# OSWAL OVERSEAS LIMITED

## 40TH ANNUAL REPORT

## 2023-24

# OSWAL OVERSEAS LIMITED

**BOARD OF DIRECTORS**

| | |
|---|---|
| 1. Mr. Paramjeet Singh | Managing Director |
| 2. Mr. Anoop Kumar Srivastava | Director |
| 3. Mr. Rakesh Thapar | Independent Director |
| 4. Ms. Priyanka Pal | Woman cum Independent Director |

**COMPANY SECRETARY**
Mr. Lalit Kumar

**CHIEF FINANCIAL OFFICER**
Mr. Aijaz Ahmad

**CHIEF EXECUTIVE OFFICER**
Mr. Vijay Kumar Mishra

**AUDITORS**
D S R V AND CO LLP
Chartered Accountants,
FRN 006993N
Panchkula 134112

**BANKERS**
HDFC Bank
State Bank of India

**REGISTERED OFFICE**
98A, Second Floor,
Namberdar Estate,
Taimoor Nagar,
New Delhi-110065

**Sugar Factory**
Village: Aurangabad
Tehsil: Nawabganj
Dist.: Bareilly- 243406 (U.P)

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**OSWAL OVERSEAS LIMITED**
**CIN: L74899DL1984PLC018268**
**Registered Office: 98A, Second Floor, Namberdar Estate, Taimoor Nagar, New Delhi– 110065**
**Phone: (011) 41064256, Fax: (011)26332465, Email: cs@oswaloverseasltd.com**

# NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 40th ANNUAL GENERAL MEETING OF THE MEMBERS OF OSWAL OVERSEAS LIMITED (CIN L74899DL1984PLC018268) WILL BE HELD ON MONDAY, 30TH SEPTEMBER, 2024 AT 01:30 P.M. (IST) THROUGH VIDEO CONFERENCING ("VC")/ OTHER AUDIO VISUAL MEANS ("OAVM"), TO TRANSACT THE FOLLOWING BUSINESSES: -**

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2024, together with the Report of the Directors and Auditors' thereon.

2. To appoint a director in place of Mr. Anoop Kumar Srivastava (DIN: 07052640), who retires by rotation and being eligible offers himself for re-appointment.

## SPECIAL BUSINESS

3. **To ratify the payment of remuneration to the Cost Auditors for the financial year 2024-25.**

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

   **"RESOLVED THAT** pursuant to provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s M K Singhal & Co., Cost Accountants (Firm's Registration No. 00074) appointed as cost auditor by the Board of Directors of the Company to conduct the audit of the cost accounting records of the Company for the financial year ending 31st March, 2025 at Rs. 1,00,000/- (Rupees One Lakh Only) plus out of pocket expenses and applicable taxes be and is hereby ratified."

**By order of the Board**
**of Oswal Overseas Limited**
**Sd/-**
**Lalit Kumar**
**Company Secretary**

**Date: 31.08.2024**
**Place: New Delhi**

**Notes:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') which is considered to be unavoidable by the Board of Directors of the Company, is annexed hereto. Also, relevant details in respect of Directors seeking re-appointment at the AGM, in terms of Regulations 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings are also annexed to this notice.

2. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and share transfer books of the Company shall remain closed from Tuesday, 24th September, 2024 to Monday, 30th September, 2024 (both days inclusive).

3. The Ministry of Corporate Affairs ("MCA") has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022

dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 9/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") has vide circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and Circular No. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 (collectively referred to as "SEBI Circulars") permitted companies to conduct Annual General Meeting ("AGM") through Video Conference (VC) or Other Audio Visual Means (OAVM), subject to compliance of conditions mentioned therein. In compliance with the MCA Circulars and SEBI Circulars, the 40th AGM of the members of the Company is being conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered office of the Company. In this Notice, the connotation of "Members" and "Shareholders" is the same.

**4.** In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories /Registrar and Share Transfer Agent of the Company. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.oswaloverseasltd.com and website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

**5.** The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment/ appointment at this AGM is annexed.

**6.** Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through VC/ OAVM, whereby physical attendance of Shareholders has been dispensed with and in line with the said Circulars read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 ("said SEBI Circular") issued by the Securities and Exchange Board of India ("SEBI"), THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

**7.** Pursuant to Section 113 of the Act, Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution/Power of Attorney from its governing body, as the case may be, authorising their representative(s) to attend this AGM through VC / OAVM and vote on their behalf through remote e-voting or at the AGM, by email from their registered email address to the Company at cs@oswaloverseasltd.com mentioning the name of the Company in the subject line.

**8.** The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**9.** In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

**10.** **As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s Beetal Financial & Computer Services (P) Limited for assistance in this regard.**

**11.** SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, has reiterated that it is mandatory for all holders of physical securities to furnish their PAN as well as KYC to the RTA (Registrar and Share Transfer Agent) of the Company in respect of all concerned Folios and the Folios wherein even any one of the PAN, Address with PIN Code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities are not available on or after October 01, 2023, shall be frozen by the RTA. SEBI has introduced Form ISR - 1 along with other relevant forms to lodge any request for registering PAN, KYC details or any change/updation thereof. In terms of the aforesaid SEBI Circular, effective from 1st April, 2023, any service requests or complaints received from the member, are not processed by RTA till the aforesaid details/ documents are provided to RTA.

Members may also note that SEBI vide its Circular dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4.

Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at https://www.oswaloverseasltd.com, for information and use by the Shareholders. Members can send the documents by any one of the following modes –

- Sending hard copy of the said forms along with required documents to our RTA, M/s Beetal Financial & Computer Services Private Limited, 3rd Floor, Beetal House, 99, behind Local Shopping Centre, Madangir Village, Madangir, New Delhi, Delhi 110062 Phone: 011 – 29961281 Email: beetalrta@gmail.com or

- In Person Verification (IPV) of the said forms and required documents at the office of our RTA, or

- Through electronic mode, by downloading the said forms and filling the same through electronic mode with e-signature. The required documents should be emailed to the RTA of the Company at beetalrta@gmail.com

You are requested to kindly take note of the same and update your particulars timely.

Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or email address immediately to their respective Depository Participants.

**12.** Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

**13.** It will be desirable that queries, if any, on the accounts and operation of the Company are sent to the Company 7 days in advance of the meeting so that the answers may be made readily available, which would be appreciable. Please note that the shareholders' questions will be answered only if the shareholder continues to hold the shares as of cut-off date i.e. Monday, September 23, 2024.

**14.** The shares of the Company are being compulsorily traded in dematerialized (i.e. electronic form only) in the Bombay Stock Exchange. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard. For your information ISIN No. of the company is INE906K01027 for both the depositories, viz National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL).

**15.** **Nomination:** Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made there under, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13. Further, SEBI vide its Circular dated 16th March, 2023 has mandated to furnish Form ISR-3 or SH-14 for opting out of Nomination by physical shareholders in case the shareholder do not wish to register for the Nomination.

**16.** All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID cs@oswaloverseasltd.com till the date of AGM.

**17.** To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

**18.** **In compliance with the provisions of Clause 14 of Secretarial Standards on General Meetings no gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with the Meeting.**

**19.** **Voting:**

**(i)** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020,

5th May, 2022 and 28th December, 2022 followed by MCA Circular No. 09/2023 dated 25th September, 2023 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.

**(ii)** The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

**(iii)** The Board of Directors of the Company has appointed Mr. Anuj Kumar Malik, a Company Secretary in practice, (Membership no. A42273, CP NO. 16061) to act as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

**(iv)** The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM, in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.

**(v)** The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.oswaloverseasltd.com immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The results shall also be forwarded to the stock exchange where the shares of Company are listed.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Friday, 27th September, 2024 at 9:00 A.M. and ends on Sunday, 29th September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23th September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23th September, 2024.**

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. |

| | |
|---|---|
| | NSDL Mobile App is available on<br>App Store Google Play |
| Individual Shareholders holding securities in demat mode with CDSL | 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.<br>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.<br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

| **Login type** | **Helpdesk details** |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

| **Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical** | **Your User ID is:** |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br><br>For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12********** then your user ID is 12********** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br><br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login

and cast your vote.

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

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csanujmalik@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request at evoting@nsdl.co.in

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice**:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@oswaloverseasltd.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@oswaloverseasltd.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@oswaloverseasltd.com. The same will be replied by the company suitably.

**OSWAL OVERSEAS LIMITED**
**CIN: L74899DL1984PLC018268**
**Registered Office: 98A, Second Floor, Namberdar Estate, Taimoor Nagar, New Delhi– 110065**
**Phone: (011) 41064256, Fax: (011)26332465, Email: cs@oswaloverseasltd.com**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015**

| Sr. No. | Name of the Directors | Mr. Anoop Kumar Srivastava (Director) |
|---|---|---|
| 1. | Director Identification Number (DIN) | 07052640 |
| 2. | Date of Birth | 13.03.1978 |
| 3. | Date of Appointment on the Board | 31.03.2015 |
| 4. | Qualifications | B-Com |
| 5. | Experience and Expertise in specific functional area | 14 years' experience in IT management and 8 years' experience in export management |
| 6. | No. of equity shares held in the Company (as on 31st March, 2024) | NIL |
| 7. | List of other directorships | AMRIT RESTAURANTS AND HOTELS PRIVATE LIMITED |
| 8. | Relationships between directors inter-se | No |
| 9. | Name of other listed companies in which he/ she holds the directorship and membership of committees | NIL |

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## EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

**Item No. 3**

Pursuant to Section 148 of the Companies Act, 2013 the Company has to audit of its cost records conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of M K Singhal & Co., Cost Accountants (Firm's Registration No. 00074) of the Company to conduct audit of cost records of the Company for products covered under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year ending 31st March, 2025, at a remuneration of Rs. 1,00,000/- (Rupees One Lakh Only) plus reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31 March, 2025.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 3 of the Notice.

The Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

**Director's Report**

**To,**
**The Members,**
**OSWAL OVERSEAS LIMITED**

Your directors have pleasure in presenting their 40th Annual Report on the business and operations of the Company and the Audited Accounts of your Company for the Financial Year ended March 31, 2024.

## 1. FINANCIAL RESULTS

**(Amount in Lakhs except for EPS)**

| Particulars | For the Financial year ended on 31st March, 2024 | For the Financial year ended on 31st March, 2023 |
|---|---|---|
| Revenue from operations | 15208.29 | 21016.27 |
| Other Income | 129.44 | 182.00 |
| Total Income | 15337.73 | 21198.27 |
| Increase/Decrease in WIP and Finished Goods | 2854.33 | 2283.39 |
| Profit/Loss before Depreciation, Finance Cost and Taxes | (154.37) | 209.89 |
| Financial Charges | 260.32 | 345.43 |
| Depreciation | 360.24 | 352.62 |
| Profit / Loss before tax | (774.93) | (488.16) |
| Profit/Loss after Tax | (544.83) | 74.53 |
| Other Comprehensive Income, net of tax | 3.05 | 2.32 |
| Total Comprehensive Income | (541.78) | 76.85 |
| Earnings per Equity share of Rs. 5/- Basic (Rs.) | (4.19) | 0.59 |
| Earnings per Equity share of Rs. 5/- Diluted (Rs) | (4.19) | 0.59 |

## 2. OPERATIONAL PERFORMANCE:

| Particulars | For the Financial year ended on 31st March, 2024 | For the Financial year ended on 31st March, 2023 |
|---|---|---|
| **Sugar Division** | | |
| Start of crushing season | 07/11/2023 | 16/11/2022 |
| Close of crushing season | 28/02/2024 | 05/04/2023 |
| Duration (Days) | 114 | 140 |
| Recovery (%) | 9.82 | 9.60 |
| Cane crushed (Qtls) | 2906099 | 4181727 |
| **Production (Qtls)** | | |
| White Sugar (Qtls) | 283750 | 399840 |
| BISS Sugar (Qtls) | 1737 | 1384 |
| Molasses (Qtls) | 157230 | 216654 |

## 3. OPERATIONS:

Total Income of the Company has decreased from Rs. 21198.27 Lakh (2022-23) to Rs. 15337.73 Lakh (2023-24). This year your company gets the net loss after tax of Rs. 544.83 Lakh against a Net profit after tax of Rs. 74.53 Lakh in the previous year.

**4. DIVIDEND**

During the year under review, your Directors have not recommended any dividend for the financial year ended 31st March 2024.

**5. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN OF THE COMPANY**

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

**6. INDIAN ACCOUNTING STANDARDS (IND AS), 2015**

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

**7. INTERNAL CONTROLS SYSTEM AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements including the Financial Reporting System and Compliance to Accounting Policies & Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the Internal Control and Systems followed by the Company.

**8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In terms of the provisions of Regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Management Discussion and Analysis Report forms part of this report and annexed thereto.

**9. DEPOSITS**

During the year under review, your Company has not accepted any deposits from public within the meaning of Sections 73 and 74 of the Companies Act, 2013 (the "Act") and the Companies (Acceptance of Deposits) Rules, 2014.

**10. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS**

During the year under review, your Company has not made any loan, or given any guarantee or provided any security and/or made investments and thus the compliance of Section 186 of the Companies Act, 2013 is not applicable.

**11. AUDITORS**

**STATUTORY AUDITOR**

**M/s. DSRV and Co. LLP, Chartered Accountants, having (Firm Registration No. 006993N),** was appointed as the Statutory Auditor of the Company at the AGM held on September 27, 2022, to hold the office until conclusion of the 43rd AGM. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s DSRV and Co. LLP, Chartered Accountants, that their appointment is made in conformity with the limits specified in the said Section.

The report given by the Auditors on the financial statements of the Company for the financial year ended March, 2024 is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the Financial Year under review.

**SECRETARIAL AUDITOR**

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s Malik Anuj & Company, Company Secretaries (C. P. No. 16061) to undertake the secretarial audit of the Company for the financial year 2023-24. The Secretarial Audit Report is annexed herewith as "Annexure – 1".

**INTERNAL AUDITOR**

M/s. P.D. Ramanand & Co., Chartered Accountants (FRN No. 001104C), having office at MSG House, C-91, Sector 71, Noida, Uttar Pradesh – 201301 performed the duties of internal auditors of the Company for the financial year 2023-24 and their report is reviewed by the Audit Committee from time to time.

**COST AUDITOR**

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. M. K. Singhal & Co., Cost Accountants, Firm's Registration No. 00074, having office at Panchwati, Opposite MM College, Modinagar, Uttar Pradesh 201204 as the Cost Auditor to audit the cost records for the financial year ending 31st March 2025. Remuneration payable to the Cost Auditor is subject to ratification by the members of the Company. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. M. K. Singhal & Co., Cost Accountants, forms part of Notice convening 40th AGM of the Company, along with relevant details, including the proposed remuneration.

In terms of Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Act.

**CERTIFICATE ON CORPORATE GOVERNANCE**

As required by SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the certificate on Corporate Governance is annexed herewith as "Annexure – 3". The certificate for the financial year 2023-24 does not contain any qualification, reservation or adverse remark.

## 12. SHARE CAPITAL

Authorised share capital of the company is Rs. 360,000,000/- divided into 2,20,00,000 equity shares of Rs. 5/- each only and 25,000,000 preference share of Rs. 10/- each only as on 31st March, 2024. Total Paid up share capital of the company is Rs. 21,46,10,500/- divided into 1,29,22,100 equity shares of Rs. 5/- each and 1,50,00,000 Non-convertible Redeemable Preference Share of Rs. 10/- each.

## 13. DEPOSITORY SYSTEM

The Company's shares are available for dematerialization with National Securities Depository Ltd. (NSDL) and Central Depository Services (I) Ltd. (CDSL). 75.423% of the total shareholding of the Company was held in dematerialized form as on 31st March 2024.

## 14. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company.

**15. HUMAN CAPITAL**

Relations with employees continued to be cordial and harmonious. HR policies of the Company are aimed at attracting, motivating, and retaining employees at all levels.

**16. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

During the year under review, no amount was required to be transferred in the IEPF pursuant to the provisions of section 125 of Companies Act, 2013.

**17. ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act, the draft Annual Return of the Company for the Financial Year 31st March, 2024 is uploaded on the website of the Company and can be accessed at www.oswaloverseasltd.com.

**18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8, of The Companies (Accounts) Rules, 2014 is Annexed herewith as "Annexure – 2."

**19. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A) CHANGE IN DIRECTORS**

There were no changes in the Directors of the Company during the Financial Year 2023-24.

**B) RE-APPOINTMENT**

As per the provisions of the Companies Act, 2013, Mr. Anoop Kumar Srivastava, Director retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

**C) CHANGE IN KMPs**

There were no Changes in Key Managerial Personnel of the Company during the financial year 2023-24.

**20. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the financial year 08 (Eight) Board Meeting and 1 (one) independent directors meeting were held. The details of which are given in Corporate Governance Report.

**21. COMMITTEES OF THE BOARD OF DIRECTOR OF THE COMPANY**

Currently the Board has three committees: the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The details with regards to the composition and meetings held during the financial year 2023-24 are in the Corporate Governance Report.

**22. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

The current policy is to have an appropriate mix of executives and independent directors to maintain the independence of the Board, and separate its function of governance and management. On March 31, 2024, the Board consist of four members, one of whom is executive, one is non-executive and two are independent directors.

The policy of the company on director's appointment and remuneration, including criteria for determining qualification, positive attributes, independence of Director and other matters, as required under sub-section (3) of section 178 of the companies Act, 2013, is available on our website

(www.oswaloverseasltd.com). We affirm that the remuneration paid to the directors as per terms laid down in the Nomination and Remuneration Policy of the company.

**23. DECLARATION BY INDEPENDENT DIRECTORS**

The company has received necessary declaration from independent directors under section 149(7) of the Companies Act, 2013, that he/ she meet the criteria of independence as laid down in section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

**24. BOARD EVALUATION**

SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board Dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking board and committee's effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committee and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation process has been explained in the Corporate Governance Report.

**25. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS**

All new independent director inducted in to the Board attain an orientation program. The details of training and familiarization program are provided in the Corporate Governance Report and are also available on our website (www.oswaloverseasltd.com).

**26. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING**

The Board of Directors has adopted the Insider Trading Policy in accordance with the provision of the requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the company lays down guidelines and procedures to be followed, and disclosure to be made while dealing in the shares of the company, as well as consequences of the violation.

The Insider Trading Policy of the Company covering code of Practice and procedure of fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website (www.oswaloverseasltd.com).

**27. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report and also posted on the website (www.oswaloverseasltd.com) of the company. There has been no change to the Whistle Blower Policy of the company during the financial year 2023-24.

**28. MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES:**

A. Due to financial constraints being faced by the company no one director receiving any remuneration from the company. Further only sitting fees have been paid to directors during the year.
B. No increase in the remuneration of director in the financial year
C. Increase in remuneration of chief financial officer, chief executive officer, company secretary of the company in the financial year is as follow –

| Designation | Remuneration in 2023-24 | Remuneration in 2022-23 | Increase in remuneration % |
|---|---|---|---|
| Chief Executive Officer | 1262811 | 11,85,360 | 6.53 |
| Chief Financial Officer | 684600 | 6,64,600 | 3.01 |
| Company Secretary | 621456 | 6,21,456 | 0 |

D. Total no. of permanent employees of the company is 52 and seasonal employees are 59 as on 31st March, 2024
E. The remuneration paid to all the Key Managerial Personal was in accordance with remuneration policy adopted by the company.
F. The particulars of employee who are covered by the provision contained in Rule 5(2) and 5(3) of the companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 are:
   i). Employed throughout the year Nil
   ii). Employed for part of the year Nil

**29. CORPORATE GOVERNANCE**

Corporate Governance refers to, but not limited to, a set of laws, regulations and good practices and systems that enable an organization to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. Corporate governance requires everyone to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources optimally with the sound & prudent ethical standard. The Company recognizes that good corporate governance is a continuous exercise.

Adherence to transparency, accountability, fairness and ethical standard are integral part of the company's function. Your Company's structure, business dealings, administration and disclosure practices have aligned to good corporate governance philosophy. Your Company has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development which benefits all the stakeholders. The Company aims to increase and sustain its corporate value through growth and innovation.

Our Corporate Governance Report for the financial year 2023-24 form parts of this Annual Report.

**30. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) that in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) that the annual financial statements have been prepared on a going concern basis;

e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**31. RELATED PARTY TRANSACTION**

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

**32. RISK MANAGEMENT POLICY**

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided elsewhere in this Annual Report in Management Discussion and Analysis.

**33. ACKNOWLEDGEMENTS**

The company has been very well supported from all quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation received from Employees, Dealers, Suppliers, Central and State Governments, Bankers and others associated with the Company.

