

SILVEROAK (INDIA) LIMITED

Corporate Office : 412, Princes' Business Skypark, Scheme No. 54, Opp. Orbit Mall, A.B. Road, Indore-452010 M.P.

Telefax : 0731-4981364, 4981365,

CIN - L11531MP1984PLC002635, Email : silveroak.indore@gmail.com Website : www.silveroakindia.co.in

4th September, 2021

To,

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400-001

ISIN: INE870J01019

Scrip Code: 531635

Re: Submission of Annual Report for the Financial Year 2020-21

Dear Sir,

Pursuant to the provisions of Regulation 34 of the SEBI (LODR) Regulations, 2015 we are enclosing herewith Annual Report for the financial year 2020-21 alongwith the Notice of 37th Annual General Meeting (AGM) of the Company to be held on Tuesday, the 28th day of September, 2021 at 02.00 PM at the registered office of the Company situated at Plot NO. 110, Sector I, Pithampur, Dist. Dhar, Madhya Pradesh - 454775.

The same is also available on the company's website at <http://silveroakindia.co.in/>

Kindly take the same on your records.

Thanking you,

Yours faithfully,

For **Silver Oak (India) Limited**

Deepak Meena
Company Secretary



SILVER OAK (INDIA) LIMITED

37TH
ANNUAL REPORT
2020-21



SILVER OAK (INDIA) LIMITED

(CIN: L11531MP1984PLC002635)

Registered Office: Plot No.110, Sector-I, Industrial Area, Pithampur, Dhar MP 454775
Corporate Off: 412, Princes' Business Skypark, Sch. No. 54, A. B. Road, Indore – 452 010 (M.P.)
[Tel: 2577040, 4023742] [E-mail: silveroak.indore@gmail.com] [Website: www.silveroakindia.co.in]

THIRTY SEVENTH ANNUAL REPORT 2020-21

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|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>BOARD OF DIRECTORS</b>   | 1. Mr. Shirish Jaltare - Whole-time Director<br>2. Mrs. Leela Kalyani - Director<br>3. Mr. Suresh Kejriwal - Director<br>4. Mr. Prakash Kumar Gadia - Director<br>5. Mr. Vivek Chibba - Director cum Chief Executive Officer<br>6. Mr. Deepak Meena - Company Secretary<br>7. Mr. Sunil Khandelwal - Chief Financial Officer |
| <b>AUDITORS</b>             | M/s Mahendra Badjatya And Company<br>Chartered Accountants,<br>Indore                                                                                                                                                                                                                                                        |
| <b>SECRETARIAL AUDITORS</b> | CS Varun Bhomia<br>Practicing Company Secretary<br>Indore                                                                                                                                                                                                                                                                    |
| <b>INTERNAL AUDITORS</b>    | A.B. Doshi<br>Chartered Accountant<br>Indore                                                                                                                                                                                                                                                                                 |
| <b>LISTING</b>              | Bombay Stock Exchange Limited,                                                                                                                                                                                                                                                                                               |
| <b>REGISTERED OFFICE</b>    | Plot No. 110,<br>Sector-1, Industrial Area,<br>Pithampur, Dist. Dhār (M.P.)                                                                                                                                                                                                                                                  |
| <b>CORPORATE OFFICE</b>     | Princes Business Sky Park, Block No 412,<br>Scheme No 54 PU-3, Commercial, Opposite Orbit Mall,<br>A.B. Road Indore 452010 MP IN                                                                                                                                                                                             |
| <b>BANKERS</b>              | ICICI Bank<br>Malav Parisar, A. B. Road, Branch,<br>Indore, (M.P.)                                                                                                                                                                                                                                                           |



# SILVER OAK (INDIA) LIMITED

(CIN: L11531MP1984PLC002635)

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Corporate Off: 412, Princes' Business Skypark, Sch. No. 54, A. B. Road, Indore – 452 010 (M.P.)

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## **NOTICE OF 37<sup>th</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Thirty Seventh Annual General Meeting of the Company will be held on **Tuesday, the 28<sup>th</sup> Day of September, 2021 at 02:00 P.M.** at the Registered Office of the Company situated at Plot No. 110, Industrial Area, Sector-I, Pithampur- 454775, Dist. Dhar, (M.P.) to transact the following businesses:

### **ORDINARY BUSINESS:**

#### **1. ADOPTION AND APPROVAL OF ACCOUNTS:**

To receive, consider and adopt the Audited Financial Statement (including the Consolidated financial Statements) of the Company for the year ended 31<sup>st</sup> March , 2021 together with the Reports of the Directors and Auditors thereon and if thought fit , pass the following resolution with or without modification(s) as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the year ended 31<sup>st</sup> March , 2021 together with the directors' report and the auditors' report thereon as circulated to the members and presented to the meeting be and the same are hereby approved and adopted.

**RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2021 together with the auditors' report thereon as circulated to the members and presented to the meeting be and the same are hereby approved and adopted.”

#### **2. TO APPOINT A DIRECTOR IN PLACE OF MRS. LEELA KALYANI (DIN: 06625369) WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-ELECTION.**

To appoint Mrs. Leela Kalyani (DIN: 06625369), Director of the Company, who retires by rotation and being eligible offers herself for reappointment, in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

**“RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and pursuant to Section 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, and Subject to approval of the Shareholders at ensuing Annual General Meeting, Mrs. Leela Kalyani (DIN: 06625369, who retires by rotation from the Board of

Directors and being eligible for re-appointment , be and is hereby re-appointed as a Director of the Company and whose office shall be liable to be retire by rotation.”

**SPECIAL BUSINESS:**

**3. RE-APPOINTMENT OF MR. SURESH KEJRIWAL AS INDEPENDENT DIRECTOR:**

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

**“RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 150 and 152 read with schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, and Subject to approval of the Shareholders at ensuing Annual General Meeting, Mr. Suresh Kejriwal (DIN:07497747), who was appointed as Independent Director in the Thirty second Annual General Meeting of the company and who holds office as an independent director upto 28<sup>th</sup> September, 2021 and who is eligible for being re-appointed as an independent director of the company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of Five Consecutive Years commencing from 28<sup>th</sup> September, 2021 to 27<sup>th</sup> September, 2026.

**RESOLVED FURTHER THAT** Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

**By order of the Board of Directors of  
Silver Oak (India) Limited**

**Sd/-**

**Deepak Meena  
Company Secretary**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**NOTES:**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. The proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting. **A person can act, as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.**
2. Corporate Members intending to send their authorized representatives to attend and vote at the Meeting Pursuant to Section 113 of the Companies Act, 2013 are requested

to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 22<sup>nd</sup> September, 2021 to Tuesday, 28<sup>th</sup> September, 2021 (Both days inclusive).
4. Members/Proxies should bring the Attendance slip duly filled in for attending the meeting. For shares held in dematerialized form, the DP ID and Client ID numbers should be indicated in the Attendance Slip.
5. As per Circular No. MRD/DOP/CIR-05/2009 dated May 20, 2009 issued by Securities and Exchange Board of India(SEBI), it is mandatory to quote Permanent Account Number (PAN) for Participating in securities market. Therefore, Members holding shares in demat form are requested to submit PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Ankit Consultancy Pvt Ltd.
6. Members are requested to:
  - a. Quote their folio number(s) in all correspondence with the Company.
  - b. For shares held in physical form, any change in address/other details may be intimated to the Company/Share Transfer Agent by quoting the Folio Number(s). For shares held in demat form, change in address/other details may be intimated directly to the Members' DP.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of their Folios.
8. The Ministry of Corporate Affairs has taken a '**Green Initiative in Corporate Governance**' by issuing circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by submitting duly filled-in 'E-Communication Registration Form' attached at the end of this report, with M/s. Ankit Consultancy Private Limited / Investors Service Department of the Company. The Members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only. Even after registering for E-Communication the Shareholders of the Company are entitled to receive such communication in physical form, upon request.
9. **Reappointment of Director:**
  - i) **Mrs. Leela Kalyani (DIN: 06625369)** Director of the company, who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment.
  - ii) **Mr. Suresh Kejriwal (DIN: 07497747)** Director of the company, who was appointed as an independent Director of the company on 11/06/2016, has successfully completed his tenure of 5 years and being eligible, offers himself for re-appointment.

10. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting and will also be available for inspection at the meeting.
11. Shareholders seeking any information with regards to accounts requested to write to the Company at the earliest so as to enable the management to keep the information ready.

**By order of the Board of Directors of  
Silver Oak (India) Limited**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

Sd/-  
**Deepak Meena**  
**Company Secretary**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013**

**ITEM NO.3**

**Re-Appointment of Mr. Suresh Kejriwalas Independent Director:**

Mr. Suresh Kejriwal (DIN: 07497747), was appointed as Independent Director in the Thirty second Annual General Meeting of the company for a term of Five years as per the provisions of Section 149 of the Companies Act, 2013.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for re-appointment of Mr. Suresh Kejriwal as Independent Director of the Company for a further period of five years.

Brief profile of Mr. Suresh Kejriwal is given below for reference of the member:

Mr. Suresh Kejriwal has over 25 years of experience in the field of Liquor Industry.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Suresh Kejriwalis concerned or interested, financial or otherwise, in the resolution.

Since the Amendment Act mandates that the Company is required to obtain requisite approvals from the members, the Board recommends the Special Resolution as set out in Item No. 3 of the Notice for approval of the members.

**By order of the Board of Directors of  
Silver Oak (India) Limited**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**Sd/-  
Deepak Meena  
Company Secretary**



## INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING

### THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 25<sup>th</sup> September 2021 at 9.00 A.M. and ends on 27<sup>th</sup> September, 2021 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on “Shareholders” module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are

eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **silveroak.indore@gmail.com**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 **silveroak.indore@gmail.com**.
3. 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.

**(xx) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [silveroak.indore@gmail.com](mailto:silveroak.indore@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

- (xxi) Mr. Varun Bhomia (Membership No. FCS 9144), Practicing Company Secretary, Indore has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
- (xxii) The Scrutinizer shall after scrutinizing the vote cast at the AGM (Poll) and through Remote E-Voting not later than 48 hours from conclusion of AGM, make and submit a consolidated scrutinizers report to the Chairman. The Results declared along with the consolidated scrutinizers report shall be placed on the website of the company and CDSL. The results shall simultaneously be communicated to the Stock Exchanges where the company's shares are listed.
- (xxiii) The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 28th September, 2021 subject to receipt of the requisite number of votes in favour of the Resolutions.

# SILVER OAK (INDIA) LIMITED

(CIN: L11531MP1984PLC002635)

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Corporate Off: 412, Princes' Business Skypark, Sch. No. 54, A. B. Road, Indore – 452 010 (M.P.)  
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## DIRECTORS' REPORT

To,

Dear Members,

The Directors present the 37<sup>th</sup> Annual Report of **SILVER OAK (INDIA) LIMITED** along with the audited financial statements for the financial year ended March 31, 2021. The consolidated performance of the Company has been referred to wherever required.

### 1. Financial results

#### a) Standalone figures:

| Particulars                                      | 2020-21         | 2019-20         |
|--------------------------------------------------|-----------------|-----------------|
|                                                  | (Rs. in Lacs)   |                 |
| Sales and other Income                           | 0.69            | 02.18           |
| Profit/(Loss) before Depreciation                | (72.24)         | (77.82)         |
| Interest                                         | 62.97           | 55.84           |
| Depreciation                                     | 06.85           | 06.66           |
| Profit/(Loss) before Tax                         | (141.37)        | (138.14)        |
| Less:Exceptional Item                            | 195.39          | (211.74)        |
| Less: Provision for Tax                          |                 |                 |
| Current Tax                                      | 44.41           | 00.00           |
| Deferred Tax                                     | 00.00           | 00.00           |
| <b>Net Profit/(loss) for the year</b>            | <b>09.61</b>    | <b>(349.88)</b> |
| Profit/(Loss) brought forward from previous year | (810.35)        | (460.47)        |
| <b>Balance carried to Balance Sheet</b>          | <b>(800.74)</b> | <b>(810.35)</b> |

#### b) Consolidated figures:

| Particulars                           | 2020-21                | 2019-20         |
|---------------------------------------|------------------------|-----------------|
|                                       | Sales and other Income | 290.35          |
| Profit/(Loss) before Depreciation     | (13.32)                | (83.49)         |
| Interest                              | 65.09                  | 58.52           |
| Depreciation                          | 19.01                  | 17.07           |
| Profit/(Loss) before Tax              | (97.42)                | (159.08)        |
| Less:Exceptional Item                 | 195.39                 | (212.44)        |
| Less: Provision for Tax               |                        |                 |
| Current Tax                           | 48.49                  | 3.27            |
| Deferred Tax                          | (0.42)                 | (0.29)          |
| <b>Net Profit/(loss) for the year</b> | <b>49.91</b>           | <b>(374.50)</b> |

## **2. COVID-19**

In the FY 2021, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers.

Although there are uncertainties due to the pandemic and reversal of the positive momentum gained in the last quarter of FY2021, the strong balance sheet position, best-in-class profitability and inherent resilience of the business model position the Company well to navigate the challenges ahead and gain market share.

## **3. Dividend**

The Company registered a Net Profit of Rs. 9.61 Lacs during the financial year 2020-2021 and further in view of the future expansion plan and other business activities your directors have decided not to recommend any dividend for the year ended 31<sup>st</sup> March, 2021.

## **4. Going Concern Status**

During the year under review, there were no significant or material orders passed by any regulators or court or tribunal, which can impact the going concern status of the company and /or its future operations.

## **5. Share Capital**

The paid up equity share capital of the Company as on 31<sup>st</sup> March, 2021 stood at Rs.3,79,02,000/- (Three Crore Seventy Nine Lac Two Thousand Only). During the year under review, the Company has neither issued shares with differential voting rights nor granted any stock options / sweat equity. Mrs. Leela Kalyani, Director of the Company holds 4.88% of shares of the Company as on the date of this report.

During the year under review, no Stock Options were granted, vested or exercised. No Stock Options are in force as on date. Hence, there are no disclosures required to be made pursuant to the applicable requirements of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

## **6. Insurance**

Your company has taken all the necessary steps to insure its properties and insurable interests, as deemed appropriate and also as required under the various legislative enactments.

## **7. Transfer to reserves**



The Company has not created any reserves during the financial year 2020-21.

## **8. Company's performance**

Your Company has earned a net profit of Rs. 9.60 Lacs on standalone basis, during the Financial Year 2020-21 as against the loss of Rs. 349.88 Lacs on standalone basis during the Financial Year 2019-20, after taking into account interest, depreciation, prior period adjustments and exceptional items.

## **9. Human resource development**

Attracting, enabling and retaining talent have been the cornerstone of the Human Resource function and the results underscore the important role that human capital plays in critical strategic activities like growth.

## **10. Borrowings**

The Total Term Loan amount of the company on standalone basis as on 31.03.2021 is 6,58,00,000/- (Six Crore Fifty Eight Lac Rupees Only) as against 7,15,09,393 (Seven Crore Fifteen Lac Nine Thousand Three Hundred Ninety Three Rupees Only), as on 31.03.2020.

## **11. Industry Overview**

India is one of the fastest-growing alcohol markets in the world. Rapid increase in urban population, a sizable middle-class population with increasing spending power, and a sound economy are certain significant reasons behind the increase in alcohol consumption in India. The Indian alcohol industry is segmented into IMFL (Indian made foreign liquor), IMIL (Indian made Indian liquor), wine, beer and imported alcohol. Imported alcohol accounts for a meager share of around 0.8% of the Indian market.

India is the largest consumer of whiskey in the world and constitutes about 60% of the IMFL market. Though India is one of the largest consumers of alcohol in the world owing to its huge population, the per capita alcohol consumption of India is low compared to Western countries. The most popular channel of alcohol sale in India is the liquor store; alcohol consumption is primarily an outdoor activity and supermarkets and malls are present only in Tier I and Tier II cities of India. The trends and patterns of alcohol consumption are changing in the country. With the increasing acceptance of women consuming alcohol, growing popularity of wine and high demand for expensive liquor, the market scenario seems to be optimistic.

## **12. Business Outlook/ Future Projects**

Your company is making continuous endeavour to enter into new area of market. The high standard and development will ensure cost reduction and cost control which preliminary affect the bottom line of the company.

### **13. Directors' responsibility statement**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021.

### **14. Directors and key managerial personnel**

Each of the Independent Directors have furnished their declarations of independence, as required pursuant to the provisions of section 149(6) of the Act, stating that he/she meet, the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

Mrs. Leela Kalyani retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment forms part of the Notice.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the

circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31<sup>st</sup>, 2021 are:

1. Mr. Shirish Jaltare (Whole Time Director),
2. Mr. Sunil Khandelwal (Chief Financial Officer),
3. Mr. Vivek Chibba (Chief Executive Officer),
4. Mr. Deepak Meena (Company Secretary and Compliance Officer) .

#### **15. Profile Of The Directors Seeking Appointment / Reappointment:**

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, following Directors are liable to retire by rotation and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 37<sup>th</sup> Annual General Meeting. Mrs. Leela Kalyani (Director) is liable to retire by rotation and reappointment in ensuing Annual General Meeting.

#### **16. Special Business**

In terms of section 149(10), an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report. Mr. Suresh Kejriwal, Independent Director of the Company whose tenure as an Independent Directors expired on 11<sup>th</sup> June, 2021, on recommendation the Board of Directors in their meeting held on 4<sup>th</sup> September, 2021 and upon approval of the shareholders in the 37<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2021 had been re-appointed for a further period of five (5) years.

#### **17. Number of meetings of the Board**

Six meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

#### **18. Managerial Remuneration:**

Disclosures of the ratio of Remuneration of each director to the median employee's remuneration and other details as required with respect to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and remuneration of Managerial Personnel) Rules 2014 are given in the Annexure of the Director Report.

The Detail of remuneration paid to the directors including executive directors of the

Company are given in Form MGT-9 available on the website of the company at [www.silveroakindia.co.in](http://www.silveroakindia.co.in).

## **19. Board evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the independent director being evaluated.

## **20. Policy on directors' appointment and remuneration and other details**

The contents of Nomination and Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report. The Policy may be referred to at the Company's website at ([www.silveroakindia.co.in](http://www.silveroakindia.co.in)).

## **21. Audit committee**

Four Audit Committee meetings were held during the FY 2020-21. The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

## **22. Nomination and Remuneration Committee**

The details pertaining to the meeting and composition of the Nomination and Remuneration Committee are included in the Corporate Governance Report.

## **23. Statutory Auditors**

M/s MahendraBadjatya And Company, Chartered Accountants, Indore, have been appointed as Auditors of the company, to hold office from the conclusion of 33<sup>rd</sup> Annual General Meeting till the conclusion of 38<sup>th</sup> Annual General Meeting of the Company.

As reported earlier, in terms of the Companies Amendment Act, 2017 read with Notification S.O. 1833(E) dated 7th May 2018 read with The Companies (Audit and Auditors) 2nd Amendment Rules, 2018 along with its corrigendum dated 17th May, 2018 delete rules and provisions relating to annual ratification of the appointment of auditor. Now during a single term of 5 years, there are no requirements for ratification of the appointment of auditor. They will continue as statutory auditors of the company.

#### **24. Secretarial Auditor**

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Varun Bhomia, Company Secretary in Practice, Indore has been appointed by the Board of Directors to conduct the audit of the secretarial records of the company for the year ended 2020-21.

#### **25. Auditor's report and Secretarial audit report**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

##### **1. Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, Mr. Varun Bhomia, Company Secretary in Practice, Indore has been appointed Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as Annexure VII to this report. The report is self-explanatory and does not call for any further comments.

##### **2. Secretarial Compliance Report**

In terms of SEBI (LODR) 2015 the company has appointed Mr. Varun Bhomia, to issue a compliance report in respect of compliance of various rules, notices, circulars, notification etc. issued by BSE SEBI from time to time.

During the year, the company has complied with all the circulars, notices, notification issued under various SEBI Act and Regulations, which are applicable on the company. The report is self-explanatory and does not call for any further comments.

##### **3. Internal Audit & Controls**

The Company engaged M/s A.B. Doshi & Co., Chartered Accountants, Indore as its



Internal Auditor for the Financial year 2020-21. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment.

Your Company discontinued the services of M/s A. B. Doshi & Co., Chartered Accountants, Indore, as its Internal Auditor and wish to appoint Mrs. Mrinalini Biyani as the Internal Auditor of the Company for the financial year 2021-22. Pursuant to provision of Section 138 of The Companies Act, 2013, the Audit Committee of the Board of Directors in consultation with the Internal Auditor formulates the scope, functioning, periodicity and methodologies for conducting the Internal Audit subject to terms and conditions as decided by the Audit Committee.

## **26. Cost Auditor**

The Ministry of Corporate Affairs (MCA) vide Notification dated 31<sup>st</sup> December, 2014 made amendment in the Companies (Cost Records and Audit) Rules, 2014, through Companies (Cost Records and Audit) Amendment Rules, 2014. As per the said amendment rules, our Company is exempted from the requirement to conduct Cost Audit. Therefore, the Company did not appointed Cost Auditor for financial year 2020-21.

## **27. Risk management**

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various

activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources. Apart from these internal control procedures, a well-defined and established system of internal audit is in operation to independently review and strengthen these control measures, which is carried out by a reputed firm of Chartered Accountants. The Audit Committee of the Company regularly reviews the reports of the internal auditors and recommends actions for further improvement of the internal controls.

## **28. Vigil Mechanism**

The Company has a vigil mechanism named Whistle Bowler Policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns an Experts Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

The Vigil Mechanism comprises three policies viz.,

- i. The Whistle Blower Policy for Directors & Employees,
- ii. Whistle Blower Policy for Vendors and
- iii. Whistle Blower Reward & Recognition Policy for Employees.

The constitution of the committee during the financial year under review is as follows:

| <b>Name of the Director</b> | <b>Category</b>                      |
|-----------------------------|--------------------------------------|
| Mr. Suresh Kejriwal         | Independent Director                 |
| Mr. Prakash Kumar Gadia     | Independent Director                 |
| Mr. Shirish Jaltare         | Executive Director                   |
| Mrs. Leela Kalyani          | Non- Executive director              |
| Mr. Vivek Chibba            | Chief Executive Officer cum Director |

### **29. Particulars of loans, guarantees and investments**

During the year under review, the Company has not given any loan or provided guarantees or made any investments as prescribed under Section 186 of the Companies Act, 2013.

### **30. Transactions with related parties**

The Company has entered into transaction with the related party during the financial year 2020-21 with the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and the Statutory auditors of the company has also verified through its Auditor's Report that the related party transactions are undertaken at Arm's Length Price. Details of the transactions are disclosed in Form AOC 2 as Annexure "G".

### **31. Corporate Social Responsibility**

Corporate Social Responsibility spending not to be applicable to the Company as the turnover/net worth is below the threshold limit.

### **32. Extract of annual return**

The extract of Annual Return in Form MGT 9 as required under Section 92 (2) of the act, (as amended) read with Rule 12 of the Companies ( Management and Administration) Rules 2014 (as amended) is available at the website of the Company at [www.silveroakindia.co.in](http://www.silveroakindia.co.in).

### **33. CEO/CFO Certification**

Certificate obtained from Mr. Shirish Jaltare, Whole-time Director and Mr. Sunil Khandelwal, Chief Financial Officer, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review has been duly placed before the board and a copy of the certificate on the financial statements for the yearended March 31, 2021 is annexed as annexure "D" along with this report.

### **34. Ratio Of The Remuneration Of Each Director To The Median Remuneration Of The**

## **Employees Of The Company:**

Pursuant to the provisions of Section 197(12) read with Rule 5 of (Appointment and remuneration of managerial Personnel) Rules, 2014, the details is given in Annexure "I".

### **35. Particulars of employees**

Pursuant to Section 197 of Companies act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, Remuneration paid to all the Key Managerial Personnel was in accordance with remuneration Policy adopted by the Company.

Particulars of Employee of the company who are covered by the provisions contained in Rule 5(2) and Rule 5 (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under.

Employee throughout the Year : Nil

Employee for part of the year : Nil

### **36. Details Of Significant and Material Orders passed by the Regulators or Courts or Tribunals:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **37. Prevention Of Insider Trading:**

In terms of SEBI (Prohibition of Insider Trading) Regulation, 2018 The Company has revised its Code of Conduct for Prevention of Insider Trading alongwith adoption of Policy for Legitimate purpose with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

### **38. Subsidiary Companies:**

During the financial year 2020-21, there is no change in the material subsidiary, the Company's investment in M/s APT Infrastructure Private Limited (CIN: U45400DL2007PTC170319), which is a subsidiary to your company stands at 6,00,000 (Six Lac) Equity shares of Rs. 10 (Rupees ten only) each for Rs. 60,00,000/- (Sixty Lac only). The Company was holding 7000, 0% Compulsory Convertible Debentures (Series II) of its subsidiary APT Infrastructure Private Limited, which was compulsorily convertible in equity share at the end of 60 months i.e. 8 June 2020, which was further

extended for the term of 5 years however were converted into Optionally Convertible Debentures and redeemed on 10<sup>th</sup> March, 2021 for Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lacs only).

Statement containing salient features of the financial statement of subsidiary company pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) has been annexed with this report as "Annexure "K".

### **39. Listing Of Equity Shares On Stock Exchanges:**

The Company's shares are listed in Bombay Stock Exchange Limited with Security Code 531635 and ISIN INE870J01019.

### **40. Deposits from public:**

The Company has not accepted any deposits from public.

### **41. Independent Directors' Meeting And Familiarization Programme:**

In terms of SEBI Regulation, 2015, a meeting of Independent Directors was held in absence of Non-Independent Directors and members of the Management. The Meeting was held inter-alia, with a view to review the performance of non-independent Directors and the Boards as a whole, review the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-executive Directors; and to assess the quality, quantity and timeliness of flow of information between the company management and the Board. The details of Independent Directors' Meeting and familiarization program are stated in the Corporate Governance Report.

### **42. Adequacy Of Internal Financial Control**

The Company has in place adequate internal financial control with reference to financial statements. Periodic audit is undertaken on continuous basis covering all the major operations. Reports of the Internal Auditors are reviewed by the management from time to time and desired actions are initiated to strengthen the control and effectiveness of the system. During the year, such control was tested and no reportable material weaknesses were observed in the design or operation.

The Internal financial control with reference to financial statement as designed and implemented by the company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the company for inefficiency of such control.

### **43. Internal Control System And Their Adequacy**

The Internal Control System provides for well documented policies/guidelines, authorization and approval procedures. Considering the nature of its business and size of operation, your company through its internal auditor carried out periodic audit based on the plan approved by the audit committee.

The Summary of the Internal Audit observation and the status of the implementation are submitted to the Audit Committee. The status of implementation of the recommendation is reviewed by the Audit Committee on a regular basis and desired action are initiated to strengthen the control and effectiveness of the system. Concerns, if any, reported to the board.

#### **44. Disclosure As Per The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013:**

The Company has no tolerance towards sexual harassment at the workplace and has adopted a policy on prevention prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

#### **45. Policies As Per Sebi (Listing Obligations And Disclosure Requirements) Regulations, 2015**

Pursuant to requirements of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has adopted the following policies currently which are available on the portal of the company ([www.silveroakindia.co.in](http://www.silveroakindia.co.in)).

- Policy for Preservation of Documents.
- Policy for Determination and Disclosure of Material Events.
- Policy on Remuneration of Directors and Key Managerial personal
- Archival Policy.
- Policy on Material Related Party Transactions.
- Internal financial control policy
- Terms and condition of appointment of Independent Directors
- Policy on Sexual harassment of Women at Workplace.
- Code of Insider Trading.

#### **46. Green Initiative**

Your Directors would like to draw your attention to section 20 of the Companies act, 2013 read with the Companies (Management and administration) Rules, 2014 as may be amended from time to time which permit the paperless compliances and also service of notice/documents (including annual report) through electronic mode to its shareholders.

Your Directors hereby once again appeal to all those members who have not registered their e mail address so far are requested to register their email address in respect of electronic holding with their concerned Depository participants and /or with the Company.

#### **47. Health Safety And Environment**

Your company recognizes the protection and management of environments as one of the highest priorities and every effort is made to conserve and protect the environment. During the year, your company continued its focus in creating a aesthetic, environment friendly, Industrial habitat in its factory units, mobilizing support generating interest among staff and labors for maintaining hygienic and green surroundings.



#### **48. Business Responsibility Report**

The business responsibility reporting as required by regulation 34(2) (f) of the SEBI (listing obligations and disclosures requirements) regulations, 2015 is not applicable to your company for the financial year ending March 31, 2021.

#### **49. Management Discussion And Analysis Report**

##### **A) Industry Structure & Development and Outlook**

Indian Made Foreign Liquor (IMFL) is “state subject” and as such every State has its own policies in respect of this industry. Madhya Pradesh, the state in which the company operates, has its own policy, both for manufacture as well as for marketing/distribution. The industry is expected to achieve average annual growth and many new players are expected to be stepping into the industry.

##### **B) Opportunities & Threats, Risks & Concerns**

The Company's strength is built around domestic marketing network. The growth of the industry provides the necessary opportunities for the company to grow. However, the industry is under constant pressure due to steep competition from unorganized sector and the industrial scenario in the nearby area.

##### **C) Internal Controls and their adequacy**

The company has adequate internal control systems, commensurate with the size and operations of the company. The scope of the internal audit is to ensure the control systems established by the management are correctly implemented and to suggest any additional changes required to strengthen the existing systems. These systems and procedure are reviewed at regular intervals through internal audits, statutory audits and audit committee.

##### **D) Human Resource and Industrial Relations**

Industrial relations continue to remain peacefully at the factory and other offices of the Company and all the employees are working with the company for a common objective. Industrial relations of the company were cordial during the year.

#### **50. Code Of Conduct:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.silveroakindia.co.in](http://www.silveroakindia.co.in). The Code lays down the standard

procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

## **51. Conservation of energy, technology absorption, foreign exchange earnings and outgo** **Conservation of energy:**

Information in respect of Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo pursuant to provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, for the financial year ended 31.03.2021, is attached as Annexure "A" which forms part of this Report.

## **52. Appreciation**

Your Directors wish to acknowledge the co-operation and assistance extended to the company by the Company's Banker and state and Central Government agencies. Your directors also acknowledge with gratitude the support of the shareholders customers, dealers, agents and suppliers for their continued faith and support in the company and its management.

## **53. General**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review:

1. No issue of equity shares with differential right as to dividend, voting or otherwise.
2. There is no Employees' Stock Option Scheme (ESOS).
3. The Company has not issued any Sweat Equity Shares.

