| | Director Sitting Fee Payable | 1.81 | 2.33 |
| | Electricity Payable | - | 5.57 |
| | Total | 4.25 | 9.98 |

| 26 | Current Tax Liabilities (Net) | Year ended 31 st March 2023 | As at 31 st March 2022 |
|----|--|---|--------------------------------------|
| | Provision for taxation (net of Advance income-tax) | - | 79.59 |
| | Total | - | 79.59 |

| 27 | Revenue from Operations | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|--|--------------------------------------|---|
| | <u>Sale of products</u> | | |
| | <u>Export Sales</u> | | |
| | Soyabean Meal | - | 161.34 |
| | <u>Domestic Sales</u> | | |
| | Sale of products | 14,714.75 | 19,416.95 |
| | <u>Other Operating Revenue:</u> | | |
| | Duty Drawback | - | 0.24 |
| | Freight on Export Sale | - | 38.20 |

| | | |
|-------------------------------|------------------|------------------|
| Foreign Exchange Fluctuation | 8.37 | 22.02 |
| Packing Material Sales | 6.63 | 8.41 |
| TMA Scheme Incentive | - | 1.57 |
| Quantity & Rate Difference | 0.55 | - |
| Qty Claim & Discount Received | - | 94.07 |
| Brokerage on Sale | - | 60.18 |
| IBC Drum Sale | - | 3.73 |
| RodTEP Scheme Incentive | 0.77 | 5.65 |
| Profit From Dollar Hedging | - | 5.33 |
| Contract Settlement | 191.61 | 463.39 |
| Store Sales | 7.06 | - |
| Store Chemical Sale | 3.13 | - |
| Total | 14,932.87 | 20,281.07 |

| 28 | Other Income | As at | Year ended |
|----|-------------------------------|-----------------------------|-----------------------------|
| | | 31 st March 2023 | 31 st March 2022 |
| | Interest from MPSEB | 0.63 | 1.23 |
| | Interest on deposits | 8.32 | 7.31 |
| | Sundry Balances Written Off | 10.80 | 9.38 |
| | Interest on Income Tax Refund | - | 6.24 |
| | Profit on sale of Vehicle | - | 1.95 |
| | Factory Rent | 6.00 | - |
| | Lease Rent Received | 3.00 | - |
| | Total | 28.75 | 26.11 |

| 29 | Cost of Material Consumed | As at | Year ended |
|----|---------------------------|-----------------------------|-----------------------------|
| | | 31 st March 2023 | 31 st March 2022 |
| | Soyabean | | |
| | Opening Stock | - | 366.97 |
| | Add: Purchases | - | 1,826.80 |
| | Add: Direct Expenses | 85.36 | 294.06 |
| | Less: Closing Stock | - | - |
| | Total (A) | 85.36 | 2,487.83 |
| | Soyabean Crude Oil | | |
| | Opening Stock | 13.20 | 1.15 |
| | Add: Purchases | 2,723.87 | 5,108.58 |
| | Add: Direct Expenses | 205.72 | 261.16 |
| | Less: Closing Stock | (1.22) | (13.20) |
| | Total (B) | 2,941.57 | 5,357.69 |
| | Total (A+B) | 3,026.94 | 7,845.51 |

| 30 | Purchases of Stock-in-Trade | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|-----------------------------|--------------------------------------|---|
| | Stock-in-trade | | |
| | Imported Purchase | | |
| | Soyabean | 464.84 | 1,164.60 |
| | Domestic Purchase | | |
| | Purchase of Products | 11,031.36 | 9,770.74 |
| | Total | 11,496.21 | 10,935.34 |

| 31 | Changes in Inventories | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|--------------------------------|--------------------------------------|---|
| | Finished Goods | | |
| | Opening Stock | 563.20 | 521.55 |
| | Closing Stock | 11.89 | 563.20 |
| | (Increase)/Decrease | 551.31 | (41.65) |
| | Stock-in-trade | | |
| | Opening Stock | 187.44 | 390.68 |
| | Closing Stock | 6.57 | 187.44 |
| | (Increase)/Decrease | 180.88 | 203.24 |
| | Net (Increase)/Decrease | 732.19 | 161.57 |

| 32 | Employee Benefits Expenses | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|---|--------------------------------------|---|
| | Salaries, Wages and Bonus | 72.03 | 59.99 |
| | Contribution to Provident & Other Funds | 3.60 | 4.54 |
| | Gratuity Contribution & Provisions | 0.47 | 0.90 |
| | Staff Welfare Expenses | 1.52 | 1.46 |
| | Remuneration of Directors and Key Managerial Personnel | | |
| | Salary to whole time directors | 88.05 | 75.00 |
| | Salary to Chief Financial Officer | - | 15.00 |
| | Director Sitting Fee | 1.51 | 1.11 |
| | Total | 167.17 | 158.00 |

| 33 | Finance Cost | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|----------------------------|--------------------------------------|---|
| | Interest | | |
| | Bank Interest | 75.00 | 76.72 |
| | Interest on Term Loan | 26.85 | 97.93 |
| | Interest on Car Loan | 1.37 | 0.34 |
| | Interest on Unsecured Loan | 38.86 | 1.08 |
| | Interest on Income Tax | 3.30 | 0.77 |

