



K R A & CO.

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Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SARVESHWAR OVERSEAS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **SARVESHWAR OVERSEAS LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2022, the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance or conclusion thereon.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



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When we will read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

We have nothing to report.

Responsibilities of Management and Those Charged with Governance 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, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as



fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we



give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

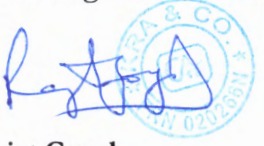
2. As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
 - g. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:
In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 – Refer Note 34 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly 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.

For KRA & Co.
Chartered Accountants
(Firm Registration No.020266N)



Rajat Goyal
Partner
Membership No.: 503150
UDIN:
Place: Delhi
Date: May 30, 2022

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SARVESHWAR OVERSEAS LIMITED (Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Intangible Assets.
- (b) In accordance with the phased programme for verification of Property, Plant and Equipment, certain items of Property, Plant and Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) Title deeds of immovable properties are held in the name of the company.
- (d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not revalued any Property, Plant and Equipment during the year. Consequently, clause (i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and based on our examination of the records of the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so. Consequently, clause (i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventories at reasonable interval during the year and no material discrepancies (10% or more in the aggregate for each class of inventory) were noticed on physical verification of inventories. In our opinion the coverage and procedure of such verification by the management is appropriate.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions based on security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has granted loan and advances in the nature of loan to a party.
- (a) The aggregate amount of such loan granted is Rs. 2.59 crores and the balance outstanding at the Balance Sheet date as at 31.03.2022 is Rs. 2.59 crores.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the terms and condition of such loan is not prejudicial to the interest of the Company
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayment of loan is regular
- (d) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount overdue for this loan



- (e) According to the information and explanations given to us and based on our examination of the records of the Company, there are no loan or advance in the nature of loan granted which has fallen due during the year and has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. Consequently, clause (iii)(e) of the Order is not applicable to the Company.
 - (f) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not accepted any deposit during the year. Consequently, clause (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to maintain cost records under section 148(1) of the Companies Act, 2013. Consequently, clause (vi) of the Order is not applicable to the Company.
- (vii) According to the information and explanations given to us and based on our examination of the records of the Company, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues, during the year, with the appropriate authorities and there are no material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
 - (c) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and based on our examination of the records of the Company, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- (ix) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in the repayment of dues to financial institutions or banks.



- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and based on our examination of the records of the Company, the funds raised on short term basis have not been utilized for long term purposes. Consequently, clause (ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanation given to us, 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) According to the information and explanation given to us, the company has not raised 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) during the year.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Consequently, clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditor in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle blower complaints has been received during the year. Consequently, clause (xi)(c) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Consequently, clause (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, and corresponding details have been disclosed in the financial statements, as required by the applicable Accounting Standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business



- (b) The report of the Internal Auditor for the year were considered by us for statutory audit purposes.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Consequently, clause (xvi)(a), (b), (c) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

For KRA & Co.
Chartered Accountants
(Firm Registration No.020266N)



Rajat Goyal
Partner
Membership No.: 503150
UDIN:
Place: Delhi
Date: May 30, 2022

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SARVESHWAR OVERSEAS LIMITED

(Referred to in Paragraph 2 point (f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

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

We have audited the internal financial controls over financial reporting of **SARVESHWAR OVERSEAS LIMITED** (“the Company”) as at March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanation 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, 2022, 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 KRA & Co.
Chartered Accountants
(Firm Registration No.020266N)