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**Sd/-**  
**Shirish Jaltare**  
**Whole Time Director**  
**DIN:00070935**

**Sd/-**  
**Leela Kalyani**  
**Director**  
**DIN:06625369**

## ANNEXURE-A

Information under Section 134 of Companies Act, 2013 read with Companies (Accounts) Rules,2014 forming part of the Directors Report for the year ended 31<sup>st</sup> March, 2021.

### FORM "A"

#### CONSERVATION OF ENERGY:

##### A. Electricity Consumption:

| 1. Electricity                       | Current Year<br>2020-21 | Previous Year<br>2019-20 |
|--------------------------------------|-------------------------|--------------------------|
| <b>(a) Purchased:</b>                |                         |                          |
| (i) Units Purchased :                | 34314                   | 45660                    |
| (ii) Total Amount (Rs.) :            | 464905                  | 528070                   |
| (iii) Power cost per unit(Rs.) :     | 13.54                   | 11.56                    |
| <b>(b) Own Generation:</b>           |                         |                          |
| Through D.G.Set :                    | NIL                     | NIL                      |
| (i) Production in Cases :            | NIL                     | NIL                      |
| (ii) Units consumption per case :    | -                       | -                        |
| (iii) Cost of power per case (Rs.) : | -                       | -                        |

##### B. Technology Absorption, Adaptation and Innovation, Research and Development:

###### Specific Areas in which R&D:

The Company is engaged in the activity of bottling of Liquor for which and benefits derived as a technology has established Result thereof in several years. Therefore, no further research is being carried out.

##### C. Foreign Exchange Earnings and Outgo:

|                   | Current Year | Previous Year |
|-------------------|--------------|---------------|
| (i) Earnings :    | NIL          | NIL           |
| (ii) Outgo(Rs.) : | NIL          | NIL           |

FOR SILVER OAK (INDIA) LTD.

Date: 4<sup>th</sup> September, 2021  
Place: Indore

Sd/-  
Shirish Jaltare  
Whole Time Director  
DIN:00070935

Sd/-  
Leela Kalyani  
Director  
DIN:06625369

## **ANNEXURE B**

### **REPORT ON CORPORATE GOVERNANCE**

I believe that nothing can be greater than a business, however small it may be, that is governed by conscience; and that nothing can be meaner or more petty than a business, however large, governed without honesty and without brotherhood.

**– William Hesketh Lever**

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”).

#### **OUR CORPORATE GOVERNANCE PHILOSOPHY**

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term. At Silver Oak (India) Limited, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business, as demonstrated in the words above.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At SOIL, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and in compliance with applicable legislations. Our Code of Business Principles (the Code) is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code inspires us to set standards which not only meet applicable legislation but go beyond in many areas of our functioning.

Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are keys to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of Silver Oak (‘the Company’). We believe that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance. At Silver Oak, the Board of Directors (‘the Board’) is at the core of our corporate governance practice. The Board oversees the Management’s functions and protects the long-term interests of our stakeholders.

The Board of your Company has a good and diverse mix of Executive and Non-Executive Directors with majority of the Board Members comprising Independent Directors and the same is also in line with the applicable provisions of Companies Act, 2013 (‘the Act’) and Securities and

Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). As on March 31, 2021, the Board comprised 5 members, of which two members are independent directors. An independent director is nominated as the chairperson of each of the Board committees, namely audit, nomination and remuneration, stakeholder relationship.

#### **CORPORATE GOVERNANCE GUIDELINES:**

Over the years, The Board has adopted the Silver Oak Guidelines on Board Effectiveness to help fulfil its corporate governance responsibility towards stakeholders. These guidelines ensure that the Board will have the necessary authority and processes in place to review and evaluate the Company's operations. Further, these guidelines allow the Board to make decisions that are independent of the Management.

#### **Report on Corporate Governance:**

- A. Key Responsibilities
- B. Board of Directors
- C. Committee of the Board of Directors
- D. Shareholder Information
- E. Disclosures

#### **A. Key Responsibilities:**

|                              |                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Whole Time Director/Chairman | <ul style="list-style-type: none"> <li>• Leads our board.</li> <li>• Ensures an effective board, including effective contribution from our directors.</li> <li>• Recommends to the board and implements company's strategy.</li> <li>• Has day today responsibility for running the Company's operations.</li> <li>• Promotes the company's culture and standards.</li> </ul> |
| Non Executive Director       | <ul style="list-style-type: none"> <li>• Constructively challenge our executive directors in all areas</li> <li>• Scrutinize management's performance.</li> <li>• Determine appropriate level of remuneration for executive directors.</li> </ul>                                                                                                                             |
| Independent Director         | <ul style="list-style-type: none"> <li>• Provides adequate support in decision making to the Chairman.</li> <li>• Ensure that any key issues not addressed by the Chairman or the executive management are taken up.</li> <li>• Is available to shareholders to discuss their concerns.</li> <li>• Leads the annual appraisal of the Chairman's performance.</li> </ul>       |
| Company Secretary            | <ul style="list-style-type: none"> <li>• Acts as secretary to our board and its committees.</li> <li>• Together with the Chairman, keeps the efficacy of the company's and our board's governance processes under review.</li> <li>• Has responsibility for compliance with board procedures.</li> <li>• Provides advice on corporate governance issues.</li> </ul>           |

## B. Board of Directors:

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Management Committee of the Company is headed by the Chairman and has business/ functional heads as its members, which look after the management of the day-to-day affairs of the Company.

The Company's Board of Directors plays a key role in providing direction in terms of strategy, target setting and performance evaluation of top management. It places special emphasis on compliance as also ensuring that the Company operates in the best interests of all its shareholders.

The Board of Directors ('the Board') are responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

Company firmly believes that Board independence is essential to bring objectivity and transparency in the management of the Company. The current policy is to have an appropriate mix of executive and independent Directors to maintain the independence of Board, and separate its functions of governance and management.

### a) Attributes of a Board

It is important to consider a variety of personal attributes among the Board incumbents including intellect, judgment, openness, honesty and the ability to develop trust. A Board requires Directors who have the intellectual capability to question status quo and debate any new policy/strategy as also offer suggestions and alternatives.

### b) Size and Composition of the Board

An ideal Board should ensure an appropriate balance of power, independence and authority. As of March 31, 2021, the Board at Company consists of five members; two of Board members are Non-Executive Independent Directors. The Independent Directors, with their diverse knowledge and expertise, provide valuable contribution in the deliberations and decisions of the Board, maintaining the requisite independence.

### Composition of the Board as on March 31, 2021:

| Name & Designation of Appointee | DIN      | Age in yrs. | Date of Appointment |
|---------------------------------|----------|-------------|---------------------|
| Mr. Shirish Jaltare             | 00070935 | 61          | 03/01/2017          |
| Mrs. Leela Kalyani              | 06625369 | 55          | 11/06/2016          |
| Mr. Suresh Kejriwal             | 07497747 | 65          | 11/06/2016          |
| Mr. Prakash Gadia               | 08203487 | 29          | 31/08/2018          |
| Mr. Vivek Chibba                | 06466844 | 52          | 14/08/2020          |

**Independent Directors:** Mr. Suresh Kejriwal and Mr. Prakash Gadia were Independent Directors of the company as on 31<sup>st</sup> March, 2021.

**Women Director:** The Companies Act 2013, Rules made thereunder and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 provide for appointment of Woman Director for prescribed Companies.

In compliance with these provisions, Mrs. Leela Kalyani (DIN: 06625369) has been appointed as Woman Director of the company by the shareholders in Extra Ordinary General Meeting held on Saturday, 11<sup>th</sup> June 2016.

A brief profile of each of the Board members is presented below.

| Name & Designation of Appointee | DIN      | Age in years | Date of Appointment | Expertise/Experience       | Other Directorship held |
|---------------------------------|----------|--------------|---------------------|----------------------------|-------------------------|
| Mr. Shirish Jaltare             | 00070935 | 60           | 03/01/2017          | Administration             | Four                    |
| Mrs. Leela Kalyani              | 06625369 | 54           | 11/06/2016          | Finance & Marketing        | Two                     |
| Mr. Suresh Kejriwal             | 07497747 | 64           | 11/06/2016          | Finance & Marketing        | Three                   |
| Mr. Prakash Gadia               | 08203487 | 28           | 31/08/2018          | Administration             | Zero                    |
| Mr. Vivek Chibba                | 06466844 | 52           | 14/08/2020          | Administration & Marketing | One                     |

Mr. Suresh Kejriwal, who was appointed as an independent Director of the company on 11/06/2016, has successfully completed his tenure of 5 years and being eligible, offers himself for re-appointment. A Special resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Mrs. Leela Kalyani retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment forms part of the Notice.

### c) Board Membership Criteria

Our Board comprises of eminent professionals of integrity with relevant skills and experience. Their contribution is facilitated by:

- high quality Board documentation;
- expert opinions, wherever deemed necessary; and
- Healthy debate especially on complex, contentious and critical issues.

Nomination and Remuneration Committee (NRC) of the Board assist in fulfilling the responsibilities relating to the size and composition of the Board.



#### **d) Selection of Independent Directors**

Nomination and Remuneration Committee while evaluating the potential candidates, considers a variety of personal attributes, including experience, intellect, foresight, judgment and transparency, and match these with the requirements set out by the Board. Broadly, the following criteria have been set for selection of Independent Directors based on:

- Independence from Management.
- No substantial shareholding.
- Other significant relationship which may cause a conflict of interest.
- Capability of taking fair decisions without being influenced.
- Independent Directors are expected to balance the decision-making process of the Board by constructively challenging the Company's strategy and exercise due diligence
- Independent Directors should possess the requisite business and industry expertise in the domain the Company operates in.
- Independent Directors should be competent enough to work effectively like a team member as well as leader with the other Directors of the Board and committees
- Independent Directors should contribute constructively in the Board's deliberations.

The aim is to secure a Boardroom which achieves the right balance between challenge and teamwork, and fresh input and thinking. The Committee has also framed a Policy for "Selection of Directors". The Board considers the Committee's recommendations, and takes appropriate actions.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law. The Company has received declarations from all the Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#### **e) Diversity in Board**

Diversity, in all its aspects, serves an important purpose for Board effectiveness. It can widen perspectives while making decisions, avoid similarity of attitude and help companies better understand and connect with its stakeholders. Such diversity may be with regard to academic qualifications, technical expertise, relevant industry knowledge, experience and age. The Company Board represents diversity in terms of all these parameters.

#### **f) Membership Term**

The Companies Act, 2013, mandates the retirement of two-third of the Board members (who are liable to retire by rotation) every year and the retiring members eligible for re-appointment. Independent Directors shall hold office for a term of upto five consecutive years

on the Board of a Company and be eligible for re-appointment on passing of a special resolution by the shareholders of the Company.

During the year, the Company re-appointed Smt. Leela Kalyani as a Director of the Company, liable to retire by rotation.

During the year, Mr. Suresh Kejriwal, who was appointed as an independent Director of the company on 11/06/2016, has successfully completed his tenure of 5 years and being eligible, offers himself for re-appointment.

#### **g) Mechanism for Evaluating Board members**

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, there is a formal Policy for Board Performance Evaluation which suggests process for evaluation of the performance of both the Board and individual Directors and the Committees. The purpose of the Policy is:

- To ensure the overall performance evaluation process of Directors
- Maximize strengths and identify and address the weaknesses.
- Maintain an energised, proactive and effective Board.

#### **h) Compensation of the Board of Directors**

Compensation of the Executive Directors shall be approved by the shareholders.

Non-Executive, Independent Directors are to be paid an amount not exceeding one percent of the net profits of the Company for the year, in accordance with section 197 of the Companies Act, 2013, subject to the approval by the shareholders vide a special resolution.

All Board level compensation shall be approved by the shareholders and disclosed separately in the financial statements.

#### **I) Board Meetings**

##### **(i) Information supplied to the Board**

The Board has complete access to all information available with the Company. All information stipulated under the provisions of The Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings. There is a structured manner in which the agenda items are prepared and distributed for the Board meetings. During the Board meetings, the senior management is invited to present the plans and achievements relating to their respective areas of responsibility.

##### **(ii) Board Agenda**

- The Company Secretary, in consultation with the Chairman of the Company and Chairman of the respective Board Committees, prepares the agenda and supporting papers for discussion at each Board and Committee Meeting. The agenda and notes are

circulated to Board/Committee members in advance, and in the defined agenda format. Members of the Board or Committees are free to suggest any item to be included in the agenda, in addition to exercising their right to bring up matters for discussion at the meeting with permission of the Chairman.

- Moreover, the Company also considers the impact of decision on Minority Shareholders for every agenda item at the Board meeting. The Directors discuss such impact analysis, and take appropriate decisions.

(iii) Board Materials Distributed in Advance

Information and data that is important to the Board's understanding of matters on the agenda is distributed to the Board several days prior to the Board meetings in order to allow the members adequate time for a detailed review.

(iv) Scheduling of Board Meetings and Attendance during FY 2020-21.

- A minimum of four Board Meetings are required to be held each year. Moreover, the gap between two Board Meetings should not exceed four months. Six Board meetings were held by your Company during FY 2020-21.
- The dates on which the Board meetings were held during FY 2020-21, and the attendance record of the members in these meetings is provided in a table.

(v) BOARD MEETING DATES & ATTENDANCE:

A. The Company has conducted 06 (Six) Board Meetings in the financial year 2020-21:

| S. NO. | DATE                            |
|--------|---------------------------------|
| 1      | 03 <sup>rd</sup> June, 2020     |
| 2      | 25 <sup>th</sup> July, 2020     |
| 3      | 14 <sup>th</sup> August, 2020   |
| 4      | 5 <sup>th</sup> September, 2020 |
| 5      | 13 <sup>th</sup> November, 2020 |
| 6      | 12 <sup>th</sup> February, 2021 |

B. Meetings held and attended by directors during their directorship

| S.NO | NAME OF THE DIRECTOR | MEETINGS HELD | MEETINGS ATTENDED |
|------|----------------------|---------------|-------------------|
| 1    | Shirish Jaltare      | 06            | 06                |
| 2    | Leela Kalyani        | 06            | 06                |
| 3    | Suresh Kejriwal      | 06            | 06                |
| 4    | Prakash Gadia        | 06            | 06                |
| 5    | Vivek Chibba         | 03            | 03                |

### **Separate meeting of Independent Directors:**

During the year under review, a meeting of Independent Directors was held on 12<sup>th</sup> February, 2021, without the attendance of Non-Independent Directors and members of the management, inter alia, to discuss on the following:

- To review the performance of the Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account views of Executive / Non- Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between your Company's management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

Notes:

- Committees of the Board meet whenever required.
- The Board meetings are usually held at the Company's corporate office at Princes Business SkyPark, Block No 412, Scheme No 54 PU-3, Commercial, Opposite Orbit Mall, A.B. Road Indore 452010 MP IN
- Video conferencing/other audio visual means as prescribed by the Companies Act 2013 and Rules made thereunder, are used to facilitate Directors travelling abroad, or present at other locations to participate in the meetings.

#### **(vi) Recording Minutes of Proceedings at Board/Committee Meeting**

- The Company Secretary, who is present in Board/Committee meeting, records the minutes of the proceedings.
- The final minutes are entered in the Minutes Book and signed by the Chairman within 30 days from the conclusion of each meeting.

In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes also contain:

- a. the names of the Directors present at the meeting; and
- b. in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from, or not concurring with the resolution.

Further all other requirements as per the Companies Act, 2013 and Rules made thereunder are duly observed regarding Board/Committee meeting Minutes.

#### **(vii) Compliance**

The Company Secretary, while preparing the Agenda, Notes on agenda, Minutes etc. is responsible for and is required to ensure adherence to all applicable laws and regulations.

#### **(viii) Discussion with Independent Directors**

Pursuant to Schedule IV of the Companies Act 2013 and the Rules made thereunder, the Independent Directors of the Company have held a meeting during the year, in absence of the non-independent Directors and members of management. All the independent Directors were present at this meeting and participated in the discussions.

### **C. Committees of the Board of Directors**

Committees are a means of improving Board effectiveness in areas where more focused, specialized and extensive discussions are required. Some of the Board functions are performed through specially constituted Board Committees consisting of Executive and Non-Executive / Independent Directors, which then report to the Board. While some of these Committees are mandatory, some are voluntary.

The Board's Committees include Audit Committee, Vigil Mechanism Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Finance Committee.

All Committees have formally established terms of reference/charter, subject to revision/amendment as and when required.

The Chairman of each Committee fulfils an important leadership role similar to that of the Chairman of the Board, particularly in creating an environment for effective contribution of each Committee member. While each Committee follows its charter, it also takes up for discussions, matters referred to it by the Board. The Company Secretary, in consultation with the Board Chairman and Committee Chairman, prepares the agenda for each meeting. The minutes of each Committee's meeting are submitted to the Board for information and appropriate action.

#### **Company Board Committees**

##### **a) Audit Committee**

A key element in the Corporate Governance process of any organization is its Audit Committee. Effective Audit Committees can greatly assist the Boards in discharge of their duties in respect of integrity of the Company's financial reporting. Indeed, it is essential that Boards, Management, Auditors, Internal Auditors and Audit Committees all work with a common purpose to ensure that the Company obtains the benefits of the Audit Committee in terms of better financial reporting and greater effectiveness of internal controls.

The Audit Committee at Company was formed to efficiently carry out its functions; the Audit Committee has the following roles and responsibilities as per its charter:

Audit committee shall along with such matter as may be referred by Board, be responsible for the following:

With reference to the financial statements

- Examination of the financial statements and the auditors' report thereon,
- 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;

- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:-
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - ii. Changes, if any, in accounting policies and practices and reasons for the same
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management
  - iv. Significant adjustments made in the financial statements arising out of audit findings
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions
  - vii. Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

**With reference to Auditors:**

The recommendation for appointment, remuneration and terms of appointment of all Auditors of the Company including filling of casual vacancy,

- Reviewing and monitoring the Auditor's independence and performance and effectiveness of the Audit process,
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 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;

With reference to related party transactions

- Approval or any subsequent modification of transactions of the company with Related Parties,

The term "related party transactions" shall have the same meaning as provided in Sub Regulation "zc" of Regulation 2 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also the provisions of Companies Act, 2013 read with relevant rules thereto.

## Other references

- Scrutiny of Inter-Corporate Loans and Investments,
- Valuation of undertakings or assets of the company, wherever it is necessary,
- Evaluation of Internal Financial Controls and Risk Management Systems
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Vigil mechanism;
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

## Following information is required to be mandatory reviewed by Audit Committee

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Internal auditor shall be subject to review by the Audit Committee

## Additional responsibility of the Chairman of the Audit committee

- Direct access to the Chairperson of the audit committee under the vigil mechanism process.
- The Chairman of the Audit Committee shall be present at Annual General Meeting to answer shareholder queries.

## a) Powers of the Audit committee

- Audit committee has been provided with following powers:
  - i. To investigate any activity within its terms of reference.
  - ii. To seek information from any employee.



- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **Composition of the Audit Committee and Meetings Held during FY 2020-21**

Mr. Suresh Kejriwal is Chairman of the Audit Committee. The Audit Committee of the Company is constituted in line with the section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI(Listing Obligation and Disclosure Requirements)Regulation 2015. The Company Secretary of the Company is the Secretary of the Committee.

The Audit Committee met four times during the year. As per the statutory requirement, the maximum gap between two Audit Committee Meetings did not exceed the mandatory four months.

The Composition of the Audit Committee as on March 31, 2021 and details of attendance of the members in the meetings are as follows:

| <b>Name of the Director</b> | <b>Category</b>      | <b>No. of Meetings held</b> | <b>No. of Meetings attended</b> |
|-----------------------------|----------------------|-----------------------------|---------------------------------|
| Mr. Suresh Kejriwal         | Independent Director | 04                          | 04                              |
| Mr. Prakash Kumar Gadia     | Independent Director | 04                          | 04                              |
| Mr. Shirish Jaltare         | Executive Director   | 04                          | 04                              |

The Chairman of the Audit Committee was present at the previous year Annual General Meeting held on 28<sup>th</sup>September 2020 to answer shareholders' queries.

In addition to the members of the Audit Committee, the Chief Financial Officer, Internal Auditor, Statutory Auditors and other executives attend the meetings of the Committee upon invitation. Necessary information such as Management Discussion and Analysis of financial condition and results of operations, statement of significant related party transactions submitted by the management, management letters, internal audit reports relating to internal control weaknesses as per the requirement of law, are reviewed by the Committee.

Separate Meetings of the Audit Committee Members with the Auditors.

In line with the best Corporate Governance practices, meetings of the Audit Committee, independent of the Management, are scheduled every quarter, prior to the Audit Committee's meeting to review the quarterly results. The main objective of such meetings is to allow the Statutory Auditor and the Internal Auditor to express any areas of concern with respect to any matter at the same time also raise issues of any disagreement with the Management.

### **b) Nomination and Remuneration Committee**

Nomination and Remuneration Committee was formed in accordance with Section 178 (1) of the provisions of Companies Act, 2013 and Regulation 19 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015.

(i) Terms of Reference/Charter of the Nomination and Remuneration Committee

During the year, the Charter of the Committee was further revised in accordance with requirements of The Companies Act, 2013 and Regulation 19 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015. Primary responsibility of the Committee is to identify and nominate suitable candidates for Board membership and as members of senior Management of the Company. The Committee also formulated policies relating to the remuneration of Directors, Key Managerial Personnel and other employees of the Company.

This Committee is responsible for:

- Recommending desirable changes in the Board composition, size and diversity, committees structures and processes, and other aspects of the Board's functioning.
- Formulating criteria for determining qualifications, positive attributes and independence of an Independent Director.
- Conducting search and recommending new Board members in light of resignation of some current member/s or in case of a planned expansion of the Board.
- Identifying persons who are qualified to become Directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board for their appointment.
- Recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other senior employees, and while formulating such policy, to ensure that :
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the desired persons,
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Formulating criteria for evaluation of Independent Directors and the Board and carrying out evaluation of each Director's performance.
- Ensuring that there is an appropriate induction programme in place for new Directors and members of senior management and reviewing its effectiveness.
- Developing a succession plan for the Board and regularly reviewing the plan.
- Reviewing succession plans for the senior management.
- Carrying out any other function as is mandated by the Board from time to time and / or is enforced by any statutory notification, amendment or modification, as may be applicable.

#### **(ii)Composition of the Nomination and Remuneration Committee and Meetings Held during FY 2020-21**

Mr. Suresh Kejriwalis the present Chairman of the Nomination and Remuneration Committee. As of March 31, 2021, the Committee consisted of following members, all the members are Non

executive and majority of which are Independent Directors. The composition of the Committee is in compliance with the applicable laws. The Company Secretary of the Company is the Secretary of the Committee.

The Composition of the Nomination and Remuneration Committee as on March 31, 2021 and details of attendance of the members in the meetings are as follows:

| Name of the Director    | Category               | No. of Meetings held | No. of Meetings attended |
|-------------------------|------------------------|----------------------|--------------------------|
| Mr. Suresh Kejriwal     | Independent Director   | One                  | One                      |
| Mr. Prakash Kumar Gadia | Independent Director   | One                  | One                      |
| Mrs. LeelaKalyani       | Non Executive Director | One                  | One                      |

Mr. Suresh Kejriwal, Chairman of the Nomination and Remuneration Committee attended the previous year Annual General Meeting held on 28<sup>th</sup> September, 2020.

#### (iv) Remuneration Policy

Remuneration policy for the members of the Board of Directors of the Company takes into consideration their role and responsibilities.

#### c) Finance Committee

The role of the finance committee is primarily to provide financial oversight for the organization. Typical task areas include budgeting and financial planning, financial reporting, and the creation and monitoring of internal controls and accountability policies. An outline of responsibilities appears below.

- review the Corporation's capital structure and annual capital plan, including its capital adequacy and capital planning process, stress-testing and related activities, capital raising, capital distributions, as well as approve and recommend to the full Board approval of our annual capital plan submission and capital management policy;
- review financial aspects of the Corporation's recovery and resolution plans, and
- review any additional matters that the Board of Directors may direct to the Committee.

As part of its review, the Committee will provide advice and make recommendations to management and the Board, as appropriate, with respect to issues raised in or by the reports and presentations made to the Committee or their form and scope.

The Composition of the Finance Committee as on March 31, 2021 and details of attendance of the members in the meetings are as follows:

| Name of the Director | Category                | No. of Meetings held | No. of Meetings attended |
|----------------------|-------------------------|----------------------|--------------------------|
| Mr. Suresh Kejriwal  | Independent Director    | NIL                  | NIL                      |
| Mr. Shirish Jaltare  | Whole Time Director     | NIL                  | NIL                      |
| Mrs. Leela Kalyani   | Non Executive Director  | NIL                  | NIL                      |
| Mr. Sunil Khandelwal | Chief Financial officer | NIL                  | NIL                      |

## **Familiarization Programme:**

In terms of Regulation 25(7) of Listing Regulations, the Company familiarizes the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., from time to time basis.

The Company familiarizes not only the Independent Directors but any new appointee on the Board with a brief background of the Company their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc. They are updated on all business related issues and new initiatives. They are also informed of the important policies of your Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading.

Regular updates on relevant statutory and regulatory changes are regularly circulated to the Directors.

Brief details of the familiarization programme are uploaded on the website of your Company and can be accessed at the website of the company.

## **Company Secretary & Compliance Officer**

Mr. Deepak Meena, Company Secretary and Compliance Officer, is responsible for complying with requirements of Securities Laws and Listing Agreements with the Stock Exchanges. The Company has the designated to enable stakeholders to email their grievances.

### **D. Shareholder Information**

#### **a) Means of Communication**

##### **(i) Quarterly/Annual Results**

- The Company releases Quarterly Report for each quarter in the form of hard & soft copy to ensure prompt information to the shareholders and also contributes in saving paper thus saving trees and making the planet greener.
- These reports contain audited financials of the Company along with the Auditors Report thereon; Unaudited consolidated financials of the Company.
- The Company communicates quarterly/annual financial results via email to all its shareholders who have valid e-mails ids registered with their Depository Participants (DP).
- The Company publishes official news releases for the same.

##### **(ii) Newspapers publication of financial results**

The Company's financial results are published in English daily and Hindi daily edition newspaper having wide regional circulation.

##### **(iii) Annual Report**

The Company's Annual Report containing, inter alia, Letter from the Chairman, Audited Annual Accounts, Directors' Report, Auditors' Report, Report on Corporate Governance and Financial Highlights, Management Discussion and Analysis and other important information is circulated to all the members.

(iv) BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, Corporate Governance report, media releases, among others are also filed electronically by the Company on the Listing Centre.

(x) SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are Centralized database of all complaints, online upload of Action Taken Reports by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**b) Corporate Identity Number (CIN)**

Corporate Identity Number (CIN), allotted by the Ministry of Corporate Affairs, Government of India is L11531MP1984PLC002635 and the Company Registration Number is 002635. The Company is registered in the State of Madhya Pradesh.

**c) Shareholder Education**

Shareholders of the Company are provided with timely information on all Company related matters including recruitment/appointment of Directors and other important events through Press Releases.

**d) General Body Meetings**

(i) Particulars of previous Annual General Meetings (AGM) held during the previous three years are as follows:

| <b>YEAR TO WHICH AGM RELATES</b> | <b>DATE OF AGM</b> | <b>TIME OF AGM</b> | <b>VENUE OF AGM</b>       | <b>NO. OF SPECIAL BUSINESS</b> |
|----------------------------------|--------------------|--------------------|---------------------------|--------------------------------|
| 2019-20                          | 28/09/2020         | 03.00 P.M.         | Registered Office/VC/OAVM | One                            |
| 2018-19                          | 30/09/2019         | 11.00 A.M.         | Registered Office         | Zero                           |
| 2017-18                          | 25/09/2018         | 11.00 A.M.         | Registered Office         | Three                          |

No Extraordinary general meeting was held by the Company during the financial year ended March 31, 2021.

**E. Disclosures**

I. Disclosure on materially significant related party transactions:

The Company hasnot entered into material transaction with one of its related parties. The disclosure of transactions with related parties is set out in Notes forming part of the Annual Report.

II. Compliances by the Company of Capital Market Guidelines

The Company has complied with all requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to the capital market during the past, including the preceding three years.

### III. Whistle Blower Policy

Company is committed to conduct its business in accordance with the applicable laws, rules and regulations, and with highest standards of business ethics. Company does not tolerate any malpractice, impropriety, abuse or wrongdoing. The Company has a well established whistle blower policy as part of a vigil mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of conduct or ethics policy. This mechanism also provides for adequate safeguards against victimization of Director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

In accordance with the Companies Act 2013 and Rules made there under and the applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board adopted a revised Whistle Blower Policy.

No complaint was received under the Policy, during the year. We affirm that :

- Provision is made for adequate safeguards to employees against their victimisation on reporting to the Ombudsperson and
- no personnel was denied access to the Audit Committee

### IV. Policy against Sexual Harassment

Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation and abuse. Company prohibits any employee of the Company from making any unwelcome and unsolicited sexually determined behaviour (whether directly or by implication). Such kind of harassment can have potential legal and moral pitfalls not only for the individuals involved but also for the Organization as a whole. We at Company believe that it is the responsibility of the organization to protect the integrity & dignity of its employees and also to avoid conflicts & disruptions in the work environment due to such cases.

The Company has put in place a 'Policy against Sexual Harassment', compliant with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). As per the policy, any employee may report his/her complaint to the Committee by various modes i.e. in person, through email, in writing or by calling on mobile no. as mentioned. The Committee would then make enquiries and submit its recommendation to the HR Head. He would further take a decision on the same and report to the Board. We affirm that adequate access was provided to any complainant who wished to register a complaint under the policy, during the year.

### V. Code of Conduct

The Company has in place a Code of Conduct which helps to maintain high standards of ethics for the Company's employees. In terms of Code of Conduct, the Directors and Senior Management must act within the boundaries of the authority conferred upon them and with

a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders and stakeholders. The Company obtains the affirmation compliance of the Code of Conduct from its Directors and Senior Management on an annual basis.

The Company has obtained declaration from its Directors and Senior Management affirming their compliance to the Code of Conduct for the current year.

A copy of the Code of Conduct is made available on the website of the Company.

#### VI. Risk Management and Internal Control Policies adopted by the Company

A report on Risk Management and Internal Control Policies adopted by the Company has been discussed later as a separate chapter in this Annual Report.

#### VII. Adherence to Accounting Standards

The Company follows the mandatory Accounting Standards prescribed by The Institute of Chartered Accountants of India and to the best of its knowledge; there are no deviations in the accounting treatment that require specific disclosure.