| | | | |
|--|-----------------------------|---------------|---------------|
| | Interest on Gratuity | 0.24 | 0.57 |
| | Interest on Lease Liability | 2.58 | - |
| | Others | | |
| | Factoring Charges | - | 1.96 |
| | Bank Charges | 1.38 | 0.86 |
| | Processing Fees | 3.47 | 0.57 |
| | Total | 153.05 | 180.80 |

| 34 | Depreciation expense | As at 31 st March 2023 | Year ended 31 st March 2022 |
|----|---|--------------------------------------|---|
| | Depreciation expense on Property, Plant & Equipment | 312.04 | 385.53 |
| | Depreciation expense on ROU Assest | 6.27 | - |
| | Total | 318.31 | 385.53 |

| 35 | Other Expenses | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|----|---|---|---|
| | <u>Administrative, Selling & Other Expenses</u> | | |
| | <u>Administrative Expense</u> | | |
| | Auditors Remuneration* | 2.05 | 1.95 |
| | Business Promotion | 0.24 | 0.38 |
| | Loss on sale of MEIS License | - | 36.41 |
| | Conveyance | 3.07 | 3.06 |
| | Computer Repair & Maintenance | 2.14 | 0.73 |
| | Electricity Expenses (office) | 1.04 | 0.95 |
| | Factory Expense - Indirect | 8.58 | 16.11 |
| | Insurance expense | 6.30 | 7.68 |
| | Legal Expenses | 0.61 | 7.16 |
| | Office Expense | 4.41 | 2.77 |
| | Office Rent | 18.51 | 3.96 |
| | Professional fees | 30.86 | 47.17 |
| | Professional Tax | 0.05 | 0.08 |
| | Postage & Stamp Charges | 0.04 | 0.16 |
| | Printing & Stationery | 0.60 | 0.69 |
| | Vehicle Repair & Maintenance | 1.49 | 0.79 |
| | Telephone Expense | 3.22 | 3.49 |
| | Travelling Expense | 9.43 | 2.02 |
| | Medical Expense | 0.01 | - |
| | Stamp Duty and Registration Fees | 17.61 | - |
| | Website Expenses | 5.32 | - |
| | Franchise Fees | | |
| | Total (A) | 115.57 | 135.56 |
| | *Auditor's Remuneration | | |
| | Statutory Audit | 1.53 | 1.10 |
| | Tax Audit | 0.52 | 0.85 |
| | Total | 2.05 | 1.95 |
| | (All amounts are exclusive of Goods and Service Tax) | | |

| | | |
|--|-----------------|---------------|
| Selling Expense | | |
| Brokerage on sales | 6.15 | 32.57 |
| Export Expenses | - | 25.52 |
| Commission charges | 0.64 | 12.59 |
| Sampling & Inspection | 0.64 | 6.40 |
| Freight on Sales | 2.19 | 59.76 |
| Total (B) | 9.62 | 136.84 |
| Other Expense | | |
| Preliminary Expenses Written off | - | 26.98 |
| Other Interest & Late Fees | 0.43 | 0.03 |
| Membership Fees | 0.02 | 0.31 |
| Sundry Balance Written off | 58.82 | 2.31 |
| Income Tax A. Y. 2021-22 | - | 0.56 |
| Income Tax Demand | - | 2.87 |
| Other expenses | 0.02 | 0.04 |
| Loss on damaged stock | 1.10 | - |
| Income Tax A. Y. 2022-23 | 0.04 | - |
| Round Off | 0.04 | - |
| Loss on sale Land and Building | 601.79 | - |
| Charity and donation | 0.002 | - |
| Interest on Income Tax (AY 22-23) | 2.92 | - |
| Quality Claim Settlement | 6.75 | - |
| Loss on sale of PPE (Refer note 44 & 45) | 579.27 | - |
| Total (C) | 1,251.20 | 33.10 |
| Total (A+B+C) | 1,376.39 | 305.51 |

36. Earning per share

| | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|---|---|---|
| Total profit for the year | (1690.20) | 309.70 |
| Weighted average number of equity shares of Rs. 10/- each (Nos) | 1,11,06,000 | 1,11,06,000 |
| EPS - Basic and Diluted (per share in Rs.) | (15.22) | 2.79 |

37. Employee benefits

a) Description of the type of the plan

Defined Benefit Plan - Gratuity

The Group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Group on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

Post-Employment Benefits plan defined in a(ii) and a(iii) above typically expose the Group to actuarial risks such as: Salary increase, Discount rate, Morality and Disability and withdrawals

- Salary Increases: – Actual salary increases will increase the Plan’s liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
 - Discount Rate: – Reduction in discount rate in subsequent valuations can increase the plan’s liability.
 - Mortality & disability: – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
 - Withdrawals: – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan’s liability.
- b) The following tables set out the status of the gratuity plan, unavailed leave and amounts recognized in the Group financial statements.