Rajat Goyal
Partner
Membership No.: 503150
UDIN:
Place: Delhi
Date: May 30, 2022

SARVESHWAR OVERSEAS LIMITED
Standalone Balance Sheet as at March 31, 2022

	Note No.	(in Lakhs) As at 31-Mar-2022	(in Lakhs) As at 31-Mar-2021
Equity and liabilities			
Shareholders' funds			
Share capital	3		
-Equity Share Capital		1,500.00	1,500.00
-Preference Share Capital		2,200.00	2,200.00
Reserves and surplus	4	736.38	642.55
		<u>4,436.38</u>	<u>4,342.55</u>
Non current liabilities			
Long term borrowings	5	3,959.90	3,291.44
		<u>3,959.90</u>	<u>3,291.44</u>
Current liabilities			
Short term borrowings	7	10,898.17	12,524.10
Trade payables	8		
(i) Total Outstanding dues of Micro and Small Enterprises a		-	-
(ii) Total Outstanding dues other than Micro and Small Ente		1,199.40	1,870.95
Other current liabilities	9	565.89	506.49
Short term provisions	10	11.41	11.81
		<u>12,674.87</u>	<u>14,913.35</u>
		<u>21,071.16</u>	<u>22,547.35</u>
Assets			
Non current assets			
Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	11	1,470.40	1,558.12
(ii) Intangible assets			
Long Term Loans & Advances	12	32.86	23.05
		<u>1,503.26</u>	<u>1,581.18</u>
Deferred Tax Assets (Net)	6	16.33	16.54
Current assets			
Inventories	13	9,624.56	12,263.80
Trade receivables	14	9,220.38	8,229.23
Cash and bank balances	15	3.36	22.86
Short-term loans and advances	16	492.70	82.88
Other Current Assets	17	210.55	350.36
		<u>19,551.56</u>	<u>20,949.63</u>
		<u>21,071.16</u>	<u>22,547.35</u>
Significant accounting policies	2	0.00	0.00

As per our report of even date

For K R A & Co
Firm Registration No: 020266N
Chartered Accountants

Rajat Goyal
Partner
Membership No. 503150
UDIN:

Anil Kumar
Managing Director
DIN:07417538

For and behalf of the Board of Directors
SARVESHWAR OVERSEAS LIMITED

Mohit Garg
CFO
PAN: BOEPG0761F

Seema Rani
Director
DIN:8385581

Sadhvi Sharma
Company Secretary
PAN: DTPPS6287G

Place: Delhi
Date: 30th May 2022

SARVESHWAR OVERSEAS LIMITED
Standalone Statement of Profit and Loss for theyear ended March 31, 2022

Notes	(in Lakhs) For the year ended 31-Mar-2022	(in Lakhs) For the year ended 31-Mar-2021
INCOME		
Revenue from operations	23,202.77	22,496.77
Other income	23.47	65.69
	23,226.25	22,562.46
EXPENDITURE		
Raw materials consumed	5,965.94	8,062.01
Purchases	12,363.06	15,246.01
Decrease in inventories of semi finis	3,081.56	(3,086.89)
Employee benefits expenses	67.94	79.42
Depreciation expenses	89.35	105.23
Finance cost	1,087.56	738.23
Operating and other expenses	465.42	1,343.89
	23,120.83	22,487.90
Profit/(Loss) before tax Exceptional Items	105.42	74.56
Exceptional item	-	-
Extraordinary items	-	-
Profit/(Loss) before tax	105.42	74.56
(a) Current Year Tax	29.55	21.74
(b) Previous Year Tax		(0.02)
(c) Deferred Tax	0.21	14.08
Profit / (loss) for the year	75.66	38.76
Earnings per equity share	0.50	0.26
Basic and diluted annualised	0.50	0.26

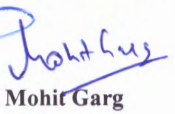
Significant accounting policies 2
As per our report of even date

For K R A & Co
Firm Registration No: 020266N
Chartered Accountants


Rajat Goyal
Partner
Membership No. 503150
UDIN:


Anil Kumar
Managing Director
DIN:07417538

**For and behalf of the Board of Directors
SARVESHWAR OVERSEAS LIMITED**


Mohit Garg
CFO
PAN: BOEPG0761F


Seema Rani
Director
DIN:8385581


Sadhvi Sharma
Company Secretary
PAN: DTPPS6287G

Place: Delhi
Date: 30th May 2022

SARVESHWAR OVERSEAS LIMITED
Standalone Statement of Cash Flows for the year ended March 31, 2022