Your Directors wish to thank the banks, financial institutions, shareholders and business associates for their continued support and cooperation.

We look forward to receiving the continued patronage from all quarters to become a better and stronger company.

**For and on behalf of the Board of Directors**
**OSWAL OVERSEAS LIMITED**

| | | |
|---|---|---|
| | **Sd/-** | **Sd/-** |
| | **Anoop Kumar Srivastava** | **Paramjeet Singh** |
| **Place: New Delhi** | **Director** | **Managing Director** |
| **Dated: 31/08/2024** | **DIN: 07052640** | **DIN: 00313352** |

## MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

### 1. INDUSTRY STRUCTURE AND DEVELOPMENT

**GLOBAL SCENARIO**

Over the last 5 years, India has established as an efficient and consistent exporter of sugar to global market. During year 2017-18, the country exported a quantity of 0.5 million MT, increased it to 3.8 million MT next year, 6.0 million MT during 2019-20, 7.2 million MT during 2020-21. During the year 2021-22, India surprised the global Sugar community by exporting a record 11.1 million MT of Sugar despite logistics and sugar export quota challenges. During 2022-23, the country could export just 6.4 million MT and could have exported more but could not because of Government restrictions on exports.

These restrictions on exports continued for the year 2023-24 as well and therefore country's export numbers during the year are almost nil barring small exports to Nepal, Bhutan, Maldives. Absence of Indian sugar from global trade and poor crop in Thailand has majorly helped sugar prices in international market to firm up.

International Sugar prices for both raw and white sugar have touched high of last 11 years due to lower crop not only in India but also Thailand with only silver lining from Brazil achieving record sugar production during the year 2023-24. It has been seen that whenever Indian Sugar is not in global market or India is importing sugar, International Sugar prices takes cognizance of it and remains bullish. Brazil has achieved record sugar production during the year and most of global sugar requirement is fed by Brazil. Brazil during the year 2023-24 (April – March) exported a quantity of 35.2 million MT of Sugar which is higher by almost 26.8% as compared to last year.

**ICE 11 (Raw Sugar Prices):**

Raw Sugar prices started from the level of 14.71 cents/pound on 1st April 2021 lowest level during the period, touched high of 27.95 cents during November 2023 and closed at level of 22.5 cents / pound as on 31st March,2024.

**LIFFE (White Sugar Prices):** White Sugar prices started from the level of 423.4 USD/MT as on 1st April 2021, touched low of 420.5 USD during April 2021, high of 763.4 USD during November 2023 and closing level of 652.5 of March 2024 month.

**Influence factors during the Year 2023-24**

**India:** Sugar Year 2023-2024 has been first such year after a gap of 5 years when there have been no exports from India. Last 5 years, country has consistently exported record volumes of sugar and in between occupied tag of second largest exporter of sugar after Brazil. With fact that there is no more export available from India coupled with lower crop in Thailand, International prices remained firm during the year, benefit of which has been roped in by Brazilian Sugar mills producing record volumes of sugar.

During 2023-24, with improved crop position as against initial estimates, Industry Association has approached the Government to allow permission for exports of 1.0 million MT of Sugar to which there has been no favourable response from government so far.

Other than exports, in between there was speculation that India might need to import sugar on account of lower stocks during last leg of season 2022-23. However, the government managed the show very well managing the domestic available demand with available lower stocks and did not let any volatility in sugar prices. Going ahead it seems that during 2023-24 and year 2024-25, India will

continue to be isolated from Global market and no sugar are expected to be available for exports or any imports into country which will be quite supportive for global markets.

**Crude Oil:** Crude Oil plays major influencing role for Sugar prices as it is one of the major macro factors and secondly crude oil prices affect diversion of cane towards ethanol in Brazil. However, during the year 2023-24, higher sugar prices have motivated sugar mills in Brazil for higher / record diversion of cane towards Sugar.

During period April 2023- March 2024, Crude oil price (Brent) started at level of 84.93 USD/barrel as on 1st April 2023, touched low of 71.28 USD, high of 97.69 USD with closing level of 87.48 USD/ barrel as on 31st March 2024. Average crude Oil price through the Year worked out to 82.08 USD/barrel.

**Currency:** Brazilian Real: During the Year (April – March) 2023-2024, Brazilian real has started from the level of 5.06 in beginning of April 2023 and the level by end of March 2024 at 5.02 is almost the same. During the year, the weakest level was 5.22, strongest level was 4.70 with average level of 4.93. Indian Rupee: INR has depreciated during 2023-24 (April – March), from the level of 82.21 as on 1st April 2023 to 83.35 as on 31st March 2024 i.e., depreciation of 1.39%. During the year, the strongest level has been 81.57, weakest level has been 83.73 with average of 82.78.

**INDIAN SCENARIO:**

After having touched peak gross sugar production of 39 million MT during 2021-22, All India Sugar production is on decline since then. During 2022-23, All India gross sugar production dipped to 36.6 million MT and then next year i.e., 2023-24, it is estimated to further dip to 34.0 million MT. During the year 2024-25, as per estimates Sugar production will further take a dip by almost 10%.

While all these years sugar production continues to be higher than consumption, declining sugar production is certainly affecting the diversion of sugar towards Ethanol.

The year 2023-24 will be the first year when diversion of Sugar towards Ethanol will decline. Diversion of Sugar towards ethanol has increased significantly from the level of meagre 0.5 million MT during year 2018-19 to 3.8 million MT during 2022-23. During 2023-24, this diversion figure will take a dip to an estimated level of 2.0 million MT.

Year 2023-24 has been very interesting, where initial estimates of gross Sugar production were low at level of 32 million MT on estimates of lower crop in state of Maharashtra and Karnataka. Such lower production estimates for the year raised inflation worries for the Government and prompted the Government to put restrictions on diversion of sugar towards Ethanol. During mid-December, the Government reduced allocated quantity of B Heavy Ethanol / Syrup Ethanol orders issued by OMCs such that total diversion of sugar towards Ethanol is capped at level of 1.7 million MT.

However, situation did not turn out to be so bad as initially estimated and actual crop position in Maharashtra and Karnataka turned out to be better because of which estimates of gross All India sugar production is 34.0 million MT now.

With improved crop position in state of Maharashtra and Karnataka, as per media reports, Government considering allowing additional diversion of sugar towards Ethanol which will take total diversion to estimated level of 2.0 million MT.

Looking into increased sugar production as against last estimates, Industry has additionally demanded permission for export of 1.0 million MT sugar, to which Government has not shown any positive response so far.

Year 2023-24 will be the first year after almost 5 years when there will no major export of sugar except small quantity of sugar being exported to countries like Nepal, Bhutan, Maldives. Last 5 years, India has consistently exported sizeable volumes of sugar, created new records despite all logistics challenges, quota systems, etc.

During year 2021-22, India exported record sugar quantity of 11.1 million MT comprising of raw sugar, low quality whites and refined sugar. So, Government while till last year was quite aggressive in promoting diversion of sugar towards Ethanol and promoting sugar exports, this year has taken a pause and has banned Sugar exports and regulated diversion of sugar towards Ethanol.

During last 5 years, both Central and State Governments have aggressively promoted Ethanol manufacturing capacities across the country. Central Government had allowed Interest subvention scheme which is coupled with various subsidy schemes floated by various State governments. As a result, current Ethanol manufacturing capacity stands at almost 900 crore litres from Sugar route and 500 crore litres from grain route which is in line with Government's roadmap.

Ethanol production, which till 5-6 years back was considered a by-product of Sugar Industry has now become an important product of Industry and time not far when is going to become the major / main product for the sector. But restrictions imposed on Ethanol through sugar route during year 2023-24 has not only affected the Distillation capacity utilization of Industry but also the overall spirit of the sector. As per various statements from Government authorities, the said regulation on sugar diversion towards ethanol is temporary in nature and Government to allow additional diversion soon.

While cane remains the remunerative crop for farmers, cane availability has come down which is more to do with weather related issues in vulnerable states like Maharashtra, Karnataka, Tamil Nadu.

A big fluctuation is seen in cane availability in these states which affects overall Sugar production and availability of sugar for diversion towards Ethanol.

It is high time now that Industry under support and guidance from the Government sources starts working on better water conservation mechanisms like drip irrigation, rainwater harvesting, trash shedding and mulching, etc. to away with weather related fluctuations in cane crop.

This year due to issues with cane variety and cane related disease, cane yield is lower in many pockets in the state of U.P. affecting overall cane availability in the state.

Industry under Government Support needs to do away with weather related volatility in cane crop, adopt best farm practices, water conservation mechanisms and in process get consistent crop as country is targeting 20% Ethanol blending by year 2025 and almost 50% of the quantity is targeted through Sugar route.

In last 10 years, Sugar production has grown at CAGR of almost 3 % and there had been a year in between i.e., 2021-22 when India became the largest sugar producer in world surpassing Brazil. Till year 2016-17, India's Sugar production has always been below 30 million MT but afterwards in last 7 years, country's net sugar production (after diversion towards Ethanol) has always been above 30 million MT except one year 2019-20 when sugar production could reach level of 27.4 million MT only.

On Sugar export front, while during 2023-24 country is not exporting sugar, during year 2021-22, India has shaken the world market by exporting record 11.1 million MT of Sugar. Next year 2022-23, country exported a quantity of 6.4 million MT of Sugar and could have exported more but there were export restrictions later part of the year.

Sugar consumption continues to grow at CAGR of 1.65 % in last 10 years and touched level of 27.9 million MT during 2022-23 and is estimated at level of 29.0 million MT during 2023-24. However, when the consumption growth in the last 5 years is analyzed, it is found that consumption growth is at a higher level of 2.15% CAGR.

Government policies for the sector has been very supportive and pro-active because of which all the stakeholders of Sugar Industry are in win-win situation starting with farmers benefiting in form of better yields / Sugar recovery (barring weather related volatility), fast payments, good cane price, Sugar Mills benefiting from good Sugar recovery, diversion of excess sugar towards ethanol with better cash flow position, Trade benefiting from less price volatility and domestic consumer benefitting from easy availability of Sugar at much affordable prices as compared to other commodities and for economy by new investments in sector, increased collection of taxes / creation of new jobs, etc.

Sugar Industry in India is in win-win situation as above but has also become a case study for many other countries as how to effectively utilize the resources available and how to turn a crisis of Surplus Sugar production into opportunity of 20% ethanol blending with everybody in the chain benefiting from the policy.

**INDIAN ETHANOL SECTOR OVERVIEW**

India's ethanol market surged to US$ 6,512.27 Million in 2023, set for robust growth at an 8.84% CAGR, potentially reaching US$ 10,456.98 Million by 2029. The surge is fueled by rising ethanol use in fuel additives and beverages. Government investments in converting surplus sugar to ethanol and establishing an ethanol economy further propel growth. The Ethanol Blended Petrol (EBP) program, launched in 2003, mandates blending ethanol with petrol to cut greenhouse gas emissions and promote cleaner fuels.

India aims for 20% ethanol blending by 2025, driving ethanol production. Despite an expected drop in blending rates for 2023-24, India targets 20% blending by 2025. Government efforts to expand ethanol capacity reduce reliance on imported crude oil and utilise excess sugar inventories, aiming for an ethanol market volume of around 6,400 thousand Tonnes by fiscal year 2035. In order to achieve the target of 20% blending by 2025, about 1,016 Crores litres of ethanol is required and total requirement of ethanol including for other uses is 1,350 Crores litres. For this, about 1,700 Crores liters of ethanol producing capacity is required to be in place by 2025 considering the plant operates at 80% efficiency. The Government has estimated the demand of ethanol required for 20% blending by 2025 keeping in view the growth of petrol-based vehicles in two-wheeler and passenger vehicle segments and the projected sale of Motor Spirit (MS).

**INDIAN CO-GENERATION OVERVIEW**

Sugarcane serves as a significant agricultural biomass energy source, yielding two types of biomass: sugarcane trash and bagasse. Bagasse, comprising fibrous material left post-milling with 45-50% moisture content, consists of a blend of hard fibers and soft tissue with high water absorbing capacity. Sugar factories, processing 100 Tonnes of sugarcane, typically generate around 30 Tonnes of wet bagasse. This fibrous residue is commonly employed as the main fuel source for sugar mills.

In substantial combustion, bagasse, a residue from sugarcane processing, produces substantial heat and electricity, capable of powering the complete operations of a standard sugar factory. This fibrous material, composed of hard fibers and soft tissue with a moisture content of 45-50%, is a byproduct of sugarcane processing and commonly serves as a fuel source in sugar mills.

The combustion of bagasse in significant amounts produces heat and electricity, supplying the necessary energy for mill operations. Furthermore, the CO2 emitted during this process is balanced

by the amount absorbed by sugarcane during its growth, rendering the electricity generation from bagasse a carbon-neutral process.

India produces 450-500 Million Tonnes of biomass annually, contributing 32% to its primary energy use. With a total power generation capacity of 424 GW, including 180 GW from non-fossil fuels and 88 GW under development, India aims for 500 GW of renewable energy capacity by 2030. The biomass market in India is projected to reach H32,000 Crores by FY 2030-31, driven by government initiatives and investments from global green energy firms. New schemes supporting biomass cogeneration projects are bolstering capacity additions, particularly in remote and rural areas. Bagasse cogeneration stands at 9,433.56 MW, while non-bagasse biomass cogeneration is at 814.45 MW, according to the Ministry of New and Renewable Energy (MNRE). Additionally, around 70 cogeneration projects totaling 800 MW are in various stages of implementation.

**POLICY INITIATIVES BY THE GOVERNMENT: -**

The government capped sugar diversion for ethanol making at 17 Lakh Tonnes for the current 2023-24 season (October-September) in view of likely fall in sugar production due to drought in parts of Maharashtra and Karnataka. The government had recently announced an incentive for ethanol made from maize. But since the sugarcane crop is more efficient in terms of water, nutrients, land use or carbon sequestration, as compared to maize, sugarcane also deserves to be supported more by the government.

**Fair and remunerative price (FRP)**

For the Sugar Year 2021-22, Central Government had increased the Cane FRP by Rs. 5 per quintal from the level of Rs. 285 per quintal to Rs. 290 per quintal linked with 10% Sugar recovery. For every 0.1 percent increase in Sugar recovery above 10 percent, a premium of Rs. 2.90 per quintal will be paid by Sugar Mills. Also, the government has made a provision for reduction in FRP by Rs. 2.90 per quintal for every 0.1 percentage point decrease in recovery, in respect of those mills whose recovery is below 10 per cent but above 9.5 per cent. However, for mills having a recovery of 9.5 per cent or below, the FRP is fixed at Rs 275.5 per quintal. For Sugar Year 2022-23, Central Government further increased FRP to Rs. 305 per Quintal linked with 10.25% recovery. Premium of Rs. 3.05 per quintal will be provided for each 0.1% increase in recovery over and above 10.25%. For every 0.1% decrease in recovery, FRP will be reduced by Rs. 3.05 per quintal. However, no deduction in FRP for recovery below 9.5%, means that farmer will get Rs. 282.125 per quintal for cane with recovery of up to 9.5%. For Sugar year 2023-24, Central Government increased cane FRP by Rs 10 per qtl to level of Rs. 315/qtl for a basic recovery rate of 10.25%. It had been approved to provide a premium of Rs. 3.07/qtl for each 0.1% increase in recovery over and above 10.25% & reduction in FRP by Rs. 3.07/qtl for every 0.1% decrease in recovery. Government has also decided that there shall not be any deduction in case of sugar mills where recovery is below 9.5%. For Sugar year 2024-2025, Government increased Cane FRP by Rs. 15 per qtl. to Rs. 340 per quintal for a basic sugar recovery rate of 10.25%. Provision for proportionate premium in price for recovery above 10.25% and proportionate deductions below 10.25% recovery provided. No deductions in FRP for sugar recovery below 9.5%, as per the existing practice.

**Minimum support prices**

Due to high Sugar production during 2018 resulting into excess Sugar supply in market, Sugar prices across the country started coming down and had come down below the cost of Production. To arrest falling Sugar prices, Government fixed Minimum uniform selling price of Sugar at Mill level, across the country as under: -

- ✓ On 6th June 2018, Government approved fixing of Minimum Price of Rs. 29.0 per Kg for Sugar below which no Sugar Mill can sell in domestic market.
- ✓ On 14th Feb 2019, Government increased MSP of Sugar to Rs. 31 per Kg.

There has been no increase in MSP since Feb 2019 (more than 5 years now) and it is high time that Government should increase MSP in line with increasing cost in terms of cane price / other inputs.

## 2. SWOT ANALYSIS:

**Strength**:

- It is an established player in the sugar industry with an installed capacity of 3500 TCD at its plant situated at Aurangabad, Nawabganj, Bareilly.
- The Company possesses an experience of more than 2 decades in sugar manufacturing.
- The unit is strategically situated in cane rich belt of central Uttar Pradesh.
- Abundant Land at the existing plant site which may be used for the Company's future expansion and diversification programmes
- The unit is empowered with experienced, skilled and young Human Assets
- In India, sugar cane stands out as a profitable cash crop.
- India takes the lead in global sugar consumption and holds the second position in sugar production.
- The sugar sector not only fosters related industries' growth but also enhances the well-being of the rural economy in India
- Presence of temporary labor force during peak period ensures maximum profits.

**Weaknesses:**

- Being the Seasonal Industry, OOL's growth plan & profitability depends on various cyclic constraints.
- Cane price is administered by State Government which may affect profitability and cash flow of Company.
- Cane prices in the industry are notably higher than the global average.
- Several companies in the sector continue to employ outdated equipment.
- Financial challenges are prevalent among many mills, stemming from a shortage of funds.
- Quality of raw material largely depends upon natural and seasonal factors.

**Opportunities:**

- Co-Generation through Bagasse /Biomass, proposed to be used for forthcoming Co-gen Power Plant will qualify for Carbon Credits Mechanism
- OOL is planning to expand its Sugar Capacities and setting-up Co-generation plant by consuming the by-product bagasse / Biomass through external resources. This will give opportunity to make use of capital resources during the off season even when sugar production remains stopped.
- Production of value added products such as refined sugar, small packs, sugar cubes etc. that shall bring in higher contribution.
- White sugar has the maximum market share in India and OOL will produce maximum white sugar in future also.
- India's per capita sugar consumption averages around 20 kg, trailing the global average of 23 kg.
- Embracing enhanced farming techniques has the potential to substantially boost yields and efficiency.
- The government's mandatory ethanol blending policy is a key driver for ethanol demand.
- Technological upgrades can enhance the utilisation of by-products for greater efficiency.

**Threats:**

- OOL has only one manufacturing plant which increases its risk in case of a plant failure or maintenance issues.
- OOL has to face tough competition with the existing competitors.
- Sugar & Alcohol/Ethanol Industries are always poised to threat because of continuous monitoring by Government policies in the form of Regularization or De-regularization & infrastructure changes.

- ❖ Cropping patterns and yield levels are impacted by climate change.
- ❖ The sector relies significantly on the unpredictable nature of monsoon seasons.
- ❖ Insufficient infrastructure often results in cane farming being highly contingent on unpredictable weather patterns.
- ❖ Sugar industry is very volatile as many factors including rainfall, cultivated area and transportation cost affects sugarcane prices and hence make this industry unpredictable.

**3. HUMAN RESOURCES/ INDUSTRIAL RELATIONS**:

The objective of your company is to create a workplace where every person can achieve his or her full potential. The employees are encouraged to put in their best. OOL recognizes that a large part of its success is attributable to the excellent human resources base created over the years. This intellectual capital reflects in the quality of our business strategy, our customer's relationship, strong project management and commercialization skills and our development capabilities. As of March 31, 2024, OOL had 111 employees.

**4. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:**

The efficiency of the internal control system has been improved with implementation of high level of system-based checks and controls through core business process in materials, operations, accounting & HR. Regular internal audits and checks are carried out to ensure that responsibilities are executed effectively and that adequate systems are in place to maintain authenticity and correctness of recorded transactions.

**5. FINANCIAL TRANSACTION**:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, and The Indian Accounting Standards (Ind AS). Our management accepts the responsibility for the integrity and objectivity of these financial statements as well as for various estimates and judgment used therein. The estimates and judgments relating to the financial statements have been made on a prudent & reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transaction and reasonably present out state of affairs and profits of the year.