| i) | Change in benefit obligations | As at 31st March 2023 | As at 31st March 2022 |
|--------------|--|--|--|
| | Present value of obligation as at beginning of the period | 3.58 | 8.13 |
| | Interest Cost | 0.24 | 0.57 |
| | Current Service Cost | 0.47 | 0.90 |
| | Benefits paid | (0.86) | (1.96) |
| | Actuarial (Gain)/Loss on obligation | (0.38) | (4.05) |
| | Present value of obligation as at the end of the period | 1.85 | 3.58 |
| ii) | Fair Value of Plan Assets | - | - |
| iii) | Net Assets/(Liability) (ii-i) | (1.85) | (3.58) |
| iv) | Amount recognised in Statement of Profit and Loss | Year ended 31st March 2023 | Year ended 31st March 2022 |
| | Service cost | 0.47 | 0.90 |
| | Net Interest cost | 0.24 | 0.57 |
| | Actuarial (gain) /loss for the year | - | - |
| | Expense recognized in the Income Statement | 0.71 | 1.47 |
| v) | Amount recognised in Other Comprehensive Income (OCI) | | |
| | Actuarial (Gain)/Loss for the year on Projected Benefit Obligation | 1.57 | (4.05) |
| | Expense recognized in the Income Statement | (1.57) | (4.05) |
| vi) | Principal Actuarial Assumptions | As at 31st March 2023 | As at 31st March 2022 |
| | i) Discount rate (p.a.) | 7.50% | 7.00% |
| | ii) Future salary increase (p.a.) | 5.00% | 5.00% |
| vii) | Demographic Assumptions | | |
| | i) Retirement age | 60 Years | 60 Years |
| | ii) Mortality rates inclusive of provision for disability | IALM 2012-14 | IALM 2012-14 |
| | iii) Withdrawal Rate | 10.00% | 10.00% |
| viii) | Expected contributions for the next annual reporting period | Year ended 31st March 2023 | Year ended 31st March 2022 |
| | Expected expense for the next annual reporting period | 0.17 | 1.41 |
| ix) | Sensitivity Analysis of the Defined Benefit Obligation | | |
| | Impact of the change in discount rate | | |
| | Present value of obligation as at the end of the period | 1.85 | 3.58 |
| | Impact due to increase of 1.00% | (0.13) | (0.25) |
| | Impact due to decrease of 1.00% | 0.15 | 0.29 |
| | Impact of the change in salary increase | | |
| | Present value of obligation as at the end of the period | 1.85 | 3.58 |
| | Impact due to increase of 1.00% | 0.15 | 0.29 |
| | Impact due to decrease of 1.00% | (0.13) | (0.26) |

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment & life expectancy are not applicable being a lump sum benefit on retirement.

| x) | Maturity Profile of Defined Benefit Obligation | As at 31 st March 2022 |
|----|--|--------------------------------------|
| | 01 Apr 2022 to 31 Mar 2023 | 0.13 |
| | 01 Apr 2023 to 31 Mar 2024 | 0.10 |
| | 01 Apr 2024 to 31 Mar 2025 | 0.10 |
| | 01 Apr 2025 to 31 Mar 2026 | 0.11 |
| | 01 Apr 2026 to 31 Mar 2027 | 0.10 |
| | 01 Apr 2027 Onwards | 3.04 |

| | Maturity Profile of Defined Benefit Obligation | As at 31 st March 2023 |
|--|--|--------------------------------------|
| | 01 Apr 2023 to 31 Mar 2024 | 0.20 |
| | 01 Apr 2024 to 31 Mar 2025 | 0.06 |
| | 01 Apr 2025 to 31 Mar 2026 | 0.06 |
| | 01 Apr 2026 to 31 Mar 2027 | 0.06 |
| | 01 Apr 2027 to 31 Mar 2028 | 0.06 |
| | 01 April 2028 onwards | 1.41 |

38. Related Party Transactions

In accordance with the requirement of IndAS 24 on Related Parties notified under the Companies (Indian Accounting Standards) Rules, 2015, the name of related parties where control exists and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the Management are:

a) List of related parties and nature of relationship where control exists:

| | | |
|---|-------------------------------|--|
| 1 | Key Managerial Personnel | i. Mr. Ayush Kacholia (Managing Director) ii. Mrs. Karuna Kacholia (Chief Financial Officer, Director) iii. Mr. Mukesh Kacholia (Director) iv. Mr. Rahul Jain (Independent Director) v. Mr. Sudeep Satyendra Saxena (Independent Director) vi. Mrs. Pooja Chordia (Independent Director) vii. Mrs. Shribala Mandhanya (Independent Director) |
| 2 | Entities Where Control Exists | i. M/s. Shaan Agro Oils & Extractions Pvt.Ltd. ii. M/s. Biograin Protinex Pvt. Ltd. iii. M/s. Soil Consultech Pvt. Ltd. |

b) Transactions with the related parties for the year ended

(Rs. In Lakhs)

| Particulars | Key Managerial Personnel | Relatives of KMP | Entities where control exists |
|-----------------------------------|--------------------------|------------------|-------------------------------|
| 31st March 2023 | | | |
| Employee Benefit Expenses | | | |
| Employee Benefit Expenses | | | |
| Ayush Kacholia | 60 | - | - |

