

GROWING STORY OF AN ORGANIC TREE!



shanti
OVERSEAS (INDIA) LTD.
— synthesizing organically —

Sapling was the beginning!



Will tell a brief about foundation...

The first seed of the tree was sown in the year 2004 with very limited resources, less team members but lots of expectations and ambitions and later the inception turned out to be incredibly amazing and beyond expectations. Started our business as a small export house, today Shanti Overseas (India) Ltd. (SOIL) produces tons of organic and hygienic Soy products.

The company holds its headquarters in Indore, Madhya Pradesh and runs the operations across the globe including USA, Europe and other countries.





The birth of hope!

Very first leaves
when company was noticed

There is always a ray of hope behind the dark clouds and that gives you all the reasons to survive! The same happened with us when the first contract was signed with a US buyer who demanded a minimum supply of 12000 MT in FY. 2015-16 which raised to nearly 28000 MT in 2018-19 motivated us to spread our business empire with a vision of glowing global.



The spring arrival!

The season of profit in the market





For an individual person or a company, recognition is the most important thing. Your growth, caliber and potential find their ways itself to make you popular. The creeper of success took us to heights with an unbelievable profit in the soy exports industry in financial year 2018-19 of INR 10.18 crores with a turnover of INR 166.98 crores. Now it was time when we achieved to attract many eyeballs from the commercial market.



Breeze of nourishment!

When more people get associated with company as share holders 

Shanti Overseas (India) Limited was a well known name in the market since 2011. Now we had partners to support us economically, to grow with us simultaneously and celebrate the happiness parallelly. The company has many loyal stock holders who showed trust in us and acquired our shares in 2017. The shares were oversubscribed 15 times. Really we have come a long way.





Landscape of happiness!

An emerging name
in the market with ample of stock holders



This was the season of harvesting happiness. We had all the reasons to celebrate because the company was reached at the turnover of INR 166.98 crores in the year 2018-19. We had overseas alliances with multinationals selling our products into the global market. The rising demand of organic products and people's trust and growing awareness of organic products also inspired us to do something innovative in the same business.

The rejuvenation era-fruits of SAP

Introduction of
Sap proved to be a game changer
in organic extraction





When the Sapling grows into a plant, it needs nourishment, proper care and support.

Implementing innovative technology in the business pushes it to the sky heights. SAP was the game changer for SOIL. This technology pushed the growth of the company incredibly with its advanced features. The results were outstanding including increased productivity and efficiency of staff, monthly and timely data assessment, errorless analytics, improved management and internal control system, enhanced customer service, simplified adaptation of tax regulations etc. It also helped customers track their orders, delivery and payment on time. The completely secured application gives an access to the entire organization to respond notifications quickly and its automated assistance saves much time and manpower of the company. This proved to be a new level business approach for us. SAP is a must for a growing organization and so we adopted the new approach in this financial year.



Sometimes weeds also break your way But make wave for new buds...

Although the pandemic has adversely affected the current year turnovers and margins but has also paved way for future.

The pandemic wave effect

- The ongoing US-China trade war, is a boon for Indian Soy meal supply to US and other countries.
- There has been a 15-20 percent drop in this as the US has increased import duty by 25 percent and China has taken away 10 percent export incentive, resulting in a price difference of 35 percent.
- This shifting of demand to India can be well seen after the impact of COVID-19 in financial year 2020-21.
- During circumstantial changes, we have received many offers from different countries after lockdown.
- European countries have also boycotted Chinese Soy Meal after the pandemic and there is significant increase in demand from Europe in the next financial year.
- SOIL expects to increase its export shares in the international market in the coming year.



Organic banyan of benefits

Current position in the market as one of the greatest companies in organic extraction

The fruits of benefits started growing with the growth of Soya Industries in India and abroad. The increasing demand of Indian Soy Products in the international market boosted the economy. Large Consumption of Soy Meals and Soy Oil led the business worldwide. The future looks more promising and shining after Indo- China War and Pandemic Effect with extra awareness for our hygienic products meeting the required standards. Our country would be the largest exporter in the Soy Industry in near future.

Corporate Information

BOARD OF DIRECTORS

1. Mr. Mukesh Kacholia : Managing Director
2. Mr. Ayush Kacholia : Whole-time Director
3. Mr. Rohan Kacholia : Whole-time Director
4. Mrs. Sangeeta Kacholia : Non-Executive Director
5. Mr. Sudeep Satyendra Saxena : Independent Director
6. Mr. Vijay Nichani : Independent Director

AUDIT COMMITTEE

1. Mr. Vijay Nichani : Chairman
2. Mr. Sudeep Satyendra Saxena : Member
3. Mr. Mukesh Kacholia : Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

1. Mr. Vijay Nichani : Chairman
2. Mr. Sudeep Satyendra Saxena : Member
3. Mr. Ayush Kacholia : Member

NOMINATION AND REMUNERATION COMMITTEE

1. Mr. Vijay Nichani : Chairman
2. Mr. Sudeep Satyendra Saxena : Member
3. Mrs. Sangeeta Kacholia : Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

1. Mr. Vijay Nichani : Chairman
2. Mr. Mukesh Kacholia : Member
3. Mr. Ayush Kacholia : Member

NAME OF THE STOCK EXCHANGE

(Where the Company's Shares are Listed)

NSE-SME PLATFORM

Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex Mumbai - 400051

(w.e.f. 03.08.2017)

Symbol - SHANTI

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

STATUTORY AUDITORS

M/s. Muchhal & Gupta

Chartered Accountants

301, Shalimar Corporate Centre,
8-B South Tukoganj,
Indore-452001 (M.P.)

SECRETARIAL AUDITORS

M/s. Archana Maheshwari & Co.

Company Secretaries "Kamal

Kripa", 97, Jaora Compound,

Indore (M.P.) - 452001

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Ramita Otwani

CHIEF FINANCIAL OFFICER

Mrs. Karuna Kacholia

INTERNAL AUDITOR

M/s S. Ramanand Aiyar & Co.

(FRN 000990N)

Spark House, Plot No. 51 Scheme
No. 53, Near Medanta Hospital,
Vijay Nagar, Indore

BANKERS

HDFC Bank

Sapna Sangeeta Road, Indore

Kotak Mahindra Bank

Shreemaya Sq. Branch, Indore

State Bank of India

Sanyogitaganj Branch, Indore

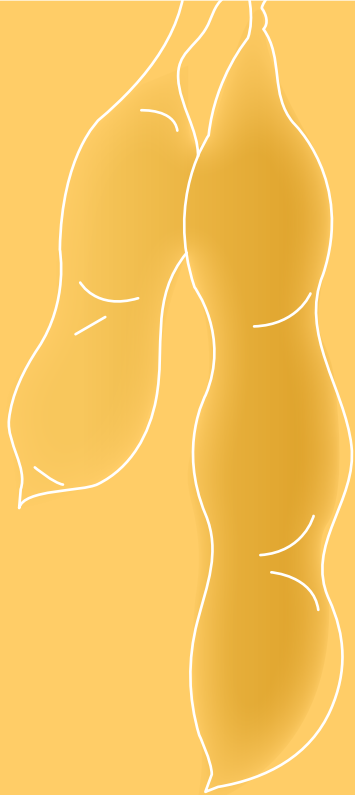


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REGISTERED OFFICE

215-216, Vikram Tower, 1 Floor Sapna
Sangeeta Road, Indore -452001
CIN: L51211MP2011PLC025807
Tel: +91-731-4020586, +91-731-4020587
Email: mail@shantioverseas.com
Website: www.shantioverseas.com

FACTORY

Survey No. 1035 to 1071/6, Gram Dhannad
Tehsil Depalpur, Rau-Pithampur Road,
Opp. Garg Fuel Dist., Indore - 453001 (M.P.)

NOTICE OF THE 9TH ANNUAL GENERAL MEETING

NOTICE is hereby given that 9th Annual General Meeting of the Members of **SHANTI OVERSEAS (INDIA) LIMITED** ("the Company") will be held on Wednesday, the 30th day of September, 2020 at 12.30 P.M. at the Registered Office of the Company at 215-216, Vikram Tower, Sapna Sangeeta Road, Indore (M.P.) 452001 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, 2020 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 re-appoint a Director in place of Mr. Ayush Kacholia (DIN: 03096933), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:-

3. **APPOINTMENT OF MR. SUDEEP SATYENDRA SAXENA (DIN: 05129819) AS NON-EXECUTIVE INDEPENDENT DIRECTOR**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Sudeep Satyendra Saxena (DIN: 05129819) who was appointed as an Additional Director and also as an Independent Director of the Company by the Board of Directors with effect from February 03rd, 2020 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director and as he is the registered member of Independent Director's Databank managed by Indian Institute of Corporate Affairs, be and is hereby appointed as an Independent Director of the Company with the approval of the members, for five consecutive years with effect from September 30th, 2020 and whose office shall not be liable to determination by retirement of directors by rotation;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps as may be necessary for obtaining approvals in relation to the above matter and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents, writings that may be required, and filling of various E-Forms as required to be filed under the Companies Act, 2013 to Registrar of Companies or to any other authority as may be required on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

4. **RE-APPOINTMENT OF MR. MUKESH KACHOLIA (DIN: 00376922) AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V and/or any other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded for the re-appointment of Mr. Mukesh Kacholia (DIN: 00376922), as the Chairman & Managing Director of the Company for a period of 5 (Five) years on expiry of his present terms of office, i.e. with effect from April 18th, 2021 to April 17th, 2026, on such terms and conditions including remuneration, as set out in the statement annexed to the Notice convening this meeting as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), with the liberty to the Board to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Mukesh Kacholia, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modifications or re-enactment thereof and shall be liable to retire by rotation;

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

5. RE-APPOINTMENT OF MR. AYUSH KACHOLIA (DIN: 03096933) AS A WHOLE-TIME DIRECTOR OF THE COMPANY

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

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V and/or any other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded for the re-appointment of Mr. Ayush Kacholia (DIN: 03096933), as a Whole-time Director of the Company for a period of 5 (Five) years on expiry of his present terms of office, i.e. with effect from April 18th, 2021 to April 17th 2026, on such terms and conditions including remuneration, as set out in the statement annexed to the Notice convening this meeting as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), with the liberty to the Board to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit and as may be acceptable to Mr. Ayush Kacholia, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modifications or re-enactment thereof and shall be liable to retire by rotation;

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

**By the order of the board
FOR AND ON BEHALF OF
SHANTI OVERSEAS (INDIA) LIMITED**

**RAMITA OTWANI
COMPANY SECRETARY
ACS:28101**

PLACE: INDORE

DATE: 3RD SEPTEMBER, 2020

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 9TH 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 not 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 the representatives to attend and vote at the 9th 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 -400 083, Maharashtra.
6. Members/Proxies attending the meeting are requested to bring the duly completed attendance slip (which has been enclosed herewith) to the 9th 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. The AGM will be held at the said venue by strictly adhering to Social Distancing norms and other safety protocols including face

masks, hand sanitization etc. as per the latest guidelines/advisories/SOP issued by the Ministry of Health and Family Welfare, Government of India and the State/Local Government amid COVID-19 Pandemic. Entry to the venue will be made in such a manner according to the maximum permissible limit for a gathering at a place as per lock down restrictions prevailing at that time.

9. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies and has issued a circular on 21st April, 2011 stating that the service of documents by a Company can be made through electronic mode or since the requirement of printing and dispatch of hard copy of annual report to the shareholders are dispensed with for listed entities who conduct their AGMs during the calendar year 2020 (i.e. till 31st December, 2020) by SEBI vide its circular no. SEBI/HO/CFD/CMDI/CIR/P/2020/79 dated May 12th, 2020, therefore the Annual Report for the Financial Year 2019-2020 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories/RTA. Members may note that the Notice and Annual Report 2019-2020 will also be available on the Company's website.
10. 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 28th August, 2020 at the email ids registered with the Company/RTA/DP for communication purpose.
11. Members are also informed that voting shall be by polling paper only. The Company will make arrangements of polling papers in this regard at the Meeting Venue.
12. Members are requested to direct change of address notifications and updates of bank account details to their respective Depository Participant.
13. Members are requested to address all correspondence to the Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai -400 083, Maharashtra.
14. The Company has set Wednesday, 23rd September, 2020 as the "cut-off Date" for taking record of the Members of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing 9th Annual General Meeting, by means of Voting by Physical Mode through polling papers.
15. The Board of Directors of the Company has appointed M/s. Archana Maheshwari & Co., Practicing Company Secretaries, Indore as the scrutinizer, for conducting the Poll Paper Voting process for the 9th Annual General Meeting in a fair and transparent manner.
16. The Resolution 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 Paper Poll Votes indicates that the requisite majority of the Members had assented to the Resolution.
17. The Scrutinizer shall, immediately after the conclusion of voting at the 9th Annual General Meeting, first count the votes cast at the meeting, within a period not exceeding 48 hours from the conclusion of Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favor 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 Paper Poll Votes will also be posted on the Company's website www.shantioverseas.com beside communicating the same to CDSL and Link Intime India Pvt. Ltd., Registrar and Share Transfer Agent on the said date and also to National Stock Exchange of India Limited, Emerge Platform where the shares of the Company are listed.
18. Members may note that the Notice of this meeting has been hosted under the Investor's Tab of Company's Website www.shantioverseas.com.
19. In case of joint-holding, the Voting Poll Paper Form 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.
20. Unsigned or incomplete and improperly or incorrectly ticked Voting Poll Papers shall be rejected.
21. 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).
22. The route map showing directions to reach the venue of the 9th Annual General Meeting is annexed herewith.
23. The respective Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 3, 4 and 5 of the accompanying Notice is annexed hereto.

STATEMENT IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013

3. APPOINTMENT OF MR. SUDEEPSATYENDRA SAXENA (DIN: 05129819) AS AN INDEPENDENT DIRECTOR

Mr. Sudeep Satyendra Saxena (DIN:05129819), was appointed by the Board as Non- Executive Additional Independent Director of the Company with effect from February, 03rd 2020, in terms of provisions of Section 161 of the Companies Act, 2013, rules made thereunder and also in terms of Article 104 of Articles of Association of the Company. As per the provisions contained under Section 161 of the Companies Act, 2013, the "Additional Director" so appointed shall hold office upto the date of the next Annual General Meeting. Accordingly, Mr. Sudeep Satyendra Saxena, as an Additional Director, holds office upto the date of this Annual General Meeting.

The resolution seeks approval of members for appointment of Independent Director, for the smooth running of business activity and in compliance of Section 149 and 152 of the Companies Act, 2013.

The Company has received his consent in writing to act as director in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013. In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, valuable guidance to the management and strong Board performance of Mr. Sudeep Satyendra Saxena (DIN:05129819), it is proposed to appoint him for the term of 5 years as an Independent Non-Executive Director on the Board of the Company. In the opinion of the Board, Mr. Sudeep Satyendra Saxena (DIN:05129819) fulfils the conditions specified in the Act; he is independent of the management.

Copy of the draft letter for appointment of **Mr. Sudeep Satyendra Saxena (DIN:05129819)** as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The Board considers that his continued association would be of immense benefit to the Company. Accordingly, the Board recommends passing of the Resolution at Item No. 3 of the Notice as an Ordinary Resolution. None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution.

4. RE-APPOINTMENT OF MR. MUKESH KACHOLIA (DIN: 00376922) AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY

The present terms of appointment of Mr. Mukesh Kacholia (DIN: 00376922) as Chairman & Managing Director will expire on April 17th, 2021. The Nomination & Remuneration Committee at its meeting held on 3rd September, 2020 had recommended his re-appointment for a further period of 5 (five) years with effect from April 18th, 2021 and the same was approved by the Board of Directors in its meeting held on 3rd September, 2020, subject to the approval of members in the ensuing Annual General Meeting of the Company. The remuneration, perquisites payable to Mr. Mukesh Kacholia and other terms & conditions as recommended by the Nomination and Remuneration Committee, subject to provisions of section 197 and Schedule V of the Companies Act, 2013 are as follows :-

Basic Salary exclusive of all allowances	INR 1,60,000 per month. The Managing Director shall be entitled to such increment from time to time as the Board may by its discretion determine
Perquisites and allowances in addition to salary	<p>A. House Rent Allowance: The Company will pay House Rent Allowance of INR 56,000 per month to the Managing Director.</p> <p>B. Conveyance Allowance: The Company will pay Conveyance Allowance of INR 64,000 per month to Managing Director.</p> <p>C. Children Education Allowance: The Company will pay Children Education Allowance of INR 80,000 per month to the Managing Director</p> <p>D. Medical Allowance: The Company will pay Medical Allowance of INR 40,000 per month to the Managing Director.</p> <p>Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes. Note: For the purpose of perquisites stated herein above, family means spouse, dependent children and dependent parents of the appointee. Perquisites shall be evaluated as per Income Tax Rule wherever applicable and in the absence of any such rule, Perquisites shall be evaluated at actual cost.</p>
Retirement Benefits	<p>A. Gratuity payable shall be in accordance with the rules of the Companies Act and Gratuity Rules.</p> <p>B. Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.</p>
Other benefits	<p>A. The Managing Director shall be entitled to reimbursement of expenses like Vehicle, Guest Entertainment, Travelling Expenses actually and properly incurred during the course of doing legitimate business of the company.</p> <p>B. The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the Company and in compliance with the provisions of the Companies Act, 2013.</p>

Minimum Remuneration	<p>The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.</p> <p>Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Managing Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act or any other approvals as may be required under law.</p>
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His office shall be liable to retirement by rotation.

Mr. Mukesh Kacholia is Master of Commerce and is specialized in supervising the overall administration and operations of the Company.

Besides, as per the provision of Section 197(3) and Part II of Schedule V of the Companies Act, 2013 where in any financial year during the currency of tenure of a managerial person, a Company has no profit or its profit are inadequate the appointment of a person as managerial personnel is to be approved by the members by passing a special resolution.

A Statement as per Schedule V (third proviso of Section II of Part II) in respect of appointment of Mr. Mukesh Kacholia as an Executive Director is annexed hereto which forms part of this explanatory statement.

Except Mr. Ayush Kacholia, Mr. Rohan Kacholia, Mrs. Karuna Kacholia, Mrs. Sangeeta Kacholia and Mrs. Namrata Kacholia, none of the other Directors or any key managerial personnel or their relatives is in any way, financially or otherwise, directly or indirectly, concerned or interested in the aforesaid resolution.

The Board recommends the Special Resolution as set forth in Item no. 4 for the approval of the members of the Company.