**6. BUSINESS HIGHLIGHTS**

**Operational**

- ➢ In 2023-24, we crushed 29,06,099.23 Quintals of sugarcane, a 30.505% decrease from 41,81,726.57 Quintals crushed during the previous year.
- ➢ Total recoverable sugar (yield) per Quintals of sugarcane was 9.82% in FY 2023-24 as compare to 9.60% in FY 2022-23.
- ➢ The total sugar produced in 2023-24 was 2,85,457 Quintals as compared to 4,01,224 Quintals in 2022-23.
- ➢ Total power generation decreased to **19230651 Kwh** units in 2023-24 from **26623800 kwh** units in 2022-23.
- ➢ In 2023-24, your company Supplied **8084105 kwh** units Co-Gen Energy to UPPCL as compare to **10905575 kwh** units in 2022-23.

**Revenue analysis**

- ➢ Gross revenues in financial year 2023-24 have decreased (27.6463%) to Rs.1,53,37,73,126/- from Previous Year 2022-23 Rs. 2,11,98,27,337/- while the net loss after tax were at Rs. 5,44,83,841/- in F.Y. 2023-24 in comparison of Net Profit Rs. 74,53,404/- in the F.Y. 2022-23.

**7. CAPITAL STRUCTURE**:

The paid-up capital of the company is Rs. 21,46,10,500/- as on 31st March, 2024 divided into equity share capital of Rs. 6,46,10,500/- and Preference share capital of Rs.15,00,00,000/-.

**8. RESERVE:**

Company's Free Reserves was Rs. -20,62,35,091/-in Financial Year 2023-24 in comparison to Financial Year 2022-23 Rs. -15,18,02,733/-.

**9. FINANCIAL OBJECTIVITY, INITIATIVE AND ACHIEVEMENTS:**

Your Company is taking proactive measures to ensure all financial costs are effectively reduced to positively impact the bottom line:

(i) **Finance Cost**: The outflow on account of Finance Cost charges decrease from Rs. 3,45,42,865/- in financial year 2022-23 to Rs. 2,60,31,617/- in financial year 2023-24, representing a decrease of 24.64%.

(ii) **Inventories**: In Financial Year 2022-23 the inventory value was at Rs. 62,03,11,670 /- while in financial year 2023-24 is at Rs. 32,08,07,302 /-.

(iii) **Depreciation and Amortization Exp.**: Depreciation and Amortization Exp. Increase from Rs. 3,52,61,663/- in financial year 2022-23 to Rs. 3,60,23,831/- in financial year 2023-24.

(iv) **Property Plant &Equipment:** Property Plant & Equipment in 2023-24 is of Rs.83,30,18,830 /- while in 2022-23 was Rs. 86,48,96,963/-

(v) **Loans & Advances**: In Financial Year 2023-24, loans & advances stood at Rs.1,01,17,616/- compared to Rs. 1,01,17,616/- in Financial Year 2022-23.

**10. MATERIAL ACCOUNTING POLICIES**: (As mentioned in the Auditors Report)

Revenue Recognition, Inventories Valuation, Fixed Assets, Depreciation, Research & Development, Expenditure on new projects & substantial expansions, Goods and Service Tax, Borrowing Cost, Earning Per Share, Taxes on Income, Segment Reporting Policy, Intangible Assets, Impairment of Assets, Provisions, Cash & Cash equivalent.

**11. DETAILS OF SIGNIFICANT CHANGES:** (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios along with detailed explanation therefore, including:

| Sr. No. | Key Financial Ratios | F.Y. 2023-24 | F.Y. 2022-23 | Change % | Reasons for significant change |
|---|---|---|---|---|---|
| 1. | Current Ratio | 0.42 | 0.58 | (28.09) | Increase in current liabilities due to operating loss |
| 2. | Debt Equity Ratio | 1.97 | 1.02 | 92.76 | Decrease in the net worth |
| 3. | Debt Service Coverage Ratio | -0.13 | 0.16 | (182.22) | Repayment of term loan and reduction in interest payment |
| 4. | Return on Investment/Equity (ROI) (%) | -45.64 | 4.29 | (1164.34) | Higher net loss after interest and tax |
| 5. | Inventory Turnover Ratio | 3.16 | 2.71 | 16.93 | - |
| 6. | Net Profit Margin (%) | -3.58 | 0.35 | (1110.16) | Loss incurred during the year |
| 7. | Trade Receivable Turnover | 79.00 | 58.88 | (34.16) | Reduction of Average |

| | | | | | |
|---|---|---|---|---|---|
| | Ratio | | | | Trade Receivable |
| 8. | Trade Payable Turnover Ratio | 1.26 | 1.62 | (22.11) | - |
| 9. | Net Capital Turnover ratio (Times) | (2.93) | (5.09) | (78.87) | Increase in Negative net working capital |
| 10. | ROCE (%) | -33.51 | -4.06 | 725.51 | Increase in negative EBIT and lower capital employed |

**12. RISK MANAGEMENT:**

As a Company poised to take on the mantle of industry mainstream, OOL is exposed to various risks. The Company is engaged in the business of manufacturing Sugar. Some of these risks are external and result from the business environment we operate in, while some are internal to the Company. We have developed a risk reporting management process to manage potential risks in an informed manner.

We have a three-pronged risk management process. Our comprehensive risk governance culture ensures that business decisions taken balance risk and reward. Consequently, our earnings-generating initiatives are consistent with our risk standards. Our risk-management revolves around corporate policies that outlined standards and provide measurement guidelines for each risk category. The Company proactively evaluates and puts in place risk-mitigation initiatives, sets prudent limits on quantum of risk undertaken and does risk evaluation of major policy decisions.

We manage the variables impacting business risk with a disciplined risk management process is keeping with established standards. The risk management strategies and processes are regularly reviewed in keeping with the changing environment.

**13. RISK ENVIRONMENT:**

A number of potential risks in the current environment might make the Sugar Industry mixed prospects over the coming years. These risks may stem from Central/ State Government Policies, Cane availability, State administered Cane Price, Customer Concentration Risk and Geographical Risks amongst others. OOL is, however, well poised to manage and mitigate these risks.

**14. STEPS TAKEN TO MITIGATE RISKS**

The Company has built enviable relationship over the years with the local farming community. It has diversified into Co-gen. OOL is planning to upgrade its existing plant through expansion and diversification on the basis of latest technology and human expertise.

**15. OTHER RISKS AND KEY MANAGEMENT INITIATIVES :**

**a) Industry risk management:**

Indian Sugar Companies are prone to induced cyclicality, with higher cane prices which are adversely affecting the profitability. OOL operates in an industry where demand & supply is restricted due to seasonality of operations & Government Policies, Administered Cane Prices which may jeopardize future growth of the medium and small sized group like ours.

b) **Regulatory Risk**:

The policies of the Government may not be conducive to the growth and development of the Indian Sugar Industry, particularly for a short span of time.

There are various favourable policies expected from the Government in the near future.

**c) Working Capital Risk:**

The sugar sector is working-capital intensive. The continued slump in the Industry may affect the Company's profitability to manage its working capital requirements.

The Company will manage the enhanced requirement of working capital by means of working capital limits by the banks, short-term loan or unsecured loan from the promoters and issue of share capital to the promoters & others.

d) **Business Model Risk:**

The Company's business model may not be effective in a year of sugar down turn.

To mitigate the risk our Company has adopted a diversified model comprising Sugar and Power to minimize the inherent risk of cyclicality of the sugar business.

e) **People risk management:**

High quality human resources are vital to the success of our business.

In order to retain talent, the Company promotes a sense of ownership and pride in association with strong HR initiatives, which have helped us keep attrition rates well in control.

f) **Cash flow risk:**

The Company operates in a cyclic growth-oriented industry, especially on account of changing Government Policies of administered prices, control/decontrol and cane availability. Hence, it is imperative to efficiently estimate and manage cash flows in this volatile environment. The Company's working capital arrangement is comparatively low against any uneven or seasonal factors. Hence the Company is trying to tie-up additional alternative financing or cost optimization/ funding the operations. Besides the Company monitors liquidity on a regular basis.

**g) Security risk management:**

Operations could be disrupted due to natural, political and economic disturbances.
As a part of its 'Disaster Recovery' plan, all related risks have been mapped by the Company and are monitored regularly.

**16. DISCLOSURE:**

During the year under review, the Company has not entered into any transaction of the material nature with its Promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

**17. MANAGEMENT'S RESPONSIBILITY STATEMENT:**

The management is responsible for preparing the Company's financial statements and related information that appears in this annual report. The management believes that these financial statements fairly reflect the form and substance of transactions and reasonably represent the Company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles.

**18. CAUTIONARY STATEMENT:**

Some of the statements in this report that are not historical facts are forward-looking statements. The forward-looking statements include our financial growth projections as well as statements concerning our plans strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change.

These risks include uncertainties that could cause actual events to differ materially from these forward-looking statements. These risk include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world and other risks not specifically mentioned.

**For and on behalf of the Board of Directors**
**OSWAL OVERSEAS LIMITED**

| | | |
|---|---|---|
| | **Sd/-** | **Sd/-** |
| | **Anoop Kumar Srivastava** | **Paramjeet Singh** |
| **Place: New Delhi** | **Director** | **Managing Director** |
| **Dated: 31/08/2024** | **DIN: 07052640** | **DIN: 00313352** |

**Annexure – 1**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

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

To,
The Members,
**Oswal Overseas Limited**
**(CIN: L74899DL1984PLC018268)**
**98A, Second Floor, Namberdar Estate,**
**Taimoor Nagar, NFC, New Delhi 110065**

Sir,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Oswal Overseas Limited (the Company)**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

**i.** The Companies Act, 2013 (the Act) and the rules made thereunder;

**ii.** The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made hereunder;

**iii.** The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

**iv.** Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(Not applicable as the Company does not have any Foreign Direct Investment, Overseas Direct Investment or External Commercial Borrowings)

**v.** The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015;
d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(Not applicable as the Company has not issued any securities)
e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014);
(Not Applicable as the Company has not formulated any Employee Stock Option Scheme and Employee Stock Purchase Scheme)
f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(Not applicable as the Company has not issued any debt securities which were listed)
g. 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 as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.)
h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(Not applicable as the company has not opted for any Delisting) and
i. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;
(Not applicable as the company has not done any Buyback of securities.)

**vi.** Other laws as applicable specifically to the Company:

**a.** Levy Sugar Price Equalisation Fund Act, 1976
**b.** Sugarcane (Control) Order, 1966
**c.** Food Safety and Standards Act, 2006
**d.** Sugar Development Fund Act, 1982
**e.** Essential Commodities Act, 1955

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

**(i)** Secretarial Standards issued by The Institute of Company Secretaries of India as notified by the Ministry of Corporate Affairs.
**(ii)** The Listing Agreement entered into by the Company with the BSE Limited;

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

I further report that:

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

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

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the Minutes.

I further report that 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.

**For Malik Anuj & Company**
**Company Secretaries**

**Sd/-**
**Anuj Kumar Malik**
**Prop.**
**ACS No.: A42273**
**COP No.: 16061**
**UDIN: A042273F000964711**
Place: Ghaziabad
Date: 13th August, 2024

To,

The Members,
**Oswal Overseas Limited**
**(CIN: L74899DL1984PLC018268)**
98A, Second Floor, Namberdar Estate,
Taimoor Nagar, NFC New Delhi 110065

Sir,

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the 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. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Malik Anuj& Company**
**Company Secretaries**

**Sd/-**
**Anuj Kumar Malik**
**Prop.**
**ACS No.: A42273**
**CoP No.: 16061**
**UDIN: A042273F000964711**

Place: Ghaziabad
Date: 13th August, 2024

**ANNEXURE – 2**

**INFORMATION AS PER SECTION 134 (3) (m) READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2024**

## A. CONSERVATION OF ENERGY:

The Company has already installed most modern equipment to save and minimize energy consumption. The Company is having capacity of 12 MW co-generation plant. The Company has also made standby arrangement of two Diesel Generating Sets.

To achieve maximum conservation of energy, the Company has put up Variable frequency drives, LED Lights, high pressure boilers and matching turbo alternators and prime movers. The Company is also having electrical motors of appropriate size, continuous centrifugal M/c and batch type centrifugal M/c.

| I. ELECTRICITY | Current Year 2023-24 | Previous Year 2022-23 |
|---|---|---|
| **a) Units Purchased** | **17390** | **18676.00** |
| Total Amount (Rs.) | **187991** | **201648.00** |
| Rate per Unit (Rs.) | **10.81** | **10.80** |
| **b) Own Generation** | | |
| i) Trough Diesel Generator Units | **39139.05** | **61314.20** |
| Units Per Litre of diesel oil | **2.85** | **2.81** |
| Cost per Unit (Rs.) | **30.87** | **31.90** |
| **ii)** Through Turbine (Units) | **19230651** | **26623800** |
| **iii)** Co- Gen Energy Supplied to UPPCL Through T.G set 3 | **8084150** | **10905575** |
| **II. CONSUMPTION PER UNIT OF PRODUCT** | | |
| **i)** Electricity (KW / MT) | | |
| **ii)** Bagasse (MT / MT) | Own bagasse used and cost not ascertained | Own bagasse used and cost not ascertained |

## B. TECHNOLOGY ABSORPTION:

| | |
|---|---|
| **a)Research & Development** | |
| i) In house research & development has been carried out further for improvement in quality of sugar cane and to increase the area under the sugarcane crop of better quality which will ensure its greater availability resulting into more production and better recovery and higher yield thereby directly reducing the cost of production. | |
| ii) In house research & development has been carried out further for improvement in quality of sugar cane and to increase the area under the sugarcane crop of better quality which will ensure its greater availability resulting into more production and better recovery and higher yield thereby directly reducing the cost of production. | NIL |
| iii) The Company is further planning to improve quality of cane & ensure development of cane by providing better cane seed and other various facilities to cane Growers. | |
| iv) Amount incurred on Research & Development | |
| **b) Technology absorption, adoption and Innovation:** | |
| i) Latest technology has been adopted in the plant to maximize consumption of energy. | NIL |
| ii) Technology Imported | NIL |

**C. FOREIGN EXCHANGE EARNING & OUTGO:**

| | | |
|---|---|---|
| i) | Foreign Exchange Earnings (Rs. In Lakh) | NIL |
| ii) | Foreign Exchange Outgo (Rs. In Lakh) | NIL |

**For and on behalf of the Board of Directors**
**OSWAL OVERSEAS LIMITED**

| | | |
|---|---|---|
| | **Sd/-** | **Sd/-** |
| | **Anoop Kumar Srivastava** | **Paramjeet Singh** |
| **Place: New Delhi** | **Director** | **Managing Director** |
| **Dated: 31/08/2024** | **DIN: 07052640** | **DIN: 00313352** |

**ANNEXURE – 3**

**Certificate on Corporate Governance**

**To,**
**The Members of Oswal Overseas Limited**
**98A, Second Floor, Namberdar Estate,**
**Taimoor Nagar, NFC New Delhi 110065.**

We have examined the Compliance conditions of Corporate Governance of Oswal Overseas Limited for the year ended on 31st March, 2024, as per Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our responsibility has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

**For Malik Anuj& Company**

**Sd/-**
**Anuj Kumar Malik**
**Practicing Company Secretaries**
**ACS No.: A42273**
**C P No.: 16061**
**UDIN: A042273F001074689**

**Place: New Delhi**
**Date: 29.08.2024**

## Corporate Governance Report

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance refers to, but not limited to, a set of laws, regulations and good practices and systems that enable an organization to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. Corporate governance requires everyone to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources optimally with the sound & prudent ethical standard. The Company recognizes that good corporate governance is a continuous exercise.

Adherence to transparency, accountability, fairness and ethical standard are integral part of the company's function. Your Company's structure, business dealings, administration and disclosure practices have aligned to good corporate governance philosophy. Your Company has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development which benefits all the stakeholders. The Company aims to increase and sustain its corporate value through growth and innovation.

The Company believes that transparency, empowerment, accountability and integrity are the fundamental principles of sound Corporate Governance. The cardinal principles such as accountability, independence, trust, responsibility, transparency and timely disclosures etc. serve as a means of implementing, the philosophy of Corporate Governance.

**Implementation Modules**:

(i) The accountability of the Board of Directors to the Company and its stakeholders.
(ii) Strategic guidance and effective monitoring by the Board of Directors.
(iii) Timely and accurate Disclosures of relevant information.
(iv) Compliance of the conditions of Corporate Governance & its full disclosures.

### 2. BOARD OF DIRECTORS OF THE COMPANY:

**SIZE AND COMPOSITION OF THE BOARD**

The Company's policy is to maintain optimum combination of Independent, executive and non-executive Directors to maintains its independence and separates its function of governance and management. Listing Regulations mandate that for a company with an executive chairman, at least half of the Board should be Independent Directors. On March 31, 2024 our Board consists of 4(four) members, one of whom is executive, one is non-executive, while the remaining two are independent directors, consisting 50% of the Board Strength – as per the requirement of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. One out of four Board members or 25% of the Board is woman. All Board members (100%) are Indians.

**CHAIRMAN OF THE BOARD**

Mr. Paramjeet Singh was re-appointed as Managing Director as well as the chairman of the Board of the company w.e.f. 31.03.2020 for a period of 5 years till 30.03.2025 through postal ballot on 20.12.2019.

**ROLE OF BOARD OF DIRECTOR**

The primary role of the board is that trusteeship to protect and enhance share value through strategic direction to the company. As Trustee, the board has fiduciary responsibility to ensure that the company has clear goals aligned to shareholders value and its growth. The Board exercises its duties with care, skills and diligence and exercise independent judgment.

**INDEPENDENT DIRECTOR**

The Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 defines an "independent director" as a person who is not a promoter or employee or the key managerial personal of the company or its subsidiaries. The Laws also state the person should not have a material pecuniary relationship or transaction with the company or its subsidiaries apart from receiving remuneration as an independent director. The Company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013.

**SEPARATE MEETING OF INDEPENDENT DIRECTORS**

During the year under review, the Independent Directors met on March 28, 2024, inter alia to discuss:

i. review the performance of non-independent directors and the Board as a whole;
ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**BOARD MEMBERSHIP CRITERIA**

The nomination and remuneration committee works with the entire Board to determine the appropriate characteristics, skills, and experience required for the Board as a whole and for individual members. Members are expected to possess the required qualification, integrity, expertise and experience for the position.

The age limit for a Managing Director, executive Director and Independent Director is 70 years. A Director's term may be extended beyond the age of 70 years with shareholders' approval by passing a special resolution based on the explanatory statement annexed to the Notice for such motion indicating the justification for extension of appointment beyond 70 years.

**SELECTION OF NEW DIRECTOR**

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process to the Nomination and Remuneration Committee. The Nomination and Remuneration committee makes recommendations to the Board on the induction of new Directors.

**MEMBERSHIP TERM**

The Companies Act, 2013 mandates the retirement of two-third of the non-independent directors (who are liable to retire by rotation) every year, and qualifies the retiring members for re-appointment upon completion of their term. An independent director shall hold office for a term of up to 5 consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company.

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

**FAMILIARISATION PROGRAMME**

In terms of Regulation 25(7) of Listing Regulations, the Company is required to conduct Familiarization Programme for IDs to familiarize them about the Company including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. The details of Familiarization Programme of the Independent Directors can be found on the Company's website https://www.oswal.overseasltd.com.

**REMUNERATION PAID TO DIRECTORS**

No remuneration was paid to Executive & Non- Executive Directors except sitting fee for the year ended 31st March 2024.

**MATRIX SETTING OUT SKILLS/ COMPETENCE/ EXPERTISE**

The Board of Directors has identified the following skills/ expertise/competencies that are required for effective and efficient functioning of the Board in context with the Company's business and sector:

| Sr. No. | Areas of Core Skills/Expertise/Competence |
|---|---|
| 1 | Financial competency |
| 2 | Diversity |
| 3 | Accountancy & Audit |
| 4 | Analytical Abilities |
| 5 | Understanding of Company's Business |
| 6 | Decision making Ability |
| 7 | Independence& Objectivity |
| 8 | Integrity |
| 9 | Strategic Thinking |
| 10 | Legal Knowledge |
| 11 | Leadership |
| 12 | Statutory Compliance Knowledge |
| 13 | Administrative |

In the table below, the specific areas of focus or expertise of individual members have been highlighted.

| Name of Director | Areas of Core Skills/Expertise/Competence | | | |
|---|---|---|---|---|
| | Financial Competency, Accountancy & Audit, Statutory Compliance Knowledge | Understanding of Company's Business, Analytical abilities, Legal Knowledge | Decision making ability, Diversity, Independence & Objectivity | Integrity, Strategic Thinking, Leadership, Administrative |
| Mr. Paramjeet Singh (DIN – 00313352) | ✓ | ✓ | ✓ | ✓ |
| Mr. Anoop Kumar Srivastava (DIN - 07052640) | ✓ | ✓ | ✓ | ✓ |
| Ms. Priyanka Pal (DIN - 09389404) | ✓ | ✓ | ✓ | ✓ |
| Mr. Rakesh Thapar (DIN - 07831240) | ✓ | ✓ | ✓ | ✓ |

## 3. BOARD MEETING

### SCHEDULING AND SELECTION OF AGENDA ITEMS FOR BOARD MEETING

The Company Secretary drafts the agenda for each meeting, along with notes on agenda, in consultation with Managing Director of the Company, and distributes in advance to the directors.