| | | | |
|-----------------------------------|---------|------|--------|
| Karuna Kacholia | 39.55 | - | - |
| Pooja Chordia | 0.7 | - | - |
| Shribala Mandhanya | 0.7 | - | - |
| Rahul Jain | 0.11 | - | - |
| Unsecured Loans Received | | | |
| Ayush Kacholia | 525.26 | - | - |
| Karuna Kacholia | 2.94 | - | - |
| Unsecured Loans Repaid | | | |
| Ayush Kacholia | 994.33 | - | - |
| Karuna Kacholia | 0.96 | - | - |
| Rent Paid | | | |
| Sangeeta Kacholia | - | 1.54 | - |
| 31st March 2022 | | | |
| Employee Benefit Expenses | | | |
| Mr. Mukesh Kacholia | 17.50 | - | - |
| Mr. Ayush Kacholia | 40.00 | - | - |
| Mr. Rohan Kacholia | 17.50 | - | - |
| Mrs. Karuna Kacholia | 15.00 | - | - |
| Mrs. Namrata Kacholia | - | - | - |
| Professional Fees | | | |
| Mrs. Karuna Kacholia | - | 6.00 | - |
| Unsecured Loans Received | | | |
| Mr. Mukesh Kacholia | 5.00 | - | - |
| Mr. Ayush Kacholia | 1341.87 | - | - |
| Unsecured Loans Repaid | | | |
| Mr. Mukesh Kacholia | 82.10 | - | - |
| Mr. Ayush Kacholia | 821.48 | - | - |
| Mr. Rohan Kacholia | 23.04 | - | - |
| Rent Paid | | | |
| Mrs. Sangeeta Kacholia | - | 3.96 | - |
| Sales During the Year | | | |
| M/s. Agri Wing Organics | - | - | 157.59 |
| Interest Paid | | | |
| Mr. Mukesh Kacholia | - | - | - |
| Mr. Ayush Kacholia | - | - | - |
| Mr. Rohan Kacholia | - | - | - |

c) Detail of Outstanding Balances are as follows:-

| Particulars | Key Managerial Personnel | Relatives of KMP | Entities where control exists |
|---|--------------------------|------------------|-------------------------------|
| 31st March 2023 | | | |
| Unsecured Loans | | | |
| Ayush Kacholia | 80.69 | - | - |
| Karuna Kacholia | 1.97 | - | - |
| Director Remuneration Payable | | | |
| Ayush Kacholia | 7.03 | - | - |
| Karuna Kacholia | 0.512 | - | - |
| As on 31st March 2022 | | | |
| Unsecured Loans | | | |
| Mr. Ayush Kacholia | 549.76 | - | - |

| | | | |
|-----------------------|------|---|---|
| Mr. Rohan Kacholia | 1.00 | - | - |
| Salary Payable | | | |
| Mr. Ayush Kacholia | 7.07 | - | - |
| Mrs. Karuna Kacholia | 1.37 | - | - |

39. Financial instruments

Fair value measurements

Following table shows the carrying amounts and fair values of financial assets and financial liabilities:

| | As at 31 st March 2023 | | As at 31 st March 2022 | |
|--|--------------------------------------|----------------|--------------------------------------|-----------------|
| | FVTPL | Amortised Cost | FVTPL | Amortised Cost |
| Financial Assets | | | | |
| Trade Receivables | - | 636.21 | - | 677.93 |
| Cash and Cash Equivalents | - | 29.83 | - | 70.25 |
| Bank balances other than Cash and Cash Equivalents | - | 145.47 | - | 129.03 |
| Loans and advances | - | 0.44 | - | 1.62 |
| Others | - | 30.4 | - | 68.81 |
| Total | - | 842.35 | - | 947.64 |
| Current | - | 811.95 | - | 888.72 |
| Non-Current | - | 30.4 | - | 58.92 |
| Financial Liabilities | | | | |
| Borrowings | - | 101.94 | - | 1,482.69 |
| Trade Payables | - | 67.93 | - | 75.47 |
| Lease Liabilities | - | 49.42 | - | - |
| Other Financial Liabilities | - | 1.84 | - | 11.48 |
| Total | - | 221.13 | - | 1,569.64 |
| Current | - | 80.51 | - | 757.94 |
| Non-Current | - | 140.62 | - | 811.70 |

Fair Value hierarchy

The following tables shows the levels in the fair value hierarchy of financial assets and financial liabilities

| | Fair value Measurement | | |
|--|------------------------|---------|---------------|
| | Level 1 | Level 2 | Level 3 |
| As at 31st March 2023 | | | |
| Financial Assets | | | |
| Trade Receivables | - | - | 636.21 |
| Cash and Cash Equivalents | - | - | 29.83 |
| Bank balances other than Cash and Cash Equivalents | - | - | 145.47 |
| Loans and advances | - | - | 0.44 |
| Others | - | - | 30.40 |
| Total | - | - | 842.35 |
| Financial Liabilities | | | |
| Borrowings | - | - | 101.94 |
| Trade Payables | - | - | 67.93 |
| Lease Liabilities | - | - | 49.42 |
| Other Financial Liabilities | - | - | 1.84 |

| | | | |
|--|---|---|-----------------|
| Total | - | - | 221.13 |
| As at 31st March 2022 | | | |
| Financial Assets | | | |
| Trade Receivables | - | - | 677.93 |
| Cash and Cash Equivalents | - | - | 70.25 |
| Bank balances other than Cash and Cash Equivalents | - | - | 129.03 |
| Loans and advances | - | - | 1.62 |
| Others | - | - | 68.81 |
| Total | - | - | 947.64 |
| Financial Liabilities | | | |
| Borrowings | - | - | 1,482.69 |
| Trade Payables | - | - | 75.47 |
| Other Financial Liabilities | - | - | 11.48 |
| Total | - | - | 1,569.64 |

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values of borrowings are based on discounted cash flows using a borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

40. **Financial Risk Management Objectives and Policies**

The Group principal financial liabilities comprise borrowings, security deposits, trade and other payables, etc. The main purpose of these financial liabilities is to finance the Group operations. The Group principal financial assets include trade receivable, security deposit, cash and cash equivalents, etc. that derive directly from its operations. The Group also holds investments in the shares of its subsidiary measured at amortised cost.