#### VIII. Management Discussion and Analysis

As required by Regulation 34 of the SEBI (listing Obligation and Disclosure Requirements) Regulation 2015, the Management Discussion and Analysis is provided in this Annual Report. As a voluntary initiative, the Company also prepares and publishes Management Discussion and Analysis for the consolidated financials in the Annual Report, which is also provided later in this Annual Report.

#### IX. Share Transfer System

The Company's shares are currently traded in dematerialised form; transfers are processed and approved in the electronic form by NSDL/CDSL through their Depository Participants.

The Stakeholders Relationship Committee is authorised to approve transfer of shares, which are received in physical form, and the said Committee approves transfer of shares as and when required.

The Company obtains from the compliance officer and authorised representative of the share transfer agent of the company, a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 7 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

#### X. Dematerialization of Shares

The Equity shares of the Company are under compulsory dematerialization ("Demat") category and can be traded only in electronic form. The procedure for converting the shares in dematerialized mode is as under:

- Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to his Depository Participant (DP)
- DP processes the DRF and generates a unique number viz. DRN.



- DP forwards the DRF and share certificates to the Company's Registrar & Shares Transfer Agent.
- The Company's Registrar & Shares Transfer Agent after processing the DRF confirm or reject the request to the Depositories.
- Upon confirmation, the Depository gives the credit to shareholder in his/her depository account maintained with DP.
- The process of dematerialization takes around 15 days from the date of receipt of DRF by the Registrar & Shares Transfer Agent of the Company.
- Since the trading in the shares of the Company can be done only in electronic form, it is advisable that the shareholders who have the shares in physical form get their shares dematerialized.

XI. Shareholding Pattern of the Company as at March 31, 2021:

The complete shareholding pattern as on 31<sup>st</sup> March, 2021 is attached as annexure to the report of Board of directors.

XII. Depository Receipts / Global Depository Receipts / Warrants

As on March 31, 2021, the Company has no American Depository Receipts / Global Depository Receipts / Warrants or any such convertible instruments outstanding and there is no likely impact on the Company's Equity Shares in the financial year 2019-20.

XIII. Employee Stock Option Plans (ESOP)

As on 31<sup>st</sup> March, 2021, the company has not made any ESOP issue and therefore not covered under the provisions of the Act.

XIV. CEO/CFO Certification

As required under Regulation 33 of SEBI,(Listing Obligations & Disclosure Requirements) Regulations, 2015, the CEO/CFO certification is provided as Annexure to the report on Corporate Governance, in this Annual Report.

XV. Secretarial Audit

As per the Companies Act 2013, Secretarial Audit by a practicing Company Secretary has become mandatory for prescribed companies, and they are required to annex the Secretarial Audit report with their Board Report in the Annual Report.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed, CS Varun Bhomia, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in the prescribed Form MR-3, is provided as Annexure F to the Directors' Report. The Secretarial Audit Report does not contain any qualification or adverse remark.

The Secretarial Auditor has made certain recommendations for adopting additional Best Practices, which are now being implemented.

XVI. Compliance with the Code of Conduct

All Directors and Senior Management personnel of the Company have affirmed compliance with the code for the financial year ended March 31, 2021. A declaration to this effect signed by the directors has been published as Annexure to this report on Corporate Governance.

XVII. Listing Fees:

Listing fees, to the Stock Exchanges, for the financial year 2020-21 have been paid.

XVIII. Green Initiatives by the Ministry of Corporate Affairs, Government of India

The Company whole-heartedly supported the 'Green Initiative' of the Ministry of Corporate Affairs, Government of India enabling electronic delivery of documents to the shareholders at their e-mail addresses registered with the Depository participants/Registrar & Share Transfer Agent. This year also the Company is actively pursuing this initiative by sending Annual Reports in a soft copy form to those members who had provided their email id to the company.

XIX. Compliance Certificate of the Auditor:

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations.

XX. Audit Qualification:

There are no audit qualifications in the Company's financial statements for the year under review.

XXI. Compliance Report:

The Board periodically reviews the compliance of all applicable laws and gives appropriate directions, wherever necessary.

XXII. Reporting of Internal Auditor:

The Internal Auditor reports to the Audit Committee and the Board. On requisition, he participates in the meetings of the Audit Committee of the Board of Directors of your Company and presents his internal audit observations to the Audit Committee.

XXIII. Registrar and Transfer Agents:

M/s Ankit Consultancy Private Limited  
60, Electronics Complex, Pardeshipura,  
Indore - 452 010

XXIV. Registered Office & Plant Location:

Plot No.110, Sector-I, Industrial Area,  
Pithampur, Dist. Dhar (M.P.)

XXV. Dedicated Email ID for the Investor:

For the convenience of our investor, the company has designated an exclusive email id for investor i.e. *silveroak.indore@gmail.com*

XXVI. Address for correspondence:

Princes Business Sky Park, Block No 412,  
Scheme No 54 PU-3, Commercial, Opposite Orbit Mall,  
A.B. Road Indore 452010 MP IN

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**Sd/-**  
**Shirish Jaltare**  
**Whole Time Director**  
**DIN:00070935**

**Sd/-**  
**Leela Kalyani**  
**Director**  
**DIN:06625369**

## **ANNEXURE C**

### **Corporate Governance Complaint Certificate**

**Corporate Identity No: L11531MP1984PLC002635**

**Nominal Capital:4.25 Crores**

**To,**

**The Members**

**SILVER OAK (INDIA) LIMITED**

We have examined all the relevant records of Silver Oak (India) Limited for the purpose of certifying compliance of the conditions of the Corporate Governance, as stipulated in Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from April 01, 2020 to March 31, 2021. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedure & implementation process adopted by Company for ensuring compliance of the conditions of the 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 by the company, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This certificate 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.

Date: 04.09.2021

Place: Indore

**Sd/-**

**FCS Varun Bhomia**

**Practicing Company Secretary**

**COP-10561**

**Annexure D**  
**CEO/CFO CERTIFICATE**

We, Shirish Jaltare, Whole-time Director & Sunil Khandelwal, Chief Financial Officer of the company, to the best of our knowledge and belief, certify that:

- A.** We have reviewed financial statements and the cash flow statement for the yearended March 31, 2021 and that to the best of our knowledge and belief:
- 1.** These statements do not contain any materially untrue statement or omit 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.
- B.** There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D.** We have indicated to the auditors and the Audit committee:
- 1.** Significant changes in internal control over financial reporting during the year;
  - 2.** Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3.** Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**Sd/-**  
**Shirish Jaltare**  
**Whole Time Director**  
**DIN:00070935**

**Sd/-**  
**Sunil Khandelwal**  
**CFO**

## **ANNEXURE E**

### **DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

I, Shirish Jaltare, Whole-time Director of Silver Oak (India) Ltd, confirm that the Company has adopted a Code of Conduct ("Code") for its Board Members and senior management personnel, in terms of the requirement of Regulation 26(3) read with Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and code of conduct of the company has been displayed at the company's website: <http://silveroakindia.co.in>

I, further confirm that all the members of the Board and the senior management personnel have affirmed compliance with the code for the year ending March 31, 2021.

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**Sd/-  
Shirish Jaltare  
Whole Time Director  
DIN:00070935**



# BHOMIA SOLANKI & ASSOCIATES LLP

LLPIN:-AAJ 7330

Reg Add: 301-B, Shreewardhan Complex, RNT Marg, Near Lemon Tree Hotel, Indore -M.P.

**Form No. MR-3**  
**Secretarial Audit Report**  
**(For the financial year ended 31.03.2021)**  
**[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  
SILVER OAK (INDIA) LIMITED  
CIN: L11531MP1984PLC002635

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SILVER OAK (INDIA) LIMITED (hereinafter called the Company) for the financial year ended 31.03.2021. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also on the basis of the information provided by the Company, its management, its officers, auditors, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31.03.2021, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the period ended on 31.03.2021, in accordance to the provisions of:

- I. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - (a) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (h) The Memorandum and Articles of Association of the company.



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

- i) The compliance of Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of The Act, Rules, Regulations, Guidelines, 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. 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 well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views 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.

**I further report that** proper details regarding outcome of the Board meeting of the company has not been intimated to the exchange.

I further report that during the Audit period, there were no instances of:

- i. Public/Rights/Preferential Issue of shares/Debentures/Sweat Equity.
- ii. Redemption/Buy-back of securities.
- iii. Merger/Amalgamation/Reconstruction etc.
- iv. Foreign Technical Collaborations.

I further report that I have not reviewed the applicable financial laws (direct & indirect tax laws), the compliance of the accounting standards and the annual financial statements, since the same have been subject to review and audit by the statutory auditors of the company.

**Place: Indore**  
**Date: 02.09.2021**

**Sd/-**  
**CS VARUN BHOMIA**  
Practicing Company Secretary  
C.P. No. 10561  
**UDIN: F009144C000883743**

**Note: This report is to be read with our letter of even date which is annexed as annexure "A" and forms an integral part of this report.**

ANNEXURE TO  
Secretarial Audit Report

**To**

**The Members**

SILVER OAK (INDIA) LIMITED

CIN: L11531MP1984PLC002635

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on this secretarial record based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. 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 the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Indore**

**Date: 02.09.2021**

**Sd/-**

**CS VARUN BHOMIA**

Practicing Company Secretary

C.P. No. 10561

**ANNEXURE G**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

| <b>SL. No.</b> | <b>Particulars</b>                                                                                                | <b>Details</b> |
|----------------|-------------------------------------------------------------------------------------------------------------------|----------------|
| a)             | Name (s) of the related party & nature of relationship                                                            | NIL            |
| b)             | Nature of contracts/arrangements/transaction                                                                      | NIL            |
| c)             | Duration of the contracts/arrangements/transaction                                                                | NIL            |
| d)             | Salient terms of the contracts or arrangements or transaction including the value, if any                         | NIL            |
| e)             | Justification for entering into such contracts or arrangements or transactions'                                   | NIL            |
| f)             | Date of approval by the Board                                                                                     | NIL            |
| g)             | Amount paid as advances, if any                                                                                   | NIL            |
| h)             | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NIL            |

2. Details of contracts or arrangements or transactions at Arm's length basis.

| <b>SL. No.</b> | <b>Particulars</b>                                                                        | <b>Details</b> |
|----------------|-------------------------------------------------------------------------------------------|----------------|
| a)             | Name (s) of the related party & nature of relationship                                    | NIL            |
| b)             | Nature of contracts/arrangements/transaction                                              | NIL            |
| c)             | Duration of the contracts / arrangements / transaction                                    | NIL            |
| d)             | Salient terms of the contracts or arrangements or transaction including the value, if any | NIL            |
| e)             | Date of approval by the Board                                                             | NIL            |
| f)             | Amount paid as advances, if any                                                           | NIL            |

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

Sd/-  
**Shirish Jaltare**  
Director  
DIN:00070935

Sd/-  
**Leela Kalyani**  
Director  
DIN:06625369

## ANNEXURE H

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
SILVER OAK (INDIA) LIMITED  
As on financial year ended on 31.03.2021**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the  
Company (Management & Administration) Rules, 2014**

### **I. REGISTRATION & OTHER DETAILS:**

|    |                                                                          |                                                                                                    |
|----|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 1. | CIN                                                                      | L11531MP1984PLC002635                                                                              |
| 2. | Registration Date                                                        | 15/11/1984                                                                                         |
| 3. | Name of the Company                                                      | SILVER OAK (INDIA) LIMITED                                                                         |
| 4. | Category/<br>Sub-category of the Company                                 | Company Limited by Shares<br>(Indian Non Govt. Co.)                                                |
| 5. | Address of the Registered<br>office & contact details                    | Plot no. 110, Sector-I, Industrial Area, Pithampur,<br>Dhar, (M.P.)-454775                         |
| 6. | Whether listed company                                                   | Yes                                                                                                |
| 7. | Name, Address & contact<br>details of the Registrar &<br>Transfer Agent, | M/s Ankit Consultancy Private<br>Limited 60, Electronics Complex,<br>Pardeshipura, Indore – 452010 |

### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of<br>main products / services | NIC Code of the<br>Product/service | % to total turnover of the<br>company |
|--------|-----------------------------------------------------|------------------------------------|---------------------------------------|
| 1      | Manufacture of country<br>liquor                    | 15511                              | 100                                   |

### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES–**

| [ No. of Companies for which information is being filled = 1 ] |                                                                                                                                                    |                       |                                      |                        |                       |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|------------------------|-----------------------|
| Sr.<br>No                                                      | Name And<br>Address Of The<br>Company                                                                                                              | CIN/GLN               | Holding/<br>Subsidiary/<br>Associate | % Of<br>Shares<br>Held | Applicable<br>Section |
| 01                                                             | <b>APT Infrastructure<br/>Private Limited</b><br>Unit No. 814, 8 <sup>th</sup><br>Floor, DLF Tower B,<br>Jasola, Delhi South<br>Delhi DL 110025 IN | U45400DL2007PTC170319 | Subsidiary                           | 60%                    | 2(87)                 |



|                                                                                       |                |               |                |            |                |               |                |            |          |
|---------------------------------------------------------------------------------------|----------------|---------------|----------------|------------|----------------|---------------|----------------|------------|----------|
| <b>Sub-total (B)(1):-</b>                                                             | -              | -             | -              | -          | -              | -             | -              | -          | -        |
| <b>2. Non-Institutions</b>                                                            |                |               |                |            |                |               |                |            |          |
| a) Bodies Corp.                                                                       |                |               |                |            |                |               |                |            |          |
| i) Indian                                                                             | 670168         | 3800          | 673968         | 17.78      | 668666         | 3800          | 672466         | 17.74      | (0.04)   |
| ii) Overseas                                                                          | -              | -             | -              | -          |                |               |                |            | -        |
| b) Individuals/HUF                                                                    |                |               |                |            |                |               |                |            |          |
| i) Individual/HUF shareholders holding nominal <b>share capital uptoRs. 2 lakh</b>    | 102674         | 136310        | 238984         | 6.31       | 86260          | 135310        | 221570         | 5.85       | (0.46)   |
| ii) Individual /HUF shareholders holding nominal share capital in excess of Rs 2 lakh | 387745         | 36750         | 424495         | 11.20      | 406666         | 36750         | 443416         | 11.70      | 0.50     |
| c) Others (clearing member)                                                           | 5              | -             | 5              | -          | -              | -             | -              | -          | -        |
| <b>Sub-total (B)(2):-</b>                                                             | <b>1160592</b> | <b>176860</b> | <b>1337452</b> | <b>100</b> | <b>1161592</b> | <b>175860</b> | <b>1337452</b> | <b>100</b> | <b>0</b> |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                                    | <b>1160592</b> | <b>176860</b> | <b>1337452</b> | <b>100</b> | <b>1161592</b> | <b>175860</b> | <b>1337452</b> | <b>100</b> | <b>0</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                                | -              | -             | -              | -          |                |               |                |            | -        |
| <b>Grand Total (A+B+C)</b>                                                            | <b>3613340</b> | <b>176860</b> | <b>3790200</b> | <b>100</b> | <b>3614340</b> | <b>175860</b> | <b>3790200</b> | <b>100</b> | <b>0</b> |

## B) Shareholding of Promoter-

| S N          | Shareholder's Name               | Shareholding at the beginning of the year |                                  |                                                 | Shareholding at the end of the year |                                  |                                                 | % change in shareholding during the year |
|--------------|----------------------------------|-------------------------------------------|----------------------------------|-------------------------------------------------|-------------------------------------|----------------------------------|-------------------------------------------------|------------------------------------------|
|              |                                  | No. of Shares                             | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | %of Shares Pledged / encumbered to total shares |                                          |
| 1            | Leela Kalyani                    | 185000                                    | 4.88                             | -                                               | 185000                              | 4.88                             | -                                               | -                                        |
| 2            | Royal Highland Distilleries Ltd. | 2267748                                   | 59.83                            | -                                               | 2267748                             | 59.83                            | -                                               | -                                        |
| <b>Total</b> |                                  | <b>2452748</b>                            | <b>64.71</b>                     | <b>-</b>                                        | <b>2452748</b>                      | <b>64.71</b>                     | <b>-</b>                                        | <b>-</b>                                 |

**C) Shareholding Pattern of top Ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

| SN | For Each of the Top 10 Shareholders                                                                                                                                          | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the Year |                                  |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|    |                                                                                                                                                                              | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|    | At the beginning of the year                                                                                                                                                 | <b>ANNEXED AS ANNEXURE (1)</b>            |                                  |                                         |                                  |
|    | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): |                                           |                                  |                                         |                                  |
|    | At the end of the year                                                                                                                                                       |                                           |                                  |                                         |                                  |

**D) Shareholding of Directors and Key Managerial Personnel:NIL**

**V) REMUNERATION OF DIRECTORS AND KEY MANAGERIALPERSONNEL-**

**A. Remuneration to Whole-time Directors andCFO:**

| SN. | Particulars of Remuneration                                | Name of WTD/CFOCEO        |                            |                        | Total Amount  |
|-----|------------------------------------------------------------|---------------------------|----------------------------|------------------------|---------------|
|     |                                                            | Mr. Shirish Jaltare (WTD) | Mr. Sunil Khandelwal (CFO) | Mr. Vivek Chibba (CEO) |               |
| 1   | Gross salary                                               | -                         | Rs. 687924/-               | Rs. 1437995/-          | Rs. 2125919/- |
|     | (a) Salary as per provisions contained in section 17(1) of | -                         | -                          | -                      | -             |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961    | -                         | -                          | -                      | -             |
|     | (c) Profits in lieu of salary under section 17(3) Income-  | -                         | -                          | -                      | -             |
| 2   | Stock Option                                               | -                         | -                          | -                      | -             |
| 3   | Sweat Equity                                               | -                         | -                          | -                      | -             |
| 4   | Commission<br>- as % ofprofit<br>- others,specify...       | -                         | -                          | -                      | -             |
| 5   | Others, please specify(Interest                            | -                         | -                          | -                      | -             |
|     | Total (A)                                                  | -                         | Rs. 687924/-               | Rs. 1437995/-          | Rs. 2125919/- |
|     | Ceiling as per the Act                                     | N.A.                      | N.A                        | N.A.                   | N.A.          |

**B. Remuneration to other directors:**

| SN. | Particulars of Remuneration                | Name of Directors | Total Amount |
|-----|--------------------------------------------|-------------------|--------------|
| 1   | Independent Directors                      | /                 | /            |
|     | Fee for attending board committee meetings |                   |              |
|     | Commission                                 |                   |              |
|     | Others, please specify                     |                   |              |
|     | Total (1)                                  |                   |              |
| 2   | Other Non-Executive Directors              |                   |              |
|     | Fee for attending board committee meetings |                   |              |
|     | Commission                                 |                   |              |
|     | Others, please specify(Remuneration)       |                   |              |
|     | Total (2)                                  |                   |              |
|     | Total (B)=(1+2)                            |                   |              |
|     | Total Managerial Remuneration              |                   |              |
|     | Overall Ceiling as per the Act             |                   |              |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

| SN | Particulars of Remuneration                                                         | KEY MANAGERIAL PERSONNEL |
|----|-------------------------------------------------------------------------------------|--------------------------|
|    |                                                                                     | COMPANY SECRETARY        |
| 1  | Gross salary                                                                        | Rs. 5,42,596.00          |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | /                        |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                          |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                          |
|    |                                                                                     |                          |
| 2  | Stock Option                                                                        |                          |
| 3  | Sweat Equity                                                                        |                          |
| 4  | Commission                                                                          |                          |
|    | - as % of profit                                                                    |                          |
|    | others, specify...                                                                  |                          |
| 5  | Others, please specify                                                              |                          |
|    | Total                                                                               | Rs. 5,42,596.00          |



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|-----------------------------------------------------------|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |                                                           |                              |                                    |
| Penalty                             |                              |                   |                                                           |                              |                                    |
| Punishment                          |                              |                   |                                                           |                              |                                    |
| Compounding                         |                              |                   |                                                           |                              |                                    |
| <b>B. DIRECTORS</b>                 |                              |                   |                                                           |                              |                                    |
| Penalty                             |                              |                   |                                                           |                              |                                    |
| Punishment                          |                              |                   |                                                           |                              |                                    |
| Compounding                         |                              |                   |                                                           |                              |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |                                                           |                              |                                    |
| Penalty                             |                              |                   |                                                           |                              |                                    |
| Punishment                          |                              |                   |                                                           |                              |                                    |
| Compounding                         |                              |                   |                                                           |                              |                                    |

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

Sd/-  
Shirish Jaltare  
Whole Time Director  
DIN:00070935

Sd/-  
Leela Kalyani  
Director  
DIN:06625369

**ANNEXURE (1)**

| S<br>N. | Name of Shareholder                  | No. of Shares held at the<br>beginning of the year |                                        | No. of Shares held at the end of<br>the year |                                        |
|---------|--------------------------------------|----------------------------------------------------|----------------------------------------|----------------------------------------------|----------------------------------------|
|         |                                      | No. of Shares                                      | % of total<br>shares of the<br>company | No. of shares                                | % of total<br>shares of the<br>company |
| 1       | KAVERI DEALER PRIVATE LIMITED        | 448590                                             | 11.84                                  | 448590                                       | 11.84                                  |
| 2       | GURVEEN KAUR BHATIA                  | 219502                                             | 5.79                                   | 219502                                       | 5.79                                   |
| 3       | HARMINDER SINGH BHATIA               | 130470                                             | 3.44                                   | 130470                                       | 3.44                                   |
| 4       | ATS SHARE BROKERS PRIVATE<br>LIMITED | 119500                                             | 3.15                                   | 119500                                       | 3.15                                   |
| 5       | GROWFAST AGENCY PRIVATE<br>LIMITED   | 100000                                             | 2.64                                   | 100000                                       | 2.64                                   |
| 6       | MEHARNOSH ELAVIA                     | 36750                                              | 0.97                                   | 36750                                        | 0.97                                   |
| 7       | PRAKASH C. SODHANI                   | 35204                                              | 0.93                                   | 35204                                        | 0.93                                   |
| 8       | SANJAYKUMAR SARAWAGI                 | 21490                                              | 0.57                                   | 21490                                        | 0.57                                   |
| 9       | RANJAN JAISWAL                       | 10000                                              | 0.26                                   | 10000                                        | 0.26                                   |
| 10      | ANSHUL KHANDELWAL                    | 8000                                               | 0.21                                   | 8000                                         | 0.21                                   |

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**Sd/-**  
**Shirish Jaltare**  
**Whole Time Director**  
**DIN:00070935**

**Sd/-**  
**Leela Kalyani**  
**Director**  
**DIN:06625369**

## ANNEXURE I

### PARTICULARS OF EMPLOYEES

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

| S.No. | Director Name    | DIN  | Designation             | Remuneration for the year 2020-21 |
|-------|------------------|------|-------------------------|-----------------------------------|
| 1     | SUNIL KHANDELWAL | N.A. | CHIEF FINANCIAL OFFICER | Rs. 6,87,924.00                   |
| 2     | VIVEK CHIBBA     | N.A. | CHIEF EXECUTIVE OFFICER | Rs. 14,37,995.00                  |
| 3.    | DEEPAK MEENA     | N.A. | COMPANY SECRETARY       | Rs. 5,42,596.00                   |

**I. The percentage increase in remuneration of each Directors, KMPs i.e. Chief Financial Officer, Chief Executive Officer, Company Secretary of Manager in the financial year:**

| S. No. | Name of Director & KMP                        | % Increase in remuneration |
|--------|-----------------------------------------------|----------------------------|
| 01.    | Mr. Sunil Khandelwal, Chief Financial Officer | -2.15%                     |
| 02.    | Mr. Deepak Meena, Company Secretary           | -2.14%                     |
| 03.    | Mr. Vivek Chibba, Chief Executive Officer     | New appointment            |

**II. The explanation on the relationship between average increase in remuneration and Company performance:**

Remuneration of KMP's is fixed on the basis of Company's HR policy and annual increments are based on Company's performance as well as individual's performance. Remuneration is adjusted for industry trend and cost of living in the areas where KMP's are stationed.

**III. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

Remuneration of KMPs is fixed according to HR policy of the Company and annual increments are based on Company's performance as well as individual's performances. This may or may not be in the proportion of performance of the Company.

**IV. Comparison of the Remuneration of the Key Managerial Personnel(s) against the performance of the Company:**

(Rs. in lacs)

|                                                          |         |
|----------------------------------------------------------|---------|
| Aggregate remuneration of Key Managerial Personnel (KMP) | 26.68   |
| Revenue of the Company                                   | 2.18    |
| Remuneration of KMPs (as % of revenue)                   | 1225.50 |

**V. The key parameters for any variable component of remuneration availed by the directors:**

The Company does not pay any remuneration to its Directors apart from sitting fees for attending the meetings of the Board of Directors.

**VI. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

Not applicable.

**The Company affirms that:**

1. The appointment of all employees is subject to the rules & regulations of the Company in force from time to time and is not contractual except that of the Chairman and Executive Directors.
2. Remuneration includes salary, Company's contribution to provident & superannuation funds, medical expenses, house rent allowance, leave travel assistance, Employee Separation Scheme, Performance Pay, taxable value of perquisites and other allowances as per Company's rules.
3. None of the employees is related to any director of the Company
4. Remuneration has been paid to Mr. Vivek Chibba, who is Chief executive Officer cum Director of the Company during the financial year ended 31<sup>st</sup> March, 2021.
5. Remuneration paid to the Chief Financial Officer & Company Secretary of the Company was within the limits prescribed under the Companies Act, 2013.
6. There was no employee who by himself or along with his spouse and dependent children was holding not less than two percent of the equity shares of the Company.
7. There was no employee except Mr. Vivek Chibba, CEO, Mr. Sunil Khandelwal, CFO and Deepak Meena, CS of the Company, who was in receipt of remuneration during the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by any of the Whole-Time Directors.

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**Sd/-**  
**Shirish Jaltare**  
**Whole Time Director**  
**DIN:00070935**

**Sd/-**  
**Leela Kalyani**  
**Director**  
**DIN:06625369**

## NOMINATION, REMUNERATION AND EVALUATION POLICY

This Nomination, Remuneration and Evaluation Policy (the “Policy”) applies to the Board of Directors (the “Board”), Key Managerial Personnel (the “KMP”) and the Senior Management Personnel of Silver Oak (India) Limited (the “Company”). “Key Managerial Personnel (KMP) means—

- (i) Chairman & Managing Director;
- (ii) Company Secretary,
- (iii) Whole-time Director;
- (iv) Chief Financial Officer; and
- (v) Such other Officer as may be prescribed.

The term “Senior Management Personnel” means to include all members other than the Directors and KMPs of the Company, who are the functional heads of the departments/divisions/branches of the Company.

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

(i) **Purpose:** The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and officials comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

(ii) **Accountabilities**

2.1 The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.

2.2 The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board.

(iii) **Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee is responsible for:

3.1 reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company’s corporate strategy, with the objective to diversify the Board;

3.2 identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;

3.3 recommending to the Board on the selection of individuals nominated for directorship;

- 3.4 making recommendations to the Board on the remuneration payable to the Directors/ KMPs/Senior Officials so appointed/reappointed;
- 3.5 assessing the independence of independent directors;
- 3.6 such other key issues/matters as may be referred by the Board or as may be necessary in view of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and provision of the Companies Act 2013 and Rules thereunder.
- 3.7 to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 3.8 ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 3.9 to devise a policy on Board diversity;
- 3.10 to develop a succession plan for the Board and to regularly review the plan;

The Nomination and Remuneration Committee comprises of the following:

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b) The quorum for a meeting of the committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **CHAIRMAN**

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### **COMMITTEE MEMBERS' INTERESTS**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## **VOTING**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

### **(iv) Appointment of Directors/KMPs/Senior Officials**

4.1 Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:

- assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- the skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;
- the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;

4.2 Personal specifications:

- Degree holder in relevant disciplines;
- Experience of management in a diverse organization;
- Excellent interpersonal, communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Having continuous professional development to refresh knowledge and skills.

(v) **Letters of Appointment:** Each Director/KMP/Senior Officials is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

(vi) **Remuneration of Directors, Key Managerial Personnel and Senior Management:**  
The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials. The Directors, Key Management Personnel and other senior official's salary shall be based "& determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company.

i. **Remuneration:**

a. Base Compensation (fixed salaries)

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

b. Variable salary:

The RNC may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

ii. **Statutory Requirements:**

- Section 197(5) provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.
- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in



respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.

- The Company with the approval of the Shareholders may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.
- The Company may with the approval of the shareholders authorise the payment of remuneration upto five percent of the net profits of the Company to its any one Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.
- The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

6.1 The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.

6.2 The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.

6.3 The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

(vii) **Evaluation/ Assessment of Directors/ KMPs/Senior Officials of the Company –**

The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of The Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior officials have been:

- Leadership & stewardship abilities
- contributing to clearly define corporate objectives & plans
- Communication of expectations & concerns clearly with subordinates

- obtain adequate, relevant & timely information from external sources.
- review & approval achievement of strategic and operational plans, objectives, budgets
- regular monitoring of corporate results against projections
- identify, monitor & mitigate significant corporate risks
- assess policies, structures & procedures
- direct, monitor & evaluate KMPs, senior officials
- review management's succession plan
- effective meetings
- assuring appropriate board size, composition, independence, structure
- clearly defining roles & monitoring activities of committees
- review of corporation's ethical conduct

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

**Sd/-**  
**Shirish Jaltare**  
**Whole Time Director**  
**DIN:00070935**

**Sd/-**  
**Leela Kalyani**  
**Director**  
**DIN:06625369**

## ANNEXURE K

### Form AOC-1

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

#### Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint Ventures

##### Part-A - Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Sl. No. : 01
2. Name of the Subsidiary: **APT Infrastructure Private Limited.**
3. The date on which subsidiary was acquired: **30<sup>th</sup> March, 2017.**
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: **Same as of the holding company's reporting period**
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: **N.A.**
6. Share Capital: Rs. 1,00,00,000
7. Reserves and Surplus: Rs. 21,29,72,151
8. Total Assets: Rs. 27,26,03,446
9. Total Liabilities: Rs. 27,26,03,446
10. Investments: 8,45,32,053
11. Turnover: Rs. 2,89,65,631
12. Profit before Taxation: Rs. 43,85,559
13. Provision for Taxation: Rs. 3,66,017
14. Profit after Taxation: Rs. 40,19,542
15. Proposed Dividend: NIL
16. Extent of shareholding (in percentage): 60%.