Every Board member can suggest the inclusion of the additional items in the agenda. The Board meets at least once a quarter to review the quarterly results and other items on agenda and also on the occasion of the AGM. Additional meetings are held when necessary.

During the financial year 2023-24, 8 (Seven) Meetings of the Board of Directors were held on the following dates –

| Meeting No. | Date of Board Meeting | Day |
|---|---|---|
| **1.** | 15.05.2023 | Monday |
| **2.** | 30.05.2023 | Tuesday |
| **3.** | 11.08.2023 | Friday |
| **4.** | 22.08.2023 | Tuesday |
| **5.** | 10.11.2023 | Friday |
| **6.** | 01.12.2023 | Friday |
| **7.** | 13.02.2024 | Tuesday |
| **8.** | 28.03.2024 | Thursday |

Details of attendance of Directors at Board Meetings and at the last Annual General Meeting, Directorship in other Companies, Committee position held by them and their categories are given below:

| **Name & Designation of the Directors** | **Category** | **Attendance at last Annual General Meeting held on 18.09.2023 and Board Meeting held during the year** | **% of attendance in Board Meeting** | **No. of Directorships in other companies (excluding foreign Companies & Pvt. Ltd. Companies)** | **Committee (including Oswal Overseas Ltd.) Positions held** | |
|---|---|---|---|---|---|---|
| | | | | | **Chairman** | **Member** |
| Mr. Paramjeet Singh (Managing Director) | Executive/ non-independent | Yes/8 | 100 | 1 | 0 | 0 |
| Mr. Anoop Kumar Srivastava (Director) | Non-Executive/ Non-Independent | Yes/8 | 100 | NIL | 0 | 3 |
| Mrs. Priyanka Pal* (Independent Director) | Woman Non-Executive/ Independent | Yes/8 | 100 | NIL | 3 | 0 |
| Mr. Rakesh Thapar (Independent Director) | Non-Executive/ Independent | Yes/8 | 100 | NIL | 0 | 3 |

Notes:

1. Committee positions of only 3 committees namely Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee have been considered.

2. Number of Shares held by non- executive Directors is tabulated below:

| Sr. No. | Name of Non- Executive Directors | No. of Shares held |
|---|---|---|
| 1. | Mr. Rakesh Thapar | NIL |
| 2. | Mrs. Priyanka Pal | NIL |
| 3. | Mr. Anoop Kumar Srivastava | NIL |

## 3. BOARD COMMITTEES

Currently the Board has three committee viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of reference/role of the Committees are taken by the Board of Directors. The chairman of the Board, in consultation with the Company Secretary and the committee chairperson, determines the frequency and duration of the committee meetings. Recommendations of the committees are submitted to the entire Board for approval. The quorum for the meetings is either two members or one-third of the total number of members of the committee, whichever is higher.

### (i) AUDIT COMMITTEE:

The audit committee was constituted in accordance with the provisions of Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

**BRIEF DESCRIPTION OF TERMS OF REFERENCE**

The Terms of reference and role of the Audit Committee are as per Regulation 18 and Schedule II part C of the Listing Regulations and Section 177 of Companies Act, 2013.

**Statutory audit, internal audit, reporting and other aspects**

i. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process The Committee acts as a link between the Management, Auditors and the Board of Directors of the Company and has full access to the financial Information.
ii. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and ensuring timely submission to statutory authorities.
iii. Reviewing the Management Discussion & Analysis of financial and operational performance.
iv. Reviewing with the management, the quarterly financial statements and annual financial statements and auditor's report thereon before submission to the board for approval.
v. Review the adequacy and effectiveness of the company's system and internal control.
vi. Evaluation of internal financial controls and risk management systems.
vii. To review the functioning of the Whistle Blower mechanism.

**Audit & other duties**

i. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
ii. Discussion with internal auditors of any significant findings and follow up there on.
iii. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and internal Auditors considering their independence and effectiveness and their replacement and removal.
iv. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.

v. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

Four Audit Committee meetings were held during the year.

The dates on which Audit Committee meetings were held are as follows:

| | | | |
|---|---|---|---|
| 1. 30.05.2023 | 2. 11.08.2023 | 3. 10.11.2023 | 4. 13.02.2024 |

As on 31.03.2024 the Composition of Audit Committee and attendance of each director during the meetings held in financial year 2023-24 are given below:

| Name of the Members | Status | Category | No. of Meetings Attended during the year 2023-24 |
|---|---|---|---|
| Mrs. Priyanka Pal* | Chairman | Woman Non-Executive& Independent Director | 4 |
| Mr. Anoop Kumar Srivastava | Member | Non-Executive& Non-Independent Director | 4 |
| Mr. Rakesh Thapar | Member | Non-Executive& Independent Director | 4 |

**(ii) NOMINATION AND REMUNERATION COMMITTEE:**

The remuneration committee was constituted in accordance with the provisions of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The terms of reference of the committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

Although no remuneration is paid to any director at present the company retains the option to do so in future. As and when it is done it shall be revealed in the report.

Nomination and Remuneration Committee meeting was held during the year on 28.03.2024.

As on 31.03.2024 the Composition of Nomination and Remuneration Committee and attendance of each director during the meetings held in financial year 2023-24 are given below:

| Name of the Members | Status | Category | No. of Meetings Attended during the year 2023-24 |
|---|---|---|---|
| Mrs. Priyanka Pal | Chairman | Woman Non-Executive& Independent Director | 1 |
| Mr. Anoop Kumar Srivastava | Member | Non-Executive& Non-Independent Director | 1 |
| Mr. Rakesh Thapar | Member | Non-Executive& Independent Director | 1 |

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

**(iii) STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee was constituted in accordance with the provisions of Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Committee performs following functions:

- Resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of Annual Report and non- receipt of declared dividend.
- Transfer/Transmission of shares.
- Issue of Duplicate Share Certificates.
- Review of Share dematerialization and rematerialization.
- Monitoring the expeditious Redressal of Investor Grievances.
- Monitoring the performance of company's Registrar & Transfer Agent.

During, the financial year 2023-24, one meeting of the Stakeholders Relationship Committee was held on 28.03.2024.

As on 31.03.2024 the Composition of Stakeholders Relationship Committee and attendance of each director during the meetings held in financial year 2023-24 are given below:

| Name of the Members | Status | Category | No. of Meetings Attended during the year 2022-23 |
|---|---|---|---|
| Mrs. Priyanka Pal | Chairman | Woman Non-Executive& Independent Director | 1 |
| Mr. Anoop Kumar Srivastava | Member | Non-Executive& Non-Independent Director | 1 |
| Mr. Rakesh Thapar | Member | Non-Executive& Independent Director | 1 |

No complaint was received by any member during the financial year.

**Name and Designation of Compliance Officer**

Mr. Lalit Kumar, Company Secretary, has been designated as the Compliance Officer pursuant to the provisions of Regulation 6 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

**4. FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

**Criteria of selection of Non-Executive Directors**

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
b. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
c. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
d. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

✓ Qualification, expertise and experience of the Directors in their respective fields;
✓ Personal, Professional or business standing;
✓ Diversity of the Board.

e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

**5. MANAGING DIRECTOR & WHOLE TIME DIRECTOR - CRITERIA FOR SELECTION / APPOINTMENT**

For the purpose of selection of the Managing Director or Whole Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

**6. DISCLOSURES:**

**1.** Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. that may have the potential conflict with the interest of the Company at large:-

**NIL**

The Board has approved a policy for related party transactions which has been uploaded on the Company's website i.e. www.oswaloverseasltd.com.

**2.** Details of non-compliance by the Company, penalties, structure imposed by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years:-

**No**

**3.** Your company has adopted whistle blower policy approved by the Board of Directors, which has been uploaded on the Company's website i.e. www.oswaloverseasltd.com. It has affirmed by the company that no personal has been denied access to the audit committee.

4. The Company has made all the mandatory compliance in accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**7. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS**

Your company has complied with all mandatory requirements of the Listing Regulations andthe status of compliance with non-mandatory requirements of SEBI Listing Regulations areas detailed hereunder:

i. Separate posts of chairperson and Chief Executive Officer.
ii. The internal auditor report directly to the Audit Committee.

**8. MEANS OF COMMUNICATION:**

The Company has promptly reported all material information including declaration of quarterly financial results to Stock Exchanges where the securities of the Company are listed. Such information is also simultaneously displayed immediately on the Company's corporate website www.oswalovereasltd.com. The quarterly, half yearly and annual financial results and other statutory information were generally communicated to the shareholders by way of an advertisement in a English newspaper viz. '**Business Standard**' and in a vernacular language newspaper viz. '**Business Standard** (Hindi)' as per requirements of the Listing Regulations. The financial and other information are filed by the Company on electronic platforms of BSE.

**9. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES):**

SEBI has initiated SCORES for processing the investor complaints in a centralized web-based redress system and online Redressal of all the shareholders complaints. The company is in compliance with the SCORES.

**10. GENERAL BODY MEETINGS**

Location and time for last three Annual General Meetings are as follows:

| Year | Venue | Date | Time |
|---|---|---|---|
| **2021** | 98A, Second Floor, Namberdar Estate, Taimoor Nagar, New Delhi– 110065 **(Through Video Conferencing/Other Audio Visual Means)** | 24th September, 2021 | 12:30 p.m. |
| **2022** | 98A, Second Floor, Namberdar Estate, Taimoor Nagar, New Delhi– 110065 **(Through Video Conferencing/Other Audio Visual Means)** | 27th September, 2022 | 12:30 p.m. |
| **2023** | 98A, Second Floor, Namberdar Estate, Taimoor Nagar, New Delhi– 110065 **(Through Video Conferencing/Other Audio Visual Means)** | 18th September, 2023 | 12:00 p.m. |

**Details of Special Resolution(s) passed in previous three Annual General Meetings**:

| Sr. No. | Year | Section of Companies Act, 2013 | Purpose |
|---|---|---|---|
| **1.** | **2021** | NA | NA |
| **2.** | **2022** | 149,150, 152 | Re-appointment of Ms. Priyanka Pal (DIN: 09389404) as Woman Independent Director of the Company |
| **3.** | **2023** | NA | NA |

**Details of Postal Ballot: -**

During the financial year ended 31st March 2024, no postal ballot was conducted by the company.

## 11. GENERAL SHAREHOLDERS INFORMATION:

**A.** **40th Annual General Meeting**: 30th September, 2024 at 01:30 P.M.

**B.** **Financial Year:** 1st April, 2023 to 31st March, 2024

**C.** **Book Closure:** 24th September, 2024 to 30th September, 2024

**D.** **Dividend Payment Date:** As no dividend for the year 2023-24 was recommended by the Board of Directors, hence no disclosures for the same is required.

**E.** **Listing on Stock Exchange and Stock Codes**

The Company's equity shares are listed with BSE Limited (Code 531065). The Company has paid annual listing fee due to the BSE Limited for the Financial Year 2023-24.

**F.** **Market Price Data and Performance in Comparison to Index:**

The high & low of the share price of the Company during each month in the last financial year at Bombay Stock Exchange Ltd., is not available as the shares are not being actively traded on those Stock Exchanges. As per Circular dated June 17, 2011 (CIR/ISD/3/2011) the Company has already achieved 100% of Promoter's and Promoter group's shareholding in dematerialized form.

**G.** **Code of Conduct:**

The Company had adopted a Code of Conduct for its Board of Directors & Senior Management Personnel and the same has been posted on the Company's Website.

**H.** **Registrar and Transfer Agent:**

Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre
Near Dada Harsukh Das Mandir,
New Delhi-110062
Tel. 011-29961281, Fax. 011-29961284
Website: www.Beetalfinancial.com

**I.** **Investor correspondence may also be addressed to:**

**Mr. Lalit Kumar**
Company Secretary & Compliance Officer
Oswal Overseas Limited
98A, Second Floor,
Namberdar Estate,
Taimoor Nagar,
New Delhi – 110065
E-mail id – cs@oswaloverseasltd.com

**J.** **Share Transfer System:**

Presently the share transfers which are received in physical form, if not disputed and accompanied with complete documents, are normally effected within a maximum period of 30 days from the date of receipt and demat requests are confirmed within a maximum period of 15

days. The company provides investor or depository services through its Registrar & Transfer Agent (RTA).

**K. Distribution of Shareholding:**

The Distribution of Shareholding as on March 31, 2024 was as follows:

| No. of Shares held | Shareholders | | Shares | |
|---|---|---|---|---|
| | Number | % of Total | Number | % of Total |
| Up to 5000 | 270 | 79.882 | 95200 | 0.7367 |
| 5001-10000 | 21 | 6.213 | 38900 | 0.3010 |
| 10001-20000 | 7 | 2.071 | 18300 | 0.1416 |
| 20001-30000 | 2 | 0.592 | 11000 | 0.0851 |
| 30001-40000 | 6 | 1.775 | 47500 | 0.3676 |
| 40001-50000 | 0 | 0.00 | 0 | 0.0000 |
| 50001-100000 | 3 | 0.888 | 44200 | 0.3420 |
| 100001 and above | 29 | 8.580 | 12667000 | 98.0259 |
| Total | **338** | **100** | **12922100** | **100** |
| **Held by** | **No. of Shares** | | **% holding** | |
| **Promoters** | | | | |
| -Individual & HUF | 9677900 | | 74.89 | |
| **Indian Public** | | | | |
| -Individual | 2325305 | | 17.99 | |
| -HUF | 916600 | | 7.09 | |
| -Private Bodies Corporate | 2295 | | 0.02 | |
| **Total** | **12922100** | | **100.00** | |

**L. Dematerialization of Shares and Liquidity**

The shares of the Company are available for trading in depository systems of both NSDL & CDSL with ISIN INE906K01027 activated on 11th August, 2020 after sub-division of equity shares. As on March 31, 2024, 75.423% (97,46,300 equity shares) of the share capital of the company had been dematerialized and 24.577% (31,75,800 equity shares) of the share capital of the Company are in physical and had been digitalized.

**M. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:**

The company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments, which has any likely impact on equity during the year.

**N. Unclaimed Dividends:**

Since the Company had not declared dividend in the preceding years due to accumulated losses & its adjustment in the current year, no unclaimed dividend was required to be transferred to Investors Grievance Fund under the Companies Act, 1956/ the Companies Act, 2013.

**O. Plant Location:**

The Company is engaged in the manufacturing of Sugar and having one sugar factory. The business of the Company is being operated from the following sites:

Village - Aurangabad
Tehsil - Nawabganj,
District – Bareilly (U.P) – 262407

Phone no. 05825-226551, Fax no. 05825-226753
E-mail id: info@oswaloverseasltd.com

**P. Registered Office & Address for Correspondence:**

98A, Second Floor, Namberdar Estate,
Taimoor Nagar, New Delhi – 110065
Email-id: cs@oswaloverseasltd.com

**12. RISK MANAGEMENT**

The company has been addressing various risks impacting the company and the policy of the company on risk management is provided elsewhere in this annual report in Management Discussion and Analysis.

**13. RECONCILIATION OF SHARE CAPITAL AUDIT:**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. This audit is carried out every quarter and the reports thereon are submitted to the stock exchanges and is placed before the board of directors of the Company. The audit, inter alia, confirms that the listed and paid-up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

**14. CORPORATE IDENTITY NUMBER (CIN):**

Corporate Identity Number (CIN) of the company, allotted by the Ministry of Corporate Affairs, Government of India is L74899DL1984PLC018268.

**15. CEO / CFO CERTIFICATION:**

As required by the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliance Certificate from Chief Executive Officer and Chief Financial Officer is provided in the Annual Report.

**16. DECLARATION BY THE MANAGING DIRECTORON THE CODE OF CONDUCT:**

Pursuant to the Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Paramjeet Singh, Managing Director of the Company, declares hereby that all the Board Members & Senior Management of the Company, have affirmed their compliance with the Code of Conduct during the year ended 31st March 2024.

**For and on behalf of the Board of Directors**
**OSWAL OVERSEAS LIMITED**

| | **Sd/-** | **Sd/-** |
|---|---|---|
| | **Anoop Kumar Srivastava** | **Paramjeet Singh** |
| **Place: New Delhi** | **Director** | **Managing Director** |
| **Dated: 31/08/2024** | **DIN: 07052640** | **DIN: 00313352** |

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
**Oswal Overseas Limited,**
98A, Second Floor, Namberdar Estate,
Taimoor Nagar, NFC New Delhi 110065.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Oswal Overseas Limited** having **CIN L74899DL1984PLC018268** and having registered office at 98A, Second Floor, Namberdar Estate, Taimoor Nagar, NFC New Delhi 110065 and (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, 2024 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 | Date of appointment in Company |
|---|---|---|---|
| 1. | PARAMJEET SINGH | 00313352 | 01/08/2008 |
| 2. | PRIYANKA PAL | 09389404 | 08/11/2021 |
| 3. | ANOOP KUMAR SRIVASTAVA | 07052640 | 31/03/2015 |
| 4. | RAKESH THAPAR | 07831240 | 17/12/2021 |

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 Malik Anuj& Company**

**Sd/-**
**Anuj Kumar Malik**
**Practicing Company Secretaries**
**ACS No.: A42273**
**C P No.: 16061**
**UDIN: A042273F001074469**

**Place: New Delhi**
**Date:29.08.2024**

## CERTIFICATE OF CHIEF FINANCIAL OFFICER

**To,**
**The Board of Directors,**
**Oswal Overseas Limited,**

I, Aijaz Ahmad, Chief Financial Officer of Oswal Overseas Limited, on the basis of the review of the financial statements and cash flow statement for the year ended 31st March 2024 and to the best of my knowledge and belief, hereby certify that:

1. These statements do not contain any materially untrue statements or omits any material fact or contain statements that might be misleading.

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2024 which, are fraudulent, illegal or in violation of the Company's Code of Conduct.

4. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors' and the Audit Committee those deficiencies in the design or operations of such internal controls of which, I am aware and the steps taken and/ or proposed to be taken to rectify these deficiencies.

5. I have indicated to the Auditors and the Audit Committee:
    a) There have been no significant changes in the internal control over financial reporting during this year.
    b) There have been no significant changes in the accounting policies during the year.
    c) To the best of our knowledge and belief, there is no instance of significant fraud of which I have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Sd/-
**Aijaz Ahmad**
**Chief Financial Officer**

**Place: New Delhi**
**Dated: 30.05.2024**

## CERTIFICATE OF CHIEF EXECUTIVE OFFICER

**To,**
**The Board of Directors,**
**Oswal Overseas Limited,**

I, **Vijay Kumar Mishra**, Chief Executive Officer of Oswal Overseas Limited, on the basis of the review of the financial statements and cash flow statement for the year ended 31st March 2024 and to the best of my knowledge and belief, hereby certify that:

1. These statements do not contain any materially untrue statements or omits any material fact or contain statements that might be misleading.

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2024 which, are fraudulent, illegal or in violation of the Company's Code of Conduct.

4. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors' and the Audit Committee those deficiencies in the design or operations of such internal controls of which, I am aware and the steps taken and/ or proposed to be taken to rectify these deficiencies.