5. RE-APPOINTMENT OF MR. AYUSH KACHOLIA (DIN: 03096933) AS A WHOLE-TIME DIRECTOR OF THE COMPANY

The present terms of appointment of Mr. Ayush Kacholia (DIN: 03096933) as a Whole Time Director will expire on April 17th, 2021. The Nomination & Remuneration Committee at its meeting held on 3rd September, 2020 had recommended his re-appointment for a further period of 5 (five) years with effect from April 18th, 2021 and the same was approved by the Board of Directors in its meeting held on 3rd September, 2020, subject to the approval of members in the ensuing Annual General Meeting of the Company. The remuneration, perquisites payable to Mr. Ayush Kacholia and other terms & conditions as recommended by the Nomination and Remuneration Committee, subject to provisions of section 197 and Schedule V of the Companies Act, 2013 are as follows :-

Basic Salary exclusive of all allowances	INR 1,60,000 per month. The Whole time Director shall be entitled to such increment from time to time as the Board may by its discretion determine
Perquisites and allowances in addition to salary	<p>A. House Rent Allowance: The Company will pay House Rent Allowance of INR 56,000 per month to the Whole time Director.</p> <p>B. Conveyance Allowance: The Company will pay Conveyance Allowance of INR 64,000 per month to Whole time Director.</p> <p>C. Children Education Allowance: The Company will pay Children Education Allowance of INR 80,000 per month to the Whole time Director</p> <p>D. Medical Allowance: The Company will pay Medical Allowance of INR 40,000 per month to the Whole time Director.</p> <p>Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes. Note: For the purpose of perquisites stated herein above, family means spouse, dependent children and dependent parents of the appointee.</p> <p>Perquisites shall be evaluated as per Income Tax Rule wherever applicable and in the absence of any such rule, Perquisites shall be evaluated at actual cost.</p>
Retirement Benefits	<p>A. Gratuity payable shall be in accordance with the rules of the Companies Act and Gratuity Rules.</p> <p>B. Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at the end of the tenure, if any, will not be included in the computation of the ceiling on perquisites.</p>

Other benefits	<p>A. The Whole time Director shall be entitled to reimbursement of expenses like Vehicle, Guest Entertainment, Travelling Expenses actually and properly incurred during the course of doing legitimate business of the company.</p> <p>B. The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company and in compliance with the provisions of the Companies Act, 2013.</p>
Minimum Remuneration	<p>The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.</p> <p>Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Whole-time Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act or any other approvals as may be required under law.</p>

Mr. Ayush Kacholia is a Bachelor of Commerce and is specialized in procurement & marketing of products in international markets. Besides, as per the provision of section 197(3) and Part II of Schedule V of the Companies Act, 2013 where in any financial year during the currency of tenure of a managerial person, a Company has no profit or its profit are inadequate the appointment of a person as managerial personnel is to be approved by the members by passing a special resolution.

A Statement as per Schedule V (third proviso of Section II of Part II) in respect of appointment of Mr. Ayush Kacholia as an Executive Director is annexed hereto which forms part of this explanatory statement.

Except Mr. Mukesh Kacholia, Mr. Rohan Kacholia, Mrs. Karuna Kacholia, Mrs. Sangeeta Kacholia and Mrs. Namrata Kacholia, none of the other Directors or any key managerial personnel or their relatives is in any way, financially or otherwise, directly or indirectly, concerned or interested in the aforesaid resolution.

The Board recommends the Special Resolution as set forth in Item no. 5 for the approval of the members of the Company.

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment / reappointment at the 9th 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	Mr. Sudeep Satyendra Saxena (DIN:05129819)	Mr. Mukesh Kacholia (DIN:00376922)	Mr. Ayush Kacholia (DIN: 03096933)
Date of Birth	30/06/1979	30/01/1964	14/03/1987
Nationality	Indian	Indian	Indian
Date of Appointment	03/02/2020	18/04/2011	18/04/2011
Qualification	CMA (Cost Management Accountant), M.S (Masters of Business Administration), M .COM, B.COM and Pursuing PHD (Corporate Reporting Area)	Master of Commerce from Devi Ahilya University, Indore	Bachelor of Commerce from Devi Ahilya University, Indore
Experience	Mr. Sudeep Saxena, has a rich and varied exposure in the field of Finance, Auditing and Accounting. He is currently the proprietor of M/s. Sudeep Saxena & Associates, Cost Accountants Firm and the Chief Executive Officer of Spark Management Consultancy Private Limited.	39 years of experience in Agri Commodities Business and overall vision to run the operations smoothly.	9 years of experience in Agri Commodities Business and excellent command over export marketing and procurement of Raw Material.
No. of Shares held in the Company as on 31st March, 2020	Nil	24,22,875 Equity Shares	17,01,000 Equity Shares
Relationship with other Directors, Manager and other	No Relation	Mr. Rohan Kacholia - Son Mr. Ayush Kacholia -Son Mrs. Sangeeta Kacholia-Wife Mrs. Karuna Kacholia-Daughter in law Mrs. Namrata Kacholia-Daughter in law	Mr. Mukesh Kacholia - Father Mrs. Sangeeta Kacholia-Mother Mr. Rohan Kacholia -Brother Mrs. Karuna Kacholia- Wife Mrs. Namrata Kacholia Brother's wife
Number of Meetings of the Board attended during the year	1 (One)	6 (Six)	6 (Six)
Directorship in other Companies	Nil	Yes, In 2 Companies	Yes, In 2 Companies
Chairman/Members of the Committees of Board of other Companies	No	No	No

BOARD'S REPORT

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

Dear Members,

Your Directors delightfully present the 9th Annual Report on the Business and Operations of the Company along with the Audited Financial Statement of Accounts for the Financial Year ended on 31st March, 2020.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the Financial Year ended on 31st March, 2020 and for the previous Financial Year ended on 31st March, 2019 is given below:

(Amount in INR)

Particulars	2019-2020	2018-2019
Revenue from operations	1,46,00,89,354	1,66,98,27,661
Miscellaneous income	30,21,774	49,21,042
Total Revenue	1,46,31,11,128	1,67,47,48,703
Total Expenses	1,45,59,80,646	1,57,43,87,380
Profit Before Exceptional and Extraordinary items and Tax	71,30,482	10,18,61,323
Exceptional Items	-	-
Profit Before Extraordinary Items	71,30,482	10,18,61,323
Tax Expense: Current Tax	35,00,000	2,68,79,497
Deferred Tax	(11,04,680)	16,03,318
Profit for the period	47,35,161	7,33,78,508
Earnings per Share (EPS)		
Basic	0.43	9.91
Restated	0.43	6.61

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

OPERATIONS

The total revenue from operations of the Company is INR 14,600.89 Lakh and the profit before tax amounted to INR 71.30 Lakh and the net profit after tax amounted to INR 47.35 Lakh. The EBITD is INR 751.63 Lakh, which is 5.15% 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 14,600.89 Lakh. The directors are thankful to all its suppliers for on time delivery of the products. However, due to lockdown, there was shortage of labour and unavailability of containers at the port, so the Company could not achieve its sales target completely in the last quarter. The effort of our suppliers is the backbone of our Company. The Company has tried and will keep the efforts on to associate as many customers as possible.

The Directors assure the stakeholders of the Company to continue their efforts and enhance the overall performance of the Company in the coming financial years. The Directors express their gratitude towards the stakeholders for all the support the Company has received from them and hope that the Company continues to receive the same support in the coming future. The directors have pleasure to announce that the turnover targets of the Company are likely to be achieved in the current financial year 2020-21 as the overseas demand for organic products has increased post lockdown.

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

In order to conserve the reserve, your directors do not recommend any dividend for the financial year ended 31st March, 2020.

RESERVES

The Company has a Closing Balance of INR 1,975.34 Lakh (Rupees Nineteen Crores Seventy Five Lacs Thirty Four Thousand) as Reserves and Surplus as on 31st March, 2020.

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	14,96,59,118
2.	Bonus issue of shares	(3,70,20,000)
3.	Amount of Securities Premium	8,01,60,000
4.	Current Years Profit	47,35,161
	Balance as on 31st March, 2020	19,75,34,279

ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT - 9 has been placed on the website of the Company and can be accessed at www.shantioverseas.com.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Rajendra Gordhandas Nawal (DIN: 00410090), Independent Director, resigned from the Directorship of the Company with effect from 19th December, 2019 and Mr. Sudeep Satyendra Saxena (DIN: 05129819) was appointed as an Additional (Non-Executive) Independent Director of the Company with effect from 3rd February, 2020 to hold the office upto the date of ensuing Annual General Meeting.

Mr. Ayush Kacholia, Wholetime Director (DIN: 03096933) retires from the Board by rotation and being eligible, offers himself for reappointment. The above is subject to approval of the members in the ensuing Annual General Meeting.

The Directors and Key Managerial Personnel of the Company are summarized below:

Sr. No.	Name	Designation	DIN/-PAN
1	Mr. Mukesh Kacholia	Managing Director	00376922
2	Mr. Ayush Kacholia	Whole Time Director	03096933
3	Mr. Rohan Kacholia	Whole Time Director	03623354
4	Mrs. Sangeeta Kacholia	Non-Executive Director	07817342
5	Mr. Rajendra Gordhandas Nawal (resigned w.e.f. 19 th December, 2019)	Independent Director	00410090
6	Mr. Vijay Nichani	Independent Director	03136935
7	Mr. Sudeep Satyendra Saxena (appointed w.e.f. 3 rd February, 2020)	Independent Director	05129819
8	Mrs. Karuna Kacholia	Chief Financial Officer	ASXPA9008M
9	Mrs. Ramita Otvani	Company Secretary	ABAPO7882M

BOARD MEETINGS AND ATTENDANCE

The Directors of the Company met at regular intervals with the gap between two meetings not exceeding one hundred and twenty days to take view of the Company's policies and strategies apart from board matters. The Notices of the Board Meetings are 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 6 (Six) times and the Board Meetings were held as on the following

Sr. No.	Date of the Board Meeting
1	18 th May, 2019
2	3 rd September, 2019
3	24 th October, 2019
4	5 th November, 2019
5	3 rd January, 2020
6	3 rd February, 2020

Attendance of the Directors :

Sr. No.	Name of the Director	No. of Board Meeting	
		Entitled	Attended
1	Mr. Mukesh Kacholia	6	6
2	Mr. Ayush Kacholia	6	6
3	Mr. Rohan Kacholia	6	5
4	Mr. Rajendra Gordhandas Nawal (resigned w.e.f. 19 th December, 2019)	4	3
5	Mr. Vijay Nichani	6	6
6	Mrs. Sangeeta Kacholia	6	5
7	Mr. Sudeep Satyendra Saxena (appointed w.e.f. 3 rd February, 2020)	1 (Proposed Director)	1

COMMITTEES OF THE BOARD:

Matters of policy and other relevant and significant information are furnished regularly to the Board. To provide better Corporate Governance & transparency, currently, your Board has Four (4) Committees viz., Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee look into various aspects for which they have been constituted. The Board fixes the terms of reference of Committees and also delegate powers from time to time.

A. Audit Committee

During the year under review, Mr. Rajendra Gordhandas Nawal (DIN: 00410090) resigned from the membership of the Committee with effect from 19th December, 2019 and Mr. Sudeep Satyendra Saxena (DIN: 05129819) was appointed as member of the Committee with effect from 3rd February, 2020.

During the year under review, Four (4) meetings of Audit Committee were held on 18th May, 2019, 3rd September, 2019, 5th November, 2019 and 3rd February, 2020 and the attendance records of the members of the Committee are as follows:

Name	Status	No. of Committee Meeting entitled	No. of Committee Meeting attended
Mr. Vijay Nichani Independent Director	Chairman	4	4
Mr. Rajendra Gordhandas Nawal Independent Director (resigned w.e.f. 19 th December, 2019)	Member	3	3
Mr. Mukesh Kacholia Managing Director	Member	4	4
Mr. Sudeep Satyendra Saxena Independent Director (appointed w.e.f. 3 rd February, 2020)	Member	1 (Proposed Member)	1

All the recommendations made by the Audit Committee were accepted by the Board.

B. Nomination and Remuneration Committee

During the year under review, Mr. Rajendra Gordhandas Nawal (DIN: 00410090) resigned from the membership of the Committee with effect from 19th December, 2019 and Mr. Sudeep Satyendra Saxena (DIN: 05129819) was appointed as member of the Committee with effect from 3rd February, 2020.

During the year under review, One (1) meeting of Nomination and Remuneration Committee was held on 3rd February, 2020 and the attendance record of the members of the Committee is as follows:

Name	Status	No. of Committee Meeting entitled	No. of Committee Meeting attended
Mr. Vijay Nichani Independent Director	Chairman	1	1
Mr. Rajendra Gordhandas Nawal Independent Director (resigned w.e.f. 19 th December, 2019)	Member	0	0
Mrs. Sangeeta Kacholia Non-Executive Director	Member	1	1
Mr. Sudeep Satyendra Saxena Independent Director (appointed w.e.f. 3 rd February, 2020)	Member	1 (Proposed Member)	1

All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

C. Stakeholders Relationship Committee

During the year under review, Mr. Rajendra Gordhandas Nawal (DIN: 00410090) resigned from the membership of the Committee with effect from 19th December, 2019 and Mr. Sudeep Satyendra Saxena (DIN: 05129819) was appointed as member of the Committee with effect from 3rd February, 2020.

During the year under review, Four (4) meetings of Stakeholders Relationship Committee were held on 18th May, 2019, 3rd September, 2019, 5th November, 2019 and 3rd February, 2020, and the attendance records of the members of the Committee are as follows:

Name	Status	No. of Committee Meeting entitled	No. of Committee Meeting attended
Mr. Vijay Nichani Independent Director	Chairman	4	4
Mr. Rajendra Gordhandas Nawal Independent Director (resigned w.e.f. 19 th December, 2019)	Member	3	3
Mr. Ayush Kacholia Whole Time Director	Member	4	4
Mr. Sudeep Satyendra Saxena Independent Director (appointed w.e.f. 3 rd February, 2020)	Member	1 (Proposed Member)	1

D. Corporate Social Responsibility Committee

During the year under review, there is no change in the composition of Corporate Social Responsibility Committee.

During the year under review, One (1) meeting of Corporate Social Responsibility Committee was held on 3rd February, 2020 and the attendance record of the members of the Committee is as follows:

Name	Status	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
Mr. Ayush Kacholia Whole Time Director	Member	1	1

SEPERATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Companies Act, 2013, separate meeting of the Independent Director of the Company was held on 5th November, 2019 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.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company, Mr. Vijay Nichani and Mr. Sudeep Satyendra Saxena 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 Independent Directors as mentioned under regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

FORMAL ANNUAL EVALUATION PROCESS BY BOARD

Pursuant to the provisions of 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 each of the Non Independent Directors (including the Chairman) was also evaluated by the Independent Directors at the separate meeting held of Independent Directors of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provision 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 submit that:

- i. In the preparation of the annual accounts for financial year ended on 31st March, 2020, 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 financial year and of the Profit of the Company for the year ended on 31st March, 2020;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a going 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 8th AGM held on 27th September, 2019 the Members approved appointment of M/s. Muchhal & Gupta, Chartered Accountants, (FRN No. 004423C) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 13th AGM.

2. INTERNAL AUDITOR

The Board appointed M/s. S. Ramanand Aiyar & Co. (Firm Registration Number: 000990N) as Internal Auditor to conduct Internal Audit for the Financial Year 2019-20 at 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 2019-20. The Secretarial Audit Report for the Financial Year ended 31st March, 2020 is annexed herewith marked as **ANNEXURE - 1** to this report.

REVIEW OF AUDITORS REPORT AND SECRETARIAL AUDITORS REPORT:

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

The report of the Secretarial Auditor for the F. Y. 2019-20 submitted by M/s. Archana Maheshwari & Co., Practicing Company Secretary has qualified for non-compliance under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Regulation 29(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The same is explained that due to erroneous purchase of shares by the Promoters of the Company, the disclosures were submitted with delay.

There is no other qualification and hence do not call for any further explanation.

REPORTING OF FRAUDS 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.

SHARE CAPITAL**AUTHORISED SHARE CAPITAL**

During the year under review, the Company has increased its Authorised Share Capital from 7,60,00,000/- (Rupees Seven Crore Sixty Lakh Only) divided into 76,00,000 (Seventy Six Lakh Only) equity shares of 10/- (Rupees Ten Only) each only to 12,00,00,000 (Rupees Twelve Crore Only) divided into 1,20,00,000 (One Crore Twenty Lakh Only) equity shares of 10/- (Rupees Ten Only) each.

PAID UP SHARE CAPITAL

During the year under review, the Company has increased its Paid up Share Capital from 7,40,40,000 (INR Seven Crore Fourty Lakh Fourty Thousand Only) divided into 74,04,000 (Seventy Four Lakh Four Thousand Only) equity shares of 10 (INR Ten Only) each to 11,10,60,000 (INR Eleven Crore Ten Lakh Sixty Thousand Only) divided into 1,11,06,000 (One Crore Eleven Lakh Six Thousand Only) equity shares of 10 (INR Ten Only) each.

A. Issue of Bonus Equity Shares

The Company has made allotment of 37,02,000 Bonus Equity Shares of INR 10 each in the proportion of 1:2, i.e. 1 (One) fully paid Bonus Equity Share of INR 10 each against every 2 (Two) fully paid equity share of INR 10 each held in the Company to all the shareholders whose name appear in Register of Members as on Record Date i.e. 23rd October, 2019 in accordance with the provisions of Sections 23, 39, 63 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the ICDR Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. Provisions of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company has not made any provisions of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

C. Issue of Sweat Equity Shares

The Company has not issued any sweat equity shares during the financial year in accordance with the provisions of Section 54 of Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014.

D. Issue of Equity Shares with Differential Rights:

The Company has not issued any equity shares with differential voting rights during the financial year as per Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014.

E. Issue of Employee Stock Options:

The Company has not issued any employee stock option during the financial year as per Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014.

POLICIES OF THE COMPANY:**POLICY ON NOMINATION AND REMUNERATION COMMITTEE**

The Company follows a 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 must ensure that:

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 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.

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION

Your Company has adopted the policy on Materiality of Related Party Transaction to set out the dealing with the transaction between the Company and its related parties. The Policy on Materiality of Related Party Transaction has been available on the website of the Company www.shantioverseas.com.

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 has been 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 brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **ANNEXURE- 2** 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 may be accessed on the Company's website at the link: www.shantioverseas.com.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT 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 arms length basis and there are 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.

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. For this purpose, the Company has gone 'Live' on SAP B1 module effectively from 1st April, 2019. This module ensure 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 consults and reviews the effectiveness and efficiency of this systems and procedures to ensure that all assets are protected against 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 occurred between the end of the financial year to which this financial statement relates and up till the date of Report.

The outbreak of Corona Virus (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company is into the business of "Manufacturing & Sale of Soya Products and related items". The Company has evaluated impact of this pandemic on its business operations. The outbreak of Corona Virus (COVID-19) Pandemic has caused significant disturbance and slowdown of economic activity globally and in India. The following factors have affected the top line and bottom line of the Company:

1. Since January, 2020 there was unavailability of containers for export of containers to KOREA, Europe etc due to COVID-19 impact

worldwide.

2. Around 30% of Soyabean crop has been damaged during the Financial Year 2019-20, the same has significant impact on overall turnover and margin as the prices are volatile in conditions of shortage and it is difficult to hedge the entire exposure.
3. The Government has decreased Export incentive (MEIS) from 10% in the last financial year to 5% in 2019-20. This has directly affected the Gross Profit margins of the company because we have contracts booked in advance for coming six months. Due to the nature of pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

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 were no funds which were required to be transferred to 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 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 in 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.