The Group is exposed to market risk, credit risk and liquidity risk. The management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Group and periodically reviewing the same. The management ensures that financial risks are identified, measured and managed in accordance with the Group policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

a) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and Equity price risk.

(i) **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Group has borrowings, therefore Group is exposed to such risk.

(ii) **Foreign Currency Risk**

The Indian Rupee is the Group most significant currency. As a consequence, the Group results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. So, the Group is exposed to such risk.

(iii) **Equity Price Risk**

The Group investment in shares are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the management on a regular basis.

b) **Credit Risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Consolidated balance sheet

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|------------------------|--------------------------------------|--------------------------------------|
| Trade receivables | 636.21 | 677.93 |
| Other financial assets | 30.40 | 68.81 |

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises mainly from loans, trade receivables and financial assets. The Group maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. None of the trade receivables are credit impaired as on reporting date.

On adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the expected credit loss for trade receivables is not significant.

The carrying amount of financial assets represents the maximum credit exposure. The Group monitors credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

The Group exposure to credit risk for trade receivables are as follows:

| Particulars | As at 31 st March 2023 | As at 31 st March 2022 |
|----------------------------|--------------------------------------|--------------------------------------|
| Carrying Amount | | |
| 1-30 days past due | 26.59 | 550.35 |
| 31 to 90 days past due | 2.24 | 22.27 |
| More than 90 days past due | 607.38 | 105.31 |
| Total | 636.21 | 677.93 |

c) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2023:

| | Carrying amount | Contractual Cash Flows | | | |
|-----------------------------|-----------------|------------------------|--------------|-----------|---------------|
| | | 0-1 year | 1-5 years | > 5 years | Total |
| Borrowings | 101.94 | 83.11 | 18.83 | - | 101.94 |
| Trade Payables | 67.93 | 65.8 | 2.13 | - | 67.93 |
| Lease Liabilities | 49.42 | 8.55 | 40.87 | - | 49.42 |
| Other Financial Liabilities | 1.84 | 1.73 | 0.11 | - | 1.84 |
| Total | 221.13 | 159.19 | 61.94 | - | 221.13 |

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2022:

| | Carrying amount | Contractual Cash Flows | | | |
|-----------------------------|-----------------|------------------------|---------------|-----------|----------------|
| | | 0-1 year | 1-5 years | > 5 years | Total |
| Borrowings | 1371.99 | 1111.05 | 260.94 | - | 1371.99 |
| Trade Payables | 75.47 | 58.62 | 16.85 | - | 75.47 |
| Other Financial Liabilities | 122.18 | 122.07 | 0.11 | - | 122.18 |
| Total | 1569.64 | 1291.74 | 277.90 | - | 1569.64 |

42. Capital Management

The management policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Group management monitor the return on capital employed.

Company's Gearing ratio

| | As at 31 st March 2023 | As at 31 st March 2022 |
|---------------------------------|--------------------------------------|--------------------------------------|
| Total Liabilities | 267.82 | 1708.58 |
| Less: Cash and Cash Equivalents | 175.30 | 199.28 |
| Net Debt | 92.52 | 1509.30 |
| Total Equity | 1549.89 | 3238.92 |
| Gearing Ratio | 0.06 | 0.47 |

42. Financial ratios

| Particulars | Numerator | Denominator | 31 st March 2023 | 31 st March 2022 | Variances |
|---|---|---|--------------------------------|--------------------------------|--------------------------|
| Current Ratio (in times) | Current Assets | Current Liability | 8.55 Times | 2.57 Times | 232.68% ⁽¹⁾ |
| Debt- Equity Ratio (in times) | Debt consists of borrowings and lease liabilities. | Total Equity | 0.09 Times | 0.25Times | -64% ⁽²⁾ |
| Debt service coverage ratio (in times) | Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest on Loan + Other non-cash adjustments | Debt service = Interest and lease payments + Principal repayments | -4.81 Times | 1.53 Times | -414.38% ⁽³⁾ |
| Return on equity ratio (in %) | Net profits after taxes | Average shareholder's equity | -70.59% | 10.05% | -802.39% ⁽⁴⁾ |
| Inventory turnover ratio(in times) | Cost of Goods Sold | Average Inventory | 7.06 Times | 7.22Times | -2.1% |
| Trade receivables turnover ratio (in times) | Revenue | Average trade Receivable | 22.72 Times | 19.34Times | 17.51% |
| Trade payables turnover ratio (in times) | Purchases of services and other expenses | Average trade Payables | 198.32 Times | 41.76Times | 375% ⁽⁵⁾ |
| Net capital turnover Ratio (in times) | Revenue | Working capital | 15.76 Times | 14.85 Times | 6.08% |
| Net profit ratio (in %) | Net profit | Revenue | -11.32% | 1.53% | -840% ⁽⁶⁾ |
| Return on Capital Employed (ROCE) (in %) | Earning before interest and taxes | Capital employed | -128% | 11.18% | -1244.96% ⁽⁷⁾ |
| Return on investment (in %) | Income generated from invested funds | Average invested funds in treasury investments | 0.00 | 0.00 | - |