5. I have indicated to the Auditors and the Audit Committee:
    a) There have been no significant changes in the internal control over financial reporting during this year.
    b) There have been no significant changes in the accounting policies during the year.
    c) To the best of our knowledge and belief, there is no instance of significant fraud of which I have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Sd/-
**Vijay Kumar Mishra**
**Chief Executive Officer**

**Place: New Delhi**
**Dated: 30.05.2024**

## INDEPENDENT AUDITOR'S REPORT

**UDIN: 24542901BKGTAD1756**

**Independent Auditor's Report on audit of the Annual Standalone Financial Results of Oswal Overseas Limited pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations')**

**To The Members of**
**Oswal Overseas Limited**

**Report on the Audit of Annual Financial Results**

**Opinion**

We have audited the accompanying standalone financial statements of **Oswal Overseas Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the material accounting policies and other explanatory information attached herewith, being submitted by the Company pursuant to the requirement of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements:

a. are presented in accordance with requirements of Regulation 33 of the listing Regulations in this regard; and
b. gives a true and fair view in conformity with the applicable Indian Accounting Standards ("IND AS") prescribed under section 133 of the Companies Act,2013 ("the Act") read with relevant rules thereunder and other accounting principles generally accepted in India, of the net profit/loss and other comprehensive income and other financial information for the year ended March 31, 2024, read with **Annexure "A" and "B"** of our report.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 thereunder, 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 ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

**a) Dues of small enterprises and micro enterprises**

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2024 and 2023 is as under:

Dues remaining unpaid to any supplier:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Principal | - | 3,52,780 |
| Interest on the above | - | - |

- The payments made to the MSME vendors are beyond the time limits specified in section 15 of the MSMED Act, 2006 and without adding the interest specified under the same act.
- The Company has not accounted for/paid Interest to MSMEs in view of **Accounting Policy No. 2.3.18.**

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder 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 identified above when it becomes available 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. Thus, 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 Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of requirements specified under regulation 33 of the Listing Regulations.
- 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.
- Obtain sufficient appropriate audit evidence regarding the statement of the Company to express and opinion thereon.

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 standalone 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 standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements 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.

**Other Matters**

The annual financial results include the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subjected to limited review by us as required under the Listing Regulations.

**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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the 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 Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the 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:

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.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. There is no final and interim dividend paid or declared by the Company during the year.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, the Company is not using accounting software for maintaining its books of accounts, which has a feature of recording audit trail (edit log) facility.

According to the information and explanation given to us, the Company is in the process of implementation and upgradation of its accounting package to include such a feature as required by the amended Rule 3(1) of the Companies (Accounts) Rules, 2014.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For DSRV AND COMPANY LLP**
**CHARTERED ACCOUNTANTS**

**Sd/-**
**(CA. MOHIT KUMAR)**
**Partner**
**Membership No. 542901**
**FRN 006993N**

**Place: Panchkula**
**Date: 30.05.2024**

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE Ind AS FINANCIAL STATEMENTS OF OSWAL OVERSEAS LIMITED**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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

**Management's Responsibility for Internal Financial Controls**
The 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, 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 Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**
A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DSRV AND COMPANY LLP**
**CHARTERED ACCOUNTANTS**

**Sd/-**
**(CA. MOHIT KUMAR)**
**Partner**
**Membership No. 542901**
**FRN 006993N**

**Place: Panchkula**
**Date: 30.05.2024**

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE Ind AS FINANCIAL STATEMENTS OF OSWAL OVERSEAS LIMITED**

The Annexure referred to in Paragraph 2 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date:

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

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
   (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

   (b) The Company has a program of verification to cover all the items of Property, Plant & Equipment. Pursuant to the program, 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) According to the information and explanations given to us, the records examined by us and based on the examination of the deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

   (d) The Company has not revalued any of its Property, Plant and Equipment during the year.

   (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a). The Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification is appropriate and no material discrepancies of 10% or more in aggregate for each class of inventory were noticed.

   (b). The Company has not been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. In our opinion and according to information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Hence, reporting under clause 3(iii) of the order is not applicable.

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 31, 2024 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of such records with a view to determine whether they are accurate or complete.

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, with certain delays, the dues including, Income Tax, Sales Tax, Goods and Service Tax, Value Added Tax and other material statutory dues applicable to it with the appropriate authorities.

(b) Further, as at 31st March 2024, there are no such dues outstanding for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2024 on account of dispute are given below:

| Name of the Statute | Nature of Dues | Total demand (Rs. in lacs) | Paid under protest (Rs. in lacs) | Balance amount (Rs. in lacs) | Financial year to which relates | Forum where dispute is pending |
|---|---|---|---|---|---|---|
| U.P. sales tax | Entry tax | 10.00 | 0.41 | 9.59 | 2000-01 | Hon'ble Supreme court |
| U.P. sales tax | Entry Tax | 60.04 | 0.00 | 60.04 | 2001-02 | Hon'ble Supreme court |
| U.P. sales tax | Entry Tax | 35.05 | 17.53 | 17.52 | 2002-03 | Hon'ble Supreme Court |
| U.P. sales tax | Entry Tax | 40.80 | 2.09 | 38.71 | 2007-08 | Hon'ble Commissioner |
| U.P. sales tax | Entry Tax | 25.59 | 7.47 | 18.12 | 2008-09 | Tribunal |
| U.P. sales tax | Entry Tax | 9.34 | 1.91 | 7.43 | 2009-10 | Tribunal |
| GST | GST | 3.46 | 0.35 | 3.11 | 2017-2018 | GST Authority |
| GST | GST | 12.85 | 1.29 | 11.57 | 2017-18 & 2018-19 | GST Authority |
| GST | GST | 12.12 | 1.21 | 10.91 | 2018-2019 | GST Authority |

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
(c) The Term Loans were applied for the purpose for which the loans were obtained.
(d) Funds raised on short term basis of Rs 3,51,49,926 have been utilized for long term purposes in nature of payment of long-term Loans during the year.
(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) 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.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

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. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of the business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors. Hence provision of the section 192 of the Companies Act 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The CSR provision under section 135(1) of The Companies Act 2013, is not applicable to the Company, hence reporting under clause (xx) of the Order is not applicable to the Company.

xxi. The reporting under clause (xxi) is not applicable to the Company because Company is not required to maintain any consolidated financial statements.

**For DSRV AND COMPANY LLP**
**CHARTERED ACCOUNTANTS**

**Sd/-**
**(CA. MOHIT KUMAR)**
**Partner**
**Membership No. 542901**
**FRN 006993N**

**Place: Panchkula**
**Date: 30.05.2024**

**OSWAL OVERSEAS LIMITED**
**Balance sheet as at March 31st, 2024**

**Amount in Rs.**

| Particulars | Notes | As at 31-Mar-24 | As at 31-Mar-23 |
|---|---|---|---|
| **ASSETS** | | | |
| **(A) Non Current Assets** | | | |
| i Property, Plant and Equipment | 3 | 83,30,18,830 | 86,48,96,963 |
| ii Capital work-in-progress | 3 | 64,07,768 | 41,52,790 |
| iii Investment Property | 3 | 62,86,305 | 56,56,247 |
| iv Financial Assets | | | |
| (a) Other financial asssets | | | |
| (i) Security Deposits | 4 | 5,80,800 | 5,67,300 |
| (ii) Bank deposits with more than 12 months maturity | 8 | 14,46,657 | 14,46,657 |
| v Other Non Current Assets | 5 | 52,53,817 | 57,13,731 |
| | | **85,29,94,177** | **88,24,33,688** |
| **(B) Current Assets** | | | |
| i Inventories | 6 | 32,08,07,302 | 62,03,11,670 |
| ii Financial Assets | | | |
| (a) Trade Receivables | 7 | 63,66,658 | 3,21,36,253 |
| (b) Cash & Cash Equivalents | 8 | 7,94,352 | 71,33,098 |
| (c) Bank Balance other than (b) above | 8 | 2,65,10,232 | 1,42,27,334 |
| iii Other Current Assets | 9 | 2,17,37,185 | 2,94,79,877 |
| | | **37,62,15,729** | **70,32,88,231** |
| **Total Assets** | | **1,22,92,09,906** | **1,58,57,21,919** |
| **EQUITY AND LIABILITIES** | | | |
| **(C) Equity** | | | |
| i Equity Share capital | 10 | 6,46,10,500 | 6,46,10,500 |
| ii **Other Equity** | | | |
| (a) Equity Component of Compound Financial Instrument | 10 | 10,19,79,114 | 10,19,79,114 |
| (b) Reserve & Surplus | 11 | (20,62,35,091) | (15,18,02,733) |
| (c) Other Reserves | 11 | 15,90,10,800 | 15,90,10,800 |
| | | **11,93,65,323** | **17,37,97,681** |
| **(D) Liabilities** | | | |
| **Non Current Liabilities** | | | |
| i Financial Liabilities | | | |
| Borrowings | 12 | 20,12,31,157 | 17,78,50,034 |
| ii Provisions | 13 | 28,01,912 | 26,76,093 |
| iii Deferred Tax Liabilities (Net) | 14 | - | 2,29,02,246 |
| iv Other Non-Current Liabilities | 15 | 1,10,04,331 | 2,17,66,106 |
| | | **21,50,37,400** | **22,51,94,479** |
| **Current Liabilities** | | | |
| i Financial Liabilities | | | |
| (a) Borrowings | 12 | 3,42,24,253 | 76,46,660 |
| (b) Trade payables | | | |
| (i) Total outstanding dues of micro and small enterprises | 16 | - | 3,52,780 |
| (ii) Total outstanding dues of creditors other than micro and small enterprises | 16 | 80,36,29,933 | 1,00,86,28,171 |
| (c) Other Financial Liabilities | 12 | 4,76,96,057 | 11,21,25,500 |
| ii Provisions | 13 | 7,71,671 | 9,56,395 |
| iii Other Current Liabilities | 15 | 84,85,269 | 5,70,20,253 |
| | | **89,48,07,183** | **1,18,67,29,758** |
| **Total Equity & Liabilities** | | **1,22,92,09,906** | **1,58,57,21,919** |

The accompanying notes are an integral part of these Financial statements

**For and on Behalf of Board of Directors of Oswal Overseas Limited**

| Sd/- | Sd/- | Sd/- | Sd/- |
|---|---|---|---|
| (AIJAZ AHMAD) | (LALIT KUMAR) | (ANOOP KUMAR SHRIVASTAV) | (PARAMJEET SINGH) |
| CFO | COMPANY SECRETARY | DIRECTOR | MANAGING DIRECTOR |
| | M.No: A38291 | DIN: 07052640 | DIN: 00313352 |

**As per our report of even date attached.**
**FOR DSRV AND CO LLP**
**CHARTERED ACCOUNTANTS**
Sd/-
**(CA. MOHIT KUMAR)**
**Partner**
**Membership No. : 542901**
**FRN 006993N**

Place : New Delhi
Dated: 30.05.2024

**OSWAL OVERSEAS LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE ENDED PERIOD March 31st, 2024**
**All Amounts in Rupees, unless otherwise stated**

| Particulars | Note No. | March 31, 2024 | March 31, 2023 |
|---|---|---|---|
| | | INR | INR |
| **Continuing Operations** | | | |
| Revenue from Operations | 17 | 1,52,08,29,020 | 2,10,16,27,453 |
| Other Income | 18 | 1,29,44,107 | 1,81,99,884 |
| **Total Income** | | **1,53,37,73,126** | **2,11,98,27,337** |
| **Expenses** | | | |
| Cost of Raw Material and Components Consumed | 19 | 1,14,49,51,796 | 1,69,84,58,282 |
| (Increase)/Decrease in inventories of finished goods, work in progress and traded goods | 20 | 28,54,33,249 | 22,83,39,370 |
| Employee Benefits Expense | 21 | 5,80,69,855 | 5,52,47,925 |
| Depreciaton and amortization Expense | 3 | 3,60,23,831 | 3,52,61,663 |
| Finance Costs | 22 | 2,60,31,617 | 3,45,42,865 |
| Other Expenses | 23 | 5,73,31,125 | 6,62,94,286 |
| **Total Expenses** | | **1,60,78,41,473** | **2,11,81,44,391** |
| **Profit/(Loss) before exceptional itmes and Tax** | | (7,40,68,347) | 16,82,946 |
| Exceptionals Items: | | | |
| Previous Year Expense/Income | | 34,24,960 | 6,17,354 |
| Earlier years Govt. subsidy reversed | | - | 4,98,81,206 |
| **Profit/(Loss) before Tax** | | (7,74,93,307) | (4,88,15,614) |
| (1) Current Tax | | - | 2,62,540 |
| (2) Adjustment of Tax relating to earlier periods | | - | - |
| (3) Deferred Tax | | (2,30,09,466) | (5,62,69,018) |
| (4) MAT credit entitlement | | - | (2,62,540) |
| **Income Tax Expense** | | (2,30,09,466) | (5,62,69,018) |
| **Profit/(Loss) for the year** | | (5,44,83,841) | 74,53,404 |
| **Other Comprehensive Income** | | | |
| Items that will not be reclassified to profit and loss: | | | |
| (a) Re-measurement Gains/(Losses) on defined benefit plans | | 4,12,384 | 3,13,626 |
| (b) Income Tax effect | | (1,07,220) | (81,543) |
| | | 3,05,164 | 2,32,083 |
| **Net Other Comprehensive Income not to be reclassified to Profit or Loss in subsequent periods** | | 3,05,164 | 2,32,083 |
| **Other Comprehensive Income for the year, Net of Tax** | | 3,05,164 | 2,32,083 |
| **Total Comprehensive Income for the year, Net of Tax attributable to :** | | (5,41,78,677) | 76,85,487 |
| Earnings per Equity share for Profit from continuing operation attributable to owner of Oswal Overseas Limited: | | | |
| Basic earning per share | | (4.19) | 0.59 |
| Diluted earning per share | | (4.19) | 0.59 |
| **Significant Accounting Policies** | 2 | | |
| **Notes to Accounts** | | | |

The accompanying notes are an integral part of these Financial statements

**For and on Behalf of Board of Directors of Oswal Overseas Limited**

| | | | |
|---|---|---|---|
| Sd/- | Sd/- | Sd/- | Sd/- |
| (AIJAZ AHMAD) | (LALIT KUMAR) | (ANOOP KUMAR SHRI | (PARAMJEET SINGH) |
| CFO | COMPANY SECRETARY | DIRECTOR | MANAGING DIRECTOR |
| | M.No: A38291 | DIN: 070526 | DIN: 00313352 |

**As per our report of even date attached.**
**FOR DSRV AND CO LLP**
**CHARTERED ACCOUNTANTS**
Sd/-
**(CA. MOHIT KUMAR)**
**Partner**
**Membership No. : 542901**
**FRN 006993N**

Place : New Delhi
Dated: 30.05.2024

**OSWAL OVERSEAS LIMITED**

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

**Amount in Rs.**

| | Particulars | Note No. | March 31, 2024 | March 31, 2023 |
|---|---|---|---|---|
| **A** | **Cash flow from Operating activities** | | | |
| **1** | **Profit before Tax** | | **(7,74,93,307)** | **(4,88,15,614)** |
| **2** | **Adjustments to reconcile Profit before Tax to Net cash flows:** | | | |
| | Depreciation and amortisation Expense | 3 | 3,60,23,831 | 3,52,61,663 |
| | Interest Income | 18 | (1,16,75,709) | (1,60,19,358) |
| | (Profit)/ Loss on sale of assets | | (16,018) | (1,55,709) |
| | Asset Written Off | | 64,584 | 6,97,000 |
| | Finance Costs | 22 | 2,60,31,617 | 3,45,42,865 |
| | Liabilities/ Provisions Written back | | 4,12,384 | 3,13,626 |
| | Income Tax Demand | | - | - |
| | | | **5,08,40,689** | **5,46,40,086** |
| **3** | **Operating Profit before working capital adjustments (1+2)** | | **(2,66,52,618)** | **58,24,472** |
| **4** | **Working capital adjustments:** | | | |
| | Trade and other receivables and prepayments | | 3,39,58,701 | 6,18,37,812 |
| | (Increase)/Decrease in Inventories | | 29,95,04,368 | 22,35,38,911 |
| | Increase/(Decrease) Trade and other payables and Provisions | | (26,49,60,363) | (13,92,43,975) |
| | | | **6,85,02,707** | **14,61,32,747** |
| **5** | **Cash generated from Operations (3+4)** | | **4,18,50,089** | **15,19,57,220** |
| **6** | Taxes (Paid) /Refund | | - | - |
| **7** | **Net cash flows from Operating activities (5-6)** | | **4,18,50,089** | **15,19,57,220** |
| **B** | **Cash Flow from Investing Activities:** | | | |
| | Purchase of Property, Plant and Equipment (PPE) | | (67,14,240) | (3,44,73,520) |
| | Purchase of Investment Property | | (6,30,058) | (56,56,247) |
| | Sale of Property, Plant and Equipment (PPE) | | 2,65,000 | 3,00,000 |
| | Interest Income | | 1,16,75,709 | 1,60,19,358 |
| | **Net cash used in investing activities:** | | **45,96,411** | **(2,38,10,409)** |
| **C** | **Cash flow from financing activities:** | | | |
| | Increase/(Decrease) in Repayments of Term Loans | 12 | (9,04,81,761) | (9,53,27,500) |
| | Increase/(Decrease) in CC Limit | 12 | 2,65,77,592 | 76,46,660 |
| | Increase/(Decrease) in Interest accured and due | 12 | (5,66,559) | 1,18,294 |
| | Increase/(Decrease) in Unsecured Loans | 12 | 5,00,00,000 | (93,85,000) |
| | Finance Costs | 22 | (2,60,31,617) | (3,45,42,865) |
| | **Net cash used in Financing Activities:** | | **(4,05,02,344)** | **(13,14,90,410)** |
| **D** | **Net change in cash and cash equivalents** | | **59,44,153** | **(33,43,598)** |
| **E - 1** | Cash and cash equivalents at the beginning of the | | **2,28,07,087** | **2,61,50,686** |
| **E-2** | **Cash and cash equivalents at year end** | | **2,87,51,240** | **2,28,07,087** |

The accompanying notes are an integral part of these Financial statements

**For and on Behalf of Board of Directors of Oswal Overseas Limited**

| | | | |
|---|---|---|---|
| Sd/- | Sd/- | | |
| AIJAZ AHMAD | LALIT KUMAR | (ANOOP KUMAR SHRIVASTAV) | (PARAMJEET SINGH) |
| CFO | COMPANY SECRETARY | DIRECTOR | MANAGING DIRECTOR |
| | M.No: A38291 | DIN: 07052640 | DIN: 00313352 |

**As per our report of even date attached.**
**FOR DSRV AND CO LLP**
**CHARTERED ACCOUNTANTS**
Sd/-
**(CA. MOHIT KUMAR)**
**Partner**
**Membership No. : 542901**
**FRN 006993N**

Place : New Delhi
Dated: 30.05.2024

## Notes to Accounts

**Notes forming part of the Financial Statements**

**1. Company Overview:**

Oswal Overseas Limited (the Company) (CIN: L74899DL1984PLC01826) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on a recognized stock exchange in India. The Registered office of the Company is located at 98-A, 2ND Floor, Namberdar estate, Taimoor Nagar, New Delhi-110065.

The Company is having its operations in the State of Uttar Pradesh and is principally engaged in the manufacturing of Sugar which is mainly sold in the State of Uttar Pradesh.

**2. Material Accounting Policy Information**

Pursuant to the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective 01-04-2023, the company is required to disclose 'material accounting policy Information' in lieu of the earlier requirement of disclosing 'significant accounting policies.

All accounting policies followed by the company are in accordance with the Indian Accounting Standards (Ind AS) notified u/s 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and conform to Schedule III to the Companies Act, 2013 as applicable.

Specific disclosure of material accounting policy information where Ind AS permits options is made hereunder:

The company has assessed the materiality of the accounting policy information, which involves exercising judgement and considering both quantitative and qualitative factors by taking into account not only the size and nature of the item or condition but also the characteristics of the transactions, events or conditions that could make the information more likely to impact the decisions of the users of the financial statements.

**2.1 Basis of Preparation and Compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31st March 2024, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

In respect of financial information for the year ended 31st March 2024, the Company followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exceptions availed as per Ind AS 101) as initially adopted on transition date i.e., 1st April 2016. Refer to Note 29 for information on how the Company adopted Ind AS.

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

- Plan assets under defined benefit plans.
- Certain financial assets and liabilities.

The financial information is presented in Indian Rupees (INR).

**2.2 Key Accounting estimates and judgments**

**(i) Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the

reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**(ii) Changes in estimates**

The estimates and underlying assumptions are reviewed on an ongoing basis. The effect of change in an accounting estimate is recognized prospectively by including it in profit or loss (a) In the period of the change if the change affects only that period; or (b) the period of the change and future periods, if the change affects both.

However, the change in an accounting estimate that gives rise to changes in assets and liabilities, or relates to an item of equity, is recognized by adjusting the carrying amount of the related asset, liability or equity item in the period of the change.

**(iii) Key sources of estimation uncertainty**

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

**(a) Actuarial valuation**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in the Notes to the financial statements.

**(b) Claims, Provisions and Contingent Liabilities**

The Company has ongoing litigations with various tax and regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such issues are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations if any, is provided in the Notes to the financial statements.