Names of subsidiaries which are yet to commence operations **N.A.**

Names of subsidiaries which have been liquidated or sold during the year **N.A.**

**FOR SILVER OAK (INDIA) LTD.**

Date: 4<sup>th</sup> September, 2021  
Place: Indore

Sd/-  
**Shirish Jaltare**  
Whole Time Director  
DIN:00070935

Sd/-  
**Leela Kalyani**  
Director  
DIN:06625369

**- SILVER OAK (INDIA) LTD -**

**BALANCE SHEET (STANDALONE)**

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**2020 - 2021**

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## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SILVER OAK (INDIA) LTD**

#### **REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

##### **OPINION**

We have audited the accompanying Standalone Financial Statements of **SILVER OAK (INDIA) LTD** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 notes to the Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2021, its total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **BASIS FOR OPINION**

We conducted our audit in accordance with 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 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 ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and Rules there under 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.

##### **EMPHASIS OF MATTERS**

The Operations of the Company during the year ended 31st March 2021 were marginally affected due to Lockdown announced by the Central / State Governments during the year in phased manner, due to the outbreak of Novel Corona virus COVID19.

Considering the restrictions in physical movement and visits to the company offices, the Company has given us access to their computer/ ERP System. We were able to access the relevant data & records for our Audit purpose. Further the company has provided all other data / information / records as required by us using e-data/ e-mail sharing modes. We also had continuous communication with the Audit Team & Management of the Company using various modes such as Audio/ Video Conferencing, etc.

Due to the phase wise Lockdown imposed by Central / State Governments and the resulting travel restrictions, it was not possible for us to physically visit the Company on a regular basis and carry out the audit function. We have carried out the Audit Process using various techniques of Online Auditing. We have verified the records / documents / statements received by us through electronic media. We have also received Management Representation Letters wherever necessary. Using such techniques and relying on the inputs provided by the management, we have ensured reasonable assurance that the information / record / statements provided to us are free from material misstatement and adhere to the relevant standards.

We have carried out the Audit Process subject to our disclosures as mentioned above. The audit evidence obtained by us is adequate to express our audit opinion. While expressing our audit opinion, we have also relied upon certifications by the management or certifications by other independent auditors, wherever required.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements 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.

| Sr. No. | Key Audit Matter                                                                       | Procedures Performed / Auditor's Response:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | <b>Appropriateness of Current / Non-current classification</b>                         | <p>For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets or inventories for Sales processing and their realisation in cash and cash equivalents.</p> <p>The classification of assets and liabilities has been done based on documentary evidence. Where conclusive evidence is not available, the classification has been done based on management's best estimate of the period in which the assets would be realised, or the liabilities would be settled. We have evaluated the reasonability of the management's estimates.</p> |
| 2.      | <b>Non-responses of external confirmations request perpetrated pursuant to SA 505.</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | <p>COVID-19 has impacted the procedure of external confirmation request by management to vendors and customers. Postal facilities were not available in the near end of the financial year. To combat this, the management had sent positive external confirmation requests through electronic modes. However, due to suspension of business activities of many confirming parties, there are fewer confirmations received than anticipated.</p> <p>In such events, SA also directs the auditors to perform alternative audit procedures.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <p>In the absence of related confirmations, we performed alternative audit procedures like follow-up confirmation requests, verification of subsequent payments and receipts to verify part of the balances appearing in the books of accounts.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>3.</b></p> | <p><b>Provisions and contingent liabilities relating to taxation, litigations and arbitrations.</b></p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, claims and general legal proceedings arising in the regular course of business. As at the year ended 31st March 2021, the amounts involved are significant. The computation of a provision or contingent liability requires significant judgement by the Company because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.</p> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the process followed by the Company for assessment and determination of the amount of provisions and contingent liabilities relating to taxation, litigations and claims.</li> <li>• Evaluating the design and implementation and testing operating effectiveness of key internal controls around the recognition and measurement of provisions and reassessment of contingent liabilities.</li> <li>• Involving tax professionals with specialised skills and knowledge to assist in the assessment of the value of significant provisions and contingent liabilities relating to taxation matter, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.</li> <li>• Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team, including challenging the assumptions and critical judgements made by the Company which impacted the computation of the provisions and inspecting the computation.</li> </ul> |

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4. | <p><b>Measurement of inventory quantities</b></p> <p>As of 31st March 2021, the Company has inventory of ₹6932196. This was determined a key audit matter, as the measurement of these inventory quantities lying at the warehouse involves significant judgement and estimate resulting from measuring the area. The Company uses internal and external experts, to perform assessments, basis which the quantity for these inventories is estimated.</p> | <p><b>Our audit procedures relating to the measurement of inventory includes the following:</b></p> <ul style="list-style-type: none"> <li>• Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory.</li> <li>• Evaluation of competency and capabilities of management's experts.</li> <li>• Involving external expert for quantification of the inventories on sample basis.</li> <li>• Physically observing inventory measurement and count procedures carried out by management using experts, to ensure its appropriateness and completeness; and</li> <li>• Obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by management in respect of differences between book and physical quantities.</li> </ul> |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexure to Board's Report and management compliance certificate but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued there under. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 misstatements 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 Statements 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 Act, we give in the "**Annexure A**", a Statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statements of Profit and Loss including Other Comprehensive Income, Statements of Changes in Equity and the Cash Flow Statements dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid 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 31<sup>st</sup> March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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, 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 as of 31<sup>st</sup> March 2021 on its financial position in its financial statements – Refer Note 25(2a) to the financial Statements.
  - ii. We draw attention to the Note 25(19) to the financial statements, as regards to the management evaluation of COVID-19 impact on the future performance of the Company.
  - iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2021.
  - v. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have

been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“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 (if any);

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“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 (if any); and

(iii) Based on such audit procedures that we (the auditors of the company) have 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) contain any material misstatements.

- vi. The company has not declared or paid any dividend during the year in compliance with section 123 of the Companies Act, 2013.
- vii. As per the Notification dated 24/03/2021 regarding the use of accounting software for maintaining the books of account which has a feature of recording audit trail (edit log) facility and whether the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention has been deferred till 01/04/2022 vide notification dated 01/04/2021.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & CO.  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN 21420388AAAAJE4306**

**PLACE: INDORE**

**DATE: 30<sup>th</sup> June 2021**

## **Annexure – “A” to the Independent Auditor’s Report**

**[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of SILVER OAK (INDIA) LIMITED on the Financial Statements for the year ended 31<sup>st</sup> March 2021]**

The Annexure required under CARO, 2020 referred to in our Report to the members of **SILVER OAK (INDIA) LIMITED** (“the Company”) for the year ended 31<sup>st</sup> March 2021, and according to information and explanations given to us, we report as under:

- i. a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The company does not have any intangible assets; therefore, the requirement of this clause is not applicable to the company.  
b) These Property, Plant and Equipment’s have been physically verified by the management at reasonable intervals and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.  
c) The title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.  
d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.  
e) The company does not have any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under, Accordingly, the provisions of clause 3(i)(e) of the Order is not applicable.
- 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 by the management is appropriate; No discrepancies of 10% or more in the aggregate for each class of inventory were noticed and they have been properly dealt with in the books of account.  
(b) During any point of time of the year, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Since the company has not been sanctioned any working capital limits therefore there is no requirement to file the quarterly returns or statements with such banks or financial institutions. Accordingly, the provisions of clause 3(ii)(b) of the Order is not applicable.
- iii. During the year 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, and,  
(a) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity and,  
(A) The Company has no joint venture & associate but has a subsidiary and has not advanced loans or advances and guarantees or security given. Accordingly, the provisions of clause 3(iii)(a)(A) of the Order is not applicable.

(B) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates are as under: -

(Amount in `)

| Type of Borrower         | 2020-2021                        |                                               | 2019-2020                        |                                               |
|--------------------------|----------------------------------|-----------------------------------------------|----------------------------------|-----------------------------------------------|
|                          | Aggregate amount during the year | Balance outstanding at the balance sheet date | Aggregate amount during the year | Balance outstanding at the balance sheet date |
| PROMOTER                 | 0                                | 0                                             | 0                                | 0                                             |
| DIRECTORS                | 0                                | 0                                             | 0                                | 0                                             |
| KEY MANAGERIAL PERSONNEL | 0                                | 0                                             | 0                                | 0                                             |
| OTHERS                   | 0                                | 0                                             | 0                                | 0                                             |

(b) There are no investments made, guarantees provided, security given and no loans and advances in the nature of loans and guarantees are provided which are prejudicial to the company's interest. Accordingly, the provisions of clause 3(iii)(b) of the Order is not applicable.

(c) During the year no loans and advances in the nature of loans have been given, the schedule of repayment of the principal and payment of interest has not been stipulated, Accordingly, the provisions of clause 3(iii)(c) of the Order is not applicable.

(d) During the year no loans and advances are given. Accordingly, the provisions with respect to stipulation as to repayment of clause 3(iii)(d) of the Order is not applicable.

(e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. Accordingly, the provisions of clause 3(iii)(e) of the Order is not applicable.

(f) 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, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013; Accordingly, the provisions of clause 3(iii)(f) of the Order is not applicable.

| S.NO | PARTY NAME | RELATION WITH PARTY | AGREGATE AMOUNT | BALANCE OUTSTANDING | IS THERE ANY WRITTEN AGREEMENT | INTE REST RATE | TOTAL AMOUNT OVERDUE FOR MORE THAN 90 DAYS | AMOUNT OF FRESH LOANS EXTENDED DURING YEAR TO SETTLE OLD LOANS | AMOUNT OF LOAN RENEWED DURING YEAR | % SHARE OF LOAN/ ADVANCES IN TOTAL LOAN/ADVANCES GRANTED |
|------|------------|---------------------|-----------------|---------------------|--------------------------------|----------------|--------------------------------------------|----------------------------------------------------------------|------------------------------------|----------------------------------------------------------|
| NIL  |            |                     |                 |                     |                                |                |                                            |                                                                |                                    |                                                          |

- iv. In respect of investments the provisions of sections 185 and 186 of the Companies Act have been complied with. During the year the company has not given any loans, guarantees, and security, accordingly, the provisions of clause 3(iv) with respect to loans etc. of the Order is not applicable.
- v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act. Accordingly, the provision of clause 3(v) of the Order is not applicable.
- vii. a. The company is regular in depositing undisputed statutory dues including 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 to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

b. The following dues of Income Tax, VAT & Central Sales Tax have not been deposited by the company on account of disputes: -

| Name of statute      | Nature of Dues | Demand (In)  | Period to which Amount Relates | Forum where dispute is pending |
|----------------------|----------------|--------------|--------------------------------|--------------------------------|
| Income Tax Act, 1961 | TDS            | 16307        | Various Years                  | CPC                            |
|                      | <b>Total</b>   | <b>16307</b> |                                |                                |

- viii. There were no transactions, not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), Accordingly, the provisions of clause 3(viii) of the Order is not applicable.
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, Accordingly, the provisions of clause 3(ix)(a) of the Order is not applicable.  
b) The company is not declared willful defaulter by any bank or financial institution or other lender, Accordingly, the provisions of clause 3(ix)(b) of the Order is not applicable.  
c) The company has not taken any term loans, Accordingly, the provisions of clause 3(ix)(c) of the Order is not applicable.  
d) The company has not raised any funds on short term basis which have been utilized for long term purposes, Accordingly, the provisions of clause 3(ix)(d) of the Order is not applicable.

- 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, Accordingly, the provisions of clause 3(ix)(e) of the Order is not applicable.
- f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies, Accordingly, the provisions of clause 3(ix)(f) of the Order is not applicable.
- x. a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order is not applicable.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the Order is not applicable.
- xi. a) No fraud by the company or any fraud on the company has been noticed or reported during the year covered by our audit. Accordingly, the provisions of clause 3(xi)(a) of the Order is not applicable.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the provisions of clause 3(xi)(b) of the Order is not applicable.
- c) There were no whistle-blower complaints, received during the year by the company. Accordingly, the provisions of clause 3(xi)(c) of the Order is not applicable.
- xii. In our opinion, the Company is not a Nidhi Company; accordingly, the provision of clause 3(xii) of the Order is not applicable.
- xiii. In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Indian accounting standard.
- xiv. a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.
- xv. In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provision of clause 3(xv) of the Order is not applicable.
- xvi. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, the provisions of clause 3(xvi)(a) of the Order is not applicable.
- b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi)(b) of the Order is not applicable.



- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi)(c) of the Order is not applicable.
- d) The Group does not have any CIC as part of the Group. Accordingly, the provisions of clause 3(xvi)(d) of the Order is not applicable.
- xvii. The company has incurred cash losses in the financial year 2020-2021 amounting to `13452060 and in the immediately preceding financial year amounting to `13148426.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provision of clause 3(xviii) of the Order is not applicable.
- xix. 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, the auditor's knowledge of the Board of Directors and management plans, we (the auditor) are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is 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.
- xx. The provisions of Section 135 are not applicable to the company. Accordingly, the provision of clause 3(xx) of the Order is not applicable.
- xxi. There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements of the company.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & CO.  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN 21420388AAAAJE4306**

**PLACE: INDORE  
DATE: 30<sup>th</sup> June 2021**

## **Annexure – “B” to the Independent Auditor’s Report**

**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of SILVER OAK (INDIA) LIMITED on the Standalone Financial Statements for the year ended 31<sup>st</sup> March 2021)**

**Report on the Internal Financial Controls 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 **SILVER OAK (INDIA) LIMITED** (“the Company”) as of 31<sup>st</sup> March 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”). 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 Act.

### **AUDITOR’S 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatements 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 WITH REFERENCE TO FINANCIAL STATEMENTS**

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 WITH REFERENCE TO FINANCIAL STATEMENTS**

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, and 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 31 March 2021, 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 issued by ICAI.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & CO.  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN 21420388AAAAJE4306**

**PLACE: INDORE**

**DATE: 30<sup>th</sup> June 2021**

**SILVER OAK (INDIA) LIMITED**  
**STANDALONE BALANCE SHEET AS AT 31st MARCH 2021**

(Amount in '000)

| PARTICULARS                               | Note No.     | 2020-2021          | 2019-2020          |
|-------------------------------------------|--------------|--------------------|--------------------|
| <b>ASSETS</b>                             |              |                    |                    |
| <b>Non-current assets</b>                 |              |                    |                    |
| Property, Plant and Equipment             | 2            | 12,136.19          | 8,491.89           |
| Financial Assets:                         |              |                    |                    |
| (i) Investments                           | 3            | 6,000.00           | 21,047.08          |
| (ii) Trade receivables                    | 4            | 54.60              | 341.95             |
| (iii) Other non-current financial assets  | 5            | 3,069.71           | 3,064.23           |
| Deferred tax assets (Net)                 |              | 7,200.93           | 7,200.94           |
| <b>Total Non-Current Assets</b>           | <b>(A)</b>   | <b>28,461.43</b>   | <b>40,146.09</b>   |
| <b>Current Assets</b>                     |              |                    |                    |
| Inventories                               | 6            | 6,932.20           | 7,886.12           |
| Financial Assets:                         |              |                    |                    |
| (i) Trade Receivables                     |              | -                  | -                  |
| (ii) Cash and Cash Equivalents            | 7            | 11,085.57          | 2,067.22           |
| Other current assets                      | 8            | 599.45             | 1,087.36           |
| <b>Total Current Assets</b>               | <b>(B)</b>   | <b>18,617.22</b>   | <b>11,040.70</b>   |
| <b>Total Assets</b>                       | <b>(A+B)</b> | <b>47,078.65</b>   | <b>51,186.79</b>   |
| <b>EQUITY AND LIABILITIES</b>             |              |                    |                    |
| <b>Equity</b>                             |              |                    |                    |
| Equity Share capital                      | 9            | 37,902.00          | 37,902.00          |
| Other Equity                              | 10           | (65,518.35)        | (66,479.16)        |
| <b>Total Equity</b>                       | <b>(A)</b>   | <b>(27,616.35)</b> | <b>(28,577.16)</b> |
| <b>Liabilities</b>                        |              |                    |                    |
| <b>Non-Current Liabilities</b>            |              |                    |                    |
| Financial Liabilities:                    |              |                    |                    |
| Trade Payables                            | 11           | 7,492.09           | 7,538.87           |
| <b>Total Non-Current Liabilities</b>      |              | <b>7,492.09</b>    | <b>7,538.87</b>    |
| <b>Current Liabilities</b>                |              |                    |                    |
| Financial Liabilities:                    |              |                    |                    |
| (i) Borrowings                            | 12           | 65,800.00          | 71,509.39          |
| (ii) Trade Payables                       | 13           | 87.51              | 37.29              |
| (iii) Other Current Financial Liabilities | 14           | 1,147.11           | 419.64             |
| Other Current Liabilities                 | 15           | 109.54             | 197.31             |
| Provisions                                | 16           | 58.75              | 61.45              |
| <b>Total Current Liabilities</b>          | <b>(B)</b>   | <b>67,202.91</b>   | <b>72,225.08</b>   |
| <b>TOTAL LIABILITIES</b>                  | <b>(A+B)</b> | <b>47,078.65</b>   | <b>51,186.79</b>   |

See accompanying additional notes to the financial statements

25

For and on behalf of the Board

As Per our report of even date attached  
**STATUTORY AUDITORS**  
**For MAHENDRA BADJATYA & CO**  
**CHARTERED ACCOUNTANTS**  
ICAI FRN 001457C

**Shirish Jaltare**  
Whole Time Director  
(DIN: 00070935)

**Vivek Chibba**  
Director cum CEO  
(DIN: 06466844)

**Sunil Khandelwal**  
Chief Financial Officer  
(PAN: AKCPK2199L)  
PLACE: INDORE  
DATE: 30.06.2021

**Deepak Meena**  
Company Secretary  
(ACS:41823)

**CA NIRDESH BADJATYA**  
**PARTNER**  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAJE4306

**SILVER OAK (INDIA) LIMITED**  
**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2021**

(Amount in '000)

| PARTICULARS                                                   | Note No. | 2020-2021          | 2019-2020          |
|---------------------------------------------------------------|----------|--------------------|--------------------|
| <b>INCOME</b>                                                 |          |                    |                    |
| Revenue From Operations                                       | 17       | -                  | 143.33             |
| Other Income                                                  | 18       | 69.01              | 74.42              |
| <b>Total Income</b>                                           |          | <b>69.01</b>       | <b>217.75</b>      |
| <b>EXPENSES</b>                                               |          |                    |                    |
| Cost of materials consumed                                    | 19       | -                  | -                  |
| Changes in inventories of stock-in-trade and work-in-progress | 20       | -                  | 143.33             |
| Employee benefits expenses                                    | 21       | 4,296.02           | 2,788.62           |
| Finance costs                                                 | 22       | 6,297.09           | 5,643.87           |
| Depreciation and amortization expenses                        | 2        | 685.29             | 666.31             |
| Other expenses                                                | 23       | 2,927.96           | 4,790.36           |
| <b>Total Expenses</b>                                         |          | <b>14,206.36</b>   | <b>14,032.49</b>   |
| <b>Profit /(loss) before exceptional items and tax</b>        |          | <b>(14,137.35)</b> | <b>(13,814.74)</b> |
| <b>Exceptional Items</b>                                      | 24       | 19,538.87          | (21,173.30)        |
| <b>Profit /(loss) before tax</b>                              |          | <b>5,401.52</b>    | <b>(34,988.04)</b> |
| <b>Tax Expense :</b>                                          |          |                    |                    |
| (i) Current Tax                                               |          | 4,440.72           | -                  |
| (ii) Deferred Tax                                             |          | -                  | -                  |
| <b>Profit /(Loss) for the period</b>                          |          | <b>960.80</b>      | <b>(34,988.04)</b> |
| <b>Other Comprehensive Income</b>                             |          | -                  | -                  |
| <b>Total Comprehensive Income for the period</b>              |          | <b>960.80</b>      | <b>(34,988.04)</b> |
| <b>Earnings per equity share :</b>                            |          |                    |                    |
| (i) Basic (₹)                                                 |          | 0.25               | (9.23)             |
| (ii) Diluted (₹)                                              |          | 0.25               | (9.23)             |
| See accompanying additional notes to the financial statements | 25       |                    |                    |

For and on behalf of the Board

**Shirish Jaltare**  
**Whole Time Director**  
**(DIN: 00070935)**

**Vivek Chibba**  
**Director cum CEO**  
**(DIN: 06466844)**

As Per our report of even date attached  
**STATUTORY AUDITORS**  
**For MAHENDRA BADJATYA & CO**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**Sunil Khandelwal**  
**Cheif Financial Officer**  
**(PAN: AKCPK2199L)**  
**PLACE: INDORE**  
**DATE: 30.06.2021**

**Deepak Meena**  
**Company Secretary**  
**(ACS:41823)**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAJE4306**

**SILVER OAK (INDIA) LIMITED**  
**STANDALONE STATEMENT OF CHNAGES IN EQUITY FOR THE YEAR ENDED 2020-2021**

**A. EQUITY SHARE CAPITAL**

**I. Current Reporting period:**

(Amount in '000)

| 2019-2020 | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the year | 2020-2021 |
|-----------|------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------|-----------|
| 37,902.00 | -                                                          | -                                                                 | -                                               | 37,902.00 |

**II. Previous Reporting period:**

(Amount in '000)

| 2018-2019 | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the previous reporting period | Changes in equity share capital during the year | 2019-2020 |
|-----------|------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------|-----------|
| 37,902.00 | -                                                          | -                                                                  | -                                               | 37,902.00 |

**B. OTHER EQUITY**

**I. Current Reporting period:**

(Amount in '000)

| PARTICULARS                                                | Reserve and Surplus |                    |                 |                    | Total              |
|------------------------------------------------------------|---------------------|--------------------|-----------------|--------------------|--------------------|
|                                                            | Capital Reserve     | Securities Premium | General Reserve | Retained Earnings  |                    |
| Balance at the beginning of the current reporting period   | 6,784.00            | 6,717.50           | 1,054.95        | (81,035.60)        | (66,479.16)        |
| Changes in accounting policy/prior period errors           | -                   | -                  | -               | -                  | -                  |
| Restated balances at the beginning of the reporting period | 6,784.00            | 6,717.50           | 1,054.95        | (81,035.60)        | (66,479.16)        |
| Profit/(Loss) for the Year                                 | -                   | -                  | -               | 960.80             | 960.80             |
| Other Comprehensive Income for the Year                    | -                   | -                  | -               | -                  | -                  |
| <b>Total Comprehensive Income/(Loss) for the Year</b>      | <b>6,784.00</b>     | <b>6,717.50</b>    | <b>1,054.95</b> | <b>(80,074.80)</b> | <b>(65,518.35)</b> |
| Transactions with owners in capacity as owners             |                     |                    |                 |                    |                    |
| Dividends                                                  | -                   | -                  | -               | -                  | -                  |
| Bonus Shares                                               | -                   | -                  | -               | -                  | -                  |
| Movement during the year                                   | -                   | -                  | -               | -                  | -                  |
| <b>Balance at the end of the current reporting period</b>  | <b>6,784.00</b>     | <b>6,717.50</b>    | <b>1,054.95</b> | <b>(80,074.80)</b> | <b>(65,518.35)</b> |

**II. Previous Reporting period:**

(Amount in '000)

| PARTICULARS                                                | Reserve and Surplus |                    |                 |                    | Total              |
|------------------------------------------------------------|---------------------|--------------------|-----------------|--------------------|--------------------|
|                                                            | Capital Reserve     | Securities Premium | General Reserve | Retained Earnings  |                    |
| Balance at the beginning of the previous reporting period  | 6,784.00            | 6,717.50           | 1,054.95        | (46,047.56)        | (31,491.12)        |
| Changes in accounting policy/prior period errors           | -                   | -                  | -               | -                  | -                  |
| Restated balances at the beginning of the reporting period | 6,784.00            | 6,717.50           | 1,054.95        | (46,047.56)        | (31,491.12)        |
| Profit/(Loss) for the Year                                 | -                   | -                  | -               | (34,988.04)        | (34,988.04)        |
| Other Comprehensive Income for the Year                    | -                   | -                  | -               | -                  | -                  |
| <b>Total Comprehensive Income/(Loss) for the Year</b>      | <b>6,784.00</b>     | <b>6,717.50</b>    | <b>1,054.95</b> | <b>(81,035.60)</b> | <b>(66,479.16)</b> |
| Transactions with owners in capacity as owners             |                     |                    |                 |                    |                    |
| Dividends                                                  | -                   | -                  | -               | -                  | -                  |
| Bonus Shares                                               | -                   | -                  | -               | -                  | -                  |
| Movement during the year                                   | -                   | -                  | -               | -                  | -                  |
| <b>Balance at the end of the previous reporting period</b> | <b>6,784.00</b>     | <b>6,717.50</b>    | <b>1,054.95</b> | <b>(81,035.60)</b> | <b>(66,479.16)</b> |

For and on behalf of the Board

As Per our report of even date attached  
**STATUTORY AUDITORS**  
**For MAHENDRA BADJATYA & CO**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**Shirish Jaltare**  
**Whole Time Director**  
**(DIN: 00070935)**

**Vivek Chibba**  
**Director cum CEO**  
**(DIN: 06466844)**

**Sunil Khandelwal**  
**Chief Financial Officer**  
**(PAN: AKCPK2199L)**  
**PLACE: INDORE**  
**DATE: 30.06.2021**

**Deepak Meena**  
**Company Secretary**  
**(ACS:41823)**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAJE4306**

**SILVER OAK (INDIA) LIMITED**  
**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 2020-2021**

(Amount in '000)

| PARTICULARS                                                                 | 2020-2021          | 2019-2020          |
|-----------------------------------------------------------------------------|--------------------|--------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                  |                    |                    |
| Net Profit before tax as per Profit and Loss Account                        | 5,401.52           | (34,988.04)        |
| Adjustment to reconcile netprofit to cash provided by operating activities: |                    |                    |
| Depreciation                                                                | 685.29             | 666.31             |
| Interest Income and Dividend Income                                         | (65.98)            | (68.53)            |
| Finance Cost                                                                | 6,297.09           | 5,643.87           |
| Profit on sale of securities                                                | (19,952.92)        | -                  |
| <b>Changes in assets and liabilities:</b>                                   |                    |                    |
| Inventories                                                                 | 953.93             | 18,768.33          |
| Trade receivables and unbilled revenues                                     | 287.35             | 15.83              |
| Other financial assets and other assets                                     | 482.44             | 4,812.69           |
| Trade payables                                                              | 3.45               | (7,642.07)         |
| Other financial liabilities and other liabilities and provisions            | 537.01             | (2,385.51)         |
| <b>Cash Generated from operations</b>                                       | <b>(5,276.83)</b>  | <b>(15,177.11)</b> |
| Income tax Paid                                                             | 4,440.72           | -                  |
| <b>Net Cash Generated by Operating Activities (A)</b>                       | <b>(9,717.55)</b>  | <b>(15,177.11)</b> |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                  |                    |                    |
| Expenditure/ Sale of property, plant and equipments                         | (4,329.58)         | -                  |
| Payment to acquire investments                                              | -                  | -                  |
| Equity securities                                                           | -                  | -                  |
| Convertible debentures                                                      | -                  | -                  |
| Redemption of debentures                                                    | 35,000.00          | -                  |
| Interest and dividend received                                              | 65.98              | 68.53              |
| <b>Net Cash Used in Investing Activities (B)</b>                            | <b>30,736.40</b>   | <b>68.53</b>       |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                  |                    |                    |
| Repayment of borrowings                                                     | (5,709.39)         | 21,085.71          |
| Payment of interest                                                         | (6,297.09)         | (5,643.87)         |
| <b>Net Cash Used in Financing Activities (C)</b>                            | <b>(12,006.49)</b> | <b>15,441.84</b>   |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>                    | <b>9,018.36</b>    | <b>333.25</b>      |
| Opening Balance of Cash and cash equivalents                                | 2,067.22           | 1,733.96           |
| <b>Closing Balance of Cash and cash equivalents</b>                         | <b>11,085.57</b>   | <b>2,067.22</b>    |

**Notes to the Statement of Cash Flow :**

i) Reconciliation of Cash and cash equivalents with the Balance Sheet:

(Amount in '000)

| PARTICULARS                                                   | 2020-2021 | 2019-2020 |
|---------------------------------------------------------------|-----------|-----------|
| Cash and cash equivalents as per Balance Sheet (Refer note 7) | 11,085.57 | 2,067.22  |

ii) The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flow'.

(iii) As per the amendment in Ind AS 7 'Statement of Cash Flow' : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

A. Current reporting Period:

(Amount in '000)

| PARTICULARS                                     | 2019-2020 | Financing cash flows | Non-cash changes          |                        |                       |               | 2020-2021 |
|-------------------------------------------------|-----------|----------------------|---------------------------|------------------------|-----------------------|---------------|-----------|
|                                                 |           |                      | Acquisition of Subsidiary | Disposal of Subsidiary | Fair Value Adjustment | Other Changes |           |
| Borrowings as per Balance Sheet (Refer note 12) | 71,509.39 | (5,709.39)           | -                         | -                      | -                     | -             | 65,800.00 |

B. Previous Reporting Period:

| PARTICULARS                                     | 2018-2019 | Financing cash flows | Non-cash changes          |                        |                       |               | 2019-2020 |
|-------------------------------------------------|-----------|----------------------|---------------------------|------------------------|-----------------------|---------------|-----------|
|                                                 |           |                      | Acquisition of Subsidiary | Disposal of Subsidiary | Fair Value Adjustment | Other Changes |           |
| Borrowings as per Balance Sheet (Refer note 12) | 50,423.69 | 21,085.71            | -                         | -                      | -                     | -             | 71,509.39 |

For and on behalf of the Board

As Per our report of even date attached  
**STATUTORY AUDITORS**  
**For MAHENDRA BADJATYA & CO**  
**CHARTERED ACCOUNTANTS**  
ICAI FRN 001457C

Shirish Jaltare  
Whole Time Director  
(DIN: 00070935)

Vivek Chibba  
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(DIN: 06466844)

Sunil Khandelwal  
Chief Financial Officer  
(PAN: AKCPK2199L)  
PLACE: INDORE  
DATE: 30.06.2021

Deepak Meena  
Company Secretary  
(ACS:41823)

CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAJE4306

## **NOTE 1:**

### **Notes forming part of Standalone Financial Statements for the year ended 31st March 2021**

(All amounts are in Indian Rupees in Lakh unless otherwise stated)

#### **A. Corporate Information**

SILVER OAK (INDIA) LIMITED (the 'Company') is a domestic public limited Company having its Registered office at Plot No. 110, Sector-I, Industrial Area, Pithampur, Dhar Madhya Pradesh – 454775. Company is listed at Bombay Stock Exchange Limited (BSE). The company is engaged in the business of manufacturing of Indian Made Foreign Liquor.

#### **B. Significant accounting policies**

##### **I. Basis of Preparation**

###### **a. Statement of compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India.

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated. All amounts have been rounded-off to the nearest lakh, unless otherwise indicated.