3. 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	2019-2020 (Amount in INR)	2018-2019 (Amount in INR)
Foreign exchange earnings in terms of actual inflows	82,08,93,114	1,16,95,22,249
Foreign exchange outgo in terms of actual outflows	1,28,81,811	3,11,08,302

* FOB Value of Exports & CIF Value of Imports.

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

The Company has in place, a mechanism to identify, assess, monitor, and mitigate various risks towards the key objectives of the Company. Major risk identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

NON APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS

As per proviso to regulation Rule 4(1) of the Companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No.G.S.R.111(E) on 16th February, 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2009,are exempted from the compulsory requirement of adoption of IND-AS w.e.f. 1st April 2017. As your Company is also listed on SME (EMERGE) Platform of NSE Limited, is covered under the exempted category and is not required to comply with IND-AS for preparation of Financial Statements beginning with period on and after 1st April 2017.

CORPORATE GOVERNANCE

Since the Company's securities are listed on emerge SME platform of NSE, by virtue of Regulation 15 of SEBI (Listing Obligations &

Disclosure Requirements) Regulations 2015 the Compliance with the Corporate Governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D, and E of Schedule V are not applicable to the Company. Hence, Corporate Governance does not form part of this Boards' Report.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

During the Financial Year 2019-20, the Company does not have any Associate Company but it has two 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**

Both the Companies are 100% wholly owned subsidiaries. Therefore, the disclosure in the Form AOC-1 is attached as **ANNEXURE-3**.

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.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always been committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF EMPLOYEES

During the year under review, there are no employees 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 statement containing the names and other particulars of top ten employees in terms of Remuneration drawn by them in **ANNEXURE-4**.
- Disclosure under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 **ANNEXURE-4**.

LISTING INFORMATION

The Equity Shares in the Company are continued to be listed with NSE EMERGE Platform and in dematerialized form. The ISIN No. of the Company is INE933X01016.

STATEMENT PURSUANT TO LISTING AGREEMENT

The Company Equity Shares are listed at National Stock Exchange Limited (SME segment). The Annual Listing fee for the year 2020-21 has been paid.

NON-DISQUALIFICATIONS OF DIRECTORS:

During the Financial Year 2019-2020 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified; to hold office as director disqualified as per provision of Section 164(2) of the Companies Act, 2013 and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20th June 2018 on the subject "Enforcement of SEBI orders regarding appointment of

Directors by Listed Companies.

All the Directors of the Company are non-disqualified and the certificate for the same has been obtained from the Practicing Company Secretary is enclosed as **ANNEXURE - 5**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this report, and provides the Company's Current working and future outlook of as per **ANNEXURE - 6**.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during Financial Year 2019-20.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their gratitude to the Central and State Governments, Bankers and Investors 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: 03RD SEPTEMBER, 2020**

MUKESH KACHOLIA	AYUSH KACHOLIA
MANAGING DIRECTOR	WHOLE TIME DIRECTOR
DIN: 00376922	DIN: 03096933

FORM MR-3Secretarial Audit Report for the Financial Year ended 31st March, 2020

[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: L51211MP2011PLC025807)

215-216, Vikram Tower,

1st Floor, Sapna Sangeeta Road,

Indore MP 452001

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 2020, 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, 2020, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the Rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;**(not applicable to the 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period);**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period);**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period);**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period);**
 - i. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India Share Based Employee Benefits) Regulations, 2014; **(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 Act, 2016
- (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) as the Company is listed on SME Emerge Platform of National Stock Exchange of India Limited (NSE) being "NSE Emerge".

During the year under review, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, standard etc. mentioned above subject to the following observation:

1. *Disclosures required under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Regulation 29(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 were submitted with delay by the Promoters of the Company due to erroneous purchase of shares by them.*

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, Mr. Rajendra Gordhandas Nawal (DIN: 00410090) resigned from the post of Non-Executive Independent Director with effect from 19th December, 2019 and Mr. Sudeep Satyendra Saxena (DIN: 05129819) was appointed as Non-Executive (Additional) Independent Director with effect from 3rd February, 2020. 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 and the re-constitution of various Committees also took place adhering the provisions of the Act.

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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

Other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's affairs are-

- (I) The Company has increased its Authorised Share Capital from INR 7,60,00,000 divided into 76,00,000 equity shares of INR 10 each to INR 12,00,00,000 divided into 1,20,00,000 equity shares of INR 10 each.
- (ii) The Company has increased its Paid up Share Capital from INR 7,40,40,000 divided into 74,04,000 equity shares of INR 10 each to INR 11,10,60,000 divided into 1,11,06,000 equity shares of INR 10 each by issuing 37,02,000 Bonus Equity Shares of INR 10 each.

**For Archna Maheshwari & Co.
Company Secretaries**

Archna Maheshwari
FCS No.:9436
CP No.:12034
UDIN:F009436B000614183

Place: Indore
Date: 25th August, 2020

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.

To,
The Members
SHANTI OVERSEAS (INDIA) LIMITED
CIN: L51211MP2011PLC025807
215-216, Vikram Tower,
1st Floor, Sapna Sangeeta Road,
Indore MP 452001

Our 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 our 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.

For Archana Maheshwari & Co.
Company Secretaries

Place: Indore
Date: 25th August, 2020

Archana Maheshwari
FCS No.:9436
CP No.:12034
UDIN:F009436B000614183

1. Annual Report on Corporate Social Responsibility activities for the Financial Year 2019-20.

A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

Corporate Social Responsibility is a Company's sense of responsibility towards the community and environment in which it operates. The Company is committed on remaining a responsible corporate entity mindful of its social responsibilities. Web link 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
Mr. Vijay Nichani	Chairman
Mr. Mukesh Kacholia	Member
Mr. Ayush Kacholia	Member

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

3. Average Net Profit of the Company for Last Three Financial Years

INR 5,33,84,979

4. Prescribed CSR Expenditure

INR 10,67,700

5. Details of CSR Spent During the Financial Year 2019-20

(a) Total amount spent for the Financial Year - INR 10,67,700

(b) Amount unspent, if any - Nil

6. In case the Company has failed to spend two per cent 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

We consider social responsibility as an integral part of our business activity and endeavor to utilize allocable CSR budget for the benefit of society. CSR initiatives are on the focus areas approved by the Board benefitting the community. The CSR eligibility was applicable to Company from the Financial Year 2018-19. As the Company has just embarked on the journey of ascertained CSR programs, for this reason, during the year, the Company's spend on the CSR activities was INR 10,67,700.

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**

PLACE: INDORE

DATE: 03RD SEPTEMBER, 2020

**MUKESH KACHOLIA
MANAGING DIRECTOR
DIN: 00376922**

Form AOC-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 2,17,130
7	Total Liabilities	INR 2,17,130
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 (1,68,78,451)
6	Total assets	INR 18,93,36,624
7	Total Liabilities	INR 18,93,36,624
8	Investments	Nil
9	Turnover	INR 48,11,84,244
10	Profit / Loss before taxation	INR (67,51,276)
11	Provision for taxation/Deferred Tax Liabilities/Assets	INR (2,61,077)
12	Profit / Loss after taxation	INR (64,90,199)
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	
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	

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

**PLACE: INDORE
DATE: 03RD SEPTEMBER, 2020**

MUKESH KACHOLIA	AYUSH KACHOLIA
MANAGING DIRECTOR	WHOLE TIME DIRECTOR
DIN: 00376922	DIN: 03096933

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 2019-20	Remuneration for the year 2018-19	% Increase in Remuneration	Ratio Between Director or KMP and Median Employee
1	Mr. Mukesh Kacholia	Chairman & Managing Director	43,00,000	48,00,000	-	23.56
2	Mr. Ayush Kacholia	Whole Time Director	43,00,000	48,00,000	-	23.56
3	Mr. Rohan Kacholia	Whole Time Director	43,00,000	48,00,000	-	23.56
4.	Mr. Vijay Nichani	Independent Director	17,000	16,000	-	-
5.	Mr. Rajendra Gordhandas Nawal	Independent Director	15,000	16,000	-	-
6.	Mrs. Karuna Kacholia	Chief Financial Officer	15,00,000	15,00,000	-	-
7.	Mrs. Ramita Otvani	Company Secretary	2,84,600	2,74,300	3.76%	-

ii. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive officer, Company Secretary or Manager, if any, in the Financial Year 2019-20.

As stated above in Item No. (i)

iii. The percentage increase in the median remuneration of employees in the Financial Year 2019-20.

The Remuneration of Median Employee was INR 1,82,544 during the year 2019-20 as compared to INR 79,185 in the previous year. The increase in the Remuneration of Median Employee was 130.53% during the Financial Year under review.

iv. The number of permanent employees on the rolls of the company in the Financial Year 2019-20.

The Company has 58 permanent employees on its rolls;

v. Particulars of Top 10 employees in Respect of the Remuneration drawn during the Financial Year 2019-20 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 Employment	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
01	Mr. Mukesh Kacholia	Managing Director	43,00,000	Permanent	M.Com	18/04/2011	56	Self Employed	-	-
02	Mr. Ayush Kacholia	Whole Time Director	43,00,000	Permanent	B.Com	18/04/2011	33	Self Employed	Son of Mr. Mukesh Kacholia	-
03	Mr. Rohan Kacholia	Whole Time Director	43,00,000	Permanent	M.Sc.	25/10/2013	29	Self Employed	Son of Mr. Mukesh Kacholia	-
04	Mrs. Karuna Kacholia	Chief Financial Officer	15,00,000	Permanent	C.A.	01/05/2017	32	M/s Karuna & Associates (COP)	Spouse of Mr. Ayush Kacholia	-
05	Mrs. Namrata Kacholia	Administration	12,00,000	Permanent	MBA	01/04/2017	29	-	Spouse of Mr. Rohan Kacholia	-
06	Mrs. Swati Puranik	Manager Marketing	9,31,187	Permanent	MBA	07/08/2017	40	Indian Steel Corp. Ltd.	-	-
07	Mr. Neelesh Gupta	Market Analyst	5,26,691	Permanent	MBA	05/07/2016	34	Trans Graph	-	-
08	Mr. Rajesh Singh Chouhan	H.R. Manager	5,20,910	Permanent	B.Com	10/12/2018	54	Signet Industries Ltd.	-	-
09	Mr. Rakesh Mourya	General Manager	7,87,745	Permanent	AMIE Mech.	01/11/2018	57	Mahakali Foods Pvt Ltd.	-	-
10	Mr. Kamal Math	Manager Purchase	5,24,867	Permanent	M.Com	14/10/2017	53	Ruchi Soya Ind. Ltd.	-	-

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
SHANTI OVERSEAS (INDIA) LIMITED
(CIN: L51211MP2011PLC025807)
215-216, Vikram Tower,
1st Floor, Sapna Sangeeta Road,
Indore MP452001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shanti Overseas (India) Limited**, having CIN: **L51211MP2011PLC025807** and having Registered Office at 215-216, Vikram Tower, 1st Floor, Sapna Sangeeta Road, Indore MP 452001 (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, 2020 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. Mukesh Kacholia	00376922	18/04/2011
2	Mr. Ayush Kacholia	03096933	18/04/2011
3	Mr. Rohan Kacholia	03623354	25/10/2013
4	Mrs. Sangeeta Kacholia	07817342	18/05/2017
5	Mr. Rajendra Gordhandas Nawal (resigned w.e.f. 19 th December, 2019)	00410090	18/05/2017
6	Mr. Vijay Nichani	03136935	18/05/2017
7	Mr. Sudeep Satyendra Saxena	05129819	03/02/2020

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 Archana Maheshwari & Co.
Company Secretaries

Place: Indore
Date: 25th August, 2020

Archana Maheshwari
FCS No.:9436
CP No.:12034
UDIN:F009436B000614183

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economic Review

The Indian economy slowed to 4.2% in FY2019-20 as compared to 6.1% in FY2018-19. In FY2019-20, GDP growth slowed, which contributed to an increase in fiscal deficit mainly on account of lower aggregate demand, lower fiscal revenue, lower economic activity and higher fiscal expenditure on account of the measures to address the economic slowdown.

India emerged as the fifth-largest world economy in 2019. India jumped 14 places to 63 in the “2020 World Bank’s Ease of Doing Business ranking”. The country climbed 79 positions in five years and was among the top 10 performers for the third year running. The nominal exchange rate (the Indian rupee or INR vis-à-vis the US dollar) exhibited sizable two-way movements during October-December 2019. The INR came under intensified and sustained depreciation pressures beginning mid-January, reflecting a generalized weakening of emerging market currencies amidst flights to safety.

Agriculture is the primary source of livelihood for about 58 per cent of India’s population. India is among the 15 leading exporters of agricultural products in the world. Agricultural export from India reached US\$ 38.54 billion in FY19 and US\$ 28.93 billion in FY20 (till January 2020).

The organic food segment in India is expected to grow at a CAGR of 10 per cent during 2015-25 and is estimated to reach Rs 75,000 crore (US\$ 10.73 billion) by 2025 from Rs 2,700 crore (US\$ 386.32 million) in 2015.

The global business also witnessed couple of shocks during the year 2019-2020.

COVID 19, the biggest game-changer event started in December 2019 in China which disrupted the commodities markets globally. The global commodity prices which were at elevated levels till then suddenly started trending lower triggered by likelihood of lower demand by China, the biggest consumer of energy and metals, due to outbreak of COVID 19. Soon after this, the pandemic spread across the globe with commodities except gold tumbling further due to substantial demand reductions. The strained relationship of US with countries like North Korea, Russia, and China continued at abated levels during the year. It resulted in volatile movement in global trade. The trade war between US-China also had multiple rounds of tariff imposition and import restrictions during the year. During Q4 of the year 2019-2020, the global prices of major commodities and crude oil have crashed to multi-year lows due to vanishing demand following Chinese and other countries lockdown in the aftermath of COVID 19 outbreak and global efforts of reducing its impact and control its spread. The world passed through an uncertain business environment due to unprecedented spread of this pandemic.

The outbreak of COVID-19 and the subsequent lockdown enforced in the country are expected to moderate demand. Intensification of social distancing is expected to lead to supply side as well as demand side shocks. Supply chain disruptions could hurt domestic production in sectors which are dependent on imported inputs such as pharmaceuticals, autos, chemicals, power, etc. The exporters may face issues due to slowed down operations at the port and transportation facilities locally and similar impact in foreign countries. There is delay in momentum of shipments compared to pre-covid era.

Company Overview

- Shanti Overseas (India) Ltd. (SOIL) started with a modest beginning in the year 2004, is now a leading export house based in central India (Indore) with overseas operations covering from USA to European countries like Spain, Germany etc. The company has explored its market in South Korea also in 2019-20.
- The company is into the manufacturing of organic Soya Meal, Expeller pressed Soy oil and Soy Lecithin since 2015. Main objective of the company is to expand its market in overseas.
- Every facet of Shanti’s business outline committed level of dedication and with entrepreneurial spirit. Shanti is continually looking forward to ambit to the success of being the most admired export house for coming generations.
- Company’s use of latest technology, machinery & efficient manpower enables it to perform with immense degree of consistency in quality performance at various stages that contributes towards the making of final output. Our idea to procure, produce and supply organic products is due to the benefit it owns i.e. a sustainable healthy global environment.
- Shanti’s head office and production units are located in Indore, India.

Industry Overview

- According to the Agricultural and Processed Food Products Export Development Authority (Apeda) data, organic soybean exports from India in 2015 were 2,00,000 MT, as against organic soybean meal export of just 20,000 MT. Four years later, things have reversed. Apeda expects organic soybean exports from India to be just 40,000 MT as opposed to 2,50,000 MT organic soya meal exports by the end of October 2019.
- The total export has further doubled this year to the tune of approx. 500000 MT.
- Several multinational companies had bought soyabean at the beginning of the season, expecting that China will import from India in the backdrop of its trade tensions with the US. Although China hasn't yet opened its doors for Indian soyameal, demand from Iran has helped keep up the pace of exports.
- According to Solvent Extractors Association (SEA), India has shipped about 2 lakh tonnes of soybean meal to Iran between April and November 2018 compared with 23,000 tonnes in the year-ago period.
- **Government has introduced Transport and Marketing Assistance (TMA) : An Incentive Scheme to Boost Agri-Exports:**
As a part of implementation action plan of Agriculture Export Policy, 2018, which the Union Cabinet chaired by Prime Minister Shri Narendra Modi has approved in December 2018, with an aim to double the shipments to \$60 billion by 2022 and integrating Indian farmers and agricultural products to the global value chain, the government has announced the scheme for providing Financial Assistance for Transport and Marketing of Agriculture Products to boost Exports of such commodities to certain countries in Europe and North America.
- **India loses some soyabean export contracts due to appreciation of rupee:**
PUNE: Indian traders have cancelled some export contracts of soyabean, estimated at about 1 lakh tonnes, due to the appreciation in the rupee.

Future Outlook

- The ongoing US-China trade war, is a boon for Indian Soy meal supply to US and other countries. China used to supply about 1 million metric tonnes of organic soya to the US. There has been a 15-20 per cent drop in this as the US has increased import duty by 25 per cent and China has taken away 10 per cent export incentive, resulting in a price difference of 35 per cent. This shifting of demand to India can be well seen after the impact of COVID-19.
We have received many offers from new regions after lockdown.
- European countries have also boycotted Chinese Soy Meal after the pandemic and there is significant increase in demand from Europe in the next financial year.
The demand thus created will be Shanti Overseas' next big moment.

Financial Review

- Turnover: Turnover during the year under review stood at INR 146.01 Cr., showing a dip 12.56% over INR 166.98 Cr. during F.Y. 2018-19. The simple reason behind the same are as follows:
 1. Since January, 2020 there was unavailability of containers for export to Korea, Europe etc. due to COVID-19 impact worldwide. There was delay in exports shifting them to next financial year.
 2. Damage of Soybean crop by 30%.
- Profit after tax: The Company registered a profit after tax of 0.47 Cr. during FY 2019-20 compared to 7.34 Cr. during F.Y. 2018-19, which is reduced by almost 7Cr. The main reason behind the same is:
 - Around 30% of Soyabean crop has been damaged during the financial year 19-20, the same has significant impact on overall turnover and margin as the prices are volatile in conditions of shortage and it is difficult to hedge entirely due to shortage of funds.
 - The Government has decreased Export incentive (MEIS) from 10% in the last financial year to 5% in 2019-20. This has directly

affected the Gross Profit margins of the company. The amount of MEIS Incentive has reduced from 10.31 Cr in FY 18-19 to 5.04 Cr. In FY 19-20.

- The Company has reduced its debt from 44.73 Crores in F.Y 18-19 to 34.95 Crores in F.Y 19-20.