**2.3 Summary of Significant Accounting Policies:**

**2.3.1 Property, Plant & Equipment (PPE):**

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses, directly attributable and related to acquisition and installation of the concerned assets and is further adjusted by the amount of GST credit availed wherever applicable. Cost includes borrowing cost for long term construction projects if recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties are measured initially at their cost of acquisition, including transaction costs.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

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

In respect of others assets, depreciation is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

| Sr. No. | Nature of Asset | Useful Life (Years) |
|---|---|---|
| 1. | Buildings | 30 |
| 2. | Plant & Machinery | 25 & 40 |
| 3. | Other Equipments | 5 to 10 |
| 4. | Vehicles | 10 |
| 5. | Furniture/ Fittings | 10 |

**2.3.2 Current v/s Non-Current Classification:**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets or liabilities.

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

**2.3.3 Taxes:**

*2.3.3.1 Current Income Tax:*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 (as amended) and Income Computation and Disclosure Standards (ICDS) enacted in India by using the tax rates and tax laws that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

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

***2.3.3.2 Deferred Tax:***

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nontaxable profit or loss;

Deferred tax assets (including MAT credit, if any) are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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

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

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

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

Deferred tax including Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting
date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**Goods & Service Tax (GST) paid on acquisition of assets or on incurring expenses:**

- Expenses and assets are recognized net of the amount of GST/sales/ value added taxes paid, except:

• When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable

When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or other current liabilities in the balance sheet.

**2.3.4 Inventory**

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

➢ **Raw materials/ Stores and Spares:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of Spares is determined on first in, first out basis.

➢ **Finished goods and Work in Progress:** Cost includes cost of direct materials and labored a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

➢ **By-Products:** Cost of By- Products includes costs incurred in bringing these products to their present location and condition. Cost is determined on first in, first out basis.

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

**2.3.5 Financial Instruments:**

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

**a. *Financial Assets*:**

The Company classified its financial assets in the following measurement categories:

➢ Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)

➢ Those measured at amortized cost

**Initial recognition and measurement:**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement:**

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

➢ Debt instruments at amortized cost

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

i. **Business model test:** The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to released its fair value change), and

ii. **Cash flow characteristics test:** Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Company estimates the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

**Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

**1.** the rights to receive cash flows from the asset have expired, or

**2.** the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

**a.** the Company has transferred the rights to receive cash flows from the financial assets or

**b.** The Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

**Impairment of financial assets:**

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

Financial assets measured at amortized cost e.g. Loans, security deposits, trade receivable, bank balance.

The Company follows “simplified approach” for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward- looking estimates are analyzed.

**Reclassification of financial assets:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

**b. Financial Liabilities:**

**Initial recognition and measurement:**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits and other payables.

**Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

**Trade Payables:**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 0-12 months of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using EIR method.

**Financial Liabilities at fair value through profit & loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

**Loans & Borrowings:**

Borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or medication is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**2.3.6 Cash & Cash Equivalents:**

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

**2.3.7 Mandatorily Redeemable Preference Shares:**

A mandatorily redeemable preference shares with dividends paid at the issuer's discretion, which effectively comprises: a financial liability (the issuer's obligation to redeem the shares in cash); and an equity instrument (the holder's right to receive dividends if declared. Such preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the mandatorily redeemable preference shares with dividends declared at the issuer's discretion, the present value of the redeemable amount is calculated using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on redemption. The unwinding of the discount on this component is recognized in profit or loss and classified as interest expense.

The remainder of the proceeds is recognized and included in equity as per Ind AS 32. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not premeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of such preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

**2.3.8 Provisions:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Profit and Loss net of any reimbursement.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the best estimate.

***Contingent Liabilities***

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**2.3.9 Employee Benefits:**

***2.3.9.1 Short term obligations:***

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

***2.3.9.2 Other Long term employee benefit obligations:***

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured based on the actuarial valuation using projected unit credit method at the year end. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the term of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

*2.3.9.3* **Post-employment obligations:** The Company operates the following post-employment schemes:

*2.3.9.3.1* Defined benefit plans such as gratuity; and

*2.3.9.3.2* Defined contribution plans such as provident fund.

***Gratuity Obligations:***

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss

- Service cost comprising current service cost, past service cost, gain & loss on curtailments and non-routine settlements.
- Net interest expenses or income.

**2.3.10 Revenue Recognition:**

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers.

***Revenue from contract with customers***

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods is recognized at the point in time when control of the goods is transferred to the customer, on delivery of the goods. The normal credit term is 7 to 30 days upon delivery. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

***Contract balances***

***Contract Assets***
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

***Trade receivables***
A receivable represents the Companies right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments – initial recognition and subsequent measurement.

***Contract liabilities***
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

***Interest income***
For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**2.3.11 Leases**

***Company, as a lessee***
The Company as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset.

The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

***The Company as a lessor***
Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately.

The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**2.3.12 Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

**i.** In the principal market for the asset or liability, or
**ii.** In the absence of a principal market, in the most advantageous market for the asset or liability

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient date are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**a.** Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
**b.** Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
**c.** Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Company’s management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments measured at fair value.

External values are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external values is decided upon annually by the management. The management decided, after discussions with the Company's external values which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company’s accounting policies.
The management in conjunction with the Company's external values, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

**2.3.13 Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

***Judgments***

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

***Operating lease commitments - Company as lessee***

The Company has taken various properties on leases. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, and that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

***Estimates and assumptions***

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

**a. Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

**b. Defined benefit plans**

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long-term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates.

**c. Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**2.3.14 Borrowing Costs:**

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rate applicable to relevant general borrowing of the Company during the year. Capitalization of borrowing cost is suspended and charged to profit and loss during the extended periods when the active development on the qualifying project is interrupted. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the borrowing costs.

**2.3.15 Impairment of Non-Financial Assets:**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating units (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For

such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

After impairment depreciation is provided on the revised carrying amount of the asset over its remaining economic life. An assessment is made in respect of assets at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount

since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### 2.3.16 Government Grants:

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. However, if any export obligation is attached to the grant related to an asset, it is recognized as income on the basis of accomplishment of the export obligation.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments.

### 2.3.17 Earnings per share

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of Company (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.
For the purpose of calculating diluted earnings per share, the net profit or loss for the period, attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(in lakhs)**

| Particulars | 31-Mar-24 | 31-Mar-23 |
|---|---|---|
| Profit after tax (in Lakhs) | (541.79) | 76.85 |
| Weighted average number of shares (in lakhs) | 129.22 | 129.22 |
| Basic and diluted earnings per share (Rs.) | (4.19) | 0.59 |

### 2.3.18 Interest on MSME

The Company recognizes MSME suppliers as per Micro, Small and Medium Enterprises Development Act, 2006 and interest shall be recognized/paid as and when demanded by such MSME.

## Note: 3 Property, Plant and Equipment (PPE)

| Particulars | Freehold Land | Freehold Buildings | Plant& Machinery | Furniture, Fitting & Equipments/ Installations | Vehicles | Others Equipments | Total | Capital Work-in-Progress | Investment Property |
|---|---|---|---|---|---|---|---|---|---|
| | INR | INR | INR | INR | INR | INR | INR | INR | INR |
| | | | | | | | | | |
| **Year ended 31 March 2023** | | | | | | | | | |
| Gross Carrying Amount | | | | | | | | | |
| Opening Gross Carrying Amount | **15,32,13,713** | **22,37,06,453** | **59,41,51,192** | **3,38,72,767** | **6,50,51,228** | **1,19,59,066** | **1,08,19,54,419** | **29,69,429** | |
| Additions | - | 22,72,429 | 2,86,95,142 | 2,42,411 | 7,91,720 | 5,91,457 | **3,25,93,159** | 41,52,790 | 56,56,247 |
| Disposals | - | - | (5,20,000) | - | - | - | **(5,20,000)** | (29,69,429) | |
| **Closing Gross Carrying Amount as at 31 March 2023** | **15,32,13,713** | **22,59,78,882** | **62,23,26,333** | **3,41,15,178** | **6,58,42,948** | **1,25,50,523** | **1,11,40,27,578** | **41,52,790** | **56,56,247** |
| Accumulated Depreciation | | | | | | | | | |
| **Opening Accumulated Depreciation** | - | 4,30,89,727 | 8,83,77,057 | 3,20,01,026 | 3,94,52,392 | 1,13,24,459 | **21,42,44,661** | - | |
| Depreciation charge during the year | - | 70,44,905 | 2,45,40,079 | 2,37,686 | 31,69,839 | 2,69,154 | **3,52,61,663** | - | |
| Disposals | - | - | (3,75,709) | - | - | - | **(3,75,709)** | - | |
| | | | | | | | | | |
| **Closing Accumulated Depreciation as at 31 March 2023** | **-** | **5,01,34,632** | **11,25,41,427** | **3,22,38,712** | **4,26,22,231** | **1,15,93,613** | **24,91,30,615** | **-** | |
| | | | | | | | | | |
| **Net Carrying Amount as at 31 March 2023** | **15,32,13,713** | **17,58,44,250** | **50,97,84,906** | **18,76,466** | **2,32,20,717** | **9,56,911** | **86,48,96,963** | **41,52,790** | **56,56,247** |
| | | | | | | | | | |
| **Year ended 31 March 2024** | | | | | | | | | |
| Gross Carrying Amount | | | | | | | | | |
| Opening Gross Carrying Amount | **15,32,13,713** | **22,59,78,882** | **62,23,26,333** | **3,41,15,178** | **6,58,42,948** | **1,25,50,523** | **1,11,40,27,578** | **41,52,790** | **56,56,247** |
| Additions | | - | 2,78,835 | 1,66,637 | 37,39,998 | 2,73,792 | 44,59,262 | 22,54,977 | 6,30,058 |
| Disposals of Sale | - | - | (4,10,827) | - | - | - | (4,10,827) | - | |
| Other Adjustments | | | (1,37,700) | (3,10,67,700) | (2,75,45,156) | (1,07,26,880) | (6,94,77,435) | | |
| **Closing Gross Carrying Amount as at 31 March 2024** | **15,32,13,713** | **22,59,78,882** | **62,20,56,641** | **32,14,115** | **4,20,37,791** | **20,97,436** | **1,04,85,98,578** | **64,07,768** | **62,86,305** |
| **Accumulated Depreciation** | | | | | | | | | |
| Opening Accumulated Depreciation | - | 5,01,34,632 | 11,25,41,427 | 3,22,38,712 | 4,26,22,231 | 1,15,93,613 | **24,91,30,615** | **-** | |
| Adjustment | | | 1,30,401 | (4,74,744) | - | 3,44,341 | (2) | | |
| Depreciation charge during the year | - | 69,75,968 | 2,51,28,115 | 2,60,593 | 33,52,384 | 3,06,771 | **3,60,23,831** | - | |
| Disposals | - | - | (1,61,845) | - | - | - | (1,61,845) | | |
| Other Adjustments | | | (1,30,815) | (3,10,67,411) | (2,75,45,156) | (1,06,69,470) | (6,94,12,851) | | |
| **Closing Accumulated Depreciation as at 31 March 2024** | **-** | **5,71,10,600** | **13,75,07,283** | **9,57,150** | **1,84,29,459** | **15,75,255** | **21,55,79,748** | **-** | |
| | | | | | | | | | |
| **Net Carrying Amount as at 31 March. 2024** | **15,32,13,713** | **16,88,68,282** | **48,45,49,358** | **22,56,965** | **2,36,08,332** | **5,22,181** | **83,30,18,830** | **64,07,768** | **62,86,305** |

No Borrowing cost are capitalized either on PPE or on Asset under construction (CWIP).
Investment Property includes freehold land recognised as per cost model under IND AS - 40.

**Charge on PPE**

Entire PPE (except Vehicle) is subject to First Charge to secure bank Loans. Respective vehilces are also subject to charge to secure the Loan availed to acquire the same.

**A) Capital work-in-progress - Ageing**

| Particulars | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Year | Total |
|---|---|---|---|---|---|
| -Projects In Progress | 22,54,978 | 41,52,790 | - | - | **64,07,768** |
| -Projects temporarily suspended | - | - | - | - | **-** |

**B) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan**

| Particulars | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Year | Total |
|---|---|---|---|---|---|
| Project 1 | - | - | - | - | **-** |
| Project 2 | - | - | - | - | **-** |

**For Capital Work in Progress completion time and its cost to be incurred not estimated by management.**

**OSWAL OVERSEAS LIMITED**

**Notes forming integral part of financial statements**

| **4. Financial Assets - Loans** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| (Unsecured, considered good unless otherwise stated) | **INR** | **INR** |
| Security Deposits | 5,80,800 | 5,67,300 |
| **Total** | **5,80,800** | **5,67,300** |

| **5. Other Non Current Assets** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Advances other than Capital Advances | | |
| - Other Advances (includes advances for AMC services, insurance, fee and license) | 6,17,149 | 9,15,881 |
| Tax and duties Recoverable | 14,12,414 | 16,18,646 |
| Taxes under protest/appeal | 32,24,254 | 31,79,204 |
| **Total** | **52,53,817** | **57,13,731** |

| **6. Inventories (As taken,valued & certified by the Management)** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| (a) Raw Materials (at Cost) | - | 8,29,973 |
| (b) Work-in-progress (at Cost including appropriate overhead) | 7,78,712 | 2,83,51,474 |
| (c) Finished Goods (at lower of cost and Net realisable value) | 28,86,89,773 | 54,66,18,631 |
| (d) Stores and spares (at Cost) | 2,98,58,526 | 4,30,99,673 |
| (e) Power (Banked) (at Cost) | 14,80,290 | 14,11,920 |
| **Total** | **32,08,07,302** | **62,03,11,670** |

| **7. Trade Receivables** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Trade Receivables considered good - Unsecured | 63,66,658 | 3,21,36,253 |
| **Total** | **63,66,658** | **3,21,36,253** |

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a

Trade receivables are non-interest bearing and are generally on terms of about 180 days.

In the opinion of the Board of Directors, all the trade receivables are good for recovery.

| **Ageing Schedule** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| **A) Undisputed Trade Receivables - Considered Good** | | |
| Less than 6 Months | 63,43,554 | 2,09,07,284 |
| 6 Months - 1 year | - | 4,02,722 |
| 1-2 years | 23,105 | 25,48,153 |
| 2- 3 years | - | 2,34,760 |
| More than 3 year | - | 80,81,686 |
| **Total** | **63,66,658** | **3,21,74,606** |

| **8. Cash and cash equivalent** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| (A) Balances with Banks | | |
| *(I) Bank Balances held as margin money or security against:* | | |
| (i) Guarantees | 1,20,00,000 | 1,14,99,999 |
| (ii) Other commitments | 1,59,56,889 | 41,73,992 |
| (II) In Current Accounts | 5,91,043 | 70,23,595 |
| (B) Cash in hand | 2,03,307 | 1,09,500 |
| **Total** | **2,87,51,239** | **2,28,07,086** |
| (a) Cash & Cash Equivalents | 7,94,350 | 71,33,095 |
| (b) Bank Balance other than above | 2,79,56,889 | 1,56,73,991 |
| Current | 2,65,10,232 | 1,42,27,334 |
| Non Current (Bank deposits with more than 12 months maturity) | 14,46,657 | 14,46,657 |

**OSWAL OVERSEAS LIMITED**
**Notes forming integral part of financial statements**

| **9. Other Current Assets** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| MAT Credit Entitlement | 1,51,71,101 | 1,51,71,101 |
| Advances other than Capital Advances | | |
| Input Taxes (GST, TDS, etc.) | 24,31,789 | 26,36,198 |
| Other Advances (includes prepaid expenses etc.) | 41,34,295 | 1,16,72,578 |
| **Total** | **2,17,37,185** | **2,94,79,877** |

| **10. Equity Share Capital** | | |
|---|---|---|
| **Authorised** | **No.** | **INR** |
| **At 1st April 2023** | 2,20,00,000 | 11,00,00,000 |
| Increase/(decrease) during the year | - | - |
| **At 31 March 2024** | **2,20,00,000** | **11,00,00,000** |

**Terms/ rights attached to Equity Shares**

The company has only one class of Equity Shares having par value of INR 5 per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividends, if any, in Indian rupees.
The company had split up its existing shares of Rs10/- each into Rs5/- each per equity shares

In the event of liquidation of the company, the Holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential Amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

| **0.1% Non Cumulative Redeemable Preference Shares** | **No.** | **INR** |
|---|---|---|
| **At 31 March 2023** | 2,50,00,000 | 25,00,00,000 |
| Increase/(decrease) during the year | - | - |
| **At 31 March 2024** | **2,50,00,000** | **25,00,00,000** |

**Terms/ rights attached to Preference Shares**

The Preference Shares issued by the company are non-convertible and will be redeemed at the price of INR 10/- per share. The Preference Shares carry a dividend of 0.1% per annum payable at the discretion of the company and subject to apporval of the lenders. The dividend rights are non-cumulative. The Preference Shares rank ahead of the Equity Shares in event of liquidation. The presentation of Liability and Equity portion of these Shares is explained in the summary of significant Accounting policy.

| **Issued, subscribed and fully paid up** | **No.** | **INR** |
|---|---|---|
| **At 31 March 2023** | 1,29,22,100 | 6,46,10,500 |
| Increase/(decrease) during the year | - | - |
| **At 31 March 2024** | **1,29,22,100** | **6,46,10,500** |

The company had split up its existing shares of Rs10/- each into Rs5/- each per equity shares

| **Equity Component of Redeemable Preference Shares of INR 10 each issued and fully paid** | **No.** | **INR** |
|---|---|---|
| **At 31 March 2023** | 1,50,00,000 | 10,19,79,114 |
| Increase/(decrease) during the year | - | - |
| **At 31 March 2024** | **1,50,00,000** | **10,19,79,114** |

This note covers the Equity Component of the issued Convertible Preference Shares. The Liability Component is reflected in financial Liabilities.