###### **b. Use of Estimates, Judgments and Assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make certain judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (including contingent liabilities) and the accompanying disclosures. Future results could differ due to these estimates and differences between the actual results and the estimates are recognized in the periods in which the results are known/ materialized. Estimates and underlying assumptions are reviewed on an ongoing basis.

**Significant estimates and assumptions are required in particular for:**



**i) Useful life of property, plant and equipment and intangible assets:**

This involves determination of the estimated useful life of property, plant and equipment and intangible assets and the assessment as to which components of the cost may be capitalized. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the nature of the asset, estimated usage, expected residual values and operating conditions of the asset. Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets.

**ii) Impairment of Non-Financial Asset:**

Determining whether property, plant and equipment and intangible assets are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the underlying assets or cash generating units. Further, the cash flow projections are based on estimates and assumptions relating to expected revenues, operational performance of the assets, market prices of related products or services, inflation, terminal value etc. which are considered reasonable by the management.

**iii) Taxes:**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgement is also required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

**iv) Fair value measurement of financial instruments:**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the 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.

**v) Inventory Measurement**

Measurement of bulk inventory quantities of stock lying at warehouse/ ports/ yards is material, complex and involves significant judgement and estimate. The Company

performs physical counts of above inventory on a periodic basis using internal/external experts to perform surveys and assessments, basis which the estimate of quantity for these inventories is determined. The variations noted between book records and physical quantities of above inventories are evaluated and appropriately accounted in the books of accounts.

**c. Current & Non-Current Classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i) The asset/liability is expected to be realized/settled in the Company's normal operating cycle.
- ii) The asset is intended for sale or consumption.
- iii) The asset/liability is held primarily for the purpose of manufacturing.
- iv) The asset/liability is expected to be realized/settled within twelve months after the reporting period.
- v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

**II. Summary of Significant Accounting Policies**

**a) Foreign Currency Transactions and Translation**

- i) **Functional and presentation currency**  
The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.
- ii) **Transactions and Balances**  
Foreign currency transactions are translated into the functional currency, for initial recognition, using the exchange rates at the dates of the transactions.  
All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which

are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**b) Cash & Cash Equivalents**

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

**c) Property, Plant and Equipment**

**Recognition and Measurement:**

Property, Plant and Equipment, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour and allocation of overheads. Borrowing cost relating to acquisition/ construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

**Subsequent Measurement:**

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipment, including day-today repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

**Capital Work in Progress:**

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/

property plant and equipment. The cost of asset not ready for its intended use before the year end & capital inventory are disclosed under capital work in progress.

**Depreciation:**

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act,2013 or based on technical estimates. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

**Derecognition:**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognized in Statement of Profit and Loss.

**d) Investment Properties**

- i. Property which is held for long-term rental yields or for capital appreciation or both, is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- ii. The Company depreciates investment properties over their estimated useful lives, as specified in Schedule II to the Companies Act, 2013.
- iii. Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of Profit and Loss in the period in which the property is derecognized.

**e) Intangible Assets**

- i. Intangible assets are measured on initial recognition at cost and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles are not capitalized.
- ii. The intangible assets of the Company are assessed to be of finite lives and are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The Company reviews amortization period on an annual basis. Intangible assets are amortized on straight line basis as specified in Schedule II to the Companies Act,2013 or based on technical estimates.

- iii. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**f) Impairment of Non-Financial Assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

An impairment loss is recognized immediately in statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Non-Financial Assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

**g) Investment in Subsidiaries and associates**

Entities and Associates are measured at cost less impairment in accordance with Ind AS 27 "Separate Financial Statements".

**h) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to 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 data are available to measure fair value, maximising the use of relevant observable inputs and minimising 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:

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

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**i) 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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options, and embedded derivatives in the host contract.

## I. **Financial Assets**

The Company classifies financial assets and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

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

### 1. At amortized cost

Assets that are held for contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured. Interest income from these financial assets is recognized using the effective interest rate method.

### 2. At Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through FVOCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

### 3. At Fair Value through Profit & Loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in Statement of Profit and Loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

#### **Interest income:**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

#### **Equity instruments:**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Ind AS 109 requires all investments in equity instruments and contracts on those instruments to be measured at fair value.

The Company subsequently measures all quoted equity investments at fair value. The company's management has elected to present fair value gains and losses on equity investments in profit and loss account.

The Company subsequently measures all un-quoted equity investments at cost based on the requirements of Ind AS 109, where in some limited circumstances cost is a more appropriate estimate of fair value, that may be the case if insufficient more recent information is available to measure the fair value or if there is a wide range of possible fair value measurements and cost represents the best estimate of the fair value within that range.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/ loss on fair value changes in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Gains and losses on equity investments at FVTPL are included in the Statement of Profit and Loss.

#### **Debt instruments:**

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables. Based on the factors, the Company classifies its debt instruments into one of the above three measurement categories.

#### **Derecognition**

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated inequity is recognized in Statement of Profit and Loss if such gain or loss would have otherwise been recognized in Statement of Profit and Loss on disposal of that financial asset.

#### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

**a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance:**



The Company follows general approach for recognition of impairment loss allowance for financial assets other than trade receivables. In general approach, the financial asset is divided into 3 stages and the amount of ECL is recognized depending on the stage of the financial asset into consideration.

The loss under this approach is either based on the 12 months ECL or lifetime ECL. All financial assets falling in stage 1 is performing and requires 12 months ECL, whereas financial assets in stage 2 where the credit risk has increased significantly post recognition or financial assets in stage 3 which are credit impaired a lifetime ECL is required.

**b) Trade receivables:**

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**II. Financial Liabilities**

Financial liabilities are classified, at initial recognition as at amortized cost or fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and Losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

**Derecognition of Financial Liability**

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

**III. Derivative financial instruments**

The Company uses derivative financial instruments such as forward and options currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized and subsequently measured at fair value through profit or loss (FVTPL). Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognized in the Statement of Profit and Loss and

reported with foreign exchange gains/ (loss). Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

## **i) Income Taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

### **I. Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax (including Minimum Alternate Tax (MAT)) is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income (OCI) or 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.

### **II. Deferred Tax**

Deferred tax is recognized using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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. The carrying amount of unrecognized deferred tax assets are reviewed at each reporting date to assess their realizability and corresponding adjustment is made to carrying values of deferred tax assets in the financial statements.

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 assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset.

Deferred tax includes MAT tax credit. The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

#### **k) Inventories**

- I. Inventories are valued at lower of cost or net realizable value.
- II. Cost of inventories have been computed to include all costs of purchases, cost of conversion, all non-refundable duties & taxes and other costs incurred in bringing the inventories to their present location and condition.
- III. The basis of determining cost for various categories of inventories are as follows:  
Raw material: Weighted Average Method  
Packing material: Weighted Average Method  
Finished goods: First in first out (FIFO) basis
- IV. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage/ excess stock is given based on the available evidence and past experience of the Company.

#### **l) Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized for when the Company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more future events not wholly in control of the Company are not

recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the financial statements.

Contingent assets are not recognized in the financial statements. the nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

#### **m) Revenue Recognition**

Revenue from contract with customer is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes or amounts collected from customers in its capacity as agent.

The specific recognition criteria from various stream of revenue is described below:

##### **I. Sale of Goods**

Revenue from the sale of goods is recognized when the control of the goods has been passed to the customer as per the terms of agreement and there is no continuing effective control or managerial involvement with the goods.

##### **II. Rendering of Services**

Revenue from services rendered is recognized when the work is performed and as per the terms of agreement.

##### **III. Dividends**

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

##### **IV. Interest Income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **n) Employee Benefits**

Retirement benefits in the form of Provident Fund & Other Fund are paid & charged to the Statement of Profit and Loss for the year when contributions to the respective Funds are due.

Gratuity liability under the Payment of Gratuity Act is paid & charged to the Statement of Profit and Loss for the year when contributions to the LIC Group Gratuity trust is paid.

**o) Cash Flow Statement**

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

**p) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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. Borrowing costs consist of interest and transaction costs that an entity incurs in connection with the borrowing of funds. Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs.

**q) Earnings Per Share**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of equity shares, for the effects of all dilutive potential equity shares.

**r) Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**s) Expenditure**

Expenses are net of taxes recoverable, wherever applicable.

**SILVER OAK (INDIA) LIMITED**

**NOTE - 2  
PROPERTY PLANT & EQUIPMENT  
2020-2021**

(Amount in '000)

| PARTICULARS            | GROSS BLOCK                    |                 |           | ACUUMULATED DEPRECIATION       |                                |                    |                              |                       | NET BLOCK          |                    |
|------------------------|--------------------------------|-----------------|-----------|--------------------------------|--------------------------------|--------------------|------------------------------|-----------------------|--------------------|--------------------|
|                        | BALANCE<br>AS AT<br>01.04.2020 | ADDITIONS       | DEDUCTION | BALANCE<br>AS AT<br>31.03.2021 | BALANCE<br>AS AT<br>01.04.2020 | FOR<br>THE<br>YEAR | DEDUCTION<br>&<br>ADJUSTMENT | TOTAL<br>DEPRECIATION | AS AT<br>31.3.2021 | AS AT<br>31.3.2020 |
| <b>TANGIBLE ASSETS</b> |                                |                 |           |                                |                                |                    |                              |                       |                    |                    |
| Land (Leasehold)       | 363.94                         | -               | -         | 363.94                         | -                              | -                  | -                            | -                     | 363.94             | 363.94             |
| Factory Building       | 6,906.47                       | 1,305.02        | -         | 8,211.49                       | 3,910.33                       | 115.46             | -                            | 4,025.80              | 4,185.69           | 2,996.14           |
| Well                   | 52.75                          | -               | -         | 52.75                          | 32.01                          | -                  | -                            | 32.01                 | 20.74              | 20.74              |
| Plant & Machinery      | 13,012.56                      | 2,645.79        | -         | 15,658.35                      | 8,596.75                       | 315.33             | -                            | 8,912.08              | 6,746.27           | 4,415.81           |
| Electric Installation  | 253.36                         | -               | -         | 253.36                         | 106.06                         | -                  | -                            | 106.06                | 147.30             | 147.30             |
| Furniture & Fixtures   | 283.91                         | -               | -         | 283.91                         | 279.82                         | -                  | -                            | 279.82                | 4.09               | 4.09               |
| Fire Extinguishers     | 80.91                          | -               | -         | 80.91                          | 77.12                          | -                  | -                            | 77.12                 | 3.79               | 3.79               |
| Vehicles               | 2,854.45                       | -               | -         | 2,854.45                       | 2,608.01                       | 103.63             | -                            | 2,711.63              | 142.82             | 246.45             |
| Office Equipments      | 1,008.00                       | 378.78          | -         | 1,386.78                       | 718.93                         | 150.87             | -                            | 869.79                | 516.99             | 289.07             |
| Computer Accessories   | 166.85                         | -               | -         | 166.85                         | 162.27                         | -                  | -                            | 162.27                | 4.58               | 4.58               |
| <b>Current Year</b>    | <b>24,983.19</b>               | <b>4,329.58</b> | <b>-</b>  | <b>29,312.78</b>               | <b>16,491.30</b>               | <b>685.29</b>      | <b>-</b>                     | <b>17,176.58</b>      | <b>12,136.19</b>   | <b>8,491.89</b>    |
| <b>Previous Year</b>   | <b>24,983.19</b>               | <b>-</b>        | <b>-</b>  | <b>24,983.19</b>               | <b>15,824.99</b>               | <b>666.31</b>      | <b>-</b>                     | <b>16,491.30</b>      | <b>8,491.90</b>    | <b>9,158.21</b>    |

During the year, the Company has not carried out any revaluation.

**2019-2020**

(Amount in '000)

| PARTICULARS            | GROSS BLOCK                    |           |                 | ACUUMULATED DEPRECIATION       |                                |                    |                              |                       | NET BLOCK          |                    |
|------------------------|--------------------------------|-----------|-----------------|--------------------------------|--------------------------------|--------------------|------------------------------|-----------------------|--------------------|--------------------|
|                        | BALANCE<br>AS AT<br>01.04.2019 | ADDITIONS | DEDUCTION       | BALANCE<br>AS AT<br>31.03.2020 | BALANCE<br>AS AT<br>01.04.2019 | FOR<br>THE<br>YEAR | DEDUCTION<br>&<br>ADJUSTMENT | TOTAL<br>DEPRECIATION | AS AT<br>31.3.2020 | AS AT<br>31.3.2019 |
| <b>TANGIBLE ASSETS</b> |                                |           |                 |                                |                                |                    |                              |                       |                    |                    |
| Land (Leasehold)       | 363.94                         | -         | -               | 363.94                         | -                              | -                  | -                            | -                     | 363.94             | 363.94             |
| Factory Building       | 6,906.47                       | -         | -               | 6,906.47                       | 3,801.80                       | 108.53             | -                            | 3,910.33              | 2,996.14           | 3,104.67           |
| Well                   | 52.75                          | -         | -               | 52.75                          | 32.01                          | -                  | -                            | 32.01                 | 20.74              | 20.74              |
| Plant & Machinery      | 13,012.56                      | -         | -               | 13,012.56                      | 8,384.17                       | 212.58             | -                            | 8,596.75              | 4,415.81           | 4,628.39           |
| Electric Installation  | 253.36                         | -         | -               | 253.36                         | 106.06                         | -                  | -                            | 106.06                | 147.30             | 147.30             |
| Furniture & Fixtures   | 283.91                         | -         | -               | 283.91                         | 279.42                         | 0.39               | -                            | 279.82                | 4.09               | 4.48               |
| Fire Extinguishers     | 80.91                          | -         | -               | 80.91                          | 77.12                          | -                  | -                            | 77.12                 | 3.79               | 3.79               |
| Vehicles               | 2,854.45                       | -         | -               | 2,854.45                       | 2,367.84                       | 240.16             | -                            | 2,608.01              | 246.45             | 486.61             |
| Office Equipments      | 1,008.00                       | -         | -               | 1,008.00                       | 614.28                         | 104.65             | -                            | 718.93                | 289.07             | 393.72             |
| Computer Accessories   | 166.85                         | -         | -               | 166.85                         | 162.27                         | -                  | -                            | 162.27                | 4.58               | 4.58               |
| <b>Current Year</b>    | <b>24,983.19</b>               | <b>-</b>  | <b>-</b>        | <b>24,983.19</b>               | <b>15,824.99</b>               | <b>666.31</b>      | <b>-</b>                     | <b>16,491.30</b>      | <b>8,491.90</b>    | <b>9,158.21</b>    |
| <b>Previous Year</b>   | <b>26,559.86</b>               | <b>-</b>  | <b>1,576.67</b> | <b>24,983.19</b>               | <b>15,833.16</b>               | <b>882.54</b>      | <b>890.72</b>                | <b>15,824.99</b>      | <b>9,158.21</b>    | <b>10,726.70</b>   |

During the year, the Company has not carried out any revaluation.

**NOTE:**

1. Gross Block includes Rs. 5427081/- added on revaluation of Land, Factory Building, Well, Plant & Machinery & Electric Installation as at 31.03.1993 based on report issued by valuers.

**SILVER OAK (INDIA) LIMITED**

**NOTE - 3  
INVESTMENTS**

(Amount in '000)

| PARTICULARS                                                                                                                             | 2020-2021       | 2019-2020        |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------|
| <b>SHARES &amp; SECURITIES (Unquoted, fully paid up, at cost)</b><br><b>In a Subsidiary Company - APT Infrastructure Pvt Ltd. (60%)</b> |                 |                  |
| i) 600000 Equity Shares of of ` 10/- each.                                                                                              | 6,000.00        | 6,000.00         |
| ii) 7000, 0% Compulsory Convertible Debentures of ` 5000/- each, convertible at the end of 5th year of allotment being June 8, 2020     | -               | 15,047.08        |
| <b>Total</b>                                                                                                                            | <b>6,000.00</b> | <b>21,047.08</b> |

**NOTE - 4  
TRADE RECEIVABLES**

(Amount in '000)

| PARTICULARS                                                 | 2020-2021    | 2019-2020     |
|-------------------------------------------------------------|--------------|---------------|
| <b>(Unsecured, considered good unless otherwise stated)</b> |              |               |
| Considered Good                                             | 54.60        | 341.95        |
| Considered Impaired                                         | -            | -             |
| Less: Allowance for Credit Losses                           | -            | -             |
| <b>Total</b>                                                | <b>54.60</b> | <b>341.95</b> |

**Trade Receivables ageing schedule:**

(Amount in '000)

| PARTICULARS                                                                        | 2020-2021                                                  |                  |           |           |                   | Total |
|------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|-------|
|                                                                                    | Outstanding for following periods from due date of payment |                  |           |           |                   |       |
|                                                                                    | Less than 6 months                                         | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |       |
| (i) Undisputed Trade receivables – considered good                                 | -                                                          | -                | -         | -         | 54.60             | 54.60 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -                                                          | -                | -         | -         | -                 | -     |
| (iii) Undisputed Trade Receivables – credit impaired                               | -                                                          | -                | -         | -         | -                 | -     |
| (iv) Disputed Trade Receivables–considered good                                    | -                                                          | -                | -         | -         | -                 | -     |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -                                                          | -                | -         | -         | -                 | -     |
| (vi) Disputed Trade Receivables – credit impaired                                  | -                                                          | -                | -         | -         | -                 | -     |

| PARTICULARS                                                                        | 2019-2020                                                  |                  |           |           |                   | Total  |
|------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|--------|
|                                                                                    | Outstanding for following periods from due date of payment |                  |           |           |                   |        |
|                                                                                    | Less than 6 months                                         | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |        |
| (i) Undisputed Trade receivables – considered good                                 | -                                                          | -                | -         | -         | 341.95            | 341.95 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -                                                          | -                | -         | -         | -                 | -      |
| (iii) Undisputed Trade Receivables – credit impaired                               | -                                                          | -                | -         | -         | -                 | -      |
| (iv) Disputed Trade Receivables–considered good                                    | -                                                          | -                | -         | -         | -                 | -      |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -                                                          | -                | -         | -         | -                 | -      |
| (vi) Disputed Trade Receivables – credit impaired                                  | -                                                          | -                | -         | -         | -                 | -      |

**NOTE - 5  
OTHER NON CURRENT FINANCIAL ASSETS**

(Amount in '000)

| PARTICULARS                       | 2020-2021       | 2019-2020       |
|-----------------------------------|-----------------|-----------------|
| <b>Considered Good, Unsecured</b> |                 |                 |
| Security Deposits                 | 69.71           | 64.23           |
| Other Deposits                    | 3,000.00        | 3,000.00        |
| <b>Total</b>                      | <b>3,069.71</b> | <b>3,064.23</b> |

**SILVER OAK (INDIA) LIMITED**

**NOTE - 6  
INVENTORIES**

(As taken, valued and certified by management)

(Amount in '000)

| <b>PARTICULARS</b>           | <b>2020-2021</b> | <b>2019-2020</b> |
|------------------------------|------------------|------------------|
| i) Raw materials*            | 3,052.21         | 3,052.21         |
| ii) Packing materials        | 1,956.82         | 2,910.74         |
| iii) Finished goods (Liquor) | 1,189.41         | 1,189.41         |
| iv) Work-in-process          | 733.77           | 733.77           |
| <b>Total</b>                 | <b>6,932.20</b>  | <b>7,886.12</b>  |

\* Includes consumables

**NOTE - 7  
CASH AND CASH EQUIVALENTS**

(Amount in '000)

| <b>PARTICULARS</b>         | <b>2020-2021</b> | <b>2019-2020</b> |
|----------------------------|------------------|------------------|
| <b>Balances with Banks</b> |                  |                  |
| In Current Accounts        | 9,843.17         | 915.43           |
| Deposit with Banks #       | 1,160.16         | 1,095.53         |
| <b>Cash on Hand</b>        | 82.25            | 56.26            |
| <b>Total</b>               | <b>11,085.57</b> | <b>2,067.22</b>  |

# Fixed Deposits ` 10.56 Lac [Previous Year 9.57 Lac] are held with Govt. Authorities as Gurantee or Security deposits with original maturity period of less than 12 months.

**NOTE - 8  
OTHER CURRENT ASSETS**

(Amount in '000)

| <b>PARTICULARS</b>                                          | <b>2020-2021</b> | <b>2019-2020</b> |
|-------------------------------------------------------------|------------------|------------------|
| <b>(Unsecured, Considered good unless otherwise stated)</b> |                  |                  |
| Balances with Statutory/ Revenue authorities                | 149.12           | 147.77           |
| Advance to suppliers & others                               | 126.50           | 140.68           |
| Prepaid Expenses                                            | 323.83           | 798.92           |
| <b>Total</b>                                                | <b>599.45</b>    | <b>1,087.36</b>  |



**SILVER OAK (INDIA) LIMITED**

**NOTE - 9  
EQUITY SHARE CAPITAL**

(Amount in '000)

| PARTICULARS                             | 2020-2021      |                  | 2019-2020      |                  |
|-----------------------------------------|----------------|------------------|----------------|------------------|
|                                         | Number         | Amount           | Number         | Amount           |
| <b>AUTHORISED</b>                       |                |                  |                |                  |
| Equity Shares of ` 10/- each            | 4250000        | 42,500.00        | 4250000        | 42,500.00        |
| <b>Total</b>                            | <b>4250000</b> | <b>42,500.00</b> | <b>4250000</b> | <b>42,500.00</b> |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP</b> |                |                  |                |                  |
| Equity Shares of ` 10/- each            | 3790200        | 37,902.00        | 3790200        | 37,902.00        |
| <b>Total</b>                            | <b>3790200</b> | <b>37,902.00</b> | <b>3790200</b> | <b>37,902.00</b> |

**a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period:** (Amount in '000)

| Particulars                               | 2020-2021      |                  | 2019-2020      |                  |
|-------------------------------------------|----------------|------------------|----------------|------------------|
|                                           | Number         | Amount           | Number         | Amount           |
| Outstanding at the beginning of the year  | 3790200        | 37,902.00        | 3790200        | 37,902.00        |
| Issued during the year                    | -              | -                | -              | -                |
| Bought back during the year               | -              | -                | -              | -                |
| <b>Outstanding at the end of the year</b> | <b>3790200</b> | <b>37,902.00</b> | <b>3790200</b> | <b>37,902.00</b> |

**b) Terms / Rights attached to Equity Shares:**

The company has only one class of shares i.e. equity shares having a par value of Rs.10/- 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 dividend, if proposed, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The company has not issued any share without payment being received in cash by way of bonus (if any) or in pursuant to any contract during the period of last five years.

The company has not bought back any share during the period of last five years.

**c) Details of shareholders holding more than 5% shares of the company:**

| Name of Shareholders                                     | 2020-2021      |               | 2019-2020      |               |
|----------------------------------------------------------|----------------|---------------|----------------|---------------|
|                                                          | Number         | % of Holding  | Number         | % of Holding  |
| Royal Highland Distilleries Limited<br>(Holding Company) | 2267748        | 59.83%        | 2267748        | 59.83%        |
| Kaveri Dealers Private Limited                           | 448590         | 11.84%        | 448590         | 11.84%        |
| Mrs. Gurveen Kaur Bhatia                                 | 219502         | 5.79%         | 219502         | 5.79%         |
| <b>Total</b>                                             | <b>2935840</b> | <b>77.46%</b> | <b>2935840</b> | <b>77.46%</b> |

**d) Shares held by promoters at the end of the year:**

| Name of Shareholders                                     | 2020-2021      |               | 2019-2020      |               | % Change during the year |
|----------------------------------------------------------|----------------|---------------|----------------|---------------|--------------------------|
|                                                          | Number         | % of Holding  | Number         | % of Holding  |                          |
| Smt. Leela Kalyani                                       | 185000         | 4.88%         | 185000         | 4.88%         | 0.00%                    |
| Royal Highland Distilleries Limited<br>(Holding Company) | 2267748        | 59.83%        | 2267748        | 59.83%        | 0.00%                    |
| <b>Total</b>                                             | <b>2452748</b> | <b>64.71%</b> | <b>2452748</b> | <b>64.71%</b> | <b>0.00%</b>             |

**NOTE - 10  
OTHER EQUITY**

(Amount in '000)

| PARTICULARS                                           | 2020-2021          | 2019-2020          |
|-------------------------------------------------------|--------------------|--------------------|
| <b>Securities Premium</b>                             |                    |                    |
| Balance as per last year                              | 6,717.50           | 6,717.50           |
| <b>General Reserve</b>                                |                    |                    |
| Balance as per last year                              | 1,054.95           | 1,054.95           |
| <b>Capital Reserve</b>                                |                    |                    |
| Balance as per last year                              | 6,784.00           | 6,784.00           |
| <b>Retained earnings</b>                              |                    |                    |
| Opening Balance                                       | (81,035.60)        | (46,047.56)        |
| Add: Surplus/ (Deficit) in statement of Profit & Loss | 960.80             | (34,988.04)        |
| <b>Closing Balance</b>                                | <b>(80,074.80)</b> | <b>(81,035.60)</b> |
| <b>Total</b>                                          | <b>(65,518.35)</b> | <b>(66,479.16)</b> |

**Nature and purpose of Reserves:**

**Securities premium:** Securities premium reserve is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**General reserve:** The general reserve represents debenture redemption reserve transferred after redemption of debentures. The reserve is to be utilised in accordance with the provisions of the Companies Act.

**Capital Reserve:** The Reserve is created based on statutory requirement under the Companies Act, 2013. This is not available for distribution of dividend but can be utilized for issuing bonus shares.

**Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, other distributions paid to shareholders.

**SILVER OAK (INDIA) LIMITED**

**NOTE - 11  
TRADE PAYABLES (NON CURRENT)**

(Amount in '000)

| PARTICULARS                                                                                                                                               | 2020-2021       | 2019-2020       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| (a) Total Outstanding Due to Micro Small and Medium Enterprise*                                                                                           | -               | -               |
| (b) Total Outstanding Due to Creditors other than (a). Above<br>To Related parties (Due for more than one year)<br>To Others (Due for more than one year) | -<br>7,492.09   | -<br>7,538.87   |
| <b>Total</b>                                                                                                                                              | <b>7,492.09</b> | <b>7,538.87</b> |

**NOTES:**

\* Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

(Amount in '000)

| PARTICULARS                                                    | 2020-2021 | 2019-2020 |
|----------------------------------------------------------------|-----------|-----------|
| Principal amount due and remain unpaid                         | -         | -         |
| Interest due on above and remain unpaid                        | -         | -         |
| Interest paid                                                  | -         | -         |
| Payment made beyond appointed day during the year              | -         | -         |
| Interest due and payable for the period of delay               | -         | -         |
| Interest accrued and remaining unpaid                          | -         | -         |
| Amount of further interest due and payable in succeeding years | -         | -         |

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company.

**Trade Payables ageing schedule:**

(Amount in '000)

| PARTICULARS                 | 2020-2021                                                  |           |           |                   |          |
|-----------------------------|------------------------------------------------------------|-----------|-----------|-------------------|----------|
|                             | Outstanding for following periods from due date of payment |           |           |                   |          |
|                             | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) MSME                    | -                                                          | -         | -         | -                 | -        |
| (ii) Others                 | -                                                          | -         | -         | 7,492.09          | 7,492.09 |
| (iii) Disputed dues – MSME  | -                                                          | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -                                                          | -         | -         | -                 | -        |

| PARTICULARS                 | 2019-2020                                                  |           |           |                   |          |
|-----------------------------|------------------------------------------------------------|-----------|-----------|-------------------|----------|
|                             | Outstanding for following periods from due date of payment |           |           |                   |          |
|                             | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) MSME                    | -                                                          | -         | -         | -                 | -        |
| (ii) Others                 | -                                                          | -         | -         | 7,538.87          | 7,538.87 |
| (iii) Disputed dues – MSME  | -                                                          | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -                                                          | -         | -         | -                 | -        |

**NOTE - 12**

**BORROWINGS**

(Amount in '000)

| PARTICULARS                                       | 2020-2021        | 2019-2020        |
|---------------------------------------------------|------------------|------------------|
| <b>Loans Repayable on Demand</b>                  |                  |                  |
| <b>From others (Unsecured)</b>                    |                  |                  |
| Inter Corporate deposits<br>(From Related Party ) | 65,800.00        | 71,509.39        |
| <b>Total</b>                                      | <b>65,800.00</b> | <b>71,509.39</b> |

**NOTE - 13**

**TRADE PAYABLES (CURRENT)**

(Amount in '000)

| PARTICULARS                    | 2020-2021    | 2019-2020    |
|--------------------------------|--------------|--------------|
| To Others (less then one year) | 87.51        | 37.29        |
| <b>Total</b>                   | <b>87.51</b> | <b>37.29</b> |

**NOTES:**

\* Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

(Amount in '000)

| PARTICULARS                                                    | 2020-2021 | 2019-2020 |
|----------------------------------------------------------------|-----------|-----------|
| Principal amount due and remain unpaid                         | -         | -         |
| Interest due on above and remain unpaid                        | -         | -         |
| Interest paid                                                  | -         | -         |
| Payment made beyond appointed day during the year              | -         | -         |
| Interest due and payable for the period of delay               | -         | -         |
| Interest accrued and remaining unpaid                          | -         | -         |
| Amount of further interest due and payable in succeeding years | -         | -         |

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company.