SWOT ANALYSIS OF THE COMPANY

STRENGTH

Infrastructure Facilities

- The new Unit is strategically located at Dhannad, Tehsil Depalpur, Dist. –Indore- closer to raw Material source & logistically well connected via railways and roadways reducing transportation cost, decrease in spillages.
- Connectivity from Railway Station is 1 Km. The Distance between warehouse and ICD(In- Land Container Depot) is 1.5 Km.
- We have two Silo's for storage of raw material 5000 MT each. Total 10000 MT.
- No Human Touch from unloading to loading .100 % mechanical process.
- The entire infrastructure is designed to follow USFDA and Europe norms.
- There is sufficient space for expansion to double the volume of crushing in the same premises.

Standard Norms

- Company is possessing valid licences for export and meeting standards of various countries like BRC FOOD, FSPCA, FSSAI, GFSI, GMP+. HACCP, HALAL, KOSHER, NON GMO, FSSC 22000, ISO 9001-2015, USDA. It has also received a new organic certificate DCOK (Doalnara Certified Organic Korea LLC)
- The company is dealing in sales of organic products which gives it a niche in foreign market.

WEAKNESS

- As, the agriculture industries are leaned on the environment, the unexpected seasonal changes become weakness of the company. Heavy rains at wrong time may lead to crop damage and overall losses.
- Increasing regulatory approval work is hammering speed of development like compliance of GST for exporters and delayed refunds.
- Changes to be adopted due to Alterations in some Government Policies, Rules and Regulations like foreign trade policies, RBI norms for foreign exchange.
- Exporters are also affected by currency fluctuations and are dependant on foreign market conditions also.

OPPORTUNITIES

- During ongoing period, country wise good rain is an excellent opportunity for increasing business.
- The opportunity to contribute into the National Income Growth by Exporting Soymeal across the world.
- We can expand our operations in other parts of India due to increasing demand and generate high number of employment opportunities.
- The company is digitally active, hence, the opportunities to connect the world Commercially is created.
- The impact of COVID-19 has further created awareness among people to buy organic food.
- Potential to expand capacity of high earning segments.
- Expertise in new products development.4. Enhanced acceptability of new value added products.

THREATS

- Internal factors and government policies.
- Vague thinking of major strong nations. This has maximum impact on emerging market.

- Uncertainty on monsoon and threat of global warming on it.
- Potential to increase global trade war.
- Prolonged impact of the COVID19.

Human Resources

The Company believes that its intrinsic strength lies in its dedicated and motivated employees. As such, the Company provides competitive compensations, an amiable work environment and acknowledges employee performance through a planned reward and recognition programme. The Company aims to create a workplace where every person can achieve his or her true potential. The Company encourages individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn and devise innovative ideas.

Internal control systems and their adequacy

The Company implemented suitable controls to ensure its operational, compliance and reporting objectives. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness and compliance is ingrained into the management review process.

Adequacy of controls of the key processes is also being reviewed by the Internal Audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee. It ensures adequate internal financial control exist in design and operation.

- The company seeks to have a better internal financial control system by installing SAP Business module for accounting and management which is totally customized according to our requirements. We have also installed spine software for payroll in FY 19-20.
- SAP helps give people and organizations deep business insight and fosters collaboration that helps them stay ahead of their competition.

SAP Business One module let you take care of

- Finance & Accounting.
- Sales and Customer Management.
- Purchase and Inventory.
- Production Planning.
- Business Intelligence.

The usage of this module enables better controls and check points at all important levels of accounting and also ensures safety of data.

Cautionary Statement

Statements in these Annual report including Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ substantially or materially from those expressed or implied. Important factors that could affect the company's operations include a downward trend in the domestic industry, monsoon, rise in input cost and significant change in political and economic environment in India, environment standards, litigations, changes in the Government regulations, tax laws, statutes and other incidental factors.

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

**MUKESH KACHOLIA
MANAGING DIRECTOR
DIN: 00376922**

**PLACE: INDORE
DATE: 03RD SEPTEMBER, 2020**

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SHANTI OVERSEAS (INDIA) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Shanti Overseas (India) Limited (“the Company”), which comprise the Balance Sheet as at March 31st, 2020, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

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 Standards prescribed under section 133 of the Act read with Companies (Accounting Standards) Amendment Rules, 2016, as amended, (“AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2020, the profit 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matter
The Company has various types of financial Instruments namely Export Packing Credit, Forward Contract, Trade Payable, Trade Receivables, and others. We focused on this matter because: - these transactions may have significant financial impact due to fluctuation in Rupee movement versus US dollar and have extensive accounting and reporting obligations.	Our Audit procedures included: - <ul style="list-style-type: none"> - Understanding of the Company’s valuation of financial instrument process from initiation to settlement of the same including assessment of the design and the implementation of controls, and tested the operating effectiveness of these controls. - We assessed Company’s accounting policy for financial instrument in accordance with AS. - We have tested the existence of financial instruments on sample basis by tracing to the confirmation obtained from the respective banks / parties - we tested management’s documentation and contracts, on sample basis. - We have performed the year end valuation of financial instrument on sample basis and compared this valuation with those recorded by the Company including assessing the valuation methodology and key assumptions used therein.
Managerial Remuneration as per section 197 read with schedule V of the Companies Act, 2013 and section 67 of the Companies Amendment Act, 2017	The company has provided managerial remuneration of INR 1,29,00,000/- to its one managing director and two whole time directors which exceeds the limits specified u/s 197. However, the members of the company have passed a special resolution in an Extraordinary General Meeting for the payment of excess amount over the limits specified in above mentioned section. And as per Companies Amendment Act, 2017, the company does not require to take prior approval from Central Government as well.

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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements 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 Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31st, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on March 31st, 2020 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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. (Refer point 17 of Note-1)
 2. The Company haven't made any provision, as it is not required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 3. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Muchhal & Gupta

Chartered Accountants

FRN: 004423C

Prakash Chandra Gupta

Partner

Membership No. 073011

UDIN: 20073011AAAABE9414

Place: Indore

Date: 31st July, 2020

Annexure "A" To The Independent Auditors' Report on Standalone Financial Statements

We report that:

- i. In respect of the Company's fixed assets :
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets 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 title deeds of immovable properties are held in the name of the Company.
- ii. Physical verification of inventory has been conducted at reasonable intervals by the management. The company has maintained proper records of inventory. No material discrepancies were noticed on verification.
- iii. According to the information and explanations given to us, the Company is covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which :
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (b) There is no overdue amount remaining outstanding as at the year-end.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31st, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records are not required pursuant to the rules specified by the Central Government under section 148(1) of the Companies Act, 2013. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 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, 2020 for a period of more than six months from the date they became payable.
- viii. The company has not defaulted in repayment of dues to financial institution, or a bank.
- ix. The term loans taken during the year have been applied for the purposes for which those were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

- 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 accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- 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. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Muchhal & Gupta

Chartered Accountants
FRN: 004423C

Prakash Chandra Gupta

Partner
Membership No. 073011
UDIN: 20073011AAAABE9414

Place: Indore
Date: 31st July, 2020

Annexure “B” To The Independent Auditor’s Report on Standalone 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”) as of March 31st, 2020 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, 2020, 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

Prakash Chandra Gupta

Partner

Membership No. 073011

UDIN: 20073011AAAABE9414

Place: Indore

Date: 31st July, 2020

SHANTI OVERSEAS (INDIA) LTD.
CIN : L51211MP2011PLC025807
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Notes	Amount (₹) 31.03.2020	Amount (₹) 31.03.2019
I. <u>EQUITY AND LIABILITIES</u>			
1 Shareholders' Funds			
(a) Share Capital	2	11,10,60,000	7,40,40,000
(b) Reserves and Surplus	3	19,75,34,279	22,98,19,118
2 Non-Current Liabilities			
(a) Long term Borrowings	4	3,26,49,052	10,18,30,150
(b) Deffered Tax Liability (Net)	5	59,19,117	70,23,797
(c) Long term Provisions	6	5,82,788	1,12,668
3 Current Liabilities			
(a) Short term Borrowings	7	29,14,67,491	30,64,61,680
(b) Trade Payables	8	2,41,76,976	3,35,46,099
(c) Other Current Liabilities	9	2,68,71,666	4,02,48,121
(d) Short term Provisions	10	98,05,839	3,25,77,946
TOTAL		70,00,67,207	82,56,59,579
II. <u>ASSETS</u>			
1 Non-Current Assets			
(a) Property, Plant & Equipment:			
(i) Tangible Assets	11	22,87,93,378	25,61,95,713
(b) Non Current Investment	12	4,57,00,000	4,57,00,000
(c) Long term Loans and Advances	13	56,11,314	58,62,314
(d) Other Non Current Assets	14	47,21,229	67,44,613
2 Current Assets			
(a) Inventories	15	10,72,83,980	2,19,35,773
(b) Trade Receivables	16	18,60,96,190	29,86,55,876
(c) Cash and Cash Equivalents	17	1,33,07,848	1,37,64,094
(d) Short term Loans and Advances	18	9,67,72,855	14,31,86,301
(e) Other Current Assets	19	1,17,80,413	3,36,14,894
TOTAL		70,00,67,207	82,56,59,579

Significant Accounting Policies & Disclosures Note 1
Notes to Accounts Note No. 2-30

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

Mukesh Kacholia
 Managing Director
 DIN:00376922

Ayush Kacholia
 Director
 DIN:03096933

Ramita Otvani
 Compliance Officer
 M.No. 28101

Date : 31/07/2020
Place : Indore

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

Prakash Chandra Gupta
 (Partner)
 M.No.: 073011
 FRN: 004423C
 UDIN : 20073011AAAABE9414

SHANTI OVERSEAS (INDIA) LTD.**CIN : L51211MP2011PLC025807****STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2020**

Particulars	Notes	Amount (₹)	
		31.03.2020	31.03.2019
I. Revenue from operations	20	1,46,00,89,354	1,66,98,27,661
II. Other Income	21	30,21,774	4,921,042
III. Total Revenue (I+II)		1,46,31,11,128	1,67,47,48,703
IV. Expenses:			
Cost of materials consumed	22	1,13,27,79,729	1,10,62,60,942
Purchase of Stock-in-Trade	23	9,42,38,736	27,20,08,150
Changes in inventories of finished goods and Stock-in-Trade	24	(4,08,39,858)	(11,96,729)
Employee benefits expense	25	2,84,38,523	2,89,95,420
Finance costs	26	2,96,77,847	3,52,90,973
Depreciation and amortization expense	11	3,83,54,897	3,14,57,768
Other expenses	27	17,33,30,772	10,00,70,855
Total Expenses		1,45,59,80,646	1,57,43,87,380
V. Profit before extraordinary Items & tax (III-IV)		71,30,482	10,18,61,323
VI. Add/Less: Extraordinary Items		-	-
VII. Profit Before Tax		71,30,482	10,18,61,323
VIII. Tax Expenses			
(a) Current Tax	28	35,00,000	2,68,79,497
(b) Deffered Tax Liabilities/(Assets)	5	(11,04,680)	16,03,318
IX. Profit / (loss) for the period (VII-VIII)		47,35,161	7,33,78,508
X. Earning Per Equity Share			
Basic	29	0.43	9.91
Restated EPS (effect of bonus shares)	29	0.43	6.61

The accompanying notes form an integral part of the financial statements

Significant Accounting Policies & Disclosures Note 1

Notes to Accounts Note No. 2-30

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

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

Mukesh Kacholia
Managing Director
DIN:00376922

Ayush Kacholia
Director
DIN:03096933

Ramita Otvani
Compliance Officer
M.No. 28101

Prakash Chandra Gupta
(Partner)
M.No.: 073011
FRN: 004423C
UDIN: 20073011AAAABE9414

Date : 31/07/2020
Place : Indore

SHANTI OVERSEAS (INDIA) LTD.
CIN : L51211MP2011PLC025807
STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED ON 31st MARCH, 2020

Particulars	As on 31.03.2020 Amount (₹)	As on 31.03.2020 Amount (₹)	As on 31.03.2019 Amount (₹)	As on 31.03.2019 Amount (₹)
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax	71,30,482		10,18,61,323	
Adjustments for:				
Depreciation	3,83,54,897		3,14,57,768	
Interest & Finance Charges	2,96,77,847		3,52,90,973	
Interest on Deposit	(9,20,087)		(7,63,569)	
Interest Received	-		-	
(Profit)/Loss On sale of fixed Asset	-		-	
Decrease/(Increase) in Non-Current Assets	20,23,384		20,23,384	
Operating Profit before Working Capital Changes	7,62,66,523		16,98,69,880	
Adjustments for:				
Decrease/(Increase) in Receivables	11,25,59,686		(14,61,31,528)	
Decrease/(Increase) in Inventories	(8,53,48,207)		20,91,10,979	
Increase/(Decrease) in Payables	(93,69,123)		(91,33,206)	
Increase/(Decrease) in Short Term Provision	(2,27,72,108)		26,17,912	
Decrease/(Increase) in Other Current Assets	2,18,34,481		(1,89,40,604)	
Increase/(Decrease) in Other Current Liabilities	(58,28,022)		2,74,00,281	
Increase/(Decrease) in Long Term Provision	4,70,120		(98,895)	
Decrease/(Increase) in Long term Advances	2,51,000		8,22,783	
Decrease/(Increase) in Short term Advances	3,88,65,011		(6,70,65,535)	
Cash generated from operations	12,69,29,361		16,84,52,068	
Income Tax paid	35,00,000		2,68,79,497	
Net Cash flow from Operating activities		12,34,29,361		14,15,72,571
B CASH FLOW FROM INVESTING ACTIVITIES				
Increase in Investments			-	
Interest on Deposit	9,20,087		7,63,569	
Increase in Fixed Assets (Net)	(1,09,52,562)		(9,83,92,577)	
Interest Received	-		-	
Net Cash used in Investing activities		(1,00,32,475)		(9,76,29,008)
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Shares	-		-	
Increase in Long term Borrowings	(6,91,81,098)		49,69,882	
Increase in Short term Borrowings	(1,49,94,189)		(90,53,282)	
Dividend Paid	-		(44,63,084)	
Interest paid	(2,96,77,847)		(3,52,90,973)	
Net Cash used in financing activities		(11,38,53,134)		(4,38,37,457)
Net increase in Cash & Cash Equivalents (A+B+C)		(4,56,248)		1,06,106
Cash and Cash equivalents as at the beginning of the period		1,37,64,094		1,36,57,988
Cash and Cash equivalents as at the end of the year		1,33,07,848		1,37,64,094
Cash & Cash Equivalents	As on 31.03.2020	As on 31.03.2020	As on 31.03.2019	As on 31.03.2019
i Cash on Hand	1,24,731		1,18,734	
ii Cash at Bank	10,88,078		22,63,605	
iii Bank deposits with more than twelve months maturity	1,20,95,039		1,13,81,755	
Cash & Cash equivalents as stated (i+ii+iii)		1,33,07,848		1,37,64,094

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

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

Mukesh Kacholia
Managing Director
DIN:00376922

Ayush Kacholia
Director
DIN:03096933

Ramita Otvani
Compliance Officer
M.No. 28101

Prakash Chandra Gupta
(Partner)
M.No.: 073011
FRN: 004423C
UDIN: 20073011AAAABE9414

Date : 31/07/2020
Place : Indore

NOTE - 1**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE STANDALONE SUMMARY OF STATEMENTS****A. BACKGROUND**

Shanti Overseas (India) Limited having registered office at 215-216 Vikram Tower, 1st Floor, Sapna Sangeeta Road, Indore 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 November 15th, 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 April 18th, 2011 from Registrar of Companies, Madhya Pradesh. Subsequently, the Company was converted into a public limited company vide fresh Certificate of Incorporation dated January 20th, 2017 issued by the Registrar of Companies, Gwalior. The company is listed on NSE EMERGE platform via initial public offer on August 3rd, 2017. 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 two wholly owned subsidiaries namely Shaan Agro Oils & Extractions Private Limited (incorporated on February 14th, 2017) and Biograin Protinex Private Limited (incorporated on May 31st, 2016).

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (1-19)**1. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS**

The Standalone Statement of Assets and Liabilities of the Company as on March 31st, 2020 and the Standalone Summary Statement of Profit and Loss and Standalone Summary Statement of Cash Flows for the year ended on March 31st, 2020, and the annexure thereto (collectively, the "Standalone Financial Statements" or "Standalone Summary Statements") have been extracted by the management from the Standalone Financial Statements of the Company for the year ended on March 31st, 2020.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31st, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01st, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act")) read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of Standalone Financial Statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3. INVENTORIES

- a) The cost of inventories comprises all costs of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost and other costs incurred in bringing the inventories to their present location and condition.
- b) The inventories are valued at the lower of cost on Weighted Average and the net realizable value after providing for obsolescence and other losses, where considered necessary.

4. CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with bank. Cash equivalents are short term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

5. CASH FLOW

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of 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. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

6. PROPERTY, PLANT AND EQUIPMENTS

The company has adopted cost model as prescribed in Accounting Standard AS-10 (Revised) "Property, Plant & Equipment".

Recognition

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- (a) It is probable that future economic benefits associated with the item will flow to the enterprise; and
- (b) The cost of the item can be measured reliably.

Subsequent Cost

The Company recognizes in the carrying amount of an item of Property, Plant & Equipment, and the cost of replacing a part of an item, when that cost is incurred provided the recognition criteria as mentioned above are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition provisions mentioned in the Accounting Standard. The cost of day to day servicing of an item of Property, Plant & Equipment is recognized in the Statement of Profit & Loss as and when incurred.

Measurement

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies (excluding GST) and any directly, attributable cost of bringing the asset to the working condition for its intended use.

Capital Work-in-Progress

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the Balance Sheet date. Advances paid for capital assets are not considered as Capital Work-in-Progress but classified as Long-term Advances. There is no capital WIP at the end of the financial year.

7. EVENTS OCCURRING AFTER BALANCE SHEET DATE

Material events occurring after the Balance Sheet are considered up to the date of approval of the accounts by the board of directors. There are no substantial events having an impact on the results of the current year Balance Sheet.

8. DEPRECIATION

Depreciation has been provided on the Written down Value method as per the rates prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under:
Assets costing less than Rs. 5,000 each are generally fully depreciated in the year of capitalization.

9. REVENUE RECOGNITION

- (a) Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods or issue of custom invoice in case of exports. Sales are stated exclusive of GST.
- (b) Dividend income is recognized when the right to receive the dividend is established.
- (c) Interest income is recognized on the time proportion basis.
- (d) 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.

10. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

11. EMPLOYEE BENEFITS**(a) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

(b) Post- Employment Benefits:

(i) Defined Contribution Plans: The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(ii) Defined Benefit Plans: The present value of the company's obligation towards gratuity payment to employees is determined based on the actuarial valuation, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as per actuarial valuation.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

12. BORROWING COSTS

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014.

The Borrowing costs incurred post construction period are recognized in Profit & Loss Account.

13. EARNINGS PER SHARE

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. As per IAS33, the current periods shares are adjusted as if the bonus share were issued on first day of the year & the comparative EPS for the previous year (or years) is restated on the same basis.

14. ACCOUNTING FOR TAXES ON INCOME

Tax expenses for the current year comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognized, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. In subsidiary companies deferred tax asset/liability are recognized only in that year when the company starts doing actual business activity.