**OSWAL OVERSEAS LIMITED**
**Notes forming integral part of financial statements**

| **11. Other Equity** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Securities Premium Reserve | 15,90,10,800 | 15,90,10,800 |
| Retained Earnings | (20,62,35,091) | (15,18,02,733) |
| **Total** | **(4,72,24,291)** | **72,08,067** |
| Reserves and Surplus | (20,62,35,091) | (15,18,02,733) |
| Other Reserve | 15,90,10,800 | 15,90,10,800 |
| | | |
| **Securities Premium Reserve** | **March 31, 2024** | **March 31, 2023** |
| | **INR** | **INR** |
| Opening Balance | 15,90,10,800 | 15,90,10,800 |
| Appropriations during the year | - | - |
| **Closing Balance** | **15,90,10,800** | **15,90,10,800** |
| | | |
| **Retained Earnings** | **March 31, 2024** | **March 31, 2023** |
| | **INR** | **INR** |
| Opening Balance | (15,18,02,733) | (15,91,23,101) |
| Net Profit for the period | (5,44,83,841) | 74,53,404 |
| Items of other Comprehensive Income recognised directly in retained Earnings | 3,05,164 | 2,32,083 |
| Appropriation for Molasses Storage Fund | (2,53,682) | (3,65,120) |
| **Closing Balance** | **(20,62,35,091)** | **(15,18,02,733)** |
| | | |
| **13. Provisions** | **March 31, 2024** | **March 31, 2023** |
| | **INR** | **INR** |
| Provision for employee Benefits | 35,73,583 | 33,69,948 |
| Provision of income tax | - | 2,62,540 |
| **Total** | **35,73,583** | **36,32,488** |
| Current | 7,71,671 | 9,56,395 |
| Non-Current | 28,01,912 | 26,76,093 |
| | | |
| | | |
| **14. Deferred Tax Assets/(Liabilities)(Net)** | **March 31, 2024** | **March 31, 2023** |
| | **INR** | **INR** |
| Deferred Tax Asset/(Liability)(Net) | - | (2,29,02,246) |
| **Total** | **-** | **(2,29,02,246)** |
| | | |
| **Reconciliation of Deferred Tax Liabilities (Net):** | **March 31, 2024** | **March 31, 2023** |
| | **INR** | **INR** |
| Opening Balance as of 1 April 2023 | (2,29,02,246) | (7,90,89,721) |
| Tax Income/(Expense) during the period recognised in Profit or Loss | 2,30,09,466 | 5,62,69,018 |
| Tax Income/(Expense) during the period recognised in OCI | (1,07,220) | (81,543) |
| Closing Balance as at 31 March 2024 | - | (2,29,02,246) |

| Deferred Tax relates to the following: | As at 31-Mar-23 INR | Profit and Loss | OCI | As at 31-Mar-24 INR |
|---|---|---|---|---|
| WDV of Property, Plant and Equipment and intangible assets (excluding freehold land) | (12,52,90,779) | 51,055 | - | (12,52,39,724) |
| Provision for employee benefit | 9,44,447 | (15,316) | - | 9,29,131 |
| Prior period adjustment | (3,39,05,280) | 3,39,05,280 | - | - |
| Unabsorbed Depreciation | 7,51,42,482 | 23,39,966 | - | 7,74,82,448 |
| Unabsorbed Business Loss | 6,02,88,427 | - | - | 6,02,88,427 |
| Income tax relating to items that will not be reclassified to profit or loss | (81,543) | - | (25,677) | (1,07,220) |
| **Total** | **(2,29,02,246)** | **3,62,80,985** | **(25,677)** | **1,33,53,062** |

According to Ind AS 12, the amount of Deferred Tax Asset of Rs. 16048290/- has not been recognised in the Financial Statements as per matter of prudence. As per the policy followed, the deferred tax assets are recognised only if there is virtual certainity with convincing evidence that there will be sufficient future taxable profit against which the deductible temporary difference can be utilised.

| 12. Borrowings | | | | | |
|---|---|---|---|---|---|
| | Effective Interest rate | Maturity | Installment (No.) | March 31, 2024 | March 31, 2023 |
| | | | | INR | INR |
| **Non-Current Borrowings** | | | | | |
| **Term Loan** | | | | | |
| **From Banks** | | | | | |
| (i) Liability Component of compound financial instrument (Unsecured) | 16.85% | January 2016- January 2036<br>February 2016-February 2036 | Lumpsum | 1,03,87,482 | 81,59,281 |
| (ii) Vehicle Loans (Secured)( Refer note no. 30) | As per notes | | As per notes | 99,44,080 | 1,27,15,633 |
| (iii) Soft Loan from SBI (SAFASU 2018) | 5% | Nov 2018- June 2024 | 60 | 2,66,88,460 | 11,67,70,383 |
| (iv) Liability Component of compound financial instrument (Unsecured) | 14.70% | December 2020-December 2040 / March 2021-March 2041 | Lumpsum | 80,24,696 | 77,40,242 |
| (v) GECL- EXTENTION 1.0 | 7.40% | Jan 2022- Jan 2027 | 36 | 4,11,21,497 | 4,18,28,994 |
| **Unsecured Loans** | | | | - | - |
| - From Directors (Unsecured) (Refer Note No. 25) | | | | 14,77,61,000 | 9,77,61,000 |
| - From Intercorporate (Unsecured) | | | | 50,00,000 | 50,00,000 |
| **Total borrowings** | | | | **24,89,27,214** | **28,99,75,534** |
| Less: Current maturities of debt | | | | (4,33,86,917) | (10,69,80,000) |
| Less: Current maturities of vehicle Loans | | | | (43,09,140) | (45,78,941) |
| Less: Interest accrued and due | | | | | (5,66,559) |
| **Non current borrowings** | | | | **20,12,31,157** | **17,78,50,034** |
| **Less: Debit balance of wc** | | | | **-** | **-** |
| **Non current borrowings** | | | | **20,12,31,157** | **17,78,50,034** |

| | Effective Interest rate | Maturity | | March 31, 2024 | March 31, 2022 |
|---|---|---|---|---|---|
| | | | | INR | INR |
| **Current borrowings** | | | | | |
| **(A) Loans repayable on demand** | | | | | |
| **Secured** | | | | | |
| From SBI | 11.65% | On Demand | | 3,42,24,253 | 32,62,136 |
| Overdraft from HDFC Bank | | On Demand | | - | 43,84,525 |
| **Total Current borrowings** | | | | **3,42,24,253** | **76,46,660** |
| **Add: Adjusted in Non Current Borrowings** | | | | **-** | **-** |
| **Current borrowings** | | | | **3,42,24,253** | **-** |

| | March 31, 2024 | March 31, 2022 |
|---|---|---|
| **(B) Other financial liablities** | **INR** | **INR** |
| **Current** | | |
| Current maturities of debt | 4,33,86,917 | 10,69,80,000 |
| Current maturities of vehicle Loans | 43,09,140 | 45,78,941 |
| Interest accrued and due | - | 5,66,559 |
| | **4,76,96,057** | **11,21,25,500** |

At 31 March 2024 there were 15000000 no. of redeemable preference shares in issue. Each share has a par value of INR 10. Preference shares will be redeemed in 2036: Rs. 60000000 and in the year 2040 Rs. 90000000 at par. The preference shares carry a dividend of 0.1% per annum, payable yearly in arrears on 31 March. The dividend rights are non-cumulative. The preference shares rank ahead of the Equity shares in the event of a liquidation. The presentation of the liability and Equity portions of these shares is explained in the summary of significant Accounting policies.

As at 31 March 2024 there is a Soft Loan Of Rs. 53,49,00,000 sanctioned on 28/11/2018 and disbursed on Date- 30 Nov 2018 by UP Govt. to Clear Cane Dues pertaining to crushing season 2017-18 ,that is payable in 60 monthly installments starting from July 2019

As at 31 March 2024, there is a GECL Looan of Rs. 5,00,00,000 Sanctioned on 13/01/2022 and disbursed on date 13/01/2022, is Payable in 60 Monthly installments

**OSWAL OVERSEAS LIMITED**
**Notes forming integral part of financial statements**

| **15. Other Liabilities** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Statutory Dues Payables | 3,76,805 | 2,20,09,417 |
| Revenue Received in Advance | 20,53,592 | 3,00,62,868 |
| Security Received | 27,67,321 | 33,50,943 |
| Other Liabilities and payables | 60,54,873 | 49,47,968 |
| Molasses Storage Fund | 21,13,401 | 18,59,719 |
| Deffered Interest Income (On SEFASU Loan 2018 and GECL 2022) | 61,23,609 | 1,65,55,444 |
| **Total** | **1,94,89,600** | **7,87,86,359** |
| Current | 84,85,269 | 5,70,20,253 |
| Non-Current | 1,10,04,331 | 2,17,66,106 |

| **16. Trade payables** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Trade Payables - MSME | - | 3,52,780 |
| Trade Payables - Others | 80,36,29,933 | 1,00,86,28,171 |
| **Total** | **80,36,29,933** | **1,00,89,80,951** |

Terms and conditions of the above financial Liabilities

- ► Trade payables are non-interest bearing and are normally settled as per terms of the respective contract.
- ► Trade payables- MSME are to the extent identified by the company on the basis of certificates received from them.

| **Ageing Schedule** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| **A) MSME** | | |
| Less than 1 year | - | 3,52,780 |
| **Total (A)** | **-** | **3,52,780** |
| **B) Others** | | |
| Less than 1 year | 79,87,26,001 | 99,63,71,103 |
| 1-2 years | 6,54,330 | 28,26,896 |
| 2-3 years | 1,74,799 | 38,21,088 |
| More than 3 year | 40,74,803 | 56,09,086 |
| **Total (B)** | **80,36,29,933** | **1,00,86,28,173** |
| **Total (A+B)** | **80,36,29,933** | **1,00,89,80,953** |

| **17. Revenue from Operations** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Revenue from Sale of products | 1,52,96,87,863 | 2,11,62,54,649 |
| Less: Inter unit sales | (88,58,844) | (1,46,27,196) |
| **Total** | **1,52,08,29,020** | **2,10,16,27,453** |

**Sale of Products:**

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc.Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

| **18. Other Income** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Interest Income | 1,16,75,709 | 1,60,19,358 |
| Other Non-Operating Incomes | 12,68,398 | 21,80,526 |
| **Total** | **1,29,44,107** | **1,81,99,884** |

| **19. Cost of Raw Material and Components Consumed** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Inventory at the beginning of the year | 8,29,973 | 2,03,000 |
| Add: Purchase | 1,14,41,21,824 | 1,69,90,85,254 |
| | 1,14,49,51,796 | 1,69,92,88,254 |
| Less: Inventory at the end of the year | - | 8,29,973 |
| | **1,14,49,51,796** | **1,69,84,58,282** |

**OSWAL OVERSEAS LIMITED**

**Notes forming integral part of financial statements**

| **20. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| **OPENING INVENTORIES** | | |
| Work in Progress | 2,83,51,474 | 4,71,30,087 |
| Finished Goods | 54,80,30,550 | 75,75,91,307 |
| **CLOSING INVENTORIES** | | |
| Work in Progress | 7,78,712 | 2,83,51,474 |
| Finished Goods | 29,01,70,063 | 54,80,30,550 |
| **INCREASE/(DECREASE) IN INVENTORIES** | **(28,54,33,249)** | **(22,83,39,370)** |

| **21. Employee Benefits Expenses** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Salaries, wages and bonus | 5,59,28,075 | 5,35,76,751 |
| Contribution to provident and other funds | 9,56,916 | 8,83,444 |
| Gratuity Expense | 5,02,229 | 4,91,599 |
| Leave Encashment | 2,19,706 | 1,99,433 |
| Staff welfare Expense | 4,62,929 | 96,698 |
| **Total** | **5,80,69,855** | **5,52,47,925** |

| **22. Finance Costs (Refer to Note No. 30)** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| Interest Expense | 2,55,06,175 | 3,43,25,768 |
| Other borrowing cost | 5,25,442 | 2,17,096 |
| **Total** | **2,60,31,617** | **3,45,42,865** |

| **23. Other Expenses** | **March 31, 2024** | **March 31, 2023** |
|---|---|---|
| | **INR** | **INR** |
| ***Inter Unit Expenses*** | | |
| Power and Fuel | 24,08,285 | 22,88,412 |
| Steam Consumed | 64,50,558 | 1,23,38,784 |
| Less: Elimination | (88,58,844) | (1,46,27,196) |
| ***Direct Expenses*** | | |
| Power and Fuel | 4,07,301 | 7,11,871 |
| Other manufacturing Expenses | 70,47,448 | 75,69,135 |
| ***Indirect Expenses*** | | |
| Rent | 5,30,000 | 4,98,000 |
| Rates and Taxes | 7,61,987 | 4,85,439 |
| Insurance | 18,67,103 | 12,23,877 |
| ***Repairs and maintence :*** | | |
| Plant and machinery | 3,30,26,028 | 3,51,27,153 |
| Buildings | 12,77,835 | 76,80,967 |
| Office Expenses | 24,77,092 | 37,71,662 |
| Vehicle Running & Maintenance | 23,17,248 | 36,18,114 |
| Travelling and conveyance | 3,11,785 | 3,81,928 |
| Legal and professional fees | 30,09,698 | 34,26,998 |
| Other Expenses | 42,97,599 | 17,99,141 |
| **Total** | **5,73,31,125** | **6,62,94,286** |

**For and on Behalf of Board of Directors**

**of Oswal Overseas Limited**

| **Sd/-** | **Sd/-** | **Sd/-** | **Sd/-** |
|---|---|---|---|
| (AIJAZ AHMAD) | (LALIT KUMAR) | (ANOOP KUMAR SHRIVASTAV) | (PARAMJEET SINGH) |
| CFO | COMANY SECRETARY | DIRECTOR | MANAGING DIRECTOR |
| | | DIN: 07052640 | DIN: 00313352 |

**Oswal Overseas Limited**
**Notes to the Financial Statements for the year ended 31st March 2024**

**24. Contingent Liabilities and Commitments:**

Liabilities in respect of Income Tax and Sales Tax have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessment is accounted for in the year in which assessment is completed. Income Tax assessments have been assessed up to the assessment year 2021-22 and there is no outstanding demand is case of completed assessments except Correction u/s 154 has been filed for assessment year 2020-21 against demand of Rs. 60540/-. Sales Tax assessments have been completed up to financial year 2016-17. The Demands have been raised by the Sales Tax Department and the Excise Department on account of Entry Tax, CENVAT Credit, Penalty etc. The Status of such assessments is provided below:

**STATUS OF ENTRY TAX/ GST CASES AS ON 31 - MAR - 2024**

| YEAR | PENDING WITH | CAUSE | STATUS | REMARK | File No. |
|---|---|---|---|---|---|
| 2000-01 (Entry Tax) | Supreme Court | E. Tax Rs. 10 lakhs on Sale of Sugar Out of UP. | Stayed by H. Court on dt. 15.04.2003 Writ No. **588/2003** | **Pending in Supreme Court** (All order & notices quashed by the High Court . Department filed SLP in Supreme Court which is pending. **As per Discussed with consultant Mr. Anil Kumar Agarwal on dt.17.04.2018 All SLP dismissed by the Supreme Court on Dt.21.03.2017** | **33** |
| 2001-02 (Entry Tax) | Supreme Court | Entry Tax Rs. 6004557/- on Sale of Sugar Out of UP. | Stayed by H. Court dt. 03.02.04 Writ No. **92/2004** | **Pending in Supreme Court** (All order & notices quashed by the High Court . Department filed SLP in Supreme Court which is pending. **As per Discussed with consultant Mr. Anil Kumar Agarwal on dt.17.04.2018 All SLP dismissed by the Supreme Court on Dt.21.03.2017** | **15** |

| | | | | | |
|---|---|---|---|---|---|
| 2002-03 (Entry Tax) | Supreme Court | Entry Tax Rs. 3505535/- on Sale of Sugar Out of UP. | **Step I**<br>Stayed by H. Court dt. 18.10.06 Writ No. 1568/2006<br>**Step II**<br>Writ No. 1568 dismissed by the H. Court on dt. 23.12.2011 & tagged with order for Writ No. 1484/2007 ITC v/s UP Govt.<br>**Step III**<br>Stayed 50% against bank guarantee on dt. 06.02.12 by Supreme Court | **Step I**<br>Writ No. 1568 dismissed by the H. Court on dt. 23.12.2011 & tagged with order for Writ No. 1484/2007 ITC v/s UP Govt.<br>**Step II**<br>SLP No. 4059/2012 filed by us on dt. 06.02.2012 **(Consultant Mr. Nikhil Sharma)**<br>**Step III**<br>deposited 50% under protest(Rs. 500000/- 31.01.12, Rs. 600000/- dt. 16.02.12 & Rs. 652768/- dt. 29.02.12)<br>Submitted bank guarantee on dt. 20/08/2015 for Rs. 1752768/- valid up to 11-08-2016<br><br>**As per Discussed with consultant Mr. Anil Kumar Agarwal on dt.17.04.2018 All SLP dismissed by the Supreme Court on Dt.13.12.2017** | **24** |
| 2007-08 (Entry Tax) | Pending for Commissioner | E. Tax Rs. 4079891/- assessed by dy. Commissioner on dt. 28/01/10 | **Step I**<br>Remand order passed on dt. 24.02.10by Addl. Commissioner for Ist appeal no. 142/2010<br>**Step II**<br>Remand order passed by additional commissioner dt. 24.02.12<br>**Step III**<br>IInd appeal filed on 20.06.12 with delay condonation | (Also was stayed by H. Court on dt. 29.05.09 writ petition no. 1372/2009 (Consultant Mr. Bharat Ji Agarwal) which has been vacated on dt. 23.12.2011)<br>Submitted bank guarantee for Rs. 208758/- & Rs.3870931.00 surety bond) on dt. 22.04.2010<br>.<br>**Step II**.<br>Reassessment order is to be processed within one year from the date of remand order 24.02.2012 viz,.23.02.13<br>**Step III**<br>last hearing date is 06.06.12 as per notice dt.02.03.2012.<br><br>**As per Discussed with consultant Mr. Anil Kumar Agarwal on dt.17.04.2018 Pending by the Department** | **25 & 32** |

| | | | | | |
|---|---|---|---|---|---|
| 2008-09(Entry Tax) | Tribunal | Entry tax assessed Rs. 2559663/- by Jt. Commissioner Corp. Circle on dt. 28.02.11 | **Step I** Ist appeal no. 581/2011 filed **Step II** IInd appeal no. 231/2011 filed on dt. 27.04.11against 60% stay obtained on first appeal dt. 04.05.11 interim stay (100%) **Step III** 90% final stay granted by tribunal on dt. 21.07.2011 | **Step I** 60% stay obtained from additional commissioner **Step II** Rs. 302345/- deposited under protest on dt. 23.06.09 Rs. 188290/- deposited under protest on dt. 28.03.09 Rs. 2069028/- (surety bond submitted on dt. 17.06.11) **Step III** Ist Appeal Rejected by Additional commissioner on dt. 14.08.2014. **Step IV** IInd Appeal filled by us on dt. 10/09/2014. Rs. 256000/- Deposited under protest on dt. 07/11/2014 as per order by tribunal on dt. 31/10/2014. **Step-V** Remand order Passed by Tribunal on dt. 20.06.2015. Notice not yet received from Assessing Officer. **As per Discussed with consultant Mr. Anil Kumar Agarwal on dt.17.04.2018 Pending Before Joint Commissioner Corporate Circle, Bareilly.** | **120** |
| 2009-10 (Entry Tax) | Tribunal | Entry tax assessed Rs. 934464/- by Jt. Commissioner Corp. Circle on dt. 28.03.11 | **Step I** IInd appeal no. 235/2011 filed on dt. 18.05.11against 60% stay obtained on first appeal dt. 04.05.11 interim stay (100%) **Step II** 90% final stay granted by tribunal on dt. 21.07.2011 | **Step I** IInd Appeal filled by us on dt. 10/09/2014. Rs. 93500/- Deposited under protest on dt. 07/11/2014 as per order by tribunal on dt. 31/10/2014. **Step-II** Remand order Passed by Tribunal on dt. 20.06.2015. Notice not yet received from Assessing Officer. **As per Discussed with consultant Mr. Anil Kumar Agarwal on dt.17.04.2018 Pending Before Joint Commissioner Corporate Circle, Bareilly.** | **121** |
| 2017-18 & 2018-19 | Gst Deptt Noida Sec-62-201309 | GST Demand Violation of Sec 16(2) | **Step I** Appeal Filed No: AD0909220129305 Dt: 08.09.2022 | **Step I** Rs.128538/- (Actual Challan Paid Rs.129000/-) Deposited Under Protest on Dt: 08.09.2022 **Consultant C.A. Kapil Vaish** **Step II** **Written submission submitted on dt. Against hearing notice dt. 08/11/2023** | **N.A.** |
| 2017-18 | Central GST superintendent Range Nawabga | GST Demand Rs. 345730/- Violation of Sec 74 | **Step I** Appeal Filed No 79/gst/appl-noid/GBN/2022-23 dt. 12.09.2022 prov. Ack. No. AD0909220129305 Dt: 08.09.2022 | **Step I** Rs.128538/- (Actual Challan Paid Rs.129000/-) Deposited Under Protest on Dt: 08.09.2022 Consultant C.A. Kapil Vaish **Step II** | **N.A.** |

| | | | | | |
|---|---|---|---|---|---|
| | nj | | | Written submission submitted on dt. against hearing notice dt. 08/11/2023 | |
| 2018-19 | Gst Deptt Moradabad | GST Demand U/s 129 | **Step I** Appeal Filed No: 031/18 Dt: 05.12.2018 | **Step I**<br>Rs.121190/- (Actual challan paid Rs. 121200/-) deposited Under Protest on dt. 18.03.2024<br>**Consultant C.A. Kapil Vaish**<br>**Step II**<br>**Appeal to be listed** | **N.A.** |

**25. RELATED PARTY DISCLOSURES:**

| LOANS RECV & GIVEN, SALES & PURCHASE | F.Y. | SALES TO RELATED PARTIES | PURCHASE FROM RELATED PARTIES | AMOUNT OWED BY RELATED PARTIES | (Loans Given)/ Received | (REPAYMENT) | Amount Owed by Related Parties |
|---|---|---|---|---|---|---|---|
| | INR Lakhs | INR Lakhs | INR Lakhs | INR Lakhs | INR Lakhs | INR Lakhs | INR Lakhs |
| ENTITY IN WHICH THE DIRECTOR" ARE INTERESTED | 31-Mar-24 | 3.13 | - | - | - | - | - |
| | 31-Mar-23 | 6.30 | - | - | - | - | - |
| DIRECTORS | 31-Mar-24 | - | - | - | 881.00 | 381.00 | 1477.61 |
| | 31-Mar-23 | - | - | - | 1,010.00 | (1,002.50) | 977.61 |
| RELATIVES OF DIRECTOR | 31-Mar-24 | - | - | 12.00 | - | - | - |
| | 31-Mar-23 | - | - | 12.00 | - | - | - |

| Key Management Personnel | F.Y. | Short Term Employee Benefits (in Lakhs) | Post Employment Benefits (in Lakhs) | (Loans Given)/Received | (REPAYMENT)/RECEIVED | Amount Owed by Key Management Personnel |
|---|---|---|---|---|---|---|
| CEO | 31-Mar-24 | 12.63 | 0.80 | - | - | - |
| | 31-Mar-23 | 11.85 | 0.79 | - | - | - |
| CFO | 31-Mar-24 | 6.85 | 1.76 | - | - | - |
| | 31-Mar-23 | 6.85 | 1.52 | - | - | - |
| CS | 31-Mar-24 | 6.21 | 1.21 | - | - | - |
| | 31-Mar-23 | 6.21 | 1.01 | - | - | - |
| Director Sitting Fees | 31-Mar-24 | 0.60 | - | - | - | - |
| | 31-Mar-23 | 1.20 | - | - | - | - |

The amounts disclosed in the table relating to employee benefits are the amounts recognised as an expense during the reporting period related to key management personnel.