Reasons for Deviations for variance more than 25%

- 1) There is a decrease in Inventory & Other current assets by 806.77 Lakhs & 280.08 Lakhs respectively. Also the repayment of short term borrowing amounting to 558.11 Lakhs has led to a variance of 232.68%
- 2) There is a decline in equity due to the losses occurred in the current year amounting to 1689.04 Lakhs & the borrowings of 671.08 Lakhs have been repaid which has led to a negative variance in the ratio.
- 3) Due to loss in current year of Rs 1690.20 Lakhs as compared to profit in previous year of Rs 309.70 Lakhs and decline in payment of interest by Rs 31.42 Lakhs there has been drastic change in Debt Service Coverage Ratio.
- 4) The variance is due to the losses on account of decline in business of company and losses due to sale of fixed assets which has also lead to substantial decrease in return on Equity.
- 5) The variance is due to the drastic reduction in the purchases by 3650.64 Lakhs leading to an variance of 374.92%.
- 6) The negative N/P Ratio is due to the reduction in Revenue of the company and increase in other expenses due to Loss on sale of fixed assets.
- 7) There is a decline in capital employed by 2360.54 Lakhs due to the repayment of borrowings and a loss of 1689.04 Lakhs in the current year which has resulted in a negative ROCE Ratio.

43. Trade Payables ageing report

| Particulars | Outstanding for following periods from Due date of payment# | | | | Total |
|--------------------------|---|-----------|-----------|-------------------|-------|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | | | | | |
| (ii) Others | 65.8 | - | 2.13 | - | 67.93 |
| (iii) Disputeddues-MSME | | | | | |
| (iv) Disputeddues-Others | | | | | |

44. Trade receivables ageing report

| Particulars | Outstanding for following periods from Due date of payment# | | | | | Total |
|--|---|-----------------|-----------|-----------|-------------------|--------|
| | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables—considered good | 447.96 | 96.62 | 91.63 | - | - | 636.21 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | | | | | | |
| (iii) Undisputed Trade Receivables –credit impaired | | | | | | |
| (iv) Disputed Trade Receivables—considered good | | | | | | |
| (v) Disputed Trade Receivables –which have significant increase in credit risk | | | | | | |
| (vi) Disputed Trade Receivables—credit Impaired | | | | | | |

45) Discharge of Contigent Liability Obligation

Dextrous Products Private Limited versus Shanti Overseas (India) Pvt. Ltd. and another;

Dextrous Products Pvt. Ltd. has filed a case under Order 7 Rule 1 of Civil Procedure Code bearing case no. RCS B/00029/2016 against our Company with City Civil Court no XVII Civil Judge Class I, District Judge, and Indore for recovery of dues against our Company and Our Promoter Group Entity, Agri Wing International. The matter is in dispute for the quality issue and cancellation of supply of contract beyond 545.885 metric tons. The company claims that it has made the payment as per the agreed calculation. The liability in the present matter can be of an amount of Rs. 9.14 on our Company, and Rs. 4.40 on our Promoter Group Entity, Agri Wing International. The last date of hearing was 6th October 2016.

During the year both the parties mutually agreed to settle the matter, accordingly the company paid a sum of Rs 6.75 Lakhs and the matter stands closed.

- 46.** The whole organic Soyameal Manufacturing Industry in India saw a substantial fall in export to United States Of America ('USA') due to levy of Countervailing Duty and antidumping duty on produce imported from India. The Soybean Processors Association of India ('SOPA') has challenged such levy by USA before the appropriate forum and the matter is sub-judice as on date. The group also got impacted by the same and saw decline in export turnover since last two years, considering the same group has decided to part away with Fixed Assets on going concern basis, related to the manufacturing process. Shareholders' approval to dispose off the Fixed Assets is already taken vide resolution passed in last AGM dated 30th September 2022.
- 47.** During the year ended 31st March 2023, Group sold its majority of Fixed Assets including Factory land and Building. Total loss incurred due to the sale of fixed assets is Rs 1181.06 Lakhs. The said loss is forming part of 'Other Expenses, in the Statement of Profit and Loss.
- 48.** The Company has incorporated a new wholly owned subsidiary Company naming "SOIL Consultech Private Limited" under the category "Company Limited by Shares" w.e.f. 6th July, 2022 having its registered office situated in Mumbai, Maharashtra by investing Rs 10 lakhs in 100% Equity Share Capital of the newly formed Company
- 49.** There has been difference between some figures of Financial Statements and Results published in Annual Financial Results due to some arithmetical mistake, note of same differences have been given in respective figures notes to accounts.

For: Muchhal & Gupta
Chartered Accountants
FRN: 004423C

Shashank Sharma
Partner
M.No. 426870
UDIN: 23426870BGYRDI9852

Place: Indore
Date: 30th May2023

Additional Regulatory Information
(i) Title deeds of immovable property not held in the name of the company

The company shall provide the details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company in following format and where such immovable property is jointly held with others, details are required to be given to the extent of the company's share.

| Relevant Line Item in the Balance Sheet | Description of item of property | Gross Carrying Value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company |
|---|---------------------------------|----------------------|---------------------------------|---|--------------------------------|--|
| Investment Property | Land Building | | | N/A | | |
| PPE | Land Building | | | N/A | | |
| PPE retired from active use and held for disposal | Land Building | | | N/A | | |

(ii) Capital-Work-in Progress (CWIP)

For Capital-work-in progress, following ageing schedule shall be given:

CWIP aging schedule

(Amount in Rs lakhs)

| CWIP | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | N/A | | | | |
| Projects temporarily suspended | N/A | | | | |

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given**:

| CWIP | To be completed in | | | |
|-----------|--------------------|-----------|-----------|-------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| Project 1 | N/A | | | |
| Project 2 | N/A | | | |

**Details of projects where activity has been suspended shall be given separately.

(iii) Intangible assets under development:

(a) For Intangible assets under development, following ageing schedule shall be given:

Intangible assets under development ageing schedule

| Intangible Assets under development | Amount in CWIP for a period of | | | | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | N/A | | | | |
| Projects temporarily suspended | N/A | | | | |

* Total shall tally with the amount of Intangible assets under development in the balance sheet.