	(in Lakhs) For the year ended 31-Mar-2022	(in Lakhs) For the year ended 31-Mar-2021
Cash flow from operating activities		
Profit Before tax	105.42	74.56
Adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization expenses	89.35	105.23
DDT & Interest thereon reversed	18.18	
Profit on sale of fixed assets	-	(0.14)
Interest income	(1.73)	(1.50)
Unrealized foreign exchange loss/ gain	1.31	-
Interest on loan	1,087.56	738.23
Operating profit before working capital changes	<u>1,300.09</u>	<u>916.37</u>
Movements in working capital :		
Increase / (Decrease) in other liabilities	59.40	32.36
Increase / (Decrease) in Trade Payable	(671.55)	313.53
(Increase)/ Decrease in trade receivable	(991.16)	(840.31)
Decrease/(Increase) in Inventory	2,639.24	(2,101.68)
Decrease/ (Increase) in other current assets	140.31	(122.05)
Net cash flow (used in) operations	<u>2,476.34</u>	<u>(1,801.77)</u>
Less: Direct taxes paid Including Advance taxes	(29.95)	(9.92)
Net cash flow (used in) operating activities (A)	<u>2,446.39</u>	<u>(1,811.69)</u>
Cash flows from investing activities		
Decrease/ (Increase) in other non-current investment in FDR	(9.81)	(5.00)
Decrease/ (Increase) in other advances to related Parties	(409.82)	(68.86)
Purchase of fixed assets	(1.63)	(3.09)
Sale of Fixed Assets	-	0.26
Interest received	1.73	1.50
Net cash flow (used in)/ generated from investing activities	<u>(419.53)</u>	<u>(75.19)</u>
Cash flows from financing activities		
Proceeds/ repayments from/ of borrowings	(1,100.39)	2,720.29
Increase / (Decrease) in Borrowings from Related Parties	142.91	(151.11)
Foreign Exchange Gain	(1.31)	-
Interest paid on loan	(1,087.56)	(738.23)
Net cash flow from/ (used in) in financing activities (C)	<u>(2,046.35)</u>	<u>1,830.95</u>
Net increase/(decrease) in cash and cash equivalents (A + B)	<u>(19.49)</u>	<u>(55.93)</u>
Cash and cash equivalents at the beginning of the year	22.86	78.78
Cash and cash equivalents at the end of the year	<u>3.37</u>	<u>22.86</u>
Components of cash and cash equivalents		
Total cash and cash equivalents (note 16)	<u>3.36</u>	<u>22.86</u>

Significant accounting policies

As per our report of even date

For K R A & Co

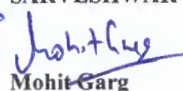
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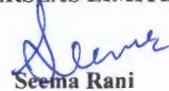
Chartered Accountants

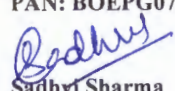

Rajat Goyal
Partner
Membership No. 503150


Anil Kumar
Managing Director
DIN:07417538

For and behalf of the Board of Directors
SARVESHWAR OVERSEAS LIMITED


Mohit Garg
CFO
PAN: BOEPG0761F


Seema Rani
Director
DIN:8385581


Sadhvi Sharma
Company Secretary
PAN: DTPPS6287G

Place: Delhi

Date: 30th May 2022

	(in Lakhs) As at 31-Mar-2022	(in Lakhs) As at 31-Mar-2021
NOTE 3		
SHARE CAPITAL AUTHORISED		
15,000,000 Equity shares of Rs 10 each with voting rights (Previous Year 15,000,000 Equity shares of Rs 10 each with voting rights)	1,500.00	1,500.00
220,000 Preference shares of Rs. 1,000 Each (Previous Year 220,000 Preference shares of Rs. 1,000 Each)	2,200.00	2,200.00
ISSUED SUBSCRIBED AND FULLY PAID UP		
15,000,000 Equity shares of Rs 10 each with voting rights (Previous Year 15,000,000 Equity shares of Rs 10 each with voting rights)	1,500.00	1,500.00
220,000 Preference shares of Rs. 1,000 Each (Previous Year 220,000 Preference shares of Rs. 1,000 Each)	2,200.00	2,200.00
Total	3,700.00	3,700.00
A) Reconciliation of number of equity shares outstanding		
As at the beginning of the year	1,50,00,000	1,50,00,000
Add: Shares Issued during the year	-	-
Less: Bought back during the year	-	-
As at the end of the year	1,50,00,000	1,50,00,000
Share holders having 5% or more Shares		
Name Of Shareholders		
Rohit Gupta		
No. of shares	1,50,000	1,50,000
% of holding	1	1
Sarveshwar Foods Limited		
No. of shares	1,48,50,000	1,48,50,000
% of holding	99	99
	1,50,00,000	1,50,00,000
B) Reconciliation of number of Preference shares outstanding		
As at the beginning of the year	2,20,000	2,20,000
Add: Shares Issued during the year	-	-
Less: Bought back during the year	-	-
As at the end of the year	2,20,000	2,20,000
Share holders having 5% or more Preference Shares		
Name Of Shareholders		
Rohit Gupta		
No. of shares	2,20,000	2,20,000
% of holding	100	100
	2,20,000	2,20,000
NOTE 4		
RESERVE AND SURPLUS		
Profit & Loss A/c		
Opening Balance	642.55	603.79
Add: Additions During the Year	75.66	38.76
Add: DDT & Interest thereon reversed	18.18	-
	736.38	642.55
Total	736.38	642.55