Deferred Tax Assets/ Liabilities

Deferred Tax liability/Asset in view of Accounting Standard -22: "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, is applicable to the company. The Deferred tax is recognized for all timing differences being the difference between the "Taxable income " and "Accounting Income" the originate in one period, and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date.

15. IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (Cash Generating Unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the Cash Generating Unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

16. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss for the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

The premium or the discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is recognized as an expense or income at the time of the contract.

17. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for:

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

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. 9,14,397/- on our Company, and Rs. 4,39,803 on our Promoter Group Entity, Agri Wing International. The last date of hearing was 6th October 2016. The matter is pending for further consideration.

18. 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 current assets head.

19. OPERATING SEGMENT:

The Company operates in two segments - Trading & Manufacturing as Unit-I & Unit-II. The segment report of Standalone Audited Segment wise Revenue, Results and Capital Employed is annexed herewith-

SEGMENT REPORT

Particulars	31.03.2020 Audited	31.03.2019 Audited
1. Segment Revenue		
(a) Segment - Manufacturing	1,46,28,36,397	1,57,81,35,420
(b) Segment - Trading	2,74,731	9,66,13,283
Total	1,46,31,11,128	1,67,47,48,703
Less: Inter Segment Revenue	-	-
Net Segment Revenue	1,46,31,11,128	1,67,47,48,703
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest)		
(a) Segment - Manufacturing	3,93,87,972	14,24,57,889
(b) Segment - Trading	(25,79,643)	(53,05,593)
Total	3,68,08,329	13,71,52,296
Less: i) Interest	(2,96,77,847)	(3,52,90,973)
Total Profit Before Tax	71,30,482	10,18,61,323
3. Segment Assets		
(a) Segment - Manufacturing	64,24,37,123	67,91,77,029
(b) Segment - Trading	5,76,30,084	14,64,82,550
Total	70,00,67,207	82,56,59,579
4. Segment Liabilities		
(a) Segment - Manufacturing	38,52,79,910	47,71,97,263
(b) Segment - Trading	61,93,017	4,46,03,198
Total	39,14,72,927	52,18,00,461
5. Capital Employed		
Total	30,85,94,280	30,38,59,118
Total	70,00,67,207	82,56,59,579

C. NOTES TO ACCOUNTS -

- The schedules referred to in the balance sheet and profit and loss account form an integral part of the financial statements.
- Realizations:**
Balances of depositors, sundry debtors, creditors and loans and advances are subject to confirmations and reconciliations. In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.
- Contractual liabilities**
All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- Amounts in the financial statements**
Amounts in the financial statements are rounded off to nearest rupee. Figures in brackets indicate negative values. Previous year figures have been regrouped/ rearranged wherever found necessary.
- Related Party Disclosure (AS 18)**
Related party transactions are reported below as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended.

a) Details of related parties:

1.	Key Managerial Personnel	i. Mr. Mukesh Kacholia (Managing Director) ii. Mr. Ayush Kacholia (Whole Time Director) iii. Mr. Rohan Kacholia (Whole Time Director) iv. Mrs. Sangeeta Kacholia (Non-Executive Director) v. Mrs. Karuna Kacholia (Chief Financial Officer)
2.	Relatives of KMP	i. Mr. Mukesh Kacholia HUF (HUF Of Director) ii. Mrs. Namrata Kacholia (Spouse of Director Mr. Rohan Kacholia)
3.	Entities where control exists	i. M/s. Shaan Agro Oils & Extractions Pvt. Ltd. (Wholly Owned Subsidiary) ii. M/s. Biograin Protinex Pvt. Ltd. (Wholly Owned Subsidiary) iii. M/s. Agri Wing Organics (Directors are Partners)

b) Transactions during the year with the related party:

S No.	Nature of Transactions	Key Managerial Personnel	Relatives of KMP	Entities where control exists
1.	Employee Benefit Expenses			
	Mr. Mukesh Kacholia	43,00,000	-	-
	Mr. Ayush Kacholia	43,00,000	-	-
	Mr. Rohan Kacholia	43,00,000	-	-
	Mrs. Karuna Kacholia	15,37,485	-	-
	Mrs. Namrata Kacholia	-	12,39,984	-
2.	Interest Paid			
	Mr. Mukesh Kacholia	5,45,390	-	-
	Mr. Ayush Kacholia	3,05,626	-	-
	Mr. Rohan Kacholia	1,92,940	-	-
3.	Unsecured Loans Received			
	Mr. Mukesh Kacholia	1,24,75,000	-	-
	Mr. Ayush Kacholia	77,05,000	-	-
	Mr. Rohan Kacholia	43,10,000	-	-
4.	Unsecured Loans Repaid			
	Mr. Mukesh Kacholia	2,66,54,579	-	-
	Mr. Ayush Kacholia	1,81,43,240	-	-
	Mr. Rohan Kacholia	1,14,29,952	-	-
5.	Rent Paid			
	Mrs. Sangeeta Kacholia	3,96,000	-	-
	Mr. Mukesh Kacholia	3,19,800	-	-
6.	Purchase During the Year			
	M/s. Agri Wing Organics	-	-	2,75,53,017
7.	Sales During the Year			
	M/s. Shaan Agro Oils & Extractions Pvt. Ltd.	-	-	35,22,34,032
	M/s. Agri Wing Organics	-	-	49,13,000
8.	Rent Received			
	M/s. Shaan Agro Oils & Extractions Pvt. Ltd.	-	-	18,00,000

c) Balances Outstanding as on 31st March, 2020:

S.No.	Nature of Transactions	Key Managerial Personnel	Relatives of KMP	Entities where control exists
1.	Unsecured Loans			
	Mr. Mukesh Kacholia	4,85,851	-	
	Mr. Ayush Kacholia	2,72,563	-	-
	Mr. Rohan Kacholia	1,71,146	-	-
2.	Trade Receivables			
	M/s. Shaan Agro Oils & Extractions Pvt. Ltd.	-	-	8,85,36,089
3.	Advance Received			
	M/s. Agri Wing Organics	-	-	32,29,660
4.	Salary Payable			
	Mrs. Karuna Kacholia	1,00,016	-	-
	Mrs. Namrata Kacholia	-	25,016	-

6. Statement of Adjustments to Profit and Loss after Tax

Table-1

Particulars	2019-20 (in INR)
Net Profit After Tax as per audited accounts but before adjustments for DTA/DTL:	₹ 36,30,481
Decrease/(Increase) in DTL	₹ (11,04,680)
Profits after Tax as per Accounts	₹ 47,35,161

For Muchhal & Gupta

Chartered Accountants

FRN: 004423C

Prakash Chandra Gupta

Partner

Membership No. 073011

UDIN: 20073011AAAABE9414

Place: Indore

Date: 31st July, 2020

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2020**NOTE 2**

SHARE CAPITAL	AS AT 31-03-2020		AS AT 31-03-2019	
	Number	Amount	Number	Amount
Authorised Capital				
Equity Shares of ₹10 each	1,20,00,000	12,00,00,000	76,00,000	7,60,00,000
Issued Capital				
Equity Shares of ₹10 each	1,11,06,000	11,10,60,000	74,04,000	7,40,40,000
Subscribed & Paid up				
Equity Shares of ₹10 each fully paid	1,11,06,000	11,10,60,000	74,04,000	7,40,40,000
TOTAL	1,11,06,000	11,10,60,000	74,04,000	7,40,40,000

A. THE DETAILS OF SHAREHOLDER HOLDING MORE THAN 5% SHARE

NAME OF SHAREHOLDER	AS AT 31-03-2020		AS AT 31-03-2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Mukesh Kacholia	24,22,875	21.82%	15,64,250	21.13%
Mr. Ayush Kacholia	17,01,000	15.32%	10,80,000	14.59%
Mrs. Sangeeta Kacholia	8,08,125	7.28%	5,41,750	7.32%
Mrs. Karuna Kacholia	8,05,500	7.25%	5,40,000	7.29%
Mr. Rohan Kacholia	17,01,000	15.32%	10,80,000	14.59%
Mrs. Namrata Kacholia	8,05,500	7.25%	5,40,000	7.29%
TOTAL	82,44,000	74.23%	53,46,000	72.20%

B. RECONCILIATION OF EQUITY SHARES

PARTICULARS	AS AT 31-03-2020		AS AT 31-03-2019	
	No. of Shares held	Amount	No. of Shares held	Amount
Number of shares at the beginning of the period	74,04,000	7,40,40,000	74,04,000	7,40,40,000
Add: Bonus Shares issued	37,02,000	3,70,20,000	-	-
Number of shares at the end of the period	1,11,06,000	11,10,60,000	74,04,000	7,40,40,000

C. TERMS AND RIGHTS ATTACHED TO EQUITY SHARES

The Company has one class of shares – the Ordinary shares. These shares are of ₹ 10/- each. In respect of every Ordinary share (whether fully or partly paid), voting rights shall be in the same proportion as the capital paid up on such Ordinary share bears to the total paid up Ordinary share capital of the Company. The claim of ordinary shareholders on earnings and assets in the event of liquidation, follows all others, in proportion of their shareholdings.

D. BONUS SHARES

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.

E. AUTHORIZED SHARE CAPITAL

The company has increased its Authorised Share Capital from Rs. 7,60,00,000 to Rs. 12,00,00,000 during the F.Y. 2019-20.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2020

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
3	<u>RESERVES AND SURPLUS</u>		
	A. Securities Premium Account		
	Opening Balance	8,01,60,000	8,01,60,000
	(+) Security premium credited on Share issue	3,70,20,000	-
	TOTAL A	4,31,40,000	8,01,60,000
	B. Surplus		
	Opening balance	14,96,59,118	8,07,43,693
	(-) Proposed Dividend	-	44,63,084
	(+) Net Profit/(Net Loss) For the current year	47,35,161	7,33,78,509
	TOTAL B	15,43,94,279	14,96,59,118
	TOTAL (A+B)	19,75,34,279	22,98,19,118
4	<u>LONG TERM BORROWING</u>		
	<u>Secured loans from banks</u>	3,05,26,520	5,79,63,692
	<u>Unsecured Loans</u>		
	From Related Parties and Directors	9,29,561	3,60,40,271
	From Banks	-	16,12,836
	From NBFC's	11,92,971	62,13,352
	TOTAL	3,26,49,052	10,18,30,150
	<p>(i) Secured loans from banks include Term Loan & Car Loan.</p> <p>(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.</p> <p>(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.</p>		
5	<u>DEFFERED TAX ASSETS</u>		
	Opening balance(DTA)	-	-
	Add: DTA created	11,04,680	-
	TOTAL	11,04,680	-
	<u>DEFFERED TAX LIABILITY</u>		
	Opening balance(DTL)	70,23,797	54,20,479
	Add: DTL created	-	16,03,318
	TOTAL	70,23,797	70,23,797
	Closing (DTL)/DTA	59,19,117	70,23,797
6	<u>LONG TERM PROVISIONS</u>		
	Gratuity Payable	5,82,788	1,12,668
	TOTAL	5,82,788	1,12,668
7	<u>SHORT TERM BORROWINGS</u>		
	Secured Loans from Banks	29,14,67,491	30,64,61,680
	TOTAL	29,14,67,491	30,64,61,680
	Secured Loans are secured by hypothecation of Factory Building, Plant and Machinery and further secured by existing and future current assets of the company. This includes cash credit limits & EPCL.		

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
8	<p><u>TRADE PAYABLES</u> <u>Trade Payable from others</u> Creditor for Capital Goods Creditor for Goods Creditor for Expense</p>	 50,92,773 70,25,181 1,20,59,022 TOTAL	 73,52,707 1,96,71,154 65,22,238 3,35,46,099
	The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small & Medium Enterprises Development Act 2006) claiming their status as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is NIL.		
9	<p><u>OTHER CURRENT LIABILITIES</u> Current Maturity of long term borrowings Statutory Remittances - GST, TDS, ESIC & PF</p>	 2,53,52,961 15,18,705 TOTAL	 3,90,50,183 11,97,938 4,02,48,121
10	<p><u>SHORT TERM PROVISIONS</u> A. Duties & Taxes Provision for Income Tax Provision for Professional Tax</p>	 35,00,000 7,185 TOTAL A	 2,68,79,497 4,456 2,68,83,953
	<p>B. Provisions Salary payable Bonus Payable Provision for Audit Fees Electricity Payable Telephone exp. Payable Director Sitting Fee Payable Provision for bank interest Other Provisions</p>	 12,98,655 2,24,563 58,500 21,70,880 23,027 32,000 11,77,749 13,13,279 TOTAL B TOTAL (A+B)	 13,33,972 2,17,215 58,500 25,38,100 4,180 32,000 14,44,052 65,974 56,93,993 3,25,77,946

SHANTI OVERSEAS (INDIA) LIMITED
NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2020
NOTE "11" PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation			Net block			
	Opening Balance	Addition	Deduction	As on 31.03.2020	Up to 31.03.2019	Current Year	Deletion	Up to 31.03.2020	As on 31.03.2020	As on 31.03.2019
Computer	29,41,103	1,81,601	-	31,22,704	12,72,140	10,76,509	-	23,48,649	7,74,056	16,68,964
Electrical Equipment	22,61,516	2,36,059	-	24,97,575	11,17,515	4,47,911	-	15,65,426	9,32,151	11,44,002
Electrical fittings	1,92,26,605	1,48,750	-	1,93,75,355	27,12,362	42,85,380	-	69,97,742	1,23,77,613	1,65,14,243
Factory Building	10,22,64,067	44,72,162	-	10,67,36,229	1,01,94,009	90,75,529	-	1,92,69,538	8,74,66,691	9,20,70,058
Land	2,55,80,229	-	-	2,55,80,229	-	-	-	-	2,55,80,229	2,55,80,229
Office Equipment	12,13,136	-	-	12,13,136	8,11,655	16,416	-	8,28,071	3,85,066	4,01,482
Office Furniture	45,65,510	14,89,778	-	60,55,289	6,58,102	12,27,115	-	18,85,217	41,70,072	39,07,408
Plant & Machinery	14,43,76,904	30,96,675	-	14,74,73,578	3,50,62,740	2,03,00,328	-	5,53,63,068	9,21,10,510	10,93,14,164
RCC Road	30,00,000	-	-	30,00,000	3,42,599	6,88,001	-	10,30,600	19,69,400	26,57,401
Vehicles	77,66,808	13,27,537	-	90,94,345	48,29,047	12,37,708	-	60,66,755	30,27,590	29,37,761
Current Year	31,31,95,878	1,09,52,562	-	32,41,48,440	5,70,00,168	3,83,54,897	-	9,53,55,065	22,87,93,378	25,61,95,713
Previous Year	21,48,03,304	9,85,10,760	1,18,186	31,31,95,878	2,55,42,400	3,14,57,768	-	5,70,00,168	25,61,95,713	18,92,60,904

The depreciation is charged by WDV method.

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
12	<u>NON CURRENT INVESTMENTS</u>		
	<u>Investment in Equity Instruments</u>		
	<u>100 % wholly owned Subsidiary(Unquoted & Fully paid-up)</u>		
	Investment In Biograin Protinex Pvt. Ltd. (10000 Equity Shares @ 10/- per shares)	1,00,000	1,00,000
	Investment In Shaan Agro oils & Extractions Pvt. Ltd. (4560000 Equity Shares @ 10/- per shares)	4,56,00,000	4,56,00,000
	TOTAL	4,57,00,000	4,57,00,000
13	<u>LONG TERM LOANS & ADVANCES</u>		
	<u>Unsecured,considered good</u>		
	Security Deposits	39,42,014	38,16,095
	Others	16,69,300	20,46,219
	TOTAL	56,11,314	58,62,314
14	<u>OTHER NON CURRENT ASSET</u>		
	<u>Preliminary Expenses</u>		
	IPO Expenses	67,44,613	87,67,997
	Less : Written off during the year	(20,23,384)	(20,23,384)
	TOTAL	47,21,229	67,44,613
15	<u>INVENTORIES (AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)</u>		
	<u>Finished Goods</u>		
	Soyabean Meal	4,43,44,569	92,41,635
	Soyabean Crude Oil	4,49,407	-
	By Products / Rejection	18,37,430	5,26,822
	<u>Raw Material</u>		
	Soyabean	4,70,61,544	1,06,30,385
	Poly Yarn	-	7,050
	<u>Stock-in-trade</u>		
	Imported Soyabean	46,29,865	-
	Soyabean Meal	8,75,232	-
	Sunflower Oil	2,60,952	-
	Sunflower Lecithin	28,47,775	-
	<u>Others</u>		
	Stores and Spares	22,43,984	9,54,952
Packing Material	27,33,223	5,74,930	
	TOTAL	10,72,83,980	2,19,35,774
16	<u>TRADE RECEIVABLES</u>		
	<u>Unsecured, Considered good</u>		
	<u>Export Debtor</u>		
	More than six month	49,74,538	-
	Less than six month	6,02,88,938	29,42,70,762
	<u>Domestic Debtor</u>		
	More than six month	-	41,19,650
	Less than six month	12,08,32,714	2,65,464
	TOTAL	18,60,96,190	29,86,55,876

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
17	<u>CASH AND CASH EQUIVALENTS</u>		
	Balances with Bank	10,88,078	22,63,605
	Cash on Hand	1,24,731	1,18,734
	Bank deposits with more than twelve months maturity	1,20,95,039	1,13,81,755
	TOTAL	1,33,07,848	1,37,64,094
18	<u>SHORT TERM LOANS AND ADVANCES</u>		
	<u>Secured, considered good</u>		
	<u>Unsecured, considered good</u>		
	<u>Others</u>		
	Staff Loans & advances	84,761	63,785
	Advances to Suppliers for Goods	2,07,52,498	2,17,94,352
	Advances to Suppliers for Capital Goods	8,88,425	4,01,516
	Prepaid Expense	3,72,647	9,29,607
	Other Advances	20,05,258	1,10,047
	<u>Related Parties Balances</u>		
	Biograin Protinex Pvt. Ltd.	1,180	-
	Shaan Agro oils & Extractions Pvt. Ltd.	-	6,87,62,063
	<u>Balances with Government Authorities</u>		
	Advance Tax	1,00,00,000	1,50,00,000
	Others	6,26,68,086	3,61,24,932
		TOTAL	9,67,72,855
19	<u>OTHER CURRENT ASSETS</u>		
	Export Incentive (MEIS Scheme)	1,06,58,579	3,20,74,532
	Accrued Interest on FD	4,00,658	4,29,139
	TDS Receivable (NBFC)	4,18,993	1,84,215
	Interest Subsidy Receivable	-	6,24,827
	Quarterly Incremental License	3,02,182	3,02,182
	TOTAL	1,17,80,413	3,36,14,894
20	<u>REVENUE FROM OPERATIONS</u>		
	<u>Sale of products:</u>		
	(i) <u>Export Sales</u>		
	Soyabean Meal	82,08,93,114	1,10,53,87,358
	Soya Lecithin	-	49,86,675
	Kabuli Chana	-	1,80,96,000
	Black Eye Beans	-	2,31,06,276
	Red Cow Peas	-	1,15,11,174
	Rice	-	64,34,766
	Total (i)	82,08,93,114	1,16,95,22,249
	(ii) <u>Domestic Sales</u>		
	Kabuli Chana	-	3,33,30,442
	Soyabean Crude Oil	25,50,34,091	26,35,55,998
	Soyabean Meal	16,25,37,647	38,12,110
	Soyabean	1,03,43,011	3,57,13,362
	Sunflower Lecithin	86,70,000	-
	Rejection / By Product Sales	88,19,385	58,56,838
Soya Lecithin	-	7,51,110	
Total (ii)	44,54,04,134	34,30,19,860	
Total A (i+ii)	1,26,62,97,248	1,51,25,42,109	