(b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule shall be given**:

| CWIP | To be completed in | | | |
|-----------|--------------------|-----------|-----------|-------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| Project 1 | N/A | | | |
| Project 2 | N/A | | | |

**Details of projects where activity has been suspended shall be given separately.

iv) Details of Benami Property held-

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

v) Wilful Defaulter*-

Where a company is a declared wilful defaulter by any bank or financial Institution or other lender, following details shall be given:

- (a) Date of declaration as wilful defaulter,
- (b) Details of defaults (amount and nature of defaults)

Since the company is not declared wilful defaulter by any bank or financial Institution or other lender, no declaration is required to be made in this regard.

* “wilful defaulter” here means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Act) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

vi) Relationship with Struck off Companies

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose certain details.

Since no such transaction has been made with struck off companies during the financial year, this clause is not applicable.

(vii) Registration of charges or satisfaction with Registrar of Companies (ROC)

Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof shall be disclosed.

The clause is not applicable .

(viii) Compliance with number of layers of companies

Where the company has not complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship or extent of holding of the company in such downstream companies shall be disclosed.

Since the company has complied with Section 2(84), this clause is not applicable.

(ix) Compliance with approved Scheme(s) of Arrangements

Where the Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, the company shall disclose that the effect of such Scheme of Arrangements have been accounted for in the books of account of the Company ‘in accordance with the Scheme’ and ‘in accordance with accounting standards’ and any deviation in this regard shall be explained.

Since no such Scheme of Arrangements has been approved by the Competent Authority, **this clause is not applicable.**

FORM NO. MGT - 11

PROXY FORM

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

Name of Company : SHANTI OVERSEAS (INDIA) LIMITED
CIN : L74110MP2011PLC025807
Regd. Office : 203, 2ND FLOOR, N.M. VERGE, 8/5 YESHWANT NIWAS ROAD,
 INDORE (M.P.) 452003
Phone : +91-731-4020586, +91-731-4020587
Website : www.shantioverseas.com
E-mail : cs@shantioverseas.com

Name of the Member(s):.....

Registered Address :.....

E-mail ID Folio No./ Client ID/ DP ID:

I/We being the Member(s) of _____ equity shares of INR. 10/- each of Shanti Overseas (India) Limited, hereby appoint:

1. Name: _____

E-mail Id: _____

Address: _____

Signature: _____ or failing him

2. Name: _____

E-mail Id: _____

Address: _____

Signature: _____ or failing him

3. Name: _____

E-mail Id: _____

Address: _____

Signature: _____ or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the Company, to be held on Saturday, the 30th September, 2023 at 12.30 P.M. at the Registered Office of the Company situated at 203, 2nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.) – 452003 and at any adjournment(s) thereof, in respect of the Resolutions, as indicated below:

ORDINARY BUSINESS:-

1. Adoption of the Audited Financial Statements of the Company on Standalone and Consolidated basis as at 31st March, 2023 and Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Karuna Kacholia (DIN: 09307230), who retires by rotation and being eligible, offers herself for re-appointment.

Signed: this _____ day of _____ 2023

Signature of Member(s): _____

Signature of the Proxy holder(s): _____

Affix
Revenue
Stamp

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.

FORM NO.MGT-12

POLLING PAPER

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

Name of the Company : SHANTI OVERSEAS (INDIA) LIMITED
CIN : L74110MP2011PLC025807
Registered Office : 203, 2ND FLOOR, N.M. VERGE, 8/5 YESHWANT NIWAS ROAD, INDORE(M.P.) 452003
Telephone : +91-731-4020586, +91-731-4020587
Website : www.shantioverseas.com
Email : mail@shantioverseas.com

BALLOT PAPER

| Sr. No. | Particulars | Details |
|---------|---|--------------------------|
| 1. | Name of First – Named Shareholder (in BLOCK letters) | |
| 2. | Postal Address | |
| 3. | Registered Folio No./*DP ID and Client ID No. (*Applicable to investors holding shares in dematerialized form) | |
| 4. | Class of Share | Equity Share of INR 10/- |

I hereby exercise my vote in respect of the Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

| Sr. No. | Resolutions | No. of shares held by me | I assent to the resolution | I dissent from the resolution |
|----------------------------|--|--------------------------|----------------------------|-------------------------------|
| ORDINARY BUSINESS:- | | | | |
| 1. | Adoption of the Audited Financial Statements of the Company on Standalone and Consolidated basis as at 31 st March, 2023 and Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon. | | | |
| 2. | To appoint a Director in place of Mrs. Karuna Kacholia (DIN: 09307230), who retires by rotation and being eligible, offers herself for re-appointment. | | | |

Place:

Date:

(Signature of the shareholder)

SHANTI OVERSEAS (INDIA) LIMITED

CIN: L74110MP2011PLC025807

Regd. Office: 203, 2ND FLOOR, N.M. VERGE, 8/5 YESHWANT NIWAS ROAD, INDORE (M.P.) 452003

ATTENDANCE SLIP

12th Annual General Meeting of Shanti Overseas (India) Limited held on Saturday, 30th September, 2023 at 12.30 P.M. at the Registered Office of the Company situated at 203, 2nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.) - 452003

R.F. No.....