John + Guy



Radhu

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NOTE 5**Long Term Liabilities****Secured Loan**

Term Loan from Banks	3,054.55	2,001.19
Less: Payable with 12 months	(541.16)	-
Unsecured Loans from Directors	146.65	133.29
Unsecured Loans from Holding Company	1,299.87	1,156.96
Total	3,959.90	3,291.44

NOTE 6**Deferred Tax Liabilities**

WDV As per Income Tax	1,535.29	1,623.84
WDV As per Companies Act	1,470.40	1,558.12
Difference	64.88	65.72
Carried Forward Losses		
Timing Difference on Account of Fixed Assets	64.88	65.72
Deferred Tax Asset	16.33	16.54
Deferred Tax liability	-	-
Current year Provision	0.21	14.08
Total	(16.33)	(16.54)

NOTE 7**Short Term Borrowings**

Cash Credit	10,170.51	10,463.10
Loan From Banks Repayable in one year	541.16	-
Others	186.49	2,061.01
Total	10,898.17	12,524.10

NOTE 8**Trade payables**

Due to MSME	-	-
Sundry Creditors for Trade	1,199.40	1,870.95
Total	1,199.40	1,870.95

There are No vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Principal amount and Interest due thereon remaining unpaid to any supplier	-	-
--	---	---

the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
--	---	---

John + Guy



Bohner

John + Guy

John + Guy

The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid during the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Trade Payables Ageing Schedule*		
Particulars		
Due to MSME		
Less than one year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	-	-
Other		
Less than one year	1,115.45	1,849.17
1-2 years	60.59	5.43
2-3 years	1.09	(6.94)
More than 3 years	22.28	23.29
Total	1,199.40	1,870.95
* There are no disputed dues for trade payable	-	(0.00)
NOTE 9		
Other current liabilities		
Statutory Liabilities:	(27.54)	8.77
Expenses payable	16.24	11.82
Dividend on Preference Shares	100.98	100.98
Dividend Distribution Tax & Interest thereon payable	-	18.18
Bank OD	198.82	
Advance received from related Parties	277.39	366.74
Total	565.89	506.49
NOTE 10		
Short Term Provisions		
Provision for Taxation (Net of advance tax)	11.41	11.81
Total	11.41	11.81
NOTE 12		
Non Current Assets		
Margin Money Redeemable after 12 Months	32.86	23.05
Total	32.86	23.05

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NOTE 13**INVENTORIES**

(Stock of Traded Goods have been Valued at lower of Cost and NRV)

Finished Goods Trading	6,442.33	1,159.27
Finished Goods Manufacturing	2,367.21	10,731.83
Raw Material	815.02	372.70
Total	9,624.56	12,263.80

NOTE 14**TRADE RECEIVABLES**

Doubtful		
Secured Considered Good		
Unsecured Considered Good	9,220.38	8,229.23
Total	9,220.38	8,229.23

Trade Receivable Ageing Schedule

Particulars		
Undisputed trade receivable - considered good		
Less than six months	7,177.65	7,304.58
6 months - 1 year	1,384.06	323.57
1-2 years	602.20	560.65
2-3 years	29.66	11.91
More than 3 years	26.81	28.51
Total	9,220.38	8,229.23

Undisputed trade receivable - considered doubtful		
Less than six months		
6 months - 1 year		
1-2 years		
2-3 years		
More than 3 years		
Total	-	-

NOTE 15**CASH AND BANK ADVANCES**

Cash on Hand	2.62	15.93
Balance with Banks	0.74	6.93
Total	3.36	22.86

NOTE 16**Short-term loans and advances**

Advance paid to Related Party	492.70	82.88
Total	492.70	82.88

NOTE 17**Other Current assets**

Loans & Advances	5.81	5.36
Security Deposits	1.25	0.95
Prepaid Expenses	12.20	19.53
Interest & subsidies receivable	186.48	320.46
Margin Money Redeemable in 3-12 Months	0.25	-
Other Current assets	4.56	4.56
Total	210.55	350.86