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
	B Other Operating Revenue:		
	Duty Drawback	11,93,309	17,45,791
	Export Incentive (MEIS)	5,04,26,652	10,30,88,105
	Freight on Export Sale	7,39,21,896	-
	Foreign Exchange Fluctuation	2,80,76,715	1,26,49,857
	Profit from Dollar Hedging	-	3,23,21,282
	Profit from NCDEX	1,67,14,930	-
	Packing Material Sales	20,42,778	-
	TMA Incentive Scheme	1,71,26,200	-
	Income from job work	-	4,54,219
	Qty Claim & Discount Received	42,89,626	70,14,768
	Shortage, Quantity & Rate Difference	-	11,530
	Total B	19,37,92,107	15,72,85,552
	TOTAL (A+B)	1,46,00,89,354	1,66,98,27,661
21	<u>OTHER INCOME</u>		
	Income from Weighbridge	-	1,16,561
	Interest from MPSEB	2,40,934	2,35,233
	Interest on FDR	9,20,087	7,63,569
	Entry Tax Refund (2015-16)	-	3,00,297
	Lease Rent Received	18,00,000	18,00,000
	Other Income	-	17,01,654
	Sundry Balances Written Off	60,753	3,728
	TOTAL	30,21,774	49,21,042
22	<u>COST OF MATERIAL CONSUMED</u>		
	<u>Soyabean</u>		
	Opening Stock	1,06,30,385	22,24,67,975
	Add: Purchases/ Transfer	1,12,26,98,067	82,77,46,802
	Add: Direct Expenses	5,11,42,685	6,66,76,551
	Less: Closing Stock	5,16,91,409	1,06,30,385
	TOTAL	1,13,27,79,729	1,10,62,60,942
23	<u>PURCHASE</u>		
	<u>Stock-in-trade</u>		
	<u>Imported Purchase</u>		
	Soyabean	1,28,81,811	-
	Black Eye Beans	-	2,08,95,698
	Cow Peas	-	1,02,12,604
	<u>Domestic Purchase</u>		
	Kabuli chana	-	4,93,83,690
	Soyabean	1,20,49,843	3,26,22,259
	Soyabean Meal	6,14,52,053	15,52,38,318
	Sunflower Lecithin	75,94,068	-
	Sunflower Oil	2,60,960	-
	Rice	-	36,55,580
	TOTAL	9,42,38,736	27,20,08,150
24	<u>CHANGES IN INVENTORIES</u>		
	<u>Finished Goods</u>		
	Opening Stock	97,68,457	67,30,960
	Closing Stock	4,66,31,406	97,68,457
	(Increase)/Decrease	(3,68,62,949)	(30,37,497)

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
	<u>Stock-in-trade</u>		
	Opening Stock	7,050	18,47,818
	Closing Stock	39,83,959	7,050
	(Increase)/Decrease	(39,76,909)	18,40,768
	Net (Increase)/Decrease	(4,08,39,858)	(11,96,729)
25	<u>EMPLOYEE BENEFIT EXPENSE</u>		
	Bonus	6,00,129	6,52,625
	Salary	1,16,53,024	1,07,48,800
	Gratuity	4,70,120	31,042
	Staff Mess	4,16,309	6,29,992
	Staff Welfare	35,456	82,220
	ESIC, Leave Encashment, Medical, PF	8,31,485	9,18,741
	Remuneration of Directors and Key Managerial Personnel		
	Salary to whole time directors	1,29,00,000	1,44,00,000
	Salary to Chief Financial Officer	15,00,000	15,00,000
	Director Sitting Fee	32,000	32,000
	TOTAL	2,84,38,523	2,89,95,420
26	<u>FINANCE COST</u>		
	<u>Interest</u>		
	Bank Interest	1,55,24,743	1,46,76,692
	Interest on Term Loan	45,43,763	1,14,19,990
	Interest on Car Loan	1,42,147	1,54,851
	Interest on Unsecured Loan	40,33,912	45,46,030
	Interest on Income Tax	12,12,668	7,40,225
	<u>Others</u>		
	Brokerage on Unsecured loans	-	1,48,000
	Factoring Charges	29,79,019	-
	Bank Charges	4,72,845	24,03,169
	Processing Fees	7,68,750	12,02,015
	TOTAL	2,96,77,847	3,52,90,973
27	<u>OTHER EXPENSES</u>		
	<u>Administrative, Selling & Other Expenses</u>		
	<u>Administrative Expense</u>		
	Auditors Remuneration*	65,000	65,000
	Advertisement	-	30,000
	Business Promotion	2,13,664	2,82,565
	Conveyance	6,04,900	6,32,143
	Computer Repair & Maintenance	93,565	1,51,541
	Electricity Expenses (office)	1,45,221	22,574
	Factory Expense - Indirect	22,93,414	15,09,709
	Insurance	6,08,895	3,83,305
	Legal	7,14,410	15,14,486
	Loss from Dollar Hedging	76,48,409	-
	Office Expense	5,25,639	5,06,251
	Office Rent	3,96,000	3,96,000
	Professional fees	62,43,744	50,14,246
	Professional Tax	2,500	2,500
	Postage & Stamp Charges	1,81,195	2,48,348

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
	Stationery & Printing	2,29,064	2,75,201
	Telephone	4,61,584	3,76,574
	Travelling	23,11,189	26,33,916
	Vehicle Repair & Maintenance	1,36,295	1,57,597
	TOTAL A	2,28,74,687	1,42,01,957
	*Auditor's Remuneration		
	Statutory Audit	40,000	40,000
	Tax Audit	25,000	25,000
	Total	65,000	65,000
	(All amounts are exclusive of Goods and Service Tax)		
	Selling Expense		
	Brokerage on sales	1,10,51,842	1,02,49,874
	Export Expenses	4,83,27,275	4,75,18,546
	Commision charges	13,50,590	26,11,340
	Sampling & Inspection	33,24,286	27,72,422
	Freight on Sales	8,20,02,344	1,72,79,449
	Quality & Rate Difference	-	15,43,449
	TOTAL B	14,60,56,337	8,19,75,080
	Other Expense		
	CSR Expenditure	10,67,700	7,03,960
	Preliminary Expenses Written off	20,23,384	20,23,384
	Other Interest & Late Fees	44,217	2,44,957
	Membership Fees	24,600	10,200
	Fixed Asset Written Off	-	1,18,185
	Sundry Balance Written off	3,302	7,90,132
	Income Tax A.Y. 2019-20	75,708	-
	Other expenses	11,60,836	3,000
	TOTAL C	43,99,748	38,93,818
	TOTAL (A+B+C)	17,33,30,772	10,00,70,855
28	<u>TAX EXPENSES</u>		
	Current Tax	35,00,000	2,68,79,497
	TOTAL	35,00,000	2,68,79,497
29	<u>EARNING PER SHARE</u>		
	Profit during the year	47,35,161	7,18,78,509
	No. of shares at the end of the period*	1,11,06,000	74,04,000
	Basic EPS	0.43	9.71
	Restated EPS (effect of bonus shares)	0.43	6.61
	* Company has issued bonus shares in the ratio of 1:2 during the year.		
30	<u>EARNINGS IN FOREIGN EXCHANGE</u>		
	F.O.B. Value of Exports	82,08,93,114	1,16,95,22,249
	Foreign Exchange Earnings	2,80,76,715	1,26,49,857
	TOTAL	84,89,69,829	1,18,21,72,106

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SHANTI OVERSEAS (INDIA) LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Shanti Overseas (India) Limited ("the Parent Company"), which comprise the Consolidated Balance Sheet as at March 31st, 2020, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the 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, 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 Standards prescribed under section 133 of the Act read with Companies (Accounting Standards) Amendment Rules, 2016, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2020, the profit and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the Consolidated 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 Consolidated 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 Consolidated 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 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matter
The Company has various types of financial Instruments namely Export Packing Credit, Forward Contract, Trade Payable, Trade Receivables, and others. We focused on this matter because: - these transactions may have significant financial impact due to fluctuation in Rupee movement versus US dollar and have extensive accounting and reporting obligations.	Our Audit procedures included: - <ul style="list-style-type: none"> - Understanding of the Company's valuation of financial instrument process from initiation to settlement of the same including assessment of the design and the implementation of controls, and tested the operating effectiveness of these controls. - We assessed Company's accounting policy for financial instrument in accordance with AS. - We have tested the existence of financial instruments on sample basis by tracing to the confirmation obtained from the respective banks / parties - we tested management's documentation and contracts, on sample basis. - We have performed the year end valuation of financial instrument on sample basis and compared this valuation with those recorded by the Company including assessing the valuation methodology and key assumptions used therein.
Managerial Remuneration as per section 197 read with schedule V of the Companies Act, 2013 and section 67 of the Companies Amendment Act, 2017	The company has provided managerial remuneration of INR 1,44,00,000/- to its one managing director and two whole time directors which exceeds the limits specified u/s 197. However, the members of the company have passed a special resolution in an Extraordinary General Meeting for the payment of excess amount over the limits specified in above mentioned section. And as per Companies Amendment Act, 2017, the company does not require to take prior approval from Central Government as well.

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 Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Financial position, Financial performance and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objective is 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 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 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 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31st, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on March 31st, 2020 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 read with Schedule V of 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 has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements. (Refer point 17 of Note-1)
 2. The Company haven't made any provision, as it is not required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 3. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Muchhal & Gupta**

Chartered Accountants
FRN: 004423C

Prakash Chandra Gupta
Partner
Membership No. 073011
UDIN: 20073011AAAABF1223

Place: Indore
Date: 31st July, 2020

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") as of March 31st, 2020 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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, 2020, 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

Prakash Chandra Gupta

Partner

Membership No. 073011

UDIN: 20073011AAAABF1223

Place: Indore

Date: 31st July, 2020

SHANTI OVERSEAS (INDIA) LTD.
CIN : L51211MP2011PLC025807
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	Notes	Amount (₹) 31.03.2020	Amount (₹) 31.03.2019
I. <u>EQUITY AND LIABILITIES</u>			
1 Shareholders' Funds			
(a) Share Capital	2	11,10,60,000	7,40,40,000
(b) Reserves and Surplus	3	18,06,55,828	21,94,30,865
2 Non-Current Liabilities			
(a) Long term Borrowings	4	6,02,49,252	13,94,30,391
(b) Deferred Tax Liability (Net)	5	1,12,68,799	1,26,34,555
(c) Long term Provisions	6	5,82,788	1,12,668
3 Current Liabilities			
(a) Short term Borrowings	7	31,57,98,109	32,80,66,477
(b) Trade Payables	8	2,76,22,876	3,78,58,102
(c) Other Current Liabilities	9	3,76,16,149	5,03,15,330
(d) Short term Provisions	10	1,04,66,866	3,34,63,838
TOTAL		75,53,20,667	89,53,52,226
II. <u>ASSETS</u>			
1 Non-Current Assets			
(a) Fixed Assets:			
(i) Tangible Assets	11	33,97,10,168	37,92,47,679
(b) Long term Loans and Advances	12	56,11,314	58,62,314
(c) Other Non Current Assets	13	47,21,229	69,21,889
2 Current Assets			
(a) Inventories	14	15,28,71,675	6,25,61,045
(b) Trade Receivables	15	10,54,40,076	29,86,63,490
(c) Cash and Cash Equivalents	16	1,36,28,893	1,40,42,938
(d) Short term Loans and Advances	17	12,10,85,407	9,44,35,841
(e) Other Current Assets	18	1,22,51,905	3,36,17,030
TOTAL		75,53,20,667	89,53,52,226

The accompanying notes form an integral part of the financial statements
Significant Accounting Policies & Disclosures Note 1
Notes to Accounts Note No. 2-29

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

Mukesh Kacholia
Managing Director
DIN:00376922

Ayush Kacholia
Director
DIN:03096933

Ramita Otwani
Compliance Officer
M.No. 28101

Date : 31/07/2020
Place : Indore

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

Prakash C. Gupta
(Partner)
M.No.: 073011
FRN: 004423C
UDIN: 20073011AAAABF1223

SHANTI OVERSEAS (INDIA) LTD.**CIN : L51211MP2011PLC025807****CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2020**

Particulars	Notes	Amount (₹)	
		31.03.2020	31.03.2019
I. Revenue from operations	19	1,58,90,39,566	1,73,47,29,245
II. Other Income	20	12,21,774	35,98,737
III. Total Revenue (I+II)		1,59,02,61,339	1,73,83,27,981
IV. Expenses:			
Cost of materials consumed	21	1,20,18,89,649	1,19,01,79,435
Purchase of Stock-in-Trade	22	11,40,99,076	27,20,08,150
Changes in inventories of finished goods and Stock-in-Trade	23	(4,55,42,999)	(3,53,76,342)
Employee benefits expense	24	3,17,22,519	3,01,39,060
Finance costs	25	3,62,74,350	4,03,55,413
Depreciation and amortization expense	11	5,39,37,488	4,20,88,386
Other expenses	26	19,75,02,051	10,18,50,049
Total Expenses		1,58,98,82,134	1,64,12,44,152
V. Profit before extraordinary Items & tax (A-B)		3,79,205	9,70,83,829
VI. Add/Less: Extraordinary Items		-	
VII. Profit Before Tax		3,79,205	9,70,83,829
VIII. Tax Expenses			
(a) Current Tax	27	35,00,000	2,68,79,497
(b) Deffered Tax Liabilities/(Assets)	5	(13,65,757)	72,14,076
IX. Profit / (Loss) for the period (VII-VIII)		(17,55,038)	6,29,90,256
X. Earning Per Equity Share			
Basic	28	(0.16)	8.51
Restated EPS (effect of bonus shares)	28	(0.16)	5.67

The accompanying notes form an integral part of the financial statements
Significant Accounting Policies & Disclosures Note 1
Notes to Accounts Note No. 2-29

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

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

Mukesh Kacholia
Managing Director
DIN:00376922

Ayush Kacholia
Director
DIN:03096933

Ramita Otwani
Compliance Officer
M.No. 28101

Prakash C. Gupta
(Partner)
M.No.: 073011
FRN: 004423C
UDIN: 20073011AAAABF1223

Date : 31/07/2020
Place : Indore

**SHANTI OVERSEAS (INDIA) LTD.
CIN : L51211MP2011PLC025807
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED ON 31st MARCH, 2020**

Particulars	As on 31.03.2020 Amount (₹)	As on 31.03.2020 Amount (₹)	As on 31.03.2019 Amount (₹)	As on 31.03.2019 Amount (₹)
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax	3,79,205		9,70,83,829	
Adjustments for:	-			
Depreciation	5,39,37,488		4,20,88,386	
Interest & Finance Charges	3,62,74,350		4,03,55,413	
Interest on Deposit	(9,20,087)		(7,63,569)	
Interest Received	-		-	
(Profit)/Loss On sale of fixed Asset	-		-	
Decrease/(Increase) in Non-Current Assets	22,00,660		66,44,778	
Operating Profit before Working Capital Changes	9,18,71,616		18,54,08,837	
Adjustments for:				
Decrease/(Increase) in Receivables	19,32,23,414		(14,61,39,142)	
Decrease/(Increase) in Inventories	(9,03,10,630)		17,77,46,708	
Increase/(Decrease) in Payables	(1,02,35,226)		(2,05,32,262)	
Increase/(Decrease) in Short Term Provision	(2,29,96,970)		29,52,853	
Decrease/(Increase) in Other Current Assets	2,13,65,125		(1,89,42,740)	
Increase/(Decrease) in Other Current Liabilities	(1,26,99,181)		3,47,65,580	
Increase/(Decrease) in Long Term Provision	4,70,120		(98,895)	
Decrease/(Increase) in Long term Advances	2,51,000		14,02,783	
Decrease/(Increase) in Short term Advances	(2,66,50,744)		(1,85,69,919)	
Cash generated from operations	14,42,88,524		19,79,93,804	
Lease Rent Receivable	-		14,70,000	
Income Tax paid	(35,00,000)		2,68,79,497	
Net Cash flow from Operating activities		14,07,88,524		17,25,84,307
B CASH FLOW FROM INVESTING ACTIVITIES				
Increase in Investments	-		-	
Interest on Deposit	9,20,087		7,63,569	
Increase in Fixed Assets (Net)	(1,43,99,979)		(13,68,64,900)	
Interest Received	-		-	
Net Cash used in Investing activities		(1,34,79,892)		(13,61,01,331)
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Shares	-		-	
Increase in Long term Borrowings	(7,91,79,959)		(50,30,077)	
Increase in Short term Borrowings	(1,22,68,368)		1,25,51,515	
Dividend Paid	-		(4,03,55,413)	
Interest paid	(3,62,74,350)		(44,63,084)	
Net Cash used in financing activities		(12,77,22,677)		(3,72,97,059)
Net increase in Cash & Cash Equivalents (A+B+C)		(4,14,044)		(8,14,082)
Cash and Cash equivalents as at the beginning of the period		1,40,42,938		1,48,57,021
Cash and Cash equivalents as at the end of the year		1,36,28,893		1,40,42,938
Cash & Cash Equivalents	As on 31.03.2020	As on 31.03.2020	As on 31.03.2019	As on 31.03.2019
i Cash on Hand	2,04,161		1,86,547	
ii Cash at Bank	13,29,693		24,74,636	
iii Bank deposits with more than twelve months maturity	1,20,95,039		1,13,81,755	
Cash & Cash equivalents as stated (i+ii+iii)		1,36,28,893		1,40,42,938

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

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

Mukesh Kacholia
Managing Director
DIN:00376922

Ayush Kacholia
Director
DIN:03096933

Ramita Otvani
Compliance Officer
M.No. 28101

Prakash C. Gupta
(Partner)
M.No.: 073011
FRN: 004423C
UDIN: 20073011AAAABF1223

Date : 31/07/2020
Place : Indore

NOTE - 1**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE CONSOLIDATED SUMMARY OF STATEMENTS****A. BACKGROUND**

Shanti Overseas (India) Limited having registered office at 215-216 Vikram Tower, 1st Floor, Sapna Sangeeta Road, Indore 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 November 15th, 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 April 18th, 2011 from Registrar of Companies, Madhya Pradesh. Subsequently, the Company was converted into a public limited company vide fresh Certificate of Incorporation dated January 20th, 2017 issued by the Registrar of Companies, Gwalior. The company is listed on NSE EMERGE platform via initial public offer on August 3rd, 2017. Shanti Overseas (India) Limited is engaged in primary processing and trading of agri commodities and manufacturing of Soya Products such as Organic Soya Meal and Soy Crude Oil.