**Trade Payables ageing schedule:**

(Amount in '000)

| PARTICULARS                 | 2020-2021                                                  |           |           |                   |       |
|-----------------------------|------------------------------------------------------------|-----------|-----------|-------------------|-------|
|                             | Outstanding for following periods from due date of payment |           |           |                   |       |
|                             | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME                    | -                                                          | -         | -         | -                 | -     |
| (ii) Others                 | 87.51                                                      | -         | -         | -                 | 87.51 |
| (iii) Disputed dues – MSME  | -                                                          | -         | -         | -                 | -     |
| (iv) Disputed dues - Others | -                                                          | -         | -         | -                 | -     |

| PARTICULARS                 | 2019-2020                                                  |           |           |                   |       |
|-----------------------------|------------------------------------------------------------|-----------|-----------|-------------------|-------|
|                             | Outstanding for following periods from due date of payment |           |           |                   |       |
|                             | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME                    | -                                                          | -         | -         | -                 | -     |
| (ii) Others                 | 37.29                                                      | -         | -         | -                 | 37.29 |
| (iii) Disputed dues – MSME  | -                                                          | -         | -         | -                 | -     |
| (iv) Disputed dues - Others | -                                                          | -         | -         | -                 | -     |

**NOTE - 14****OTHER CURRENT FINANCIAL LIABILITIES**

(Amount in '000)

| <b>PARTICULARS</b>                         | <b>2020-2021</b> | <b>2019-2020</b> |
|--------------------------------------------|------------------|------------------|
| Creditors for Expenses                     | 79.29            | 113.29           |
| Due to employees                           | 602.59           | 306.35           |
| Interest on unsecured loan (related party) | 465.24           | -                |
| <b>Total</b>                               | <b>1,147.12</b>  | <b>419.64</b>    |

**NOTE - 15****OTHER CURRENT LIABILITIES**

(Amount in '000)

| <b>PARTICULARS</b>                  | <b>2020-2021</b> | <b>2019-2020</b> |
|-------------------------------------|------------------|------------------|
| <u>Outstanding Liabilities for:</u> |                  |                  |
| Statutory Dues                      | 109.54           | 197.31           |
| <b>Total</b>                        | <b>109.54</b>    | <b>197.31</b>    |

**NOTE - 16****PROVISIONS**

(Amount in '000)

| <b>PARTICULARS</b>                      | <b>2020-2021</b> | <b>2019-2020</b> |
|-----------------------------------------|------------------|------------------|
| Professional Fees                       | 58.75            | 57.50            |
| Employee contribution to CM Relief Fund | -                | 3.95             |
| <b>Total</b>                            | <b>58.75</b>     | <b>61.45</b>     |

**SILVER OAK (INDIA) LIMITED**

**NOTE - 17**

**REVENUE FROM OPERATIONS**

(Amount in '000)

| <b>PARTICULARS</b>                           | <b>2020-2021</b> | <b>2019-2020</b> |
|----------------------------------------------|------------------|------------------|
| <b>Revenue from contracts with customers</b> |                  |                  |
| Liquor - (Indian Made Foreign Liquor)        | -                | 143.33           |
| <b>Total</b>                                 | <b>-</b>         | <b>143.33</b>    |

**NOTE - 18**

**OTHER INCOME**

(Amount in '000)

| <b>PARTICULARS</b>          | <b>2020-2021</b> | <b>2019-2020</b> |
|-----------------------------|------------------|------------------|
| <b>Interest</b>             |                  |                  |
| From Bank on Fixed Deposits | 65.98            | 68.53            |
| Other Interest              | 3.03             | 5.90             |
| <b>Total</b>                | <b>69.01</b>     | <b>74.42</b>     |

**NOTE - 19**

**COST OF MATERIAL CONSUMED**

(Amount in '000)

| <b>PARTICULARS</b> | <b>2020-2021</b> | <b>2019-2020</b> |
|--------------------|------------------|------------------|
| Raw Materials      | -                | -                |
| Packing Materials  | -                | -                |
| <b>Total</b>       | <b>-</b>         | <b>-</b>         |

**NOTE - 20**

**CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

(Amount in '000)

| <b>PARTICULARS</b>                             | <b>2020-2021</b> | <b>2019-2020</b> |
|------------------------------------------------|------------------|------------------|
| <b>(Increase) / Decrease in Stock in Trade</b> |                  |                  |
| Opening Stock                                  |                  |                  |
| Finished Goods                                 | 1,189.41         | 16,058.44        |
| Work in Process                                | 733.77           | 733.77           |
| Less : Stock out Transfer                      | -                | 1,860.36         |
| Less : Closing Stock                           | -                | -                |
| Finished Goods                                 | 1,189.41         | 1,189.41         |
| Work in Process                                | 733.77           | 733.77           |
|                                                | -                | -                |
|                                                | -                | <b>13,008.67</b> |
| Less - Transfer to Exceptional Items           | -                | 12,865.34        |
| <b>Total</b>                                   | <b>-</b>         | <b>143.33</b>    |

**NOTE - 21****EMPLOYEE BENEFIT EXPENSES**

(Amount in '000)

| <b>PARTICULARS</b>                     | <b>2020-2021</b> | <b>2019-2020</b> |
|----------------------------------------|------------------|------------------|
| Salary, Wages & Bonus                  | 4,101.64         | 2,631.90         |
| Contributions to Provident Fund & ESIC | 190.78           | 156.72           |
| Gratuity contribution to LIC           | 3.59             | -                |
| <b>Total</b>                           | <b>4,296.02</b>  | <b>2,788.62</b>  |

**NOTE - 22****FINANCE COSTS**

(Amount in '000)

| <b>PARTICULARS</b>                                                 | <b>2020-2021</b> | <b>2019-2020</b> |
|--------------------------------------------------------------------|------------------|------------------|
| <b><u>Interest Expenses</u></b>                                    |                  |                  |
| To Bank                                                            |                  |                  |
| Interest on Working Capital Loan                                   | -                | 1,300.06         |
| To Inter corporate deposits<br>(Including related party ` 5499719) | 6,297.09         | 4,283.63         |
| <b>a)</b>                                                          | <b>6,297.09</b>  | <b>5,583.69</b>  |
| <b><u>Other Borrowing Cost</u></b>                                 |                  |                  |
| Bank Processing Fees                                               | -                | 60.18            |
| <b>b)</b>                                                          | <b>-</b>         | <b>60.18</b>     |
| <b>Total (a+b)</b>                                                 | <b>6,297.09</b>  | <b>5,643.87</b>  |

**SILVER OAK (INDIA) LIMITED**

**NOTE - 23**

**OTHER EXPENSES**

(Amount in '000)

| <b>PARTICULARS</b>                              | <b>2020-2021</b> | <b>2019-2020</b> |
|-------------------------------------------------|------------------|------------------|
| <b>a) Manufacturing Expenses</b>                |                  |                  |
| Insurance Charges                               | 88.11            | 112.11           |
| Factory Expenses                                | -                | 4.60             |
| Freight Inwards                                 | -                | 154.36           |
| Labour Charges                                  | -                | 47.25            |
| Licence Fees                                    | 19.31            | 1,705.94         |
| Power & Water charges                           | 551.91           | 612.38           |
| Repairs to Machinery                            | 300.11           | -                |
| Testing Fees                                    | 23.34            | 27.61            |
| <b>Total (a)</b>                                | <b>982.78</b>    | <b>2,664.25</b>  |
| <b>b) Selling &amp; Distribution Expenses</b>   |                  |                  |
| Breakage/ Demurrage charges                     | -                | 155.00           |
| Freight, Loading & Unloading charges            | -                | 13.43            |
| Freight Outward                                 | -                | 16.80            |
| Label Registration Fees                         | 412.50           | 412.50           |
| Transport Fee                                   | -                | 1.00             |
| <b>Total (b)</b>                                | <b>412.50</b>    | <b>598.73</b>    |
| <b>c) Administrative &amp; General Expenses</b> |                  |                  |
| Advertisement                                   | 43.05            | 60.19            |
| Auditors Remuneration (Note 24(12))             | 59.00            | 50.00            |
| Bank Charges                                    | 4.86             | 23.99            |
| Courier, Postage & Telephone Expenses           | 29.38            | 25.66            |
| Custodian Fee                                   | 21.24            | 21.24            |
| Electricity Charges                             | 44.64            | 48.80            |
| Interest and Damages Charges                    | 0.11             | 0.14             |
| Lease Rent                                      | 0.23             | 0.23             |
| Legal Fee                                       | 92.07            | 80.94            |
| Listing Fees                                    | 354.00           | 354.00           |
| Maintenance Charges                             | 134.94           | 133.05           |
| Office Expenses                                 | 0.77             | 3.64             |
| Office Rent                                     | 360.00           | 360.00           |
| Printing & Stationery                           | 6.00             | 55.29            |
| Professional Fees                               | 347.31           | 245.36           |
| Rates, taxes and duties                         | 2.50             | 63.48            |
| Travelling Expenses                             | 32.58            | 1.36             |
| <b>Total (c)</b>                                | <b>1,532.68</b>  | <b>1,527.38</b>  |
| <b>Total (a+b+c)</b>                            | <b>2,927.96</b>  | <b>4,790.36</b>  |

**NOTE - 24**

**EXCEPTIONAL ITEMS**

(Amount in '000)

| <b>PARTICULARS</b>                       | <b>2020-2021</b> | <b>2019-2020</b>   |
|------------------------------------------|------------------|--------------------|
| Scrap sale                               | 603.99           | 70.56              |
| Sale of Packing Material waste           | 223.24           | -                  |
| <u>Cost of Material Consumed:</u>        |                  |                    |
| - Raw Materials (including Consumables)  | -                | (104.41)           |
| - Packing Materials                      | (953.93)         | (5,764.16)         |
| Changes in Inventories of Stock in Trade | -                | (12,865.34)        |
| Profit on Sale of Securities             | 19,952.92        | -                  |
| Sundry Balances Written Off (net)        | (287.35)         | (2,509.95)         |
| <b>Total</b>                             | <b>19,538.87</b> | <b>(21,173.30)</b> |

**NOTE- 25**  
**ADDITIONAL NOTES TO ACCOUNTS:**

- 1) Notes 1 to 25 Referred herein above forms an integral part of these Financial Statements.
- 2 (a) The Company is contingently liable in respect of:-  
(i) TDS amounted to (in '000) ` 16.31 (P.Y. ` 15.03)
- 2 (b) Commitments : Nil
- 3) Pursuant to Ind AS 112 – 'Disclosure of Interests in Other Entities' the interest of the Company in its subsidiary is as follows:  
(i) The company has an investment in a subsidiary company namely APT Infrastructure Limited, a company Incorporated in the country of India.  
(ii) The ownership interest and voting power of the company in terms of the total subscribed and paid up share capital in the subsidiary is 60% (Pr. Yr. 60%) amounting to ` 60 Lacs (Pr. Yr. ` 60Lacs) which is the carrying amount that appears under Investment head in the balance sheet of the company.  
(iii) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- 3) As per the information on records, the company does not have any dues outstanding to Micro and Small Industries Enterprises under MSMED Act, 2006, for more than 45 days as at 31st March, 2021.
- 4) Figures of Trade Receivables, Trade Payables, Loans & Advances and Borrowings are subject to respective consent, confirmation, reconciliation and consequential adjustments, if any.
- 5) There were no such transactions that were not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 6) Section 135 of the Companies Act, 2013, related to corporate social responsibility (CSR) is not applicable to the company.

7) In accordance with IND AS-24 the related party disclosure is as under, the information regarding related party have been determined to the extent, such parties have been identified on the basis of information available with the company:

**I. Name of the Related Parties :**

**A) Holding Company:**  
Royal Highland Distilleries Ltd (59.83%)

**B) Subsidiary enterprises:**  
APT Infrastructure Pvt Ltd (60%)

**C) Related Concern:**  
Great Galleon Ventures Limited  
Mantra Investment LLP

**D) Key Management Personnel:**  
Leela Kalyani (Non-Executive Director)  
Shirish Jaitare (Whole Time Director)  
Suresh Kejriwal (Independent Director)  
Prakash Gadia (Independent Director)  
Sunil Khandelwal (Chief Financial Officer)  
Vivek Chibba (Chief Executive Officer)  
Deepak Meena (Company Secretary)

**II. Transactions with Related Parties :**

| Name                            | Relationship            | Nature of Transaction | 2020-2021             |                    | 2019-2020          |
|---------------------------------|-------------------------|-----------------------|-----------------------|--------------------|--------------------|
|                                 |                         |                       | Amount of Transaction | Amount Outstanding | Amount Outstanding |
| Royal Highland Distilleries Ltd | Holding Company         | Loan Taken            | 9,800.00              | 65,800.00          | 56,000.00          |
|                                 |                         | Interest Paid         | 5,499.72              | 465.24             | 4,237.25           |
| Sunil Khandelwal                | Chief Financial Officer | Remuneration          | 687.92                | 58.35              | 58.35              |
| Vivek Chibba                    | Chief Executive Officer | Remuneration          | 1,438.00              | 187.68             | -                  |
| Deepak Meena                    | Company Secretary       | Remuneration          | 542.60                | 43.43              | 42.17              |

Note: All the above transactions are on arm's length basis. Current Account transactions are excluded.

**8) Directors Remuneration**

The Company has paid director's remuneration as per the provisions of Schedule V to the Companies Act, 2013 and has complied with all the provisions of the said act:

| S.No | Name of Director | Nature of payment      | 2020-2021 |        | 2019-2020 |
|------|------------------|------------------------|-----------|--------|-----------|
|      |                  |                        | Amount    | Amount | Amount    |
| 1    | Vivek Chibba     | Directors Remuneration | 1,438.00  |        | NIL       |

- 9) Additional information as required under part II of schedule III to the companies Act, 2013 is as under:  
(i) Earnings in foreign Exchange - Cr. Yr. ` NIL (Pr. Yr. ` NIL)  
(ii) CIF value of Imported items: ` NIL  
(iii) Expenditures (remittance) in foreign currency: ` NIL
- 10) The inventories amounting to `6932196/- (Previous Year - ` 7886121/-) is shown at cost instead of valuation at cost or net realizable value whichever is lower. As per Ind AS Ascertainment of net realizable value requires technical judgments and consideration of market related factors. The impact of diminution in the valuation thereof, if any, will be accounted for in the year of consumption/realization.
- 11) **Events after reporting date:**  
There have been no events after the reporting date that requires adjustment/ disclosure in these financial statements.

**12) Auditor's Remuneration (Including GST):** (Amount in '000)

| Particulars                      | 2020-2021    | 2019-2020    |
|----------------------------------|--------------|--------------|
| a) Audit Fees                    | 47.20        | 40.00        |
| b) Certification and Consultancy | 11.80        | 10.00        |
| <b>Total</b>                     | <b>59.00</b> | <b>50.00</b> |

**13) In accordance of Ind AS-33, the earning per share of the company is as under:** (Amount in '000)

| Particulars                                       | 2020-2021 | 2019-2020   |
|---------------------------------------------------|-----------|-------------|
| Profit after Tax                                  | 960.80    | (34,988.04) |
| Weighted average No. of Equity Shares outstanding | 3,790.20  | 3,790.20    |
| Earning Per Share - Basic                         | 0.25      | (9.23)      |
| Earning Per Share - Diluted                       | 0.25      | (9.23)      |

**14) Deferred Tax:**  
In view of accumulated losses and uncertainty of its realization in the near future the deferred tax asset has not been adjusted against the loss of ` 35410522/- by the company as a matter of prudence.

**15) Consolidation of Accounts: As per Ind As 110:**

- (i) The company is under an obligation to make consolidated financial statements covering its subsidiary APT Infrastructure Pvt Ltd (CIN: U45400DL2007PTC170319; Shareholding 60%) and accordingly the said consolidated audited balance sheet will be separately made.  
(ii) Pursuant to the provisions of section 2(87) of the Companies Act, 2013 the company is a subsidiary of Royal Highland Distilleries Limited (CIN no. U51228WB1992PLC056959) as the said company holds 59.83% shareholding of the company consequently the company is liable to be consolidated.

16) The Company was holding 7000, 0% Compulsory Convertible Debentures (Series II) of its subsidiary APT Infrastructure Private Limited at a price of Rs. 5000/- each which was compulsorily convertible in equity share at the end of 60 months i.e. 8 June 2020, which was further extended for the term of 5 years however were redeemed at ` 5000 each at face value on 10th March 2021.

17) Pursuant to disclosure pertaining to Section 186 (4) of the Companies Act, 2013 the following are the details thereof:

**a Loan given-outstanding as at the year-end:**

During the year there has been no such transaction.

**b Investments Made:**

The investments are classified under respective heads pertaining to Section 186(4) as mentioned in Note 3 of the Balance Sheet.

**c Guarantee Given or Security Provided:**

During the year there has been no such transaction.

**18) Financial risk management objectives and policies to the extent applicable:**

The Company has not started any significant commercial operations and therefore the company does not envisage any market risk, currency risk, interest rate risk, price risk, liquidity risk and credit risk. The Company's senior management in consultation with audit committee has the responsibility for establishing and governing the Company's overall risk management framework, wherever applicable.

**19) Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information that the carrying amount of these assets will be recovered.

**20) Indications of Impairment:**

In the opinion of management, there are no indications, internal or external which could have the effect of impairing the value of assets to any material extent as at the Balance sheet date requiring recognition in terms of IND AS-36.

**21) Financial Instruments by Category and fair value hierarchy:**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

(Amount in '000)

| 2020-2021<br>Particulars           | Fair Value Measurement |       |                  | Fair Value hierarchy |         |         |
|------------------------------------|------------------------|-------|------------------|----------------------|---------|---------|
|                                    | FVTPL                  | FVOCI | Amortised Cost   | Level-1              | Level-2 | Level-3 |
| <b>Financial assets</b>            |                        |       |                  |                      |         |         |
| Investments                        | -                      | -     | 6,000.00         | -                    | -       | -       |
| Other non-current financial assets | -                      | -     | 3,069.71         | -                    | -       | -       |
| Cash and cash equivalents          | -                      | -     | 11,085.57        | -                    | -       | -       |
| Trade Receivables                  | -                      | -     | 54.60            | -                    | -       | -       |
| <b>Total</b>                       | -                      | -     | <b>20,209.88</b> | -                    | -       | -       |
| <b>Financial liabilities</b>       |                        |       |                  |                      |         |         |
| Short term borrowings              | -                      | -     | 65,800.00        | -                    | -       | -       |
| Trade payables                     | -                      | -     | 7,579.60         | -                    | -       | -       |
| Other financial liabilities        | -                      | -     | 1,147.12         | -                    | -       | -       |
| <b>Total</b>                       | -                      | -     | <b>74,526.72</b> | -                    | -       | -       |

  

| 2019-2020<br>Particulars           | Fair Value Measurement |       |                  | Fair Value hierarchy |         |         |
|------------------------------------|------------------------|-------|------------------|----------------------|---------|---------|
|                                    | FVTPL                  | FVOCI | Amortised Cost   | Level-1              | Level-2 | Level-3 |
| <b>Financial assets</b>            |                        |       |                  |                      |         |         |
| Investments                        | -                      | -     | 21,047.08        | -                    | -       | -       |
| Other non-current financial assets | -                      | -     | 3,064.23         | -                    | -       | -       |
| Cash and cash equivalents          | -                      | -     | 2,067.22         | -                    | -       | -       |
| Trade Receivables                  | -                      | -     | 341.95           | -                    | -       | -       |
| <b>Total</b>                       | -                      | -     | <b>26,520.48</b> | -                    | -       | -       |
| <b>Financial liabilities</b>       |                        |       |                  |                      |         |         |
| Short term borrowings              | -                      | -     | 71,509.39        | -                    | -       | -       |
| Trade payables                     | -                      | -     | 7,576.16         | -                    | -       | -       |
| Other financial liabilities        | -                      | -     | 419.64           | -                    | -       | -       |
| <b>Total</b>                       | -                      | -     | <b>79,505.19</b> | -                    | -       | -       |

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**22) Financial Ratios:**

| Particulars                      | 2020-2021 | 2019-2020  | Variance | Reasons for variance                                       |
|----------------------------------|-----------|------------|----------|------------------------------------------------------------|
| Current Ratio                    | 0.28      | 0.15       | 81.22%   | Reduction in inventory levels due to old stocks write offs |
| Debt-Equity Ratio                | -2.38     | -2.50      | -4.78%   | -                                                          |
| Debt Service Coverage Ratio      | -1.25     | -1.47      | -15.54%  | -                                                          |
| Return on Equity Ratio           | -0.03     | 1.22       | -102.84% | Operational closings and hence no return                   |
| Inventory turnover ratio         | 0.00      | 0.00       | 0.00%    | -                                                          |
| Trade Receivables turnover ratio | 0.00      | 0.00       | 0.00%    | -                                                          |
| Trade payables turnover ratio    | 0.00      | 0.00       | 0.00%    | -                                                          |
| Net capital turnover ratio       | 0.00%     | -0.23%     | -100.00% | -                                                          |
| Net profit ratio                 | 1392.17%  | -47011.81% | -102.96% | No profits against turnover/sales                          |
| Return on Capital employed       | -26.28%   | 102.89%    | -125.54% | No operations                                              |
| Return on investment             | -3.48%    | 122.43%    | -102.84% | No operations                                              |

**23) Recent Pronouncements:**

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021.

The amendments are extensive and the Company has evaluated the same to give effect to them as required by law in the current year itself.

24) In accordance with IND AS - 109 the long-term investments held by the company are to be carried at Cost or Fair Value. All the investments of the Company have been considered by the management to be of long-term nature.

25) According to Ind AS - 7 the desired Cash flow statement is enclosed herewith.

26) Previous year figures have been regrouped or rearranged wherever necessary.

27) Figures are rounded off to the nearest multiple of rupees in thousands.

For and on behalf of the Board

Shirish Jaltare  
Whole Time Director  
(DIN: 00070935)

Vivek Chibba  
Director cum CEO  
(DIN: 06466844)

As Per our report of even date attached  
STATUTORY AUDITORS  
For MAHENDRA BADJATYA & CO  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C

Sunil Khandelwal  
Chief Financial Officer  
PLACE: INDORE  
DATE: 30.06.2021

Deepak Meena  
Company Secretary  
(ACS:41823)

CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAJE4306



**- SILVER OAK (INDIA) LTD -**

**BALANCE SHEET (CONSOLIDATED)**

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**2020 - 2021**

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## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SILVER OAK (INDIA) LIMITED**

#### **REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

##### **OPINION**

We have audited the accompanying Consolidated Financial Statements of **SILVER OAK (INDIA) LIMITED** ("the Holding Company") and its subsidiary (collectively referred to as "The Group"), which comprise the Balance Sheet as at March 31, 2021, 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 notes to the Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2021, its total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **BASIS FOR OPINION**

We conducted our audit in accordance with 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 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 ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and Rules there under 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.

##### **EMPHASIS OF MATTERS**

The Operations of the Company during the year ended 31st March 2021 were marginally affected due to Lockdown announced by the Central / State Governments during the year in phased manner, due to the outbreak of Novel Corona virus COVID19.

Considering the restrictions in physical movement and visits to the company offices, the Company has given us access to their computer/ ERP System. We were able to access the relevant data & records for our Audit purpose. Further the company has provided all other data / information / records as required by us using e-data/ e-mail sharing modes. We also had continuous communication with the Audit Team & Management of the Company using various modes such as Audio/ Video Conferencing, etc.

Due to the phase wise Lockdown imposed by Central / State Governments and the resulting travel restrictions, it was not possible for us to physically visit the Company on a regular basis and carry out the audit function. We have carried out the Audit Process using various techniques of Online Auditing. We have verified the records / documents / statements received by us through electronic media. We have also received Management Representation Letters wherever necessary. Using such techniques and relying on the inputs provided by the management, we have ensured reasonable assurance that the information / record / statements provided to us are free from material misstatement and adhere to the relevant standards.

We have carried out the Audit Process subject to our disclosures as mentioned above. The audit evidence obtained by us is adequate to express our audit opinion. While expressing our audit opinion, we have also relied upon certifications by the management or certifications by other independent auditors, wherever required.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter                                                                                                                            | Principal Audit Procedures/ Auditor's Response:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | <b>Appropriateness of Current / Non-current classification</b>                                                                              | <p>For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets or inventories for Sales processing and their realisation in cash and cash equivalents.</p> <p>The classification of assets and liabilities has been done based on documentary evidence. Where conclusive evidence is not available, the classification has been done based on management's best estimate of the period in which the assets would be realised, or the liabilities would be settled. We have evaluated the reasonability of the management's estimates.</p> |
| 2.      | <p><b>Non-responses of external confirmations request perpetrated pursuant to SA 505.</b></p> <p>COVID-19 has impacted the procedure of</p> | In the absence of related confirmations,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

|                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | <p>external confirmation request by management to vendors and customers. Postal facilities were not available in the near end of the financial year. To combat this, the management had sent positive external confirmation requests through electronic modes. However, due to suspension of business activities of many confirming parties, there are fewer confirmations received than anticipated.</p> <p>In such events, SA also directs the auditors to perform alternative audit procedures.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p>we performed alternative audit procedures like follow-up confirmation requests, verification of subsequent payments and receipts to verify part of the balances appearing in the books of accounts.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>3.</b></p> | <p><b>Provisions and contingent liabilities relating to taxation, litigations and arbitrations.</b></p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, claims and general legal proceedings arising in the regular course of business. As at the year ended 31st March 2021, the amounts involved are significant. The computation of a provision or contingent liability requires significant judgement by the Company because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.</p> | <p>Our audit procedures included:</p> <p>Understanding the process followed by the Company for assessment and determination of the amount of provisions and contingent liabilities relating to taxation, litigations and claims.</p> <p>Evaluating the design and implementation and testing operating effectiveness of key internal controls around the recognition and measurement of provisions and reassessment of contingent liabilities.</p> <p>Involving tax professionals with specialised skills and knowledge to assist in the assessment of the value of significant provisions and contingent liabilities relating to taxation matter, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.</p> <p>Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team, including challenging the assumptions and critical judgements made by the Company which impacted the computation of the provisions and inspecting the computation.</p> |
| <p><b>4.</b></p> | <p><b>Measurement of inventory quantities</b></p> <p>As of 31st March 2021, the Company has inventory of `6932196. This was</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <p><b>Our audit procedures relating to the measurement of inventory includes the following:</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

|  |                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>determined a key audit matter, as the measurement of these inventory quantities lying at warehouses involves significant judgement and estimate resulting from measuring the surface area. The Company uses internal and external experts, to perform volumetric assessments, basis which the quantity for these inventories is estimated.</p> | <ul style="list-style-type: none"> <li>• Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory.</li> <li>• Evaluation of competency and capabilities of management’s experts.</li> <li>• Involving external expert for quantification of the inventories on sample basis.</li> <li>• Physically observing inventory measurement and count procedures carried out by management using experts, to ensure its appropriateness and completeness; and</li> <li>• Obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by management in respect of differences between book and physical quantities.</li> </ul> |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON**

The Company’s board of directors is responsible for the preparation of the other information. The other information comprises the information included in Board’s Report including Annexure to Board’s Report and management compliance certificate but does not include the Financial Statements and our auditor’s report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued there under. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 misstatements 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 Statements 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 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 Statements of Profit and Loss including Other Comprehensive Income, Statements of Changes in Equity and the Cash Flow Statements dealt with by this report are in agreement with the books of account.

- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 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, 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 as of 31<sup>st</sup> March 2021 on its financial position in its financial statements – Refer Note 35((2 a)) to the financial Statements.
  - ii. We draw attention to the Note 35(20) to the financial statements, as regards to the management evaluation of COVID-19 impact on the future performance of the Company.
  - iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2021.
  - v. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“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 (if any);

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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 (if any); and

(iii) Based on such audit procedures that we (the auditors of the company) have 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) contain any material misstatements.

vi. The company has not declared or paid any dividend during the year in compliance with section 123 of the Companies Act, 2013.

vii. As per the Notification dated 24/03/2021 regarding the use of accounting software for maintaining the books of account which has a feature of recording audit trail (edit log) facility and whether the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention has been deferred till 01/04/2022 vide notification dated 01/04/2021.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & Co.  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN 21420388AAAAJE4306  
PLACE: INDORE  
DATE: 30.06.2021**

## **Annexure – “A” to the Independent Auditor’s Report**

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of SILVER OAK (INDIA) LIMITED on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2021)**

### **Report on the Internal Financial Controls 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 **Silver Oak (India) Limited** (“herein referred to as the Parent”) as of 31<sup>st</sup> March 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”). 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 Act.