	(in Lakhs) For the year ended 31-Mar-2022	(in Lakhs) For the year ended 31-Mar-2021
NOTE 18		
Revenue from operations		
Sale of products	23,202.77	22,496.77
Total	<u>23,202.77</u>	<u>22,496.77</u>
NOTE 19		
Other Income		
Discount Received	0.03	40.01
Duty Drawback/GST Refund	20.76	18.41
Interest on FDR & Loan	1.73	1.50
Miscellaneous income	0.41	0.55
Insurance Claim	0.54	5.08
Profit on Sale of Asset		0.14
Total	<u>23.47</u>	<u>65.69</u>
NOTE 20		
MATERIAL CONSUMED		
Raw Materials' Consumption		
Opening Stock	372.70	1,357.90
Add: Purchases	2,909.56	6,910.39
Add Unprocessed Rice	3,433.16	
Add: Freight Inward	3.78	100.49
Add: Packing Material Purchase	61.76	65.93
Less : Closing Stock	(815.02)	(372.70)
	-	-
COGS	<u>5,965.94</u>	<u>8,062.01</u>
NOTE 21		
PURCHASE OF TRADED GOODS		
Purchase of traded goods	12,363.06	15,246.01
Total	<u>12,363.06</u>	<u>15,246.01</u>
NOTE 22		
INCREASE /(DECREASE) & FINISHED GOODS		
Opening Stock of Finished Goods	11,891.10	8,804.22
Closing Stock of Finished Goods	8,809.54	11,891.10
Increase/(Decrease) in Finished Goods	<u>3,081.56</u>	<u>(3,086.89)</u>
Total	<u>3,081.56</u>	<u>(3,086.89)</u>
NOTE 23		
EMPLOYEE BENEFIT EXPENSE		
Salaries	59.68	77.62
Directors Remuneration	5.31	-
Staff Welfare	2.95	1.80
Total	<u>67.94</u>	<u>79.42</u>

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NOTE 24**Financial costs**

Bank Interest	1,000.93	625.67
Bank Charges	85.00	13.80
Interest on late payments of statutory dues	1.64	0.71
Interest on unsecured Loan	-	98.04
Total	1,087.56	738.23

NOTE 25**Other expenses****Manufacturing Expenses**

Consumables	1.43	4.33
Electricity Charges	57.51	57.64
Fumigation expense	0.83	1.27
Pest control service charges	3.17	3.77
Repair & Maintenance	19.84	33.93
Toll Tax	0.05	0.01
Wages & Labour Charges	166.38	205.97

Business Development Expenses

Business Promotion	43.27	823.41
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Selling, Distribution & Administration Expenses

Audit fee	3.48	3.48
Bad Debts & Provisions	-	8.08
Brokerage & Commission	0.42	10.58
Business Promotion & Marketing	0.04	0.00
Clearing & Handling Charges	11.79	8.40
Communication Charges	2.66	2.36
Consultancy Expense	1.03	0.14
Conveyance & Travelling	3.06	3.67
CSR Expenses	0.11	0.13
Discounts Allowed	15.31	32.19
Foreign Exchange Loss	1.31	9.20
Freight & transportation on Sales	49.59	64.17
Insurance	25.20	15.42
Misc Expenses	16.46	12.73
Printing & Stationery	2.39	1.71
Professional Fees	11.16	8.67
Rent, Rates & Taxes	25.44	25.04
Repair & Maintenance	3.47	7.59

Total	465.42	1,343.89
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Note No. 31(i): Payment to Auditors

Audit Fee	3.48	3.48
Other Services	-	-
Total	3.48	3.48

NOTE 26**Earning Per Share**

a) Profit for the year (in Rs)	75,65,811.05	38,76,005.59
No of Shares at beginning of the year	1,50,00,000	1,50,00,000
No of Shares at end of the year	1,50,00,000	1,50,00,000
b) Weighted average no. of equity shares outstanding	1,50,00,000	1,50,00,000
c) Earning per share		
Basic (in Rs)	0.50	0.26
Diluted (in Rs)	0.50	0.26

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SARVESHWAR OVERSEAS LIMITED

Notes to Accounts as on March 31, 2022

1 Corporate information

Sarveshwar Overseas Limited is engaged in Manufacturing, Trading and Export of Basmati rice, which is a long grain with a fine texture.

The company is a closely held public limited company controlled by the family of promoters.

2 Basis of Preparation of financial statements (Significant Accounting Policies & other explanatory Notes)

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous years.

2.2 Use of estimates

The preparation of financial statements are in conformity with the Accounting Standards which requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on the date of balance sheet and the reported amount of revenues and expenditures during the reporting period. The estimates and assumptions used in the Financial Statements are based upon Management's best evaluation of the relevant facts and circumstances as of the date of the Financial Statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Actual results may differ from those estimates.