Shri/Smt./Miss.....

(Shareholder's Name in block letters)

I/We certify that I/We am / are registered shareholder / proxy for the Registered Shareholder of the Company.

I/We hereby record my / our presence at the 12th Annual General Meeting of the Company i.e. Shanti Overseas (India) Limited held on Saturday, 30th September, 2023 at 12.30 P.M. at the Registered Office of the Company situated at 203, 2nd Floor, N.M. Verge, 8/5 Yeshwant Niwas Road, Indore (M.P.)—452003.

(If signed by proxy, his name should be written in block letters)

.....

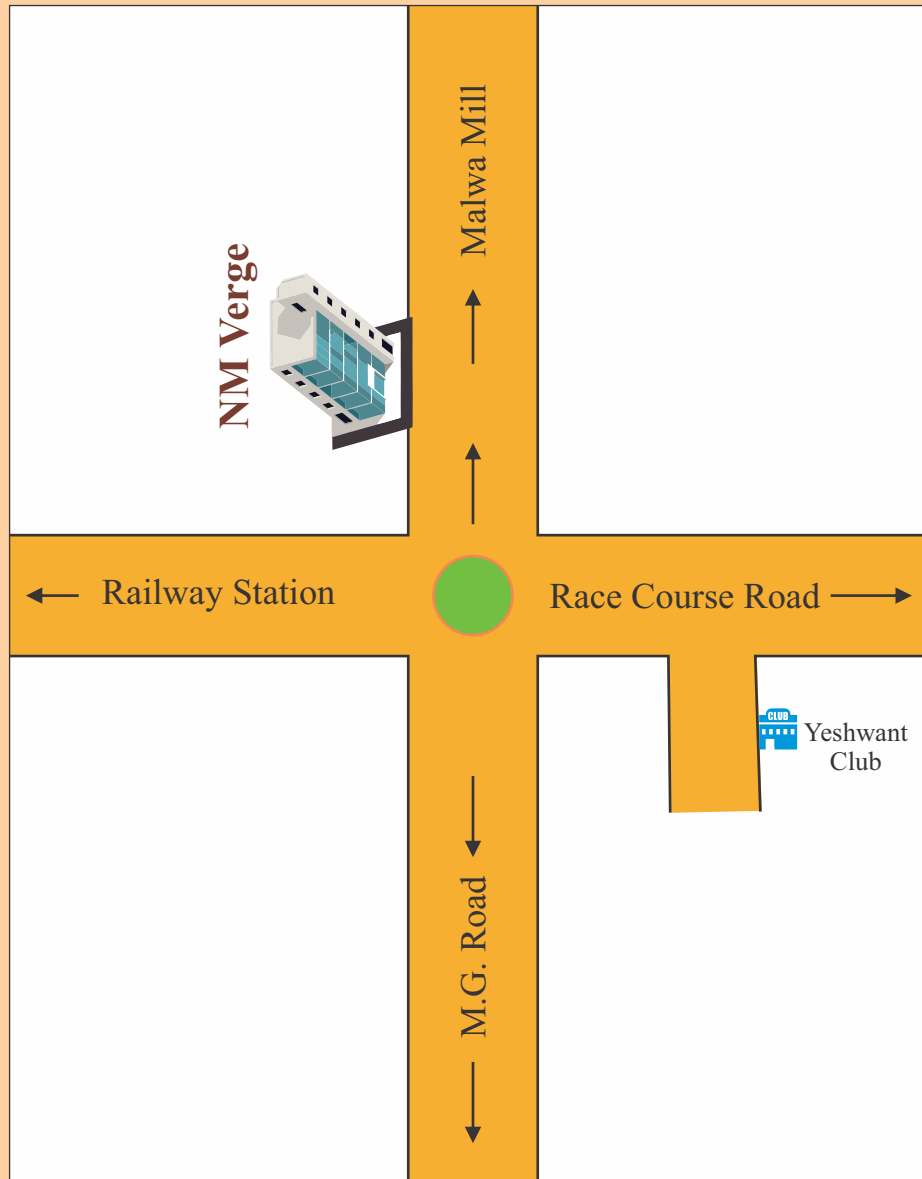
(Shareholder's / Proxy's Signature)

NOTE:

1. Shareholders / proxy holders are requested to bring the Attendance Slip with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

NOTE: The Map of Venue of AGM is given at the last page of Annual Report.

ROUTE MAP



**Route Map to the venue of AGM
Shanti Overseas (India) Limited**

Regd. Office: 203, 2nd Floor, N.M. Verge,
8/5 Yeshwant Niwas Road, Indore (M.P.) 452003

Go Green...



Go Organic!

shanti
OVERSEAS (INDIA) LTD.
— synthesizing organically —

Balaji : 94251-72227

Shanti Overseas (India) Limited, 203, 2nd Floor, N.M. Verge,
8/5 Yeshwant Niwas Road, Indore (M.P.)-452003
Phone : +91-731-4020586, 731-4020587