**Terms and conditions of transactions with related parties**

Outstanding balances of Unsecured Loan of the Directors at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**26. Deferred Tax**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Company has tax losses (Business Loss) of INR 18,09,55,020 (pertaining to A.Y. 2018-2019) and INR 5,09,23,546 (pertaining to A.Y. 2016-2017) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose.

**27. Employee Benefits:**

**A. Defined Contribution Plan**

Contribution to defined contribution plan, recognized as expense for the year is as under:

(Amount in Rs.)

| Particulars | 2023-24 | 2022-23 |
|---|---|---|
| Employer's contribution towards Provident Fund | 9,56,916 | 8,83,444 |

**B. Defined Benefit Plan**

**General description of the plan:**

| Gratuity | Leave Encashment |
|---|---|
| Unfunded | Unfunded |

**C. Method of valuation:** Projected unit Credit Method

**D. Reconciliation of opening and closing balance of defined benefit obligation:**

(Amount in Rs.)

| Item | Gratuity | | Leave Encashment | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net opening liability/(asset) | 24,08,080 | 23,56,129 | 9,61,868 | 7,77,040 |
| Expenses as recognized in P&L account | 5,02,229 | 4,91,599 | 2,19,706 | 1,99,433 |
| Re- measurements | (3,61,792) | (3,78,725) | (50,592) | 65,099 |

| | | | | |
|---|---|---|---|---|
| Contributions/benefits paid | - | (60,923) | (1,05,916) | (79,704) |
| Net closing liability(asset) | 25,48,517 | 24,08,080 | 10,25,066 | 9,61,868 |

**E. Fair Value of Plan Assets:**

(Amount in Rs.)

| **Particulars** | **Gratuity** | | **Leave Encashment** | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| FV of plan assets at the beginning of the period | - | - | - | - |
| Expected Return on plan assets | - | - | - | - |
| Contributions paid by the employer | - | - | - | - |
| Benefit paid by Fund | - | - | - | - |
| Assets Acquired/Ceded on settlement | - | - | - | - |
| Actuarial Gains/(Losses) on plan assets | - | - | - | - |
| Return on plan assets excluding interest income | - | - | - | - |
| FV of Plan assets at the end of the period | - | - | - | - |

**F. Amount recognized in the balance sheet:**

(Amount in Rs.)

| **Particulars** | **Gratuity** | | **Leave Encashment** | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| Present value of DBO/LTEB | 25,48,517 | 24,08,080 | 10,25,066 | 9,61,868 |
| FV of plan assets | - | - | - | - |
| Unrecognized past service cost (Non vested) | - | - | - | - |
| Net Liability/(Asset) recognized in Balance Sheet | 25,48,517 | 24,08,080 | 10,25,066 | 9,61,868 |

**G. <u>Expense Recognized in Profit or Loss Statement</u>**

(Amount in Rs.)

| **Particulars** | **Gratuity** | | **Leave Encashment** | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| Current Service Cost | 3,23,544 | 3,16,072 | 1,49,048 | 1,29,512 |
| Interest Cost | - | - | - | - |

| | | | | |
|---|---|---|---|---|
| Actuarial (Gain)/Loss of obligations | - | - | - | - |
| Actuarial (Gain)/Loss of plan assets | - | - | - | - |
| Benefits paid directly by the employer | - | - | - | - |
| Expected Return on plan assets | - | - | - | - |
| Net Interest Cost | 1,78,684 | 1,75,528 | 70,659 | 61,287 |
| Past Service Cost – Vested | - | - | - | - |
| Past Service Cost – Non-Vested | - | - | - | - |
| Total Expense Recognized in Profit or Loss Statement | 5,02,228 | 4,91,600 | 2,19,707 | 1,90,799 |

**H. Amount Recognized in Other Comprehensive Income**

(Amount in Rs.)

| **Particulars** | **Gratuity** | | **Leave Encashment** | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| Actuarial (Gain)/Loss on obligations– Due to change in Financial Assumptions | 69,534 | (27,726) | 35,647 | (15,009) |
| Actuarial (Gain)/Loss on obligations – Due to change in demographic Assumptions | - | - | - | - |
| Actuarial (Gain)/Loss – Due to experience variance | (4,31,326) | (3,50,998) | (86,239) | 80,108 |
| Return on plan assets other than amounts included in net interest cost | - | - | - | - |
| Re-measurement arising from change in asset ceiling | - | - | - | - |
| Net (Income)/Expense for the period recognized in Other Comprehensive Income | (3,61,792) | (3,78,724) | (50,592) | 65,099 |

**I. Valuation Assumptions (Financial)**

| **Particulars** | **2024** | **2023** |
|---|---|---|
| Discount Rate | 7.00% | 7.30% |
| Estimated rate of increase in compensation levels | 5.50% | 5.50% |
| Expected rate of return on plan assets | NA | NA |

**(Demographic)**

| | |
|---|---|
| Mortality basis | Indian Assured Lives Mortality (2006-08) Ult. |
| Attrition | 4.5% |

| | |
|---|---|
| Disability | No explicit allowance |
| Leave availment factor | 0% |

**Average Weighted Duration of Liabilities:**
**Sensitivity Analysis**

(Amount in Rs.)

| Item | Gratuity | | Leave Encashment | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Increase Discount Rate by 1%/0.50% | 24,35,882 | 22,96,288 | 9,82,037 | 9,20,175 |
| Decrease Discount Rate by 1%/0.50% | 26,69,958 | 25,29,041 | 10,71,741 | 10,07,154 |
| | | | | |
| Increase Salary Inflation by 1%/0.50% | 26,58,523 | 25,18,606 | 10,67,143 | 10,02,980 |
| Decrease Salary Inflation by 1%/0.50% | 24,45,442 | 23,04,898 | 9,85,923 | 9,23,676 |
| | | | | |
| Increase in Withdrawal Rate by 1%/20% | 25,55,425 | 24,17,751 | 10,28,505 | 9,66,101 |
| Decrease in Withdrawal Rate by 1%/20% | 25,41,394 | 23,98,100 | 10,21,486 | 9,57,459 |

**28. Fair Value of Financial Instruments**

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

| Category | Carrying value | | Fair Value | |
|---|---|---|---|---|
| | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 |
| **Financial asset at amortized cost** | | | | |
| Loans | 32,48,360 | 1,06,84,916 | 32,48,360 | 1,06,84,916 |
| Other current financial assets | 63,66,658 | 3,21,36,253 | 63,66,658 | 3,21,36,253 |
| **Financial liabilities at amortized cost** | | | | |
| Non-Current borrowings including current maturities (refer note no 12) | 24,89,27,214 | 28,99,75,534 | 24,89,27,214 | 28,99,75,534 |
| Current borrowings (refer note no 12) | 3,42,24,253 | 76,46,660 | 3,42,24,253 | 76,46,660 |

The management assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors, other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair value of loans from banks and other financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable and unobservable inputs in the model, of which the significant observable and unobservable inputs are disclosed below. Management regularly assesses a range of reasonably possible alternatives for those significant observables and unobservable inputs and determines their impact on the total fair value.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Company enters into derivative financial instruments such as foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The Company uses Mark to Market provided by Bank for valuation of these derivative contracts.

The fair values of the Company's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2024 was assessed to be insignificant.

**Fair value hierarchy**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(i) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2024.

| **Particulars** | **Carrying value** | **Fair value** | | |
|---|---|---|---|---|
| | **March 31, 2024** | | | |
| | | **Level 1** | **Level 2** | **Level 3** |
| Loans | 32,48,360 | - | 32,48,360 | - |
| Other current financial assets | 63,66,658 | - | 63,66,658 | - |

(ii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2023

| **Particulars** | **Carrying value** | **Fair value** | | |
|---|---|---|---|---|
| | **March 31, 2023** | | | |
| | | **Level 1** | **Level 2** | **Level 3** |
| Loans | 1,06,84,916 | - | 1,06,84,916 | - |
| Other current financial assets | 3,21,36,253 | - | 3,21,36,253 | - |

(iii) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2024

| **Particulars** | **Carrying value** | **Fair value** |
|---|---|---|
| | **March 31, 2024** | |

| | | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| Non-Current borrowings including current maturities (refer note no 12) | 24,89,27,214 | - | 24,89,27,214 | - |
| Current borrowings (refer note no 12) | 3,42,24,253 | - | 3,42,24,253 | - |

(iv) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2023

| Particulars | Carrying value | Fair value | | |
|---|---|---|---|---|
| | March 31, 2023 | | | |
| | | Level 1 | Level 2 | Level 3 |
| Non-Current borrowings including current maturities (refer note no 12) | 28,99,75,534 | - | 28,99,75,534 | - |
| Current borrowings (refer note no 12) | 76,46,660 | - | 76,46,660 | - |

## 29. Capital Management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, Liability Component of compound financial instrument (CFI), security premium and all other equity reserves. The primary objective of the Company's capital management is that it maintains an efficient capital structure and maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, other bank balances.

| Particulars | (Rs.) | (Rs.) |
|---|---|---|
| | As at March 31, 2024 | As at March 31, 2023 |
| Borrowings | 20,12,31,157 | 17,78,50,034 |
| Other financial liabilities | 4,76,96,057 | 11,21,25,500 |
| Trade payables | 80,36,29,933 | 1,00,89,80,951 |
| Less: Cash and Cash equivalents | (7,94,352) | (71,33,097) |
| Less: Other bank balances | (2,79,56,889) | (1,56,73,991) |
| **Net Debt** | **1,02,38,05,906** | **1,27,61,49,397** |

| | | |
|---|---|---|
| Equity share capital | 6,46,10,500 | 6,46,10,500 |
| Other equity | 10,91,87,181 | 10,91,87,181 |
| **Total Equity** | **17,37,97,681** | **17,37,97,681** |
| | | |
| Total Capital and net debt | **1,19,76,03,587** | **1,44,99,47,078** |
| Gearing ratio | 14.51% | 11.99% |

**30. Vehicle Loan:**

| S.no | A/c description | Rate of interest | Closing Balance as at 31.03.2024 (in Rs.) |
|---|---|---|---|
| 1. | HDFC CAR LOAN BMW X5 | 8.70 | 9,22,945 |
| 2. | HDFC CAR LOAN-BMW X1 | 9.30 | 3,14,068 |
| 3. | HDFC CAR LOAN-NEW BOLERO | 8.90 | 1,79,839 |
| 4. | HDFC CAR LOAN-MERCEDES BLACK | 6.80 | 43,75,719 |
| 5. | HDFC BANK LOAN- FORTUNER | 7.40 | 14,83,887 |
| 6. | HDFC CAR LOAN- ERTIGA | 7.25 | 6,96,132 |
| 7. | HDFC CAR LOAN HONDA AMAZE | 9.15 | 6,14,218 |
| 8. | TOYOTA FINANCIAL SERVICES-INOVA HYCROS | 9.59 | 13,57,271 |
| **Total** | | | **99,44,079** |

**31. Finance Costs**

| Particulars | March 31, 2024 (in ₹) | March 31, 2023 (in ₹) |
|---|---|---|
| Interest on CC Limit, Vehicle Loan, etc. | 31,52,326 | 34,45,938 |
| Interest on Debt Component of Pref. Shares | 25,12,655 | 21,68,577 |
| Interest on TL SAFASU 2018 (Fair Valuation) | 1,26,01,090 | 2,21,26,078 |
| Interest on Term Loan SBI | 64,82,591 | 61,17,897 |
| Other Borrowing Cost | 7,514 | 17,278 |
| Interest on Unsecured Loans | 7,50,000 | 4,50,000 |
| **TOTAL** | **2,55,06,175** | **3,43,25,768** |

The Preference shares amounting to Rs. 15,00,00,000 were issued on respective dates (15/01/2016: Rs.3,00,00,000, 11/02/2016: Rs.3,00,00,000, 31/12/2020: Rs.3,00,00,000, 20/03/2021: Rs 6,00,00,000). In accordance with IND AS-109, the equity and debt component of Preference shares were segregated in the year of their issue. Hence, interest amounting to Rs. 25,12,655 relates to this debt component of Preference shares issued. Hence, this interest charged is a mere presentation requirement of IND AS-109. The relevant effects have also been provided in recording deferred tax liability/asset in accordance with IND AS-12.

The Company availed SAFASU Loan amounting Rs.53,49,00,000 on 30/11/2018. The Company was offered this loan at 5% rate of interest, which was less than the prevailing market rate at time of issue. Hence, the fair value of differential rate of interest was recorded as deferred income. The actual rate of interest charged by bank is Rs. 40,11,750. Remaining Rs. 85,89,340 amount is mere presentation of IND AS-109. The same amount has been transferred from deferred income to other non-operating income.

The Company availed GECL Loan amounting Rs.5,00,00,000 on 13/01/2022. The Company was offered this loan at 7.40% rate of interest, which was less than the prevailing market rate at time of issue. Hence, the fair value of differential rate of interest was recorded as deferred income. The actual rate of interest charged by bank is Rs. 36,91,435. Remaining Rs. 27,91,156 amount is mere presentation of IND AS-109. The same amount has been transferred from deferred income to other non-operating income.

**32. Operating Segments:**

**A. Description of the segments and principal activities:**

The Company's executive committee examines the Company's performance from a product and geographic perspective and has identified two reportable segments of its business:

**a. Sugar Manufacturing:**

This part of the business manufactures and market Sugar and its byproducts (Molasses, bagasse). The main raw material is Sugar cane. The Company has its Manufacturing Plant at Village Aurangabad, Tehsil Nawabganj, Distt. Bareilly (Uttar Pradesh).

**b. Power Generation**

Under this segment of the business the Company generates power and provide commercial Supply to UPPCL under power purchase agreement of 7-MW signed with UPPCL Lucknow (Uttar Pradesh).

| **Segment Reporting** | **(Rs. In lakhs)** |
|---|---|
| **Particulars** | **Year ended 31.03.2024 (Audited)** |
| **Segment Revenue** | |
| a. Sugar Division | 14,951.03 |
| b. Power Division | 345.85 |
| Total | 15,296.88 |
| Less - Inter segment revenue | 88.59 |
| **Revenue from Operations** | **15208.29** |
| **Segment Results (Profit/ (Loss) before tax, finance costs and un-allocable items from each segment)** | |
| a. Sugar Division | (286.49) |
| b. Power Division | 238.68 |
| Total Profit before Tax | (47.82) |
| Less - i. Finance cost | 260.32 |
| ii. Other Unallocable Expenditure net off Unallocable Income | 432.55 |
| **Profit Before Tax** | **(740.68)** |
| Segment Assets | |
| a. Sugar Division | 10,377.43 |
| b. Power Division | 1,552.07 |
| Toal Segment Assets | 11,929.50 |
| Un-allocable Assets | 1,595.00 |
| **Net Segment Assets** | **13,524.50** |
| | |
| **Segment Liabilities** | |
| a. Sugar Division | 14,059.24 |
| b. Power Division | - |
| Total Segment Liabilities | 14,059.24 |
| Un-allocable Liabilities | 1,527.61 |
| **Net Segment Liabilities** | **15,586.85** |

**33. Key Financial Ratios**

| Key Financial Ratios | For the year ended | | | |
|---|---|---|---|---|
| **Ratio / Measures** | **31-Mar-24** | **31-Mar-23** | **% Change** | **Methodology** |
| Current Ratio | **0.42** | **0.58** | **(28.09)** | Current assets over current liabilities |
| Debt-Equity Ratio | **1.97** | **1.02** | **92.76** | Debt over total share holders' equity |
| Debt Service Coverage Ratio | **(0.13)** | **0.16** | **(182.22)** | EBIT over Current Debt |
| Return on Equity Ratio (in %) | **(45.64)** | **4.29** | **(1,164.33)** | PAT over total share holders' equity |
| Inventory turnover ratio | **3.16** | **2.71** | **16.93** | Cost of goods over av inventory |
| Trade Receivables turnover ratio | **79.00** | **58.88** | **34.16** | Revenue from operations over average trade receivables |
| Trade payables turnover ratio | **1.26** | **1.62** | **(22.11)** | Total Purchases over average trade payables |
| Net capital turnover ratio | **(2.93)** | **(5.09)** | **(42.42)** | Revenue from operations over average working capital |
| Net profit ratio (in %) | **(3.58)** | **0.35** | **(1,110.15)** | Net profit over revenue from operations |
| Return on Capital employed (in %) | **(33.51)** | **(4.06)** | **725.51** | PBIT over average capital employed |

**34. Additional Regulatory Information:**

| Sl. No. | Disclosure requirement as per amended Schedule III to the Companies Act, 2013 | Reason for non-disclosure |
|---|---|---|
| 1. | Title deeds of immovable properties not held in the name of | All title deeds are in name of the |
| 2. | Fair value of investment property | Fair Value not measured |
| 3. | Revaluation of property, plant and equipment | No Revaluations in Current FY |
| 4. | Revaluation of intangible assets | No Revaluations in Current FY |
| 5. | Loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties | Nil |
| 6. | Details of Benami property held | Nil |

7. Summary of Reconciliation of Stock Statement (In Lakhs)

| Quarter Ended | Amount as per books of account | Amount as in the quarterly return / statement | Amount of difference | Reason for material discrepancies |
|---|---|---|---|---|
| Current year 2023-2024 | | | | Stock valuation as per statement provided to bank is based on 3 months moving average or current selling price, whichever is less as per RBI circular DBOD. No. Dir.BC.16/13.03.00/2014-15 |
| Jun – 2023 | 2,208.24 | 2,211.96 | (3.72) | |
| Sep – 2023 | 701.06 | 703.10 | (2.04) | |
| Dec- 2023 | 1,859.41 | 1,865.83 | (6.42) | |
| Mar- 2024 | 3,208.07 | 3,175.07 | 33.00 | |
| Previous year 2022-2023 | | | | |
| Jun - 2022 | 4,276.27 | 4,198.59 | 77.68 | |

| | | | | |
|---|---|---|---|---|
| Sep - 2022 | 1,576.52 | 1,492.36 | 84.16 | dated July 1, 2014. In the financial statements, stock valuation is in accordance with Ind AS 2. |
| Dec- 2022 | 2,037.33 | 2,105.66 | (68.33) | |
| Mar- 2023 | 6,203.12 | 6,190.07 | 13.05 | |

| Sl. No. | Disclosure requirement as per amended Schedule III to the Companies Act, 2013 | Reason for non-disclosure |
|---|---|---|
| 8. | Willful defaulter | No |
| 9. | Relationship with struck off companies | Nil transaction |
| 10. | Registration of charges or satisfaction with Registrar of Companies | Charges were registered in time |
| 11. | Compliance with number of layers of companies | No subsidiaries |
| 12. | Compliance with approved scheme (s) of arrangement | Not Applicable |
| 13. | Utilization of borrowed funds and share premium | Nil |
| 14. | Undisclosed income | Nil |
| 15. | Details of Crypto Currency or Virtual Currency | No trade / investment in same. |

**35.** The previous year expenses amounting to Rs. 34,24,960/- relate to contribution given to install oxygen plant at the premises as per the directions of the UP Government in the FY 2021-22.

**36. Approval of Financial Statements**

The Financial Statements have been approved for issue by the Board of Directors on 30th May 2024.

**For Oswal Overseas Limited**

**Sd/-**
**(AIJAZ AHMAD)**
**CFO**

**Sd/-**
**(ANOOP KUMAR SHRIVASTAVA)**
**DIRECTOR**

**Sd/-**
**(PARAMJEET SINGH)**
**MANAGING DIRECTOR**

**Sd/-**
**(Lalit Kumar)**
**Company Secretary**

**FOR DSRV AND CO LLP**
**CHARTERED ACCOUNTANTS**

**Sd/-**
**(CA. MOHIT KUMAR)**
**Partner**
**Membership No. 542901**
**FRN: 006993N**

**Place: Panchkula**
**Date: 30.05.2024**