The Company has two wholly owned subsidiaries namely Shaan Agro Oils & Extractions Private Limited (incorporated on February 14th, 2017) and Biograin Protinex Private Limited (incorporated on May 31st, 2016). Shaan Agro Oils & Extractions Private Limited runs an oil refinery to process Soy crude oil of Shanti Overseas (India) Limited and others & produces Soy Refined Oil, Soy Lecithin & other by-products that are sold domestically as well as exported.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (1-19)**1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Statement of Assets and Liabilities of the Company as on March 31st, 2020 and the Consolidated Summary Statement of Profit and Loss and Consolidated Summary Statement of Cash Flows for the year ended on March 31st, 2020, and the annexure thereto (collectively, the "Consolidated Financial Statements" or "Consolidated Summary Statements") have been extracted by the management from the Consolidated Financial Statements of the Company for the year ended on March 31st, 2020.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31st, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01st, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of Consolidated Financial Statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3. INVENTORIES

- a) The cost of inventories comprises all costs of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost and other costs incurred in bringing the inventories to their present location and condition.
- b) The inventories are valued at the lower of cost on Weighted Average and the net realizable value after providing for obsolescence and other losses, where considered necessary.

4. CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with bank. Cash equivalents are short term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

5. CASH FLOW

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of 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. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

6. **PROPERTY, PLANT & EQUIPMENTS**

The company has adopted cost model as prescribed in Accounting Standard AS-10 (Revised) "Property, Plant & Equipment".

Recognition

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- (a) It is probable that future economic benefits associated with the item will flow to the enterprise; and
- (b) The cost of the item can be measured reliably.

Subsequent Cost

The Company recognizes in the carrying amount of an item of Property, Plant & Equipment, and the cost of replacing a part of an item, when that cost is incurred provided the recognition criteria as mentioned above are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition provisions mentioned in the Accounting Standard. The cost of day to day servicing of an item of Property, Plant & Equipment is recognized in the Statement of Profit & Loss as and when incurred.

Measurement

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies (excluding GST) and any directly, attributable cost of bringing the asset to the working condition for its intended use.

Capital Work-in-Progress

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the Balance Sheet date. Advances paid for capital assets are not considered as Capital Work-in-Progress but classified as Long-term Advances. There is no capital WIP at the end of the financial year.

7. **EVENTS OCCURRING AFTER BALANCE SHEET DATE**

Material events occurring after the Balance Sheet are considered up to the date of approval of the accounts by the board of directors. There are no substantial events having an impact on the results of the current year Balance Sheet.

8. **DEPRECIATION**

Depreciation has been provided on the Written down Value method as per the rates prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under:

Assets costing less than Rs. 5,000 each are generally fully depreciated in the year of capitalization.

9. **REVENUE RECOGNITION**

- (a) Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods or issue of custom invoice in case of exports. Sales are stated exclusive of GST.
- (b) Dividend income is recognized when the right to receive the dividend is established.
- (c) Interest income is recognized on the time proportion basis.
- (d) 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.

10. **INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

11. **EMPLOYEE BENEFITS**

(a) **Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

(b) **Post-Employment Benefits:**

(i) **Defined Contribution Plans:** The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans:** The present value of the company's obligation towards gratuity payment to employees is determined based on the actuarial valuation, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as per actuarial valuation.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

12. **BORROWING COSTS**

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014.

The Borrowing costs incurred post construction period are recognized in Profit & Loss Account.

13. **EARNINGS PER SHARE**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. As per IAS33, the current periods shares are adjusted as if the bonus share were issued on first day of the year & the comparative EPS for the previous year (or years) is restated on the same basis.

14. **ACCOUNTING FOR TAXES ON INCOME**

Tax expenses for the current year comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognized, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. In subsidiary companies deferred tax asset/liability are recognized only in that year when the company starts doing actual business activity.

Deferred Tax Assets/ Liabilities

Deferred Tax liability/Asset in view of Accounting Standard -22: "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, is applicable to the company. The Deferred tax is recognized for all timing differences being the difference between the "Taxable income " and "Accounting Income" the originate in one period, and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each

Balance Sheet date.

15. IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (Cash Generating Unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the Cash Generating Unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

16. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss for the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

The premium or the discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is recognized as an expense or income at the time of the contract.

17. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

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 Organics. 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. 9,14,397/- on our Company, and Rs. 4,39,803 on our Promoter Group Entity, Agri Wing Organics. The last date of hearing was 6th October 2016. The matter is pending for further consideration.

18. 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 current assets head.

19. OPERATING SEGMENT:

The Company operates in two segments - Manufacturing and trading. The segment report of Consolidated Audited Segment wise Revenue, Results and Capital Employed is annexed herewith-

SEGMENT REPORT

Particulars	31.03.2020 Audited	31.03.2019 Audited
1. Segment Revenue		
(a) Segment - Manufacturing	1,58,99,86,610	1,64,17,14,698
(b) Segment - Trading	2,74,731	9,66,13,283
Total	1,59,02,61,341	1,73,83,27,981
Less: Inter Segment Revenue	-	-
Net Segment Revenue	1,59,02,61,341	1,73,83,27,981
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest)		
(a) Segment - Manufacturing	3,92,33,199	14,27,44,835
(b) Segment - Trading	(25,79,643)	(53,05,593)
Total	3,66,53,556	13,74,39,242
Less: i) Interest	(3,62,74,350)	(4,03,55,413)
Total Profit Before Tax	3,79,205	9,70,83,829
3. Segment Assets		
(a) Segment - Manufacturing	74,33,90,582	82,56,83,548
(b) Segment - Trading	1,19,30,085	6,96,68,678
Total	75,53,20,667	89,53,52,226
4. Segment Liabilities		
(a) Segment - Manufacturing	45,74,11,820	55,72,78,162
(b) Segment - Trading	61,93,019	4,46,03,197
Total	46,36,04,839	60,18,81,359
5. Capital Employed		
Total	29,17,15,828	29,34,70,866
Total	75,53,20,667	89,53,52,226

C. NOTES TO ACCOUNTS -

1. The schedules referred to in the balance sheet and profit and loss account form an integral part of the Financial statements.

2. Realizations:

Balances of depositors, sundry debtors, creditors and loans and advances are subject to confirmations and reconciliations.

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

3. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

4. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest rupee. Figures in brackets indicate negative values.

Previous year figures have been regrouped/ rearranged wherever found necessary.

5. Related Party Disclosure (AS 18)

Related party transactions are reported below as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended.

a) Details of related parties:

1.	Key Managerial Personnel	i. Mr. Mukesh Kacholia (Managing Director) ii. Mr. Ayush Kacholia (Whole Time Director) iii. Mr. Rohan Kacholia (Whole Time Director) iv. Mrs. Sangeeta Kacholia (Non-Executive Director) v. Mrs. Karuna Kacholia (Chief Financial Officer)
2.	Relatives of KMP	i. Mr. Mukesh Kacholia HUF (HUF Of Director) ii. Mrs. Namrata Kacholia (Spouse of Director Mr. Rohan Kacholia)
3.	Entities where control exists	i. M/s. Shaan Agro Oils & Extractions Pvt. Ltd. (Wholly Owned Subsidiary) ii. M/s. Biograin Protinex Pvt. Ltd. (Wholly Owned Subsidiary) iii. M/s. Agri Wing Organics (Directors are Partners)

b) Transactions during the year with the related party:

S No.	Nature of Transactions	Key Managerial Personnel	Relatives of KMP	Entities where control exists
1.	Employee Benefit Expenses			
	Mr. Mukesh Kacholia	48,00,000	-	-
	Mr. Ayush Kacholia	48,00,000	-	-
	Mr. Rohan Kacholia	48,00,000	-	-
	Mrs. Karuna Kacholia	15,37,485	-	-
	Mrs. Namrata Kacholia	-	12,39,984	-
2.	Professional Fees			
	Mrs. Karuna Kacholia	6,00,000	-	-
3.	Interest Paid			
	Mr. Mukesh Kacholia	5,45,390	-	-
	Mr. Ayush Kacholia	3,05,626	-	-
	Mr. Rohan Kacholia	1,92,940	-	-
4.	Unsecured Loans Received			
	Mr. Mukesh Kacholia	1,24,75,000	-	-
	Mr. Ayush Kacholia	77,05,000	-	-
	Mr. Rohan Kacholia	43,10,000	-	-
5.	Unsecured Loans Repaid			
	Mukesh Kacholia	2,66,54,579	-	-
	Mr. Ayush Kacholia	1,81,43,240	-	-
	Mr. Rohan Kacholia	1,14,29,952	-	-
6.	Rent Paid			
	Mrs. Sangeeta Kacholia	5,28,000	-	-
	Mr. Mukesh Kacholia	3,19,800	-	-
7.	Purchase During the Year			
	M/s. Agri Wing Organics	-	-	2,75,53,017
8.	Sales During the Year			
	M/s. Agri Wing Organics	-	-	49,13,000

c) Balances Outstanding as on 31st March, 2020

S No.	Nature of Transactions	Key Managerial Personnel	Relatives of KMP	Entities where control exists
1.	Unsecured Loans			
	Mr. Mukesh Kacholia	4,85,851	-	-
	Mr. Ayush Kacholia	2,72,563	-	-
	Mr. Rohan Kacholia	1,71,146	-	-
2.	Advance Received			
	M/s. Agri Wing Organics	-	-	32,29,660
3.	Salary Payable			
	Mr. Mukesh Kacholia	50,000	-	-
	Mr. Ayush Kacholia	75,000	-	-
	Mr. Rohan Kacholia	75,000	-	-
	Mrs. Karuna Kacholia	1,00,016	-	-
	Mrs. Namrata Kacholia	-	25,016	-

6. Statement of Adjustments to Profit and Loss after Tax

Table-1

Particulars	2019-20 (in INR)
Net Profit After Tax as per audited accounts but before adjustments for DTA/DTL:	₹ 31,20,795
Decrease/(Increase) in DTL	₹ (13,65,757)
Profits after Tax as per Accounts	₹ 17,55,038

For Muchhal & Gupta

Chartered Accountants

FRN: 004423C

Prakash Chandra Gupta

Partner

Membership No. 073011

UDIN: 20073011AAAABF1223

Place: Indore

Date: 31st July, 2020

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2020**NOTE 2**

SHARE CAPITAL	AS AT 31-03-2020		AS AT 31-03-2019	
	Number	Amount	Number	Amount
Authorised Capital Equity Shares of ₹10 each	1,20,00,000	12,00,00,000	76,00,000	7,60,00,000
Issued Capital Equity Shares of ₹10 each	1,11,06,000	11,10,60,000	74,04,000	7,40,40,000
Subscribed & Paid up Equity Shares of ₹10 each fully paid	1,11,06,000	11,10,60,000	74,04,000	7,40,40,000
TOTAL	1,11,06,000	11,10,60,000	74,04,000	7,40,40,000

A. THE DETAILS OF SHAREHOLDER HOLDING MORE THAN 5% SHARE

NAME OF SHAREHOLDER	AS AT 31-03-2020		AS AT 31-03-2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Mukesh Kacholia	24,22,875	21.82%	15,64,250	21.13%
Mr. Ayush Kacholia	17,01,000	15.32%	10,80,000	14.59%
Mrs. Sangeeta Kacholia	8,08,125	7.28%	5,41,750	7.32%
Mrs. Karuna Kacholia	8,05,500	7.25%	5,40,000	7.29%
Mr. Rohan Kacholia	17,01,000	15.32%	10,80,000	14.59%
Mrs. Namrata Kacholia	8,05,500	7.25%	5,40,000	7.29%
TOTAL	82,44,000	74.23%	53,46,000	72.20%

B. RECONCILIATION OF EQUITY SHARES

PARTICULARS	AS AT 31-03-2020		AS AT 31-03-2019	
	No. of Shares held	Amount	No. of Shares held	Amount
Number of shares at the beginning of the period	74,04,000	7,40,40,000	7,404,000	7,40,40,000
Add: Bonus Shares issued	37,02,000	3,70,20,000	-	-
Number of shares at the end of the period	1,11,06,000	11,10,60,000	74,04,000	7,40,40,000

C. TERMS AND RIGHTS ATTACHED TO EQUITY SHARES

The Company has one class of shares – the Ordinary shares. These shares are of ₹ 10/- each. In respect of every Ordinary share (whether fully or partly paid), voting rights shall be in the same proportion as the capital paid up on such Ordinary share bears to the total paid up Ordinary share capital of the Company. The claim of ordinary shareholders on earnings and assets in the event of liquidation, follows all others, in proportion of their shareholdings.

D. BONUS SHARES

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.

E. AUTHORIZED SHARE CAPITAL

The company has increased its Authorised Share Capital from Rs. 7,60,00,000 to Rs. 12,00,00,000 during the F.Y. 2019-20.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2020

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
3	RESERVES AND SURPLUS		
	A. Securities Premium Account		
	Opening Balance	8,01,60,000	8,01,60,000
	(-) Bonus Issue Of Shares	3,70,20,000	-
	Total A	4,31,40,000	8,01,60,000
	B. Surplus		
	Opening balance	13,92,70,865	8,07,43,693
	(-) Proposed Dividend	-	44,63,084
	(+) Net Profit/(Net Loss) For the current year	(17,55,038)	6,29,90,256
	Total B	13,75,15,828	13,92,70,865
	TOTAL (A+B)	18,06,55,828	21,94,30,865
4	LONG TERM BORROWING		
	Secured Loans		
	From Banks	5,80,26,520	9,54,63,692
	Unsecured Loans		
	From Related Parties and Directors	10,29,761	3,61,40,511
	From Banks	-	16,12,836
	From NBFC	11,92,971	62,13,352
	TOTAL	6,02,49,252	13,94,30,391
	(i) Secured loans from banks include Term Loan & Car Loan. (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. (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.		
5	DEFFERED TAX ASSETS		
	Opening balance(DTA)	-	-
	Add: DTA created	13,65,757	-
	TOTAL	13,65,757	-
	DEFFERED TAX LIABILITY		
	Opening balance(DTL)	1,26,34,555	54,20,479
	Add: DTL created	-	72,14,076
	TOTAL	1,26,34,555	12,634,555
	Closing (DTL)/DTA	1,12,68,799	12,634,555
6	LONG TERM PROVISIONS		
	Gratuity Payable	5,82,788	1,12,668
	TOTAL	5,82,788	1,12,668
7	SHORT TERM BORROWINGS		
	Secured Loans from banks	31,57,98,109	32,80,66,477
	TOTAL	31,57,98,109	32,80,66,477

Secured Loans are secured by hypothecation of Factory Building, Plant and Machinery and further secured by existing and future current assets of the company. This includes cash credit limits & EPCL.

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
8	<u>TRADE PAYABLES</u>		
	<u>Trade Payable from others</u>		
	Creditor for Capital Goods	50,92,773	98,10,080
	Creditor for Goods	69,11,930	1,96,71,154
	Creditor for Expense	1,56,18,173	83,76,868
	TOTAL	2,76,22,876	3,78,58,102
	The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small & Medium Enterprises Development Act 2006) claiming their status as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is NIL.		
9	<u>OTHER CURRENT LIABILITIES</u>		
	Current Maturity of Long Term Borrowings	3,53,52,961	4,90,50,183
	Statutory Remittances - GST, TDS, ESIC & PF	22,63,188	12,65,146
	TOTAL	3,76,16,149	5,03,15,330
10	<u>SHORT TERM PROVISIONS</u>		
	A. <u>Duties & Taxes</u>		
	Provision for Income Tax	35,00,000	2,68,79,497
	Provision for Professional Tax	10,969	4,456
	TOTAL A	35,10,969	2,68,83,953
	B. <u>Provisions</u>		
	Salary payable	17,81,259	16,25,292
	Bonus Payable	2,49,731	2,39,574
	Provision for Audit Fees	72,000	78,500
	Electricity Payable	21,70,880	25,38,101
	Telephone exp. Payable	23,027	4,180
	Director Sitting Fee Payable	32,000	32,000
	Provision for bank interest	12,26,707	19,06,355
	Other Provisions	14,00,293	1,55,883
	TOTAL B	69,55,897	65,79,885
TOTAL (A+B)	1,04,66,866	3,34,63,838	

SHANTI OVERSEAS (INDIA) LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2020
NOTE "11" PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block			Depreciation			Net block			
	Opening Balance	Addition	Deduction	As on 31.03.2020	Up to 31.03.2019	Current Year	Deletion	Up to 31.03.2020	As on 31.03.2020	As on 31.03.2019
Computer & Software	29,98,819	1,81,601	-	31,80,420	12,77,912	11,09,317	-	23,87,229	7,93,192	17,20,907
Electrical Equipment	27,02,516	4,25,059	-	31,27,575	11,70,632	5,51,008	-	17,21,640	14,05,935	15,31,884
Electrical Fittings	2,09,76,086	1,48,750	-	2,11,24,836	29,72,737	46,70,909	-	76,43,646	1,34,81,190	1,80,03,349
Factory Building	14,69,20,964	49,68,772	-	15,18,89,736	1,32,29,415	1,30,58,960	-	2,62,88,375	12,56,01,361	13,36,91,549
Land	2,84,50,762	-	-	2,84,50,762	-	-	-	-	2,84,50,762	2,84,50,762
Office Equipment	12,13,136	-	-	12,13,136	8,11,655	16,416	-	8,28,071	3,85,066	4,01,481
Office Furniture	56,20,901	16,47,628	-	72,68,529	7,28,137	14,85,789	-	22,13,926	50,54,603	48,92,764
Plant & Machinery	22,72,28,469	57,00,631	-	23,29,29,100	4,22,68,652	3,11,19,379	-	7,33,88,031	15,95,41,069	18,49,59,818
RCC Road	3,000,000	-	-	30,00,000	342,599	688,001	-	10,30,600	19,69,400	2,657,401
Vehicles	77,66,808	13,27,537	-	90,94,345	48,29,047	12,37,708	-	60,66,755	30,27,590	29,37,761
Current Year	44,68,78,462	1,43,99,978	-	46,12,78,440	6,76,30,786	5,39,37,488	-	12,15,68,274	33,97,10,168	37,92,47,679
Previous Year	21,48,03,304	23,21,93,344	1,18,186	44,68,78,462	2,55,42,400	4,20,88,386	-	6,76,30,786	37,92,47,679	18,92,60,904

The depreciation is charged by WDV method.