#### **AUDITOR’S 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatements 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 WITH REFERENCE TO FINANCIAL STATEMENTS**

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 WITH REFERENCE TO FINANCIAL STATEMENTS**

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, and 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 31 March 2021, 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 issued by ICAI.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & Co.  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN 21420388AAAAJE4306  
PLACE: INDORE  
DATE: 30.06.2021**

**SILVER OAK (INDIA) LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2021**

(Amount in '000)

| PARTICULARS                                                                                | Note No.     | 2020-2021        | 2019-2020        |
|--------------------------------------------------------------------------------------------|--------------|------------------|------------------|
| <b>ASSETS</b>                                                                              |              |                  |                  |
| <b>Non-current assets</b>                                                                  |              |                  |                  |
| Property, Plant and Equipment                                                              | 2            | 13316.95         | 9959.74          |
| Right-to-use Asset                                                                         | 3            | 1067.73          | 1982.94          |
| Other Intangible Assets                                                                    | 4            | 1.46             | 15.02            |
| Financial Assets:                                                                          |              |                  |                  |
| (i) Investments                                                                            | 5            | 84532.05         | 90521.80         |
| (ii) Trade receivables                                                                     | 6            | 54.60            | 341.95           |
| (iii) Other non-current financial assets                                                   | 7            | 51413.15         | 4698.01          |
| Deferred tax assets (Net)                                                                  |              | 7242.80          | 7200.80          |
| <b>Total Non-Current Assets</b>                                                            | <b>(A)</b>   | <b>157628.74</b> | <b>114720.25</b> |
| <b>Current Assets</b>                                                                      |              |                  |                  |
| Inventories                                                                                | 8            | 6932.20          | 11956.70         |
| Financial Assets:                                                                          |              |                  |                  |
| (i) Trade Receivables                                                                      | 9            | 8425.40          | 13457.53         |
| (ii) Cash and Cash Equivalents                                                             | 10           | 16979.25         | 4952.60          |
| (iii) Other Bank Balances                                                                  | 11           | 29893.48         | 39957.38         |
| (iv) Loans                                                                                 | 12           | 66000.00         | 96000.00         |
| (v) Other Financial Assets                                                                 | 13           | 19971.74         | 42391.79         |
| Other current assets                                                                       | 14           | 7851.29          | 9619.58          |
| <b>Total Current Assets</b>                                                                | <b>(B)</b>   | <b>156053.36</b> | <b>218335.58</b> |
| <b>Total Assets</b>                                                                        | <b>(A+B)</b> | <b>313682.10</b> | <b>333055.83</b> |
| <b>EQUITY AND LIABILITIES</b>                                                              |              |                  |                  |
| <b>Equity</b>                                                                              |              |                  |                  |
| Equity Share capital                                                                       | 15           | 37902.00         | 37902.00         |
| Other Equity                                                                               | 16           | 62505.14         | 76680.24         |
| <b>Equity attributable to owners of the Company</b>                                        |              | <b>100407.14</b> | <b>116582.24</b> |
| Non-Controlling Interest                                                                   | 17           | 88948.65         | 87340.84         |
| <b>Total Equity</b>                                                                        | <b>(A)</b>   | <b>189355.79</b> | <b>203923.08</b> |
| <b>Liabilities</b>                                                                         |              |                  |                  |
| <b>Non-Current Liabilities</b>                                                             |              |                  |                  |
| Financial Liabilities:                                                                     |              |                  |                  |
| (i) Borrowings                                                                             | 18           | 25000.00         | 25000.00         |
| (ii) Trade Payables                                                                        | 19           |                  |                  |
| (a) total outstanding dues of micro enterprises and small enterprises                      |              | 0.00             | 0.00             |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises |              | 7492.09          | 7538.87          |
| (iii) Other Financial Liabilities                                                          | 20           | 163.20           | 1127.56          |
| <b>Total Non-Current Liabilities</b>                                                       |              | <b>32655.29</b>  | <b>33666.43</b>  |
| <b>Current Liabilities</b>                                                                 |              |                  |                  |
| Financial Liabilities:                                                                     |              |                  |                  |
| (i) Borrowings                                                                             | 21           | 65800.00         | 71829.60         |
| (ii) Trade Payables                                                                        | 22           |                  |                  |
| (a) total outstanding dues of micro enterprises and small enterprises                      |              | 0.00             | 0.00             |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises |              | 8330.96          | 7122.08          |
| (iii) Other Current Financial Liabilities                                                  | 23           | 2397.57          | 1585.43          |
| Other Current Liabilities                                                                  | 24           | 15083.73         | 14867.76         |
| Provisions                                                                                 | 25           | 58.75            | 61.45            |
| <b>Total Current Liabilities</b>                                                           | <b>(B)</b>   | <b>91671.01</b>  | <b>95466.32</b>  |
| <b>TOTAL LIABILITIES</b>                                                                   | <b>(A+B)</b> | <b>313682.10</b> | <b>333055.83</b> |

See accompanying additional notes to the financial statements

35

For and on behalf of the Board

As Per our report of even date attached  
**STATUTORY AUDITORS**  
For MAHENDRA BADJATYA & CO  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C

**Shirish Jaltare**  
Whole Time Director  
(DIN: 00070935)

**Vivek Chibba**  
Director cum C.E.O.  
(DIN: 06466844)

**Sunil Khandelwal**  
Chief Financial Officer  
PLACE: INDORE  
DATE: 30.06.2021

**Deepak Meena**  
Company Secretary  
(ACS:41823)

**CA NIRDESH BADJATYA**  
PARTNER  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAJE4306

**SILVER OAK (INDIA) LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2021**

(Amount in '000)

| PARTICULARS                                                     | Note No. | 2020-2021       | 2019-2020        |
|-----------------------------------------------------------------|----------|-----------------|------------------|
| <b>INCOME</b>                                                   |          |                 |                  |
| Revenue From Operations                                         | 26       | 15109.32        | 213.89           |
| Other Income                                                    | 27       | 13925.32        | 11044.74         |
| <b>Total Income</b>                                             |          | <b>29034.64</b> | <b>11258.63</b>  |
| <b>EXPENSES</b>                                                 |          |                 |                  |
| Cost of materials consumed                                      | 28       | 0.00            | 0.00             |
| Cost of construction & development charges                      | 29       | 16232.50        | 0.00             |
| Changes in inventories of stock-in-trade and work-in-progress   | 30       | 0.00            | 143.33           |
| Employee benefits expenses                                      | 31       | 6299.88         | 4393.48          |
| Finance costs                                                   | 32       | 6508.90         | 5912.54          |
| Depreciation and amortization expenses                          | 2-4      | 1901.13         | 1706.51          |
| Other expenses                                                  | 33       | 7833.77         | 15011.21         |
| <b>Total Expenses</b>                                           |          | <b>38776.18</b> | <b>27167.06</b>  |
| <b>Profit /(loss) before exceptional items and tax</b>          |          | <b>-9741.54</b> | <b>-15908.43</b> |
| <b>Exceptional Items</b>                                        | 34       | 19538.87        | -21243.86        |
| <b>Tax Expense :</b>                                            |          |                 |                  |
| (i) Current Tax                                                 |          | 4848.75         | 326.75           |
| (ii) Deferred Tax                                               |          | -42.01          | -29.12           |
| <b>Profit /(Loss) for the period</b>                            |          | <b>4990.59</b>  | <b>-37449.92</b> |
| <b>Other Comprehensive Income</b>                               |          | <b>0.00</b>     | <b>0.00</b>      |
| <b>Total Comprehensive Income for the period</b>                |          | <b>4990.59</b>  | <b>-37449.92</b> |
| <b>Allocation for the year</b>                                  |          |                 |                  |
| Share of Profit/(Loss) Attributable to Parent                   |          | 3382.77         | -36457.17        |
| Share of Profit/(Loss) Attributable to Non Controlling Interest |          | 1607.82         | -992.75          |
|                                                                 |          | <b>4990.59</b>  | <b>-37449.92</b> |
| <b>Earnings per equity share :</b>                              |          |                 |                  |
| (i) Basic (₹)                                                   |          | 1.32            | -9.88            |
| (ii) Diluted (₹)                                                |          | 1.32            | -9.88            |
| See accompanying additional notes to the financial statements   |          | 35              |                  |

For and on behalf of the Board

**Shirish Jaltare**  
 Whole Time Director  
 (DIN: 00070935)

**Vivek Chibba**  
 Director cum C.E.O.  
 (DIN: 06466844)

**Sunil Khandelwal**  
 Chief Financial Officer  
 PLACE: INDORE  
 DATE: 30.06.2021

**Deepak Meena**  
 Company Secretary  
 (ACS:41823)

As Per our report of even date attached  
**STATUTORY AUDITORS**  
 For **MAHENDRA BADJATYA & CO**  
**CHARTERED ACCOUNTANTS**  
 ICAI FRN 001457C

**CA NIRDESH BADJATYA**  
**PARTNER**  
 ICAI MNO 420388  
 ICAI UDIN: 21420388AAAAJE4306

**SILVER OAK (INDIA) LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 2020-2021**

**A. EQUITY SHARE CAPITAL**

| (Amount in '000) |                                                            |                                                                   |                                                 |           |
|------------------|------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------|-----------|
| 2019-2020        | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the year | 2020-2021 |
| 37902.00         | 0.00                                                       | 0.00                                                              | 0.00                                            | 37902.00  |

| (Amount in '000) |                                                            |                                                                    |                                                 |           |
|------------------|------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------|-----------|
| 2018-2019        | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the previous reporting period | Changes in equity share capital during the year | 2019-2020 |
| 37902.00         | 0.00                                                       | 0.00                                                               | 0.00                                            | 37902.00  |

**B. OTHER EQUITY**

(Amount in '000)

| PARTICULARS                                                       | Reserve and Surplus |                    |                 |                   |                                  | Total           |
|-------------------------------------------------------------------|---------------------|--------------------|-----------------|-------------------|----------------------------------|-----------------|
|                                                                   | Capital Reserve     | Securities Premium | General Reserve | Retained Earnings | Capital Reserve on Consolidation |                 |
| Balance at the beginning of the current reporting period          | 6784.00             | 6717.50            | 1054.95         | -80808.43         | 144932.23                        | 78680.24        |
| Changes in accounting policy/prior period errors                  | 0.00                | 0.00               | 0.00            | 0.00              |                                  | 0.00            |
| <b>Restated balances at the beginning of the reporting period</b> | <b>6784.00</b>      | <b>6717.50</b>     | <b>1054.95</b>  | <b>-80808.43</b>  | <b>144932.23</b>                 | <b>78680.24</b> |
| Profit/(Loss) for the Year                                        | 0.00                | 0.00               | 0.00            | 4990.59           | 2411.73                          | 7402.32         |
| Other Comprehensive Income for the Year                           | 0.00                | 0.00               | 0.00            | 0.00              | 0.00                             | 0.00            |
| <b>Total Comprehensive Income/(Loss) for the Year</b>             | <b>6784.00</b>      | <b>6717.50</b>     | <b>1054.95</b>  | <b>-75818</b>     | <b>147343.95</b>                 | <b>86082.56</b> |
| Transactions with owners in capacity as owners                    |                     |                    |                 |                   |                                  |                 |
| Dividends                                                         | 0.00                | 0.00               | 0.00            | 0.00              | 0.00                             | 0.00            |
| Bonus Shares                                                      | 0.00                | 0.00               | 0.00            | 0.00              | 0.00                             | 0.00            |
| Movement during the year                                          | 0.00                | 0.00               | 3500.00         | -7124.50          | -19952.92                        | -23577.42       |
| <b>Balance at the end of the current reporting period</b>         | <b>6784.00</b>      | <b>6717.50</b>     | <b>4554.95</b>  | <b>-82942.34</b>  | <b>127391.03</b>                 | <b>62505.14</b> |

(Amount in '000)

| PARTICULARS                                                       | Reserve and Surplus |                    |                 |                   |                                  | Total            |
|-------------------------------------------------------------------|---------------------|--------------------|-----------------|-------------------|----------------------------------|------------------|
|                                                                   | Capital Reserve     | Securities Premium | General Reserve | Retained Earnings | Capital Reserve on Consolidation |                  |
| Balance at the beginning of the previous reporting period         | 6784.00             | 6717.50            | 1054.95         | -45834.35         | 146421.36                        | 115143.45        |
| Changes in accounting policy/prior period errors                  | 0.00                | 0.00               | 0.00            | 0.00              | 0.00                             | 0.00             |
| <b>Restated balances at the beginning of the reporting period</b> | <b>6784.00</b>      | <b>6717.50</b>     | <b>1054.95</b>  | <b>-45834.35</b>  | <b>146421.36</b>                 | <b>115143.45</b> |
| Profit/(Loss) for the Year                                        | 0.00                | 0.00               | 0.00            | -37449.92         | -1489.13                         | -38939.05        |
| Other Comprehensive Income for the Year                           | 0.00                | 0.00               | 0.00            | 0.00              | 0.00                             | 0.00             |
| <b>Total Comprehensive Income/(Loss) for the Year</b>             | <b>6784.00</b>      | <b>6717.50</b>     | <b>1054.95</b>  | <b>-83284.28</b>  | <b>144932.23</b>                 | <b>76204.39</b>  |
| Transactions with owners in capacity as owners                    |                     |                    |                 |                   |                                  |                  |
| Dividends                                                         | 0.00                | 0.00               | 0.00            | 0.00              | 0.00                             | 0.00             |
| Bonus Shares                                                      | 0.00                | 0.00               | 0.00            | 0.00              | 0.00                             | 0.00             |
| Movement during the year                                          | 0.00                | 0.00               | 0.00            | 2475.85           | 0.00                             | 2475.85          |
| <b>Balance at the end of the previous reporting period</b>        | <b>6784.00</b>      | <b>6717.50</b>     | <b>1054.95</b>  | <b>-80808.43</b>  | <b>144932.23</b>                 | <b>78680.24</b>  |

For and on behalf of the Board

As Per our report of even date attached  
**STATUTORY AUDITORS**  
**For MAHENDRA BADJATYA & CO**  
**CHARTERED ACCOUNTANTS**  
ICAI FRN 001457C

Shirish Jaltare  
Whole Time Director  
(DIN: 00070935)

Vivek Chibba  
Director cum C.E.O.  
(DIN: 06466844)

Sunil Khandelwal  
Chief Financial Officer  
PLACE: INDORE  
DATE: 30.06.2021

Deepak Meena  
Company Secretary  
(ACS:41823)

CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAJE4306

**SILVER OAK (INDIA) LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 2020-2021**

| (Amount in '000)                                                            |                         |                  |
|-----------------------------------------------------------------------------|-------------------------|------------------|
| PARTICULARS                                                                 | 2020-2021               | 2019-2020        |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                  |                         |                  |
| <b>Net Profit before tax as per Profit and Loss Account</b>                 | <b>9797.33</b>          | <b>-37152.29</b> |
| Adjustment to reconcile netprofit to cash provided by operating activities: |                         |                  |
| Depreciation                                                                | 1901.13                 | 1706.51          |
| Interest Income and Dividend Income                                         | -13793.04               | -10117.26        |
| Interest paid                                                               | 6508.90                 | 5912.54          |
| Profit/ loss on sale of securities                                          | -19952.92               | 10.25            |
| Income Tax of Earlier Years                                                 | 395.04                  | 0.00             |
| <b>Changes in assets and liabilities:</b>                                   |                         |                  |
| Trade receivables and unbilled revenues                                     | 5319.48                 | 4599.72          |
| Inventories                                                                 | 5024.50                 | 18768.33         |
| Other financial assets and other assets                                     | -22526.80               | 29728.69         |
| Trade payables                                                              | 1162.11                 | -7331.26         |
| Other financial liabilities and other liabilities and provisions            | 61.04                   | -1128.30         |
| <b>Cash Generated from operations</b>                                       | <b>-26103.22</b>        | <b>4996.92</b>   |
| Income tax Paid                                                             | 4848.75                 | 326.75           |
| <b>Net Cash Generated by Operating Activities</b>                           | <b>(A) -30951.97</b>    | <b>4670.17</b>   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                  |                         |                  |
| Expenditure/ Sale of property, plant and equipments                         | -4329.58                | -3006.10         |
| Sale/ Expenditure on investments                                            | 5989.75                 | -5989.75         |
| Loan Granted                                                                | 30000.00                | -45000.00        |
| Investment in Fixed Deposits                                                | 10063.90                | 3376.45          |
| Interest and dividend received                                              | 13793.04                | 10117.26         |
| <b>Net Cash Used in Investing Activities</b>                                | <b>(B) 55517.12</b>     | <b>-39902.15</b> |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                  |                         |                  |
| Repayment/ proceeds of borrowings                                           | -6029.60                | 20689.05         |
| Interest paid                                                               | -6508.90                | -5912.54         |
| <b>Net Cash Used in Financing Activities</b>                                | <b>(C) -12538.50</b>    | <b>14776.50</b>  |
| <b>Net increase in cash and cash equivalents</b>                            | <b>(A+B+C) 12026.65</b> | <b>-20455.47</b> |
| Opening Balance of Cash and cash equivalents                                | 4952.60                 | 25408.07         |
| <b>Closing Balance of Cash and cash equivalents</b>                         | <b>16979.25</b>         | <b>4952.60</b>   |

**Notes to the Statement of Cash Flow :**

i) Reconciliation of Cash and cash equivalents with the Balance Sheet: (Amount in '000)

| PARTICULARS                                                    | 2020-2021 | 2019-2020 |
|----------------------------------------------------------------|-----------|-----------|
| Cash and cash equivalents as per Balance Sheet (Refer note 10) | 16979.25  | 4952.60   |

ii) The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flow'.

(iii) As per the amendment in Ind AS 7 'Statement of Cash Flow' : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

| PARTICULARS                                            | 2019-2020 | Financing cash flows | Non-cash changes          |                        |                       |               | 2020-2021 |
|--------------------------------------------------------|-----------|----------------------|---------------------------|------------------------|-----------------------|---------------|-----------|
|                                                        |           |                      | Acquisition of Subsidiary | Disposal of Subsidiary | Fair Value Adjustment | Other Changes |           |
| Borrowings as per Balance Sheet (Refer note 18 and 21) | 96829.60  | -6029.60             | 0.00                      | 0.00                   | 0.00                  | 0.00          | 90800.00  |

  

| PARTICULARS                                            | 2018-2019 | Financing cash flows | Non-cash changes          |                        |                       |               | 2019-2020 |
|--------------------------------------------------------|-----------|----------------------|---------------------------|------------------------|-----------------------|---------------|-----------|
|                                                        |           |                      | Acquisition of Subsidiary | Disposal of Subsidiary | Fair Value Adjustment | Other Changes |           |
| Borrowings as per Balance Sheet (Refer note 18 and 21) | 76140.55  | 20689.05             | 0.00                      | 0.00                   | 0.00                  | 0.00          | 96829.60  |

For and on behalf of the Board

As Per our report of even date attached  
**STATUTORY AUDITORS**  
For MAHENDRA BADJATYA & CO  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C

Shirish Jaltare  
Whole Time Director  
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Vivek Chibba  
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Chief Financial Officer  
PLACE: INDORE  
DATE: 30.06.2021

Deepak Meena  
Company Secretary  
(ACS:41823)

CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAJE4306

**NOTE 1:**

**Notes forming part of Consolidated Financial Statements for the year ended 31st March 2021**

(All amounts are in Indian Rupees in unless otherwise stated)

**A. Corporate Information**

SILVER OAK (INDIA) LIMITED (the 'Company') is a domestic public limited Company having its Registered office at Plot No. 110, Sector-I, Industrial Area, Pithampur, Dhar Madhya Pradesh – 454775. Company is listed at Bombay Stock Exchange Limited (BSE). The company is engaged in the business of manufacturing of Indian Made Foreign Liquor.

**B. Significant accounting policies**

**I. Basis of Preparation**

**a. Statement of compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India.

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated. All amounts have been rounded-off to the nearest multiple of Rupees, unless otherwise indicated.

**b. Use of Estimates, Judgments and Assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make certain judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (including contingent liabilities) and the accompanying disclosures. Future results could differ due to these estimates and differences between the actual results and the estimates are recognized in the periods in which the results are known / materialized. Estimates and underlying assumptions are reviewed on an ongoing basis.

**Significant estimates and assumptions are required in particular for:**



**i) Useful life of property, plant and equipment and intangible assets:**

This involves determination of the estimated useful life of property, plant and equipment and intangible assets and the assessment as to which components of the cost may be capitalized. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the nature of the asset, estimated usage, expected residual values and operating conditions of the asset. Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets.

**ii) Impairment of Non-Financial Asset:**

Determining whether property, plant and equipment and intangible assets are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the underlying assets or cash generating units. Further, the cash flow projections are based on estimates and assumptions relating to expected revenues, operational performance of the assets, market prices of related products or services, inflation, terminal value etc. which are considered reasonable by the management.

**iii) Taxes:**

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgment is also required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

**iv) Fair value measurement of financial instruments:**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the 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.

**v) Inventory Measurement**

Measurement of bulk inventory quantities of stock lying at warehouse/ ports/ yards is material, complex and involves significant judgments and estimate. The Company

performs physical counts of above inventory on a periodic basis using internal/external experts to perform surveys and assessments, basis which the estimate of quantity for these inventories is determined. The variations noted between book records and physical quantities of above inventories are evaluated and appropriately accounted in the books of accounts.

#### **vi) Principles of Consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

The consolidated financial statements have been prepared on the following basis:

#### **Subsidiaries**

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its power and involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are considered for consolidation when the Group obtains control over the subsidiary and are derecognized when the Group loses control of the subsidiary. Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains resulting on intra-group transactions are eliminated in full. Unrealized losses resulting from intra-group transactions are eliminated in arriving at the carrying amount of assets unless transaction provides an evidence of impairment of transferred asset.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the Statement of Profit and Loss and Consolidated Balance Sheet, separately from parent shareholders' equity, profit and loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

#### **c. Current & Non-Current Classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i) The asset/liability is expected to be realized/settled in the Company's normal operating cycle.
- ii) The asset is intended for sale or consumption.
- iii) The asset/liability is held primarily for the purpose of manufacturing.
- iv) The asset/liability is expected to be realized/settled within twelve months after the reporting period.
- v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

## **II. Summary of Significant Accounting Policies**

### **a) Foreign Currency Transactions and Translation**

- i) **Functional and presentation currency**  
The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.
- ii) **Transactions and Balances**  
Foreign currency transactions are translated into the functional currency, for initial recognition, using the exchange rates at the dates of the transactions.  
All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### **b) Cash & Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible

into known amounts of cash and which are subject to insignificant risk of changes in value.

**c) Property, Plant and Equipment**

**Recognition and Measurement:**

Property, Plant and Equipment, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour and allocation of overheads. Borrowing cost relating to acquisition/ construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

**Subsequent Measurement:**

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipment, including day-today repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

**Capital Work in Progress:**

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment. The cost of asset not ready for its intended use before the year end & capital inventory are disclosed under capital work in progress.

**Depreciation:**

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act,2013 or based on technical estimates. Depreciation on assets

acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

**Derecognition:**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognized in Statement of Profit and Loss.

**d) Investment Properties**

- i. Property which is held for long-term rental yields or for capital appreciation or both, is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- ii. The Company depreciates investment properties over their estimated useful lives, as specified in Schedule II to the Companies Act, 2013.
- iii. Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of Profit and Loss in the period in which the property is derecognized.

**e) Intangible Assets**

- i. Intangible assets are measured on initial recognition at cost and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles are not capitalized.
- ii. The intangible assets of the Company are assessed to be of finite lives and are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The Company reviews amortization period on an annual basis. Intangible assets are amortized on straight line basis as specified in Ind AS 38 and Schedule II to the Companies Act, 2013 or based on technical estimates.
- iii. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the

carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**f) Impairment of Non-Financial Assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assetsCGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

An impairment loss is recognized immediately in statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Non-Financial Assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

**g) Investment in Subsidiaries and associates**

Entities and Associates are measured at cost less impairment in accordance with Ind AS 27 "Separate Financial Statements".

#### **h) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to 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 data 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:

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

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

#### **i) 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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options, and embedded derivatives in the host contract.

### **I. Financial Assets**

The Company classifies financial assets and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

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

1. At amortized cost

Assets that are held for contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured. Interest income from these financial assets is recognized using the effective interest rate method.

2. At Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through FVOCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

3. At Fair Value through Profit & Loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in Statement of Profit and Loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

**Interest income:**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

**Equity instruments:**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net



assets. Ind AS 109 requires all investments in equity instruments and contracts on those instruments to be measured at fair value.

The Company subsequently measures all quoted equity investments at fair value. The company's management has elected to present fair value gains and losses on equity investments in profit and loss account.

The Company subsequently measures all un-quoted equity investments at cost based on the requirements of Ind AS 109, where in some limited circumstances cost is a more appropriate estimate of fair value, that may be the case if insufficient more recent information is available to measure the fair value or if there is a wide range of possible fair value measurements and cost represents the best estimate of the fair value within that range.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/ loss on fair value changes in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Gains and losses on equity investments at FVTPL are included in the Statement of Profit and Loss.

#### **Debt instruments:**

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables. Based on the factors, the Company classifies its debt instruments into one of the above three measurement categories.

#### **Derecognition**

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated inequity is recognized in Statement of Profit and Loss if such gain or loss would have otherwise been recognized in Statement of Profit and Loss on disposal of that financial asset.

#### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

##### **a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance:**

The Company follows general approach for recognition of impairment loss allowance for financials assets other than trade receivables. In general

approach, the financial asset is divided into 3 stages and the amount of ECL is recognized depending on the stage of the financial asset into consideration.

The loss under this approach is either based on the 12 months ECL or lifetime ECL. All financial assets falling in stage 1 is performing and requires 12 months ECL, whereas financial assets in stage 2 where the credit risk has increased significantly post recognition or financial assets in stage 3 which are credit impaired a lifetime ECL is required.

**b) Trade receivables:**

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**II. Financial Liabilities**

Financial liabilities are classified, at initial recognition as at amortized cost or fair value through profit or loss.

Loans and borrowings

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.

**Derecognition of Financial Liability**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition 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 or loss.

**III. Derivative financial instruments**

The Company uses derivative financial instruments such as forward and options currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized and subsequently measured at fair value through profit or loss (FVTPL). Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognized in the Statement of Profit and Loss and reported with foreign exchange gains/ (loss). Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial

instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

**j) Income Taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

**I. Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax (including Minimum Alternate Tax (MAT)) is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income (OCI) or 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.

**II. Deferred Tax**

Deferred tax is recognized using the Balance Sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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. The carrying amount of unrecognized deferred tax assets are reviewed at each reporting date to assess their realizability and corresponding adjustment is made to carrying values of deferred tax assets in the financial statements.

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 assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset.

Deferred tax includes MAT tax credit. The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

#### **k) Inventories**

- I. Inventories are valued at lower of cost or net realizable value.
- II. Cost of inventories have been computed to include all costs of purchases, cost of conversion, all non-refundable duties & taxes and other costs incurred in bringing the inventories to their present location and condition.
- III. The basis of determining cost for various categories of inventories are as follows:  
Raw material: Weighted Average Method  
Packing material: Weighted Average Method  
Finished goods: First in first out (FIFO) basis
- IV. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage/ excess stock is given based on the available evidence and past experience of the Company.

#### **l) Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized for when the Company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more future events not wholly in control of the Company are not recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the financial statements.

Contingent assets are not recognized in the financial statements. the nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

#### **m) Revenue Recognition**

Revenue from contract with customer is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes or amounts collected from customers in its capacity as agent.

The specific recognition criteria from various stream of revenue are described below:

##### **I. Sale of Goods**

Revenue from the sale of goods is recognized when the control of the goods has been passed to the customer as per the terms of agreement and there is no continuing effective control or managerial involvement with the goods.

##### **II. Rendering of Services**

Revenue from services rendered is recognized when the work is performed and as per the terms of agreement.

##### **III. Dividends**

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

##### **IV. Interest Income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **n) Employee Benefits**

Retirement benefits in the form of Provident Fund & Other Fund are paid & charged to the Statement of Profit and Loss for the year when contributions to the respective Funds are due.

Gratuity liability under the Payment of Gratuity Act is paid & charged to the Statement of Profit and Loss for the year when contributions to the LIC Group Gratuity trust is paid.

**o) Cash Flow Statement**

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

**p) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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. Borrowing costs consist of interest and transaction costs that an entity incurs in connection with the borrowing of funds. Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs.

**q) Earnings Per Share**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted PS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of equity shares, for the effects of all dilutive potential equity shares.

**r) Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**s) Expenditure**

Expenses are net of taxes recoverable, wherever applicable.

**SILVER OAK (INDIA) LIMITED**

**NOTE - 2  
PROPERTY PLANT & EQUIPMENT  
2020-2021**

(Amount in '000)

| PARTICULARS            | GROSS BLOCK              |                |             | ACUUMULATED DEPRECIATION |                          |               |                        |                    | NET BLOCK       |                 |
|------------------------|--------------------------|----------------|-------------|--------------------------|--------------------------|---------------|------------------------|--------------------|-----------------|-----------------|
|                        | BALANCE AS AT 01.04.2020 | ADDITIONS      | DEDUCTION   | BALANCE AS AT 31.03.2021 | BALANCE AS AT 01.04.2020 | FOR THE YEAR  | DEDUCTION & ADJUSTMENT | TOTAL DEPRECIATION | AS AT 31.3.2021 | AS AT 31.3.2020 |
| <b>TANGIBLE ASSETS</b> |                          |                |             |                          |                          |               |                        |                    |                 |                 |
| Land (Leasehold)       | 363.94                   | 0.00           | 0.00        | 363.94                   | 0.00                     | 0.00          | 0.00                   | 0.00               | 363.94          | 363.94          |
| Factory Building       | 6906.47                  | 1305.02        | 0.00        | 8211.49                  | 3910.33                  | 115.46        | 0.00                   | 4025.80            | 4185.69         | 2996.14         |
| Well                   | 52.75                    | 0.00           | 0.00        | 52.75                    | 32.01                    | 0.00          | 0.00                   | 32.01              | 20.74           | 20.74           |
| Plant & Machinery      | 13012.56                 | 2645.79        | 0.00        | 15658.35                 | 8596.75                  | 315.33        | 0.00                   | 8912.08            | 6746.27         | 4415.81         |
| Electric Installation  | 253.36                   | 0.00           | 0.00        | 253.36                   | 106.06                   | 0.00          | 0.00                   | 106.06             | 147.30          | 147.30          |
| Furniture & Fixtures   | 1114.68                  | 0.00           | 0.00        | 1114.68                  | 879.08                   | 52.10         | 0.00                   | 931.18             | 183.51          | 235.61          |
| Fire Extinguishers     | 80.91                    | 0.00           | 0.00        | 80.91                    | 77.12                    | 0.00          | 0.00                   | 77.12              | 3.79            | 3.79            |
| Vehicles               | 4404.33                  | 0.00           | 0.00        | 4404.33                  | 3037.63                  | 287.75        | 0.00                   | 3325.38            | 1078.95         | 1366.70         |
| Office Equipments      | 1266.23                  | 378.78         | 0.00        | 1645.01                  | 968.37                   | 157.01        | 0.00                   | 1125.38            | 519.63          | 297.86          |
| Computer Accessories   | 466.48                   | 0.00           | 0.00        | 466.48                   | 354.62                   | 44.71         | 0.00                   | 399.33             | 67.14           | 111.86          |
| <b>Current Year</b>    | <b>27921.71</b>          | <b>4329.58</b> | <b>0.00</b> | <b>32251.29</b>          | <b>17961.98</b>          | <b>972.37</b> | <b>0.00</b>            | <b>18934.34</b>    | <b>13316.95</b> | <b>9959.74</b>  |
| <b>Previous Year</b>   | <b>27661.21</b>          | <b>260.50</b>  | <b>0.00</b> | <b>27661.21</b>          | <b>17031.70</b>          | <b>930.28</b> | <b>0.00</b>            | <b>17961.98</b>    | <b>9959.74</b>  | <b>10629.51</b> |

During the year, the Company has not carried out any revaluation.

**2019-2020**

(Amount in '000)

| PARTICULARS            | GROSS BLOCK              |               |                | ACUUMULATED DEPRECIATION |                          |                |                        |                    | NET BLOCK       |                 |
|------------------------|--------------------------|---------------|----------------|--------------------------|--------------------------|----------------|------------------------|--------------------|-----------------|-----------------|
|                        | BALANCE AS AT 01.04.2019 | ADDITIONS     | DEDUCTION      | BALANCE AS AT 31.03.2020 | BALANCE AS AT 01.04.2019 | FOR THE YEAR   | DEDUCTION & ADJUSTMENT | TOTAL DEPRECIATION | AS AT 31.3.2020 | AS AT 31.3.2019 |
| <b>TANGIBLE ASSETS</b> |                          |               |                |                          |                          |                |                        |                    |                 |                 |
| Land (Leasehold)       | 363.94                   | 0.00          | 0.00           | 363.94                   | 0.00                     | 0.00           | 0.00                   | 0.00               | 363.94          | 363.94          |
| Factory Building       | 6906.47                  | 0.00          | 0.00           | 6906.47                  | 3801.80                  | 108.53         | 0.00                   | 3910.33            | 2996.14         | 3104.67         |
| Well                   | 52.75                    | 0.00          | 0.00           | 52.75                    | 32.01                    | 0.00           | 0.00                   | 32.01              | 20.74           | 20.74           |
| Plant & Machinery      | 13012.56                 | 0.00          | 0.00           | 13012.56                 | 8384.17                  | 212.58         | 0.00                   | 8596.75            | 4415.81         | 4628.39         |
| Electric Installation  | 253.36                   | 0.00          | 0.00           | 253.36                   | 106.06                   | 0.00           | 0.00                   | 106.06             | 147.30          | 147.30          |
| Furniture & Fixtures   | 854.18                   | 260.50        | 0.00           | 1114.68                  | 849.70                   | 29.37          | 0.00                   | 879.08             | 235.61          | 4.48            |
| Fire Extinguishers     | 80.91                    | 0.00          | 0.00           | 80.91                    | 77.12                    | 0.00           | 0.00                   | 77.12              | 3.79            | 3.79            |
| Vehicles               | 4404.33                  | 0.00          | 0.00           | 4404.33                  | 2613.35                  | 424.29         | 0.00                   | 3037.63            | 1366.70         | 1790.99         |
| Office Equipments      | 1266.23                  | 0.00          | 0.00           | 1266.23                  | 862.48                   | 105.90         | 0.00                   | 968.37             | 297.86          | 403.75          |
| Computer Accessories   | 466.48                   | 0.00          | 0.00           | 466.48                   | 305.01                   | 49.61          | 0.00                   | 354.62             | 111.86          | 161.47          |
| <b>Current Year</b>    | <b>27661.21</b>          | <b>260.50</b> | <b>0.00</b>    | <b>27921.71</b>          | <b>17031.70</b>          | <b>930.28</b>  | <b>0.00</b>            | <b>17961.98</b>    | <b>9959.74</b>  | <b>10629.51</b> |
| <b>Previous Year</b>   | <b>31253.24</b>          | <b>0.00</b>   | <b>3592.03</b> | <b>27661.21</b>          | <b>17213.20</b>          | <b>1121.20</b> | <b>1302.69</b>         | <b>17031.70</b>    | <b>10629.51</b> | <b>14040.04</b> |

During the year, the Company has not carried out any revaluation.