2.3 Inventories

Inventories are valued at cost after providing for obsolescence and other losses, where considered necessary and realizable value whichever is less. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

2.4 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term investments with an original maturity of three months or less. Earmarked balances with bank, margin money or security against borrowings, guarantees and other commitments, if any shall be treated separately from cash and cash equivalent

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



The bottom of the page features several handwritten signatures in blue ink. On the left is a signature that appears to be 'Saur'. In the center is a circular blue stamp with a crown emblem and the text 'SARVESHWAR OVERSEAS LIMITED' around the perimeter. To the right of the stamp is a signature that appears to be 'Rachit'. Further right is a signature that appears to be 'Ashish Garg'. At the bottom center is a large, stylized signature that appears to be 'U. Singh'.

2.6 Depreciation and amortisation

Depreciation has been provided as per the useful life of the respective asset by retaining 5% as residual value in accordance with the Schedule II to the Companies Act, 2013.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are acquired/installed. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale, deduction and discardment as the case may be.

In case of items having value of Rs. 5,000/- or below that are acquired during the year, are charged to profit & loss account at 100% in the year of purchase.

2.7 Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax, value added tax and GST. The company follows the mercantile system of accounting and recognizes the income and expenditures on accrual basis except in case of significant uncertainties. Certain items of income such as insurance claim, market fees refund, overdue interest from customers etc have been considered to the extent the amount is accepted by the parties

Domestic sales are recognized at the point of dispatches to customers.

Export Sales are recognized at the time of issue of Bill of Lading.

2.8 Other income

Interest income is recognised on time proportion basis.

2.9 Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, including borrowing cost till commencement of commercial production, net changes on foreign exchange contracts, if capitalization criteria are met. Capital work in progress is stated at cost. Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use, as on the balance sheet date.

2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.



2.11 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

2.12 Government grants, subsidies and export incentives

Export Incentive if any is accounted on accrual basis except Interest Subsidy which has been accounted for on receipt basis.

2.13 Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.14 Employee benefits

The Company has adopted the Accounting Standard 15- Employee Benefits prescribed under the Companies (Accounting Standards) Rules, 2006. Employee benefits include provident fund, bonus, superannuation fund, compensated absences, long service awards and post-employment medical benefits. The Company's obligation towards various employee benefits has been recognized as follows:

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are short-term employee benefits. Benefits such as salaries, wages and bonus wages, etc, are recognized in the Profit and Loss statement in the period in which the employee renders the related service.

Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

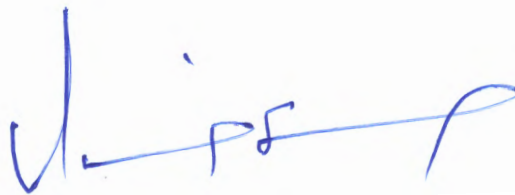
2.15 Borrowing costs



The image shows three handwritten signatures in blue ink: 'Sharma' on the left, 'Bodhi' in the middle, and 'Joshi' on the right. Below these signatures is a large, stylized signature that appears to be 'U. P. S.'. In the center, there is a circular blue stamp with a star in the middle and the text 'K. S. & CO.' around the top and '0202551' at the bottom.

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

Borrowing cost attributable to the fixed assets during construction/ exploration, renovation and modernization are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.



2.16 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. However the company is currently dealing in only one primary segment..

2.17 Taxes on income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income that originates in one period and are capable of reversal in one or more subsequent periods

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.18 Impairment of assets

The carrying values of assets / cash generating units are reviewed at each Balance Sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.



The image shows a collection of handwritten signatures in blue ink. At the top center is a circular blue stamp with the text 'K. K. & CO. P. L. C.' around the perimeter and 'MEMBER 02026811' at the bottom. Below the stamp, there are several signatures: 'Dennis' on the left, 'Badrui' in the center, and 'Johit Guj' on the right. A large, stylized signature is written across the bottom of the page.

2.19 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.21 Leases

a) Finance lease

- i) Assets taken on finance lease are capitalised at fair value or net present value of the minimum lease payments, whichever is less.
- ii) Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

b) Operating lease

- i) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Lease rent are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

2.22 Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.23 The Previous Year figures have been regrouped/rearranged wherever necessary to make them comparable.