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
12	<u>LONG TERM LOANS & ADVANCES</u>		
	<u>Unsecured, considered good</u>		
	Security Deposits	39,42,014	38,16,095
	Others	16,69,300	20,46,219
	TOTAL	56,11,314	58,62,314
13	<u>OTHER NON CURRENT ASSET</u>		
	<u>Preliminary Expenses</u>		
	Biograin Protinex Pvt. Ltd.	-	24,750
	IPO Expenses	47,21,229	67,44,613
	<u>Preoperative Expenses</u>		
Biograin Protinex Pvt. Ltd.	-	1,52,526	
	TOTAL	47,21,229	69,21,889
14	<u>INVENTORIES (AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT)</u>		
	<u>Finished Goods</u>		
	Soyabean Meal	4,43,44,569	92,41,635
	Soya Lecithin	3,41,97,391	3,23,43,426
	Soyabean Crude Oil	4,49,407	-
	Soyabean Refined Oils	18,83,656	9,63,010
	Soya Oil Fatty Acid	10,98,008	70,448
	Soya Soap Stocks	8,79,303	82,540
	By Products / Rejection	18,37,430	5,26,822
	<u>Raw Material</u>		
	Soyabean Crude Oil	27,08,052	16,83,199
	Soyabean	4,70,61,544	1,06,30,385
	Poly Yarn	-	7,050
	Chemicals	-	2,06,554
	<u>Stock in Trade</u>		
	Soyabean Meal	8,75,232	-
	Imported Soyabean	46,29,865	-
	Sunflower Oil	2,60,952	-
	Sunflower Lecithin	28,47,775	-
	<u>Others</u>		
	Stores and Spares	63,94,769	52,60,734
	Packing Material	34,03,723	15,45,243
	TOTAL	15,28,71,675	6,25,61,045
15	<u>TRADE RECEIVABLES</u>		
	<u>Unsecured, Considered good</u>		
	<u>Export Debtor</u>		
	More than six month	49,74,538	-
	Less than six month	6,02,88,938	29,42,70,762
	<u>Domestic Debtor</u>		
	More than six month	-	41,19,650
Less than six month	40,176,600	2,73,078	
	TOTAL	10,54,40,076	29,86,63,490
16	<u>CASH AND CASH EQUIVALENTS</u>		
	Balances with Bank	13,29,693	24,74,637
	Cash on Hand	2,04,161	1,86,547
	Bank deposits with more than twelve months maturity	1,20,95,039	1,13,81,755
	TOTAL	1,36,28,893	1,40,42,938

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
17	<u>SHORT TERM LOANS AND ADVANCES</u>		
	<u>Unsecured, considered good</u>		
	<u>Others</u>		
	Staff Loans & advances	1,44,061	63,785
	Advances to Suppliers for Goods	2,47,89,918	2,17,94,352
	Advances to Suppliers for Capital Goods	8,88,425	30,05,381
	Prepaid Expense	6,59,418	11,01,414
	Other Advances	19,54,258	1,10,047
	<u>Balances with Government Authorities</u>		
	Advance Tax	1,00,00,000	1,50,00,000
Others	8,26,49,327	5,33,60,862	
	TOTAL	12,10,85,407	9,44,35,841
18	<u>OTHER CURRENT ASSETS</u>		
	Export Incentive (MEIS Scheme)	82,95,071	3,20,74,532
	TMA Scheme Incentive Receivable	28,35,000	-
	Accrued Interest on FD	4,00,658	4,29,139
	TDS Receivable (NBFC)	4,18,993	1,84,215
	Interest Subsidy Receivable	-	624,827
	Quarterly Incremental License	3,02,182	3,02,182
	Professional Tax Receivable	-	2,136
	TOTAL	1,22,51,905	3,36,17,030
19	<u>REVENUE FROM OPERATIONS</u>		
	<u>(A) Sale of products:</u>		
	<u>Exports Sales</u>		
	Soy Meal	92,92,41,484	1,10,53,87,358
	Sunflower Lecithin	96,98,325	-
	Soy Lecithin	1,12,63,364	49,86,675
	Soyabean Refined Oil	1,80,38,359	-
	Kabuli Chana	-	1,80,96,000
	Black Eye Beans	-	2,31,06,276
	Red Cow Peas	-	1,15,11,174
	Rice	-	64,34,766
	<u>Domestic Sales</u>		
	Soyabean Refined Oil	27,97,47,681	32,44,84,224
	Soy Lecithin	1,73,82,793	31,29,000
	Soy Meal	7,65,14,207	38,12,110
	Soy Fatty Acid	11,14,500	6,51,000
	By Products / Rejection	96,22,850	66,55,939
	Soyabean	1,03,43,011	3,57,13,362
	Sunflower Lecithin	49,13,000	-
	Kabuli chana	-	3,33,30,442
	Total A	1,36,78,79,575	1,57,72,98,327

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
	<u>(B) Other Operating Revenue:</u>		
	Foreign Exchange Fluctuation	3,00,05,133	1,26,49,857
	Profit from Dollar Hedging	-	3,23,21,282
	Profit from NCDEX	1,67,14,930	-
	Export Incentive (MEIS)	5,91,83,265	10,30,88,105
	Duty drawback Receivable	17,27,639	17,45,791
	Shortage, Quantity & Rate Difference	-	31,044
	Income from job work	-	4,54,219
	Qty Claim & Discount Received	45,31,809	71,40,620
	Packing Material Sales	20,42,778	-
	TMA Incentive Scheme	1,99,61,200	-
	Freight on export sale (sale on CIF basis)	8,69,93,236	-
	Total B	22,11,59,991	15,74,30,918
	TOTAL (A+B)	1,58,90,39,566	1,73,47,29,245
20	<u>OTHER INCOME</u>		
	Income from Weighbridge	-	1,16,561
	Interest from MPSEB on Security deposit	2,40,934	2,35,233
	Interest on FDR	9,20,087	7,63,569
	Entry Tax Refund (2015-16)	-	3,00,297
	Lease Rent Received	-	4,50,000
	Sundry Balances Written Off	60,753	3,728
	Other Income	-	17,29,349
	TOTAL	12,21,774	35,98,737
21	<u>COST OF MATERIAL CONSUMED</u>		
	<u>Soyabean</u>		
	Opening Stock	1,06,30,385	22,24,67,975
	Add: Purchases	1,12,26,98,067	82,77,46,802
	Add: Direct Expenses	5,11,42,685	6,66,76,551
	Less: Closing Stock	5,16,91,409	1,06,30,385
	Total (A)	1,13,27,79,729	1,10,62,60,942
	<u>Soyabean Crude Oil</u>		
	Opening Stock	9,63,010	92,61,000
	Add: Purchases	4,44,85,962	6,13,44,188
	Add: Direct Expenses	2,55,44,604	1,42,76,314
	Less: Closing Stock	18,83,656	9,63,010
	Total (B)	6,91,09,920	8,39,18,493
	TOTAL (A+B)	1,20,18,89,649	1,19,01,79,435
22	<u>PURCHASE</u>		
	<u>Stock-in-trade</u>		
	<u>Imported Purchase</u>		
	Soyabean	1,28,81,811	-
	Black Eye Beans	-	2,08,95,698
	Cow Peas	-	1,02,12,604
	<u>Domestic Purchase</u>		
	Kabuli chana	-	4,93,83,690
	Soyabean	1,20,49,843	3,26,22,259
	Soy Meal	8,13,12,393	15,52,38,318
	Sunflower Oil	2,60,960	-
	Rice	-	36,55,580
	Sunflower Lecithin	75,94,068	-
	TOTAL	11,40,99,076	27,20,08,150

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
23	<u>CHANGES IN INVENTORIES</u>		
	<u>Finished Goods</u>		
	Opening Stock	97,68,457	67,30,960
	Closing Stock	8,08,84,294	97,68,457
	(Increase)/Decrease	(7,11,15,838)	(30,37,497)
	<u>Stock-in-trade</u>		
	Opening Stock	3,41,86,663	18,47,818
	Closing Stock	86,13,824	3,41,86,663
	(Increase)/Decrease	2,55,72,839	(3,23,38,844)
	Net (Increase)/Decrease	(4,55,42,999)	(3,53,76,342)
24	<u>EMPLOYEE BENEFIT EXPENSE</u>		
	Bonus	7,69,766	7,67,181
	Salary	1,27,90,761	1,15,60,233
	Gratuity	4,70,120	31,042
	Staff Mess	5,12,969	6,70,119
	Staff Welfare	35,456	82,220
	ESIC, Leave Encashment, Medical, PF	12,11,447	10,96,265
	Remuneration of Directors and Key Managerial Personnel		
	Salary to whole time directors	1,44,00,000	1,44,00,000
	Salary to Chief Financial Officer	15,00,000	15,00,000
	Director Sitting Fee	32,000	32,000
	TOTAL	3,17,22,519	3,01,39,060
25	<u>FINANCE COST</u>		
	<u>Interest</u>		
	Bank Interest	2,18,91,956	1,96,60,830
	Interest on Term Loan	36,61,474	1,14,19,990
	Interest on Car Loan	1,42,147	1,54,851
	Interest on Unsecured Loan	40,33,912	45,46,030
	Interest on Income Tax	12,12,668	7,40,225
	<u>Others</u>		
	Brokerage on Unsecured Loans	-	1,48,000
	Bank Charges	15,34,423	24,08,473
	Factoring Charges	29,79,019	-
	Processing Fees	8,18,750	12,77,015
	TOTAL	3,62,74,350	4,03,55,413
26	<u>OTHER EXPENSES</u>		
	<u>A. Administrative, Selling & Other Expenses</u>		
	Administrative Expense		
	Auditors Remuneration*	80,000	80,000
	Advertisement	-	30,000
	Business Promotion	2,13,664	2,82,565
	Professional fees	75,71,096	54,18,289
	Conveyance	6,05,600	6,32,263
	Computer Repair & Maintenance	93,565	1,51,541
	Electricity	1,45,221	22,574
	Factory Expense - Indirect	23,83,004	16,58,782
	Insurance expense	8,26,784	3,87,557
	Legal	9,09,790	17,35,559

NOTES	PARTICULARS	Amount (₹) 31-03-2020	Amount (₹) 31-03-2019
	Loss from Dollar Hedging	76,48,409	-
	Office Rent	5,28,000	4,84,000
	Office Maintenance	8,660	1,24,510
	Office Expense	5,24,979	3,78,054
	Postage & Stamp	2,16,348	2,48,348
	Professional Tax	5,000	5,000
	Stationery & Printing	2,49,129	2,96,517
	Telephone	4,61,584	3,76,574
	Travelling	23,14,576	28,35,126
	Vehicle Repair & Maintenance	1,36,295	1,57,597
	TOTAL A	2,49,21,703	1,53,04,857
	*Auditor's Remuneration		
	Statutory Audit	50,000	50,000
	Tax Audit	30,000	30,000
	Total	80,000	80,000
	(All amounts are exclusive of Goods and Service Tax)		
	B. Selling Expense		
	Export Expense	6,24,20,342	4,77,55,566
	Commission charges	13,50,590	26,11,340
	Brokerage on Sales	8,04,527	1,02,49,874
	Sampling & Inspection	46,30,216	28,45,398
	Frieght on Sales	9,89,60,972	1,74,18,678
	Quality & Rate Difference	-	15,43,449
	TOTAL B	16,81,66,648	8,24,24,305
	C. Other Expense		
	CSR Expenditure	10,67,700	7,03,960
	Preliminary Expenses Written off	20,23,384	20,23,384
	Other Interest & Late Fees	58,170	2,41,450
	Membership Fees	24,600	10,200
	Fixed Asset Written Off	-	1,18,185
	Sundry Balance Written off	3,302	7,90,132
	Income Tax A.Y. 2019-20	75,708	-
	Other expenses	11,60,837	2,33,576
	TOTAL C	44,13,701	41,20,887
	TOTAL (A+B+C)	19,75,02,051	10,18,50,049
27	<u>TAX EXPENSES</u>		
	Current Tax	35,00,000	2,68,79,497
	TOTAL	35,00,000	2,68,79,497
28	<u>EARNING PER SHARE</u>		
	Profit during the year	(17,55,038)	6,29,90,256
	No. of shares at the end of the period*	1,11,06,000	74,04,000
	Basic EPS	(0.16)	8.51
	Restated EPS (effect of bonus shares)	(0.16)	5.67
	* Company has issued bonus shares in the ratio of 1:2 during the year.		
29	<u>TRANSACTIONS IN FOREIGN EXCHANGE</u>		
	F.O.B. Value of Exports	96,82,41,532	1,16,95,22,249
	Earnings in Foreign Currency	3,00,05,133	1,26,49,857
	TOTAL	99,82,46,665	1,18,21,72,106

PROXY FORM
FORM NO. MGT - 11

[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 : L51211MP2011PLC025807
Regd. Office : 215-216,VIKRAM TOWER, 1ST FLOOR, SAPNA SANGEETA ROAD, INDORE (MP) 452001
Phone : +91-731-4020586, +91-731-4020587
Website : www.shantioverseas.com
E-mail : mail@shantioverseas.com

Name of the Member(s):

Registered Address :

E-mail ID Folio No./ Client ID/ DPID:

I/We being the Member(s) of _____ equity shares of Rs. 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 9th Annual General Meeting of the Company, to be held on Wednesday, the 30th September, 2020 at 12.30 P.M. at the Registered Office of the Company situated at 215-216, Vikram Tower, Sapna Sangeeta Road, Indore (M.P.) 452001 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 March 31st, 2020 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. Re-appointment of Mr. Ayush Kacholia (DIN: 03096933) as a Director, who is liable to retire by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:-

3. Appointment of Mr. Sudeep Satyendra Saxena (DIN: 05129819) as Non-Executive Independent Director.
4. Re-appointment of Mr. Mukesh Kacholia (DIN: 00376922) as Chairman & Managing Director of the Company.
5. Re-appointment of Mr. Ayush Kacholia (DIN: 03096933) as a Whole-Time Director of the Company.

Signed: this _____ day of _____ 2020

Signature of Member(s): _____

Signature of the Proxy holder(s): _____



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: SHANTIOVERSEAS (INDIA) LIMITED

CIN: L51211MP2011PLC025807

Registered Office: 215-216,VIKRAM TOWER, 1ST FLOOR, SAPNASANGEETA ROAD, INDORE (MP) 452001

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 Rs. 10/-

I hereby exercise my vote in respect of Ordinary/ Special Resolution/s enumerated below by recording my assent or dissent to the said resolution 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 March 31 st , 2020 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.	Re-appointment of Mr. Ayush Kacholia (DIN: 03096933), as a Director, who is liable to retire by rotation and, being eligible, offers himself for re-appointment.			
	SPECIAL BUSINESS			
3.	Appointment of Mr. Sudeep Satyendra Saxena (DIN: 05129819) as Non Executive Independent Director.			
4.	Re-appointment of Mr. Mukesh Kacholia (DIN: 00376922) as Chairman & Managing Director of the Company.			
5.	Re-appointment of Mr. Ayush Kacholia (DIN: 03096933) as a Whole-Time Director of the Company.			

Place:

Date: (Signature of the shareholder)

SHANTI OVERSEAS (INDIA) LIMITED

CIN: L51211MP2011PLC025807

Regd. Office: 215-216,VIKRAM TOWER, 1ST FLOOR, SAPNA SANGEETA ROAD, INDORE (MP) 452001

ATTENDANCE SLIP

9th Annual General Meeting of Shanti Overseas (India) Limited held on Wednesday 30th September, 2020 at 12.30 P.M. at the Registered Office of the Company situated at 215-216, Vikram Tower, Sapna Sangeeta Road, Indore (M.P.) 452001

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 9th Annual General Meeting of the Company i.e. Shanti Overseas (India) Limited held on Wednesday, 30th September, 2020 at 12.30 P.M. at the Registered Office of the Company situated at 215-216, Vikram Tower, Sapna Sangeeta Road, Indore (M.P.) 452001.

(If signed by proxy, his name should be written in block letters)

.....

(Shareholder's / Proxy's Signature)

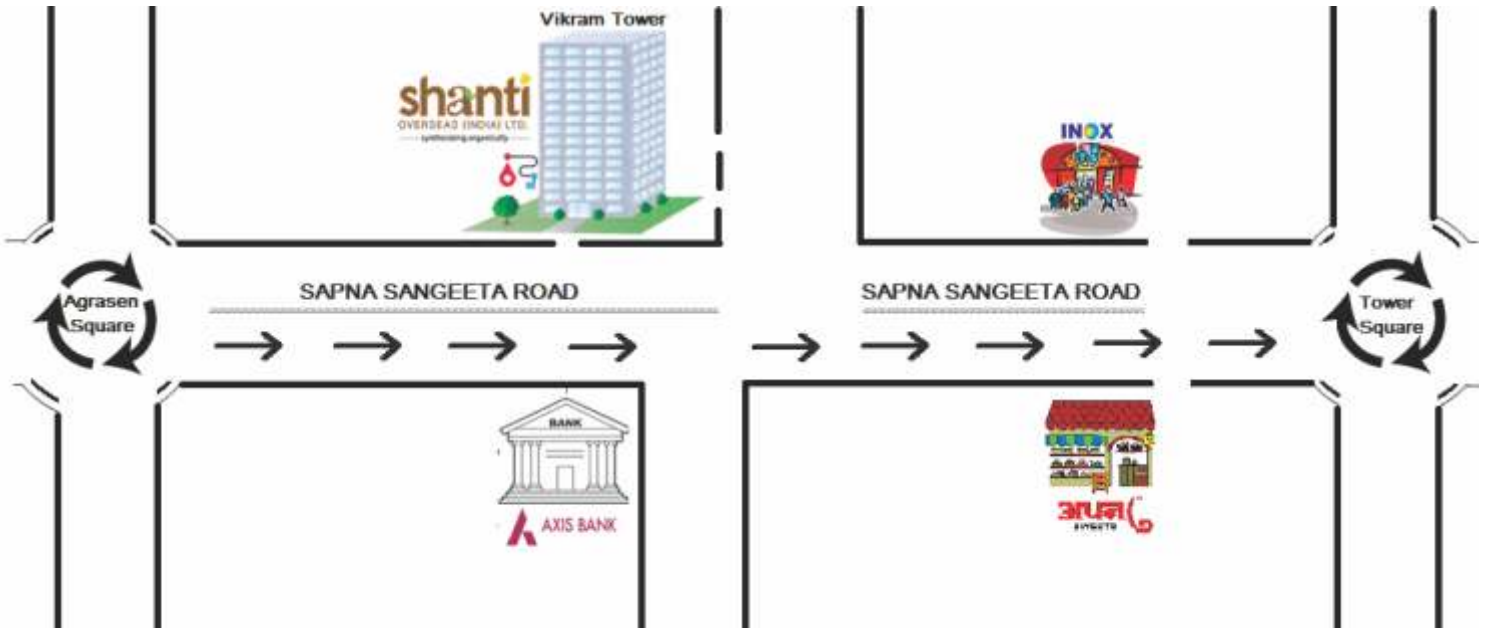
NOTE:

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 to the venue of AGM **Shanti Overseas (India) Limited**

Regd. Office: 215-216,VIKRAM TOWER, 1ST FLOOR,
SAPNA SANGEETA ROAD, INDORE (MP) 452001



Go Green...
Go  **rganic!**

shanti
OVERSEAS (INDIA) LTD.
— synthesizing organically —

**Shanti Overseas (India) Limited, 215-216 Vikram Tower, 1st Floor,
Sapna Sangeeta Road, Indore(M.P)-452001
Phone : +91-731-4020586, 731-4020587**