The image shows a collection of handwritten signatures and a circular stamp. At the top center is a circular blue stamp with a checkmark and the text 'KAP & CO.' and 'PUN 02025001'. To the left of the stamp is a signature that appears to be 'Deann'. Below the stamp is a signature that appears to be 'Rachin'. To the right of the stamp is a signature that appears to be 'John + Guy'. At the bottom of the image is a large, stylized signature that appears to be 'U. P. P.'.

SARVESHWAR OVERSEAS LIMITED
Notes to Accounts as on March 31' 2022

27 Related party disclosures:

Nature and name of related parties

Holding Company

Sarveshwar Foods Limited

Key Management Person

Rohit Gupta

Relative of Key Management Person

Suraj Prakash Gupta
Radha Rani
Pooja Gupta

Enterprises Owned or controlled by Key Management Personnel or their relatives

Sarveshwar Logistics
Radhika Overseas
Sarveshwar International
Himalayan Ancient Foods P Ltd
Radhika Pest Control
Shree Jee Trading

Transactions with related parties during the year:

Name of related party	Nature of transaction	Transaction during the year (in ₹ Lacs)	
		2022	2021
Sarveshwar Logistics	Freight	20.50	28.00
Radhika Overseas	Sales	503.49	
Radhika Overseas	Purchase	1.20	75.32
Sarveshwar Foods Ltd	Sales	154.63	1,600.00
Sarveshwar Foods Ltd	Purchase	427.18	1.36
Sarveshwar Foods Ltd	Unsecured Loan received	2,292.36	1,249.83
Sarveshwar Foods Ltd	Unsecured Loan repaid	2,149.45	1,400.94
Sarveshwar Foods Ltd	Interest on Loan Paid		98.04
Himalayan Bio Organic Foods Pvt Ltd	Sales	78.82	

28 Expenditure and earnings in foreign currency (on accrual basis)

Particulars	2022		2021	
	in USD	in ₹ Lacs	in USD	in ₹ Lacs
Expenditure				
Testing & Analysis				0.32
Commission on Exports				0.43
Earnings				
Sale of finished goods		60.11		196.18

29 Unhedged foreign currency exposures as at the balance sheet date

Particulars	2022				2021			
	in USD	in JPY	Exchange rate	in ₹ Lacs	in USD	in JPY	Exchange rate	in ₹ Lacs
Trade receivables	1,39,867			104.12	2,54,816	-	73.21	186.54

30 The balances of receivables, payables, security deposit given are subject to confirmation & reconciliation, if any.

31 Disclosure under Accounting Standard (AS) 15 " Employee Benefits"

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is funded. The information in the note is for disclosure purpose.

The defined benefit plans expose the Company to a number of actuarial risks as below:

Interest risk: A decrease in the bond interest rate will increase the plan liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(in ₹ Lacs)

(i) The key assumptions used in accounting for retiring gratuity is as below:

Particular	2022	2021
Discount rate	7.00%	7.25%
Rate of escalation in salary	7.00%	7.00%

(ii) Changes in present value of Obligation:

Particular	2022	2021
Obligation at the beginning of the year	(4.44)	(3.10)
Interest costs	(0.31)	(0.22)
Current service costs	(1.19)	(1.49)
Benefits paid	0.80	0.90
Remeasurement (gains)/losses	1.68	(0.52)
Obligation at the end of the year	(3.46)	(4.44)

(Signatures and Stamp)

Signature: *[Handwritten Signature]*

Signature: *[Handwritten Signature]*

Signature: *[Handwritten Signature]*

Signature: *[Handwritten Signature]*

Stamp: *[Circular Stamp with Text: SARVESHWAR OVERSEAS LIMITED, 020]*

(iii) Changes in the fair value of plan assets:

Particular	2022	2021
Fair value of plan assets at beginning of year	5.01	4.95
Expected return on plan assets	0.27	0.33
Contributions	-	0.62
Benefits paid	(0.80)	(0.90)
Remeasurement (gains)/losses	-	-
Fair value of plan assets at the end of year	4.48	5.01

(iv) Amounts to be recognised in the balance sheet

Particular	2022	2021
Present value of obligation	(3.46)	(4.44)
Fair value of plan assets	4.48	5.01
Funded status	1.02	0.57
Net assets / (liability) recognized in balance sheet as provision	1.02	0.57

(v) Expenses to be recognised in the statement of profit and loss

Particular	2022	2021
Current service costs	(1.19)	(1.49)
Interest costs	(0.31)	(0.22)
	(1.50)	(1.72)
Expected return on plan assets	0.27	0.33
Net Actuarial (gain)/ loss	1.68	(0.52)
	1.96	(0.19)
Net Impact on Profit & Loss	0.46	(1.91)

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors on long term basis.

32

Details of secured borrowings as on March 31, 2022

Name of the lenders	Facility Type	Interest rate	Loan Currency	Sanctioned Amount in Lakhs	Tenure	Outstanding Loan as on 31.03.2022 in INR Lacs	Security as per the loan agreement
Long Term							
J&K Bank Loan WCTL (GECL) 0230260230000001	WCTL	1 Year MCLR + 150 bsp	INR	1,988.00		1,518.49	Various Immovable Properties and Stocks & Debtors
Short Term							
J&K Bank	CC	MCLR+ 0.5%	INR	10,500.00	Renewal Done Every Year	7,165.57	Various Immovable Properties and Stocks & Debtors
J&K Bank PCFC	SUB Limit CC	6M LIBOR/EURIBO R+400 bps p.a	USD		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
J&K Bank PSFC	SUB Limit CC	6M LIBOR/EURIBO R+200 bps p.a	USD		Renewal Done Every Year	249.82	Various Immovable Properties and Stocks & Debtors
J&K Bank PSFC	SUB Limit CC	6M LIBOR/EURIBO R+200 bps p.a	USD		Renewal Done Every Year	2,731.66	Various Immovable Properties and Stocks & Debtors
Allahabad Bank (Covid-19) Loan A/c (58001174806)	Term Loan	1 Year MCLR	INR	2,500.00		23.46	
Allahabad Bank Stock Pledge-831	Pledge Limit	11.38%	INR	2,500.00	Renewal Done Every Year	186.49	Against pledged stock
Total				17,488.00		11,875.50	

33 Segment Reporting

Based on guiding principles given in AS-17 "Segment Reporting", the business segment has been considered as the primary segment and the geographic segment has been considered as the secondary segment. As the processing and trading of rice is the only business segment, the disclosure requirement for primary business segment is not applicable.

The Company has two geographic segments; domestic and export. Revenue from the geographic segment, based on location of customers is as follows:

Particulars	31.03.2022	31.03.2021	
Domestic	22,929.20	22,300.59	12.3002+47.81 0268
Exports	273.57	196.18	

The bottom of the page features several handwritten signatures in blue ink. A circular green stamp is visible in the center, containing a logo and some text. The signatures appear to be from different individuals, possibly representing the company's management or auditors.

34 Disclosure on significant ratios

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current Ratio	1.54	1.40
Debt-Equity Ratio,	0.77	0.78
Debt Service Coverage Ratio	1.18	1.24
Return on Equity Ratio	0.02	0.01
Inventory turnover ratio	1.90	1.90
Trade Receivables turnover ratio	2.52	2.73
Trade payables turnover ratio	15.28	12.46
Net capital turnover ratio	3.37	3.73
Net profit ratio	0.00	0.00
Return on Investment	-	-
Return on Capital employed	0.00	0.00

Methodology:

1. Current Ratio = Current Asset / Current Liability
2. Debt-Equity Ratio = Total Debt / (Total Debt + Equity)
3. Debt Service Coverage Ratio = EBITDA / Finance Cost
4. Return on Equity Ratio = Profit After Tax / Total Equity
5. Inventory Turnover Ratio = Purchase / Inventory
6. Trade Receivable Turnover Ratio = Revenue from Operations / Trade R
7. Trade Payable Turnover Ratio = Purchase / Trade Payable
8. Net Capital Turnover Ratio = Revenue from Operations / (Current Asset - Current Liabilit
9. Net Profit Ratio = Profit After Tax / Revenue from Operations
10. Return on Investment = Net income on investment / Cost of Investment
11. Return on Capital Employed = Profit After tax / (Total Equity + Total I

35 The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date
For K R A & Co

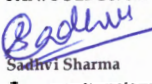
Firm Registration No: 020266N
Chartered Accountants


Rajat Goyal
Partner
Membership No. 503150
UDIN:

For and behalf of the Board of Directors
SARVESHWAR OVERSEAS LIMITED


Anil Kumar
Managing Director
DIN:07417538


Mohit Garg
CFO
FAN: BOEFG0761F


Sadhvi Sharma
Company Secretary
PAN: DTPPS6287G


Seema Rani
Director
DIN:8385581

Place: Delhi
Date: 30th May 2022