**NOTE:**

- Gross Block includes Rs. 5427081/- added on revaluation of Land, Factory Building, Well, Plant & Machinery & Electric Installation as at 31.03.1993 based on report issued by valuers.

**NOTE - 3  
RIGHT TO USE ASSETS  
2020-2021**

(Amount in '000)

| PARTICULARS          | GROSS BLOCK              |                |             | ACUUMULATED DEPRECIATION |                          |               |                        |                    | NET BLOCK       |                 |
|----------------------|--------------------------|----------------|-------------|--------------------------|--------------------------|---------------|------------------------|--------------------|-----------------|-----------------|
|                      | BALANCE AS AT 01.04.2020 | ADDITIONS      | DEDUCTION   | BALANCE AS AT 31.03.2021 | BALANCE AS AT 01.04.2020 | FOR THE YEAR  | DEDUCTION & ADJUSTMENT | TOTAL DEPRECIATION | AS AT 31.3.2021 | AS AT 31.3.2020 |
| Building (APT)       | 2745.60                  | 0.00           | 0.00        | 2745.60                  | 762.67                   | 915.20        | 0.00                   | 1677.87            | 1067.73         | 1982.94         |
| <b>Current Year</b>  | <b>2745.60</b>           | <b>0.00</b>    | <b>0.00</b> | <b>2745.60</b>           | <b>762.67</b>            | <b>915.20</b> | <b>0.00</b>            | <b>1677.87</b>     | <b>1067.73</b>  | <b>1982.94</b>  |
| <b>Previous Year</b> | <b>0.00</b>              | <b>2745.60</b> | <b>0.00</b> | <b>2745.60</b>           | <b>0.00</b>              | <b>762.67</b> | <b>0.00</b>            | <b>762.67</b>      | <b>1982.94</b>  | <b>0.00</b>     |

**2019-2020**

(Amount in '000)

| PARTICULARS          | GROSS BLOCK              |                |             | ACUUMULATED DEPRECIATION |                          |               |                        |                    | NET BLOCK       |                 |
|----------------------|--------------------------|----------------|-------------|--------------------------|--------------------------|---------------|------------------------|--------------------|-----------------|-----------------|
|                      | BALANCE AS AT 01.04.2019 | ADDITIONS      | DEDUCTION   | BALANCE AS AT 31.03.2020 | BALANCE AS AT 01.04.2019 | FOR THE YEAR  | DEDUCTION & ADJUSTMENT | TOTAL DEPRECIATION | AS AT 31.3.2020 | AS AT 31.3.2019 |
| Building (APT)       | 0.00                     | 2745.60        | 0.00        | 2745.60                  | 0.00                     | 762.67        | 0.00                   | 762.67             | 1982.94         | 0.00            |
| <b>Current Year</b>  | <b>0.00</b>              | <b>2745.60</b> | <b>0.00</b> | <b>2745.60</b>           | <b>0.00</b>              | <b>762.67</b> | <b>0.00</b>            | <b>762.67</b>      | <b>1982.94</b>  | <b>0.00</b>     |
| <b>Previous Year</b> | <b>0.00</b>              | <b>0.00</b>    | <b>0.00</b> | <b>0.00</b>              | <b>0.00</b>              | <b>0.00</b>   | <b>0.00</b>            | <b>0.00</b>        | <b>0.00</b>     | <b>0.00</b>     |

During the year, the Company has not carried out any revaluation.

**NOTE - 4  
OTHER INTANGIBLE ASSETS  
2020-2021**

(Amount in '000)

| PARTICULARS          | GROSS BLOCK              |             |             | ACUUMULATED DEPRECIATION |                          |              |                        |                    | NET BLOCK       |                 |
|----------------------|--------------------------|-------------|-------------|--------------------------|--------------------------|--------------|------------------------|--------------------|-----------------|-----------------|
|                      | BALANCE AS AT 01.04.2020 | ADDITIONS   | DEDUCTION   | BALANCE AS AT 31.03.2021 | BALANCE AS AT 01.04.2020 | FOR THE YEAR | DEDUCTION & ADJUSTMENT | TOTAL DEPRECIATION | AS AT 31.3.2021 | AS AT 31.3.2020 |
| Computer software    | 58.15                    | 0.00        | 0.00        | 58.15                    | 43.13                    | 13.56        | 0.00                   | 56.69              | 1.46            | 15.02           |
| <b>Current Year</b>  | <b>58.15</b>             | <b>0.00</b> | <b>0.00</b> | <b>58.15</b>             | <b>43.13</b>             | <b>13.56</b> | <b>0.00</b>            | <b>56.69</b>       | <b>1.46</b>     | <b>15.02</b>    |
| <b>Previous Year</b> | <b>58.15</b>             | <b>0.00</b> | <b>0.00</b> | <b>58.15</b>             | <b>29.57</b>             | <b>13.56</b> | <b>0.00</b>            | <b>43.13</b>       | <b>15.02</b>    | <b>28.58</b>    |

**2019-2020**

(Amount in '000)

| PARTICULARS          | GROSS BLOCK              |             |             | ACUUMULATED DEPRECIATION |                          |              |                        |                    | NET BLOCK       |                 |
|----------------------|--------------------------|-------------|-------------|--------------------------|--------------------------|--------------|------------------------|--------------------|-----------------|-----------------|
|                      | BALANCE AS AT 01.04.2019 | ADDITIONS   | DEDUCTION   | BALANCE AS AT 31.03.2020 | BALANCE AS AT 01.04.2019 | FOR THE YEAR | DEDUCTION & ADJUSTMENT | TOTAL DEPRECIATION | AS AT 31.3.2020 | AS AT 31.3.2019 |
| Computer software    | 58.15                    | 0.00        | 0.00        | 58.15                    | 29.57                    | 13.56        | 0.00                   | 43.13              | 15.02           | 28.58           |
| <b>Current Year</b>  | <b>58.15</b>             | <b>0.00</b> | <b>0.00</b> | <b>58.15</b>             | <b>29.57</b>             | <b>13.56</b> | <b>0.00</b>            | <b>43.13</b>       | <b>15.02</b>    | <b>28.58</b>    |
| <b>Previous Year</b> | <b>58.15</b>             | <b>0.00</b> | <b>0.00</b> | <b>58.15</b>             | <b>14.31</b>             | <b>0.00</b>  | <b>0.00</b>            | <b>29.57</b>       | <b>28.58</b>    | <b>43.84</b>    |

During the year, the Company has not carried out any revaluation.



**SILVER OAK (INDIA) LIMITED**

**NOTE - 5**

**INVESTMENTS**

(Amount in '000)

| PARTICULARS                                                                                    | 2020-2021       | 2019-2020       |
|------------------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>Investments in Equity shares of Related concerns of subsidiary company</b>                  |                 |                 |
| ROCOCO Mining Technologies Pvt Ltd.<br>(4990 (Nil) equity shares of Rs. 10 each, fully paid)   | 26888.30        | 26888.30        |
| SVR Realtors Private Limited<br>(230000 (Nil) equity shares of Rs. 10 each, fully paid)        | 57643.75        | 57643.75        |
| <b>Investment in partnership firm of subsidiary company*</b>                                   |                 |                 |
| Trinesh Infra LLP                                                                              | 0.00            | 6000.00         |
| Less: Provision for share in loss<br>(33.33% (Previous Year Nil) in total capital of the firm) | 0.00            | -10.25          |
| <b>Total</b>                                                                                   | <b>84532.05</b> | <b>90521.80</b> |

\*During the year 2020-21, the Company ceased to be the partner in Trinesh Infra LLP and received back its capital contribution in the LLP firm.

| PARTICULARS                                                                            | Name of partners                                                                     | Capital contribution as at 31/03/2020 | Share of each partner      |
|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------|----------------------------|
| Trinesh Infra LLP<br>(Total capital of the firm as per LLP Agreement - ₹1,80,00,000/-) | APT Infrastructure Private Limited<br>Mr. Madhu Sudhan Jhawar<br>Mr. Sandeep Gujrati | 6000.00<br>2000.00<br>0.00            | 33.33%<br>33.33%<br>33.33% |
|                                                                                        |                                                                                      | <b>8000.00</b>                        | <b>100.00%</b>             |

**NOTE - 6**

**TRADE RECEIVABLES (Non- Current)**

(Amount in '000)

| PARTICULARS                                                 | 2020-2021    | 2019-2020     |
|-------------------------------------------------------------|--------------|---------------|
| <b>(Unsecured, considered good unless otherwise stated)</b> |              |               |
| Considered Good                                             | 54.60        | 341.95        |
| Considered Impaired                                         | 0.00         | 0.00          |
| Less: Allowance for Credit Losses                           | 0.00         | 0.00          |
| <b>Total</b>                                                | <b>54.60</b> | <b>341.95</b> |

**Trade Receivables ageing schedule:**

| PARTICULARS                                                                        | 2020-2021                                                  |                  |           |           |                   | Total |
|------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|-------|
|                                                                                    | Outstanding for following periods from due date of payment |                  |           |           |                   |       |
|                                                                                    | Less than 6 months                                         | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |       |
| (i) Undisputed Trade receivables – considered good                                 | 0.00                                                       | 0.00             | 0.00      | 0.00      | 54.60             | 54.60 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00  |
| (iii) Undisputed Trade Receivables – credit impaired                               | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00  |
| (iv) Disputed Trade Receivables–considered good                                    | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00  |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00  |
| (vi) Disputed Trade Receivables – credit impaired                                  | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00  |

| PARTICULARS                                                                        | 2019-2020                                                  |                  |           |           |                   | Total  |
|------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|--------|
|                                                                                    | Outstanding for following periods from due date of payment |                  |           |           |                   |        |
|                                                                                    | Less than 6 months                                         | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |        |
| (i) Undisputed Trade receivables – considered good                                 | 0.00                                                       | 0.00             | 0.00      | 0.00      | 341.95            | 341.95 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00   |
| (iii) Undisputed Trade Receivables – credit impaired                               | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00   |
| (iv) Disputed Trade Receivables–considered good                                    | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00   |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00   |
| (vi) Disputed Trade Receivables – credit impaired                                  | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00   |

**NOTE - 7**

**OTHER NON CURRENT FINANCIAL ASSETS**

(Amount in '000)

| PARTICULARS                                                      | 2020-2021       | 2019-2020      |
|------------------------------------------------------------------|-----------------|----------------|
| <b>Considered Good, Unsecured</b>                                |                 |                |
| Security Deposits                                                | 1725.41         | 1698.01        |
| Interest accrued on fixed deposits                               | 936.85          | 0.00           |
| Fixed deposits with maturity for more 12 months #(refer note 11) | 45750.89        | 0.00           |
| Other Deposits                                                   | 3000.00         | 3000.00        |
| <b>Total</b>                                                     | <b>51413.15</b> | <b>4698.01</b> |

# Deposits with bank for the year includes deposit held as margin money/security against the bank guarantee amounting to ₹1.25 crores.

**SILVER OAK (INDIA) LIMITED**

**NOTE - 8**

**INVENTORIES**

(As taken, valued and certified by management)

(Amount in '000)

| PARTICULARS                                                                                                                         | 2020-2021      | 2019-2020       |
|-------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------|
| i) Raw materials*                                                                                                                   | 3052.21        | 3052.21         |
| ii) Packing materials                                                                                                               | 1956.82        | 2910.74         |
| iii) Finished goods (Liquor)                                                                                                        | 1189.41        | 1189.41         |
| iv) Work-in-progress                                                                                                                | 733.77         | 733.77          |
| v) Project work in progress                                                                                                         | 0.00           | 1981461.50      |
| Less: Year to date proportionate construction cost related to sale of residential units transferred to statement of Profit and Loss | 0.00           | -1977390.93     |
| <b>Total</b>                                                                                                                        | <b>6932.20</b> | <b>11956.70</b> |

\* Includes consumables

**NOTE - 9**

**TRADE RECEIVABLES (Current)**

(Amount in '000)

| PARTICULARS                                                 | 2020-2021      | 2019-2020       |
|-------------------------------------------------------------|----------------|-----------------|
| <b>(Unsecured, considered good unless otherwise stated)</b> |                |                 |
| Considered Good                                             | 8425.40        | 13457.53        |
| Considered Impaired                                         | 5001.27        | 7912.07         |
| Less: Allowance for Credit Losses                           | -5001.27       | -7912.07        |
| <b>Total</b>                                                | <b>8425.40</b> | <b>13457.53</b> |

**Trade Receivables ageing schedule:**

| PARTICULARS                                                                        | 2020-2021                                                  |                  |           |           |                   | Total   |
|------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|---------|
|                                                                                    | Outstanding for following periods from due date of payment |                  |           |           |                   |         |
|                                                                                    | Less than 6 months                                         | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |         |
| (i) Undisputed Trade receivables – considered good                                 | 0.00                                                       | 0.00             | 0.00      | 0.00      | 8425.40           | 8425.40 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |
| (iii) Undisputed Trade Receivables – credit impaired                               | 0.00                                                       | 0.00             | 0.00      | 0.00      | 5001.27           | 5001.27 |
| (iv) Disputed Trade Receivables–considered good                                    | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |
| (vi) Disputed Trade Receivables – credit impaired                                  | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00    |

| PARTICULARS                                                                        | 2019-2020                                                  |                  |           |           |                   | Total    |
|------------------------------------------------------------------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|----------|
|                                                                                    | Outstanding for following periods from due date of payment |                  |           |           |                   |          |
|                                                                                    | Less than 6 months                                         | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |          |
| (i) Undisputed Trade receivables – considered good                                 | 0.00                                                       | 0.00             | 0.00      | 0.00      | 13457.53          | 13457.53 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00     |
| (iii) Undisputed Trade Receivables – credit impaired                               | 0.00                                                       | 0.00             | 0.00      | 0.00      | 7912.07           | 7912.07  |
| (iv) Disputed Trade Receivables–considered good                                    | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00     |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00     |
| (vi) Disputed Trade Receivables – credit impaired                                  | 0.00                                                       | 0.00             | 0.00      | 0.00      | 0.00              | 0.00     |

**NOTE - 10**

**CASH AND CASH EQUIVALENTS**

(Amount in '000)

| PARTICULARS                | 2020-2021       | 2019-2020      |
|----------------------------|-----------------|----------------|
| <b>Balances with Banks</b> |                 |                |
| In Current Accounts        | 15736.84        | 3800.82        |
| Deposit with Banks #       | 1160.16         | 1095.53        |
| <b>Cash on Hand</b>        | 82.25           | 56.26          |
| <b>Total</b>               | <b>16979.25</b> | <b>4952.60</b> |

# Fixed Deposits ` 10.56 Lac [Previous Year 9.57 Lac] are held with Govt. Authorities as Gurantee or Security deposits with original maturity period of less than 12 months.

**NOTE - 11**

**OTHER BANK BALANCES**

(Amount in '000)

| PARTICULARS                                                                                                                  | 2020-2021       | 2019-2020       |
|------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>Balances with Banks</b>                                                                                                   |                 |                 |
| Deposit with bank (having original maturity of more than three months but less than twelve months from Balance sheet date) # | 75644.37        | 39957.38        |
| Less: Disclosed as other financial assets (refer note 7)                                                                     | 45750.89        | 0.00            |
| <b>Total</b>                                                                                                                 | <b>29893.48</b> | <b>39957.38</b> |

# Deposits with bank for the year includes deposit held as margin money/security against the bank guarantee amounting to ₹1.42 crores (previous year ₹2.56 crores).

**NOTE - 12****LOANS**

(Amount in '000)

| <b>PARTICULARS</b>                                       | <b>2020-2021</b> | <b>2019-2020</b> |
|----------------------------------------------------------|------------------|------------------|
| <b>(Unsecured and considered good)</b>                   |                  |                  |
| (i) Due from firm in which the Company was/ is partner ^ |                  |                  |
| - Considered good                                        | 40000.00         | 40000.00         |
| - Considered impaired                                    | 0.00             | 0.00             |
| (ii) Other Loans and advances                            | 26000.00         | 56000.00         |
| <b>Total</b>                                             | <b>66000.00</b>  | <b>96000.00</b>  |

^ During the year, the Company ceased to be the partner in Trinesh Infra LLP.

**NOTE - 13****OTHER FINANCIAL ASSETS**

(Amount in '000)

| <b>PARTICULARS</b>                     | <b>2020-2021</b> | <b>2019-2020</b> |
|----------------------------------------|------------------|------------------|
| <b>(Unsecured and considered good)</b> |                  |                  |
| Security Deposit                       | 0.00             | 20000.00         |
| Interest accrued on fixed deposits     | 272.32           | 1594.67          |
| Other interest receivables             | 5999.23          | 7126.57          |
| Recoverable from Related Party         | 13700.19         | 13670.55         |
| <b>Total</b>                           | <b>19971.74</b>  | <b>42391.79</b>  |

**NOTE - 14****OTHER CURRENT ASSETS**

(Amount in '000)

| <b>PARTICULARS</b>                                          | <b>2020-2021</b> | <b>2019-2020</b> |
|-------------------------------------------------------------|------------------|------------------|
| <b>(Unsecured, Considered good unless otherwise stated)</b> |                  |                  |
| Balances with Statutory/ Revenue authorities                | 6228.91          | 6409.80          |
| Advance to suppliers & others                               | 251.00           | 265.18           |
| Prepaid Expenses                                            | 613.32           | 1280.68          |
| Imprest advance                                             | 13.52            | 36.73            |
| Other Recoverables                                          | 162.98           | 678.86           |
| TDS, advance tax net of provision for income tax            | 581.55           | 948.34           |
| <b>Total</b>                                                | <b>7851.29</b>   | <b>9619.58</b>   |

**SILVER OAK (INDIA) LIMITED**

**NOTE - 15**

**EQUITY SHARE CAPITAL**

(Amount in '000)

| PARTICULARS                             | 2020-2021      |                 | 2019-2020      |                 |
|-----------------------------------------|----------------|-----------------|----------------|-----------------|
|                                         | Number         | Amount          | Number         | Amount          |
| <b>AUTHORISED</b>                       |                |                 |                |                 |
| Equity Shares of ₹ 10/- each            | 4250000        | 42500.00        | 4250000        | 42500.00        |
| <b>Total</b>                            | <b>4250000</b> | <b>42500.00</b> | <b>4250000</b> | <b>42500.00</b> |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP</b> |                |                 |                |                 |
| Equity Shares of ₹ 10/- each            | 3790200        | 37902.00        | 3790200        | 37902.00        |
| <b>Total</b>                            | <b>3790200</b> | <b>37902.00</b> | <b>3790200</b> | <b>37902.00</b> |

**a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period:**

(Amount in '000)

| Particulars                               | 2020-2021      |                 | 2019-2020      |                 |
|-------------------------------------------|----------------|-----------------|----------------|-----------------|
|                                           | Number         | Amount          | Number         | Amount          |
| Outstanding at the beginning of the year  | 3790200        | 37902.00        | 3790200        | 37902.00        |
| Issued during the year                    | 0              | 0.00            | 0              | 0.00            |
| Bought back during the year               | 0              | 0.00            | 0              | 0.00            |
| <b>Outstanding at the end of the year</b> | <b>3790200</b> | <b>37902.00</b> | <b>3790200</b> | <b>37902.00</b> |

**b) Terms / Rights attached to Equity Shares:**

The company has only one class of shares i.e. equity shares having a par value of Rs.10/- 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 dividend, if proposed, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The company has not issued any share without payment being received in cash by way of bonus (if any) or in pursuant to any contract during the period of last five years.

The company has not bought back any share during the period of last five years.

**c) Details of shareholders holding more than 5% shares of the company:**

| Name of Shareholders                                  | 2020-2021      |               | 2019-2020      |               |
|-------------------------------------------------------|----------------|---------------|----------------|---------------|
|                                                       | Number         | % of Holding  | Number         | % of Holding  |
| Royal Highland Distilleries Limited (Holding Company) | 2267748        | 59.83%        | 2267748        | 59.83%        |
| Kaveri Dealers Private Limited                        | 448590         | 11.84%        | 448590         | 11.84%        |
| Mrs. Gurveen Kaur Bhatia                              | 219502         | 5.79%         | 219502         | 5.79%         |
| <b>Total</b>                                          | <b>2935840</b> | <b>77.46%</b> | <b>2935840</b> | <b>77.46%</b> |

**d) Shares held by promoters at the end of the year:**

| Name of Shareholders                                  | 2020-2021      |               | 2019-2020      |               | % Change during the year |
|-------------------------------------------------------|----------------|---------------|----------------|---------------|--------------------------|
|                                                       | Number         | % of Holding  | Number         | % of Holding  |                          |
| Royal Highland Distilleries Limited (Holding Company) | 2267748        | 59.83%        | 2267748        | 59.83%        | 0.00                     |
| <b>Total</b>                                          | <b>2267748</b> | <b>59.83%</b> | <b>2267748</b> | <b>59.83%</b> | <b>0.00</b>              |

**NOTE - 16**

**OTHER EQUITY**

(Amount in '000)

| PARTICULARS                                                                | 2020-2021        | 2019-2020        |
|----------------------------------------------------------------------------|------------------|------------------|
| <b>Securities Premium</b>                                                  |                  |                  |
| Balance as per last year                                                   | 6717.50          | 6717.50          |
| <b>General Reserve</b>                                                     |                  |                  |
| Balance as per last year                                                   | 1054.95          | 1054.95          |
| Add: On account of redemption of debentures                                | 3500.00          | 0.00             |
| <b>Closing Balance</b>                                                     | <b>4554.95</b>   | <b>1054.95</b>   |
| <b>Capital Reserve</b>                                                     |                  |                  |
| Balance as per last year                                                   | 6784.00          | 6784.00          |
| <b>Capital Reserve on Consolidation</b>                                    |                  |                  |
| Opening Balance                                                            | 144932.23        | 146421.36        |
| Add: Transferred from Surplus in Consolidated Statement of Profit and Loss | 2411.73          | -1489.13         |
| Less: On account of redemption of debentures                               | -19952.92        | 0.00             |
| <b>Closing Balance</b>                                                     | <b>127391.03</b> | <b>144932.23</b> |
| <b>Retained earnings</b>                                                   |                  |                  |
| Opening Balance                                                            | -80808.43        | -45834.35        |
| Add: Surplus/ (Deficit) in statement of Profit & Loss                      | 4990.59          | -37449.92        |
| Add: Income Tax of Prior Period                                            | 395.04           | -6.04            |
| Less: Transfer to general reserve on redemption of debentures              | -3500.00         | 0.00             |
| Less: Transfer to Non Controlling Interest                                 | -1607.82         | 992.75           |
| Less: Transfer to Capital Reserve on Consolidation                         | -2411.73         | 1489.13          |
| <b>Closing Balance</b>                                                     | <b>-82942.34</b> | <b>-80808.43</b> |
| <b>Total</b>                                                               | <b>62505.14</b>  | <b>78680.24</b>  |

**Nature and purpose of Reserves:**

**Securities premium:** Securities premium reserve is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**General reserve:** The general reserve represents debenture redemption reserve transferred after redemption of debentures. The reserve is to be utilised in accordance with the provisions of the Companies Act.

**Capital Reserve:** The Reserve is created based on statutory requirement under the Companies Act, 2013. This is not available for distribution of dividend but can be utilized for issuing bonus shares.

**Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, other distributions paid to shareholders.

**NOTE - 17**

**NON- CONTROLLING INTEREST**

(Amount in '000)

| PARTICULARS                                                                | 2020-2021       | 2019-2020       |
|----------------------------------------------------------------------------|-----------------|-----------------|
| Non Controlling Interest on Consolidation                                  | 87340.84        | 88333.59        |
| Add: Transferred from Surplus in Consolidated Statement of Profit and Loss | 1607.82         | -992.75         |
| <b>Total</b>                                                               | <b>88948.65</b> | <b>87340.84</b> |

**SILVER OAK (INDIA) LIMITED**

**NOTE - 18**

**BORROWINGS (NON CURRENT)**

(Amount in '000)

| PARTICULARS                         | 2020-2021       | 2019-2020       |
|-------------------------------------|-----------------|-----------------|
| <b>Unsecured Loans</b>              |                 |                 |
| Debentures                          |                 |                 |
| - Compulsory Convertible Debentures | 25000.00        | 25000.00        |
| <b>Total</b>                        | <b>25000.00</b> | <b>25000.00</b> |

As per the terms of Compulsorily Convertible Debentures (CCDs), 12000 CCDs of face value Rs 5000/- each were compulsorily convertible into Class A equity shares at the end of sixty (60) months from the date of issue of these CCDs i.e. at June 8, 2020. However, on May 29, 2020, the Company with prior consent of the CCD holders have extended the conversion date from June 8, 2020 to June 8, 2025. These CCDs are convertible on the basis of fair valuation of shares or at such number of shares as may be permitted by law in force at the time of conversion (i.e. convertible into variable number of shares), subject to further modification, variation or abrogation with the written consent of the investors. During the year, on the approval of CCD holders and consent of the members of the Company, 7000 CCDs were converted into Redeemable Optionally Convertible Debentures (ROCDs) and which were redeemed at face value. Since CCDs were/are convertible into variable number of equity shares based on the fair value as on date of conversion, number of shares to be issued on exercise of conversion option is not certain i.e. are variable and hence in accordance with Para 16 of IND AS 32 Financial Instruments: Presentation, CCDs have been classified as a liability. CCDs are zero rated debentures and hence, the above amount represents best estimate of their fair value. Effective interest rate for term loans from bank is 8.45%.

**NOTE - 19**

**TRADE PAYABLES (NON CURRENT)**

(Amount in '000)

| PARTICULARS                                                     | 2020-2021      | 2019-2020      |
|-----------------------------------------------------------------|----------------|----------------|
| (a) Total Outstanding Due to Micro Small and Medium Enterprise* | 0.00           | 0.00           |
| (b) Total Outstanding Due to Creditors other than (a). Above    |                |                |
| To Related parties (Due for more than one year)                 | 0.00           | 0.00           |
| To Others (Due for more than one year)                          | 7492.09        | 7538.87        |
| <b>Total</b>                                                    | <b>7492.09</b> | <b>7538.87</b> |

**NOTES:**

\* Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

| PARTICULARS                                                    | 2020-2021 | 2019-2020 |
|----------------------------------------------------------------|-----------|-----------|
| Principal amount due and remain unpaid                         | 0.00      | 0.00      |
| Interest due on above and remain unpaid                        | 0.00      | 0.00      |
| Interest paid                                                  | 0.00      | 0.00      |
| Payment made beyond appointed day during the year              | 0.00      | 0.00      |
| Interest due and payable for the period of delay               | 0.00      | 0.00      |
| Interest accrued and remaining unpaid                          | 0.00      | 0.00      |
| Amount of further interest due and payable in succeeding years | 0.00      | 0.00      |

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company.

**Trade Payables ageing schedule:**

| PARTICULARS                 | 2020-2021                                                  |           |           |                   |         |
|-----------------------------|------------------------------------------------------------|-----------|-----------|-------------------|---------|
|                             | Outstanding for following periods from due date of payment |           |           |                   |         |
|                             | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) MSME                    | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |
| (ii) Others                 | 0.00                                                       | 0.00      | 0.00      | 7492.09           | 7492.09 |
| (iii) Disputed dues – MSME  | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |
| (iv) Disputed dues - Others | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |

| PARTICULARS                 | 2019-2020                                                  |           |           |                   |         |
|-----------------------------|------------------------------------------------------------|-----------|-----------|-------------------|---------|
|                             | Outstanding for following periods from due date of payment |           |           |                   |         |
|                             | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) MSME                    | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |
| (ii) Others                 | 0.00                                                       | 0.00      | 0.00      | 7538.87           | 7538.87 |
| (iii) Disputed dues – MSME  | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |
| (iv) Disputed dues - Others | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |

**NOTE - 20**

**OTHER NON-CURRENT FINANCIAL LIABILITIES**

(Amount in '000)

| PARTICULARS              | 2020-2021     | 2019-2020      |
|--------------------------|---------------|----------------|
| Lease liabilities of APT | 163.20        | 1127.56        |
| <b>Total</b>             | <b>163.20</b> | <b>1127.56</b> |

**NOTE - 21**

**BORROWINGS (CURRENT)**

(Amount in '000)

| PARTICULARS                                      | 2020-2021       | 2019-2020       |
|--------------------------------------------------|-----------------|-----------------|
| <b>Loans Repayable on Demand</b>                 |                 |                 |
| From others (Unsecured)                          |                 |                 |
| Inter Corporate deposits<br>(From Related Party) | 65800.00        | 71509.39        |
| Current maturities of of non-current borrowings  | 0.00            | 320.20          |
| <b>Total</b>                                     | <b>65800.00</b> | <b>71829.60</b> |

**NOTE - 22**  
**TRADE PAYABLES**

(Amount in '000)

| PARTICULARS                                                     | 2020-2021      | 2019-2020      |
|-----------------------------------------------------------------|----------------|----------------|
| (a) Total Outstanding Due to Micro Small and Medium Enterprise* | 0.00           | 0.00           |
| (b) Total Outstanding Due to Creditors other than (a). Above    |                |                |
| To Related parties (Due for more than one year)                 | 0.00           | 0.00           |
| To Others (less than one year)                                  | 8330.96        | 7122.08        |
| <b>Total</b>                                                    | <b>8330.96</b> | <b>7122.08</b> |

**NOTES:**

\* Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

| PARTICULARS                                                    | 2020-2021 | 2019-2020 |
|----------------------------------------------------------------|-----------|-----------|
| Principal amount due and remain unpaid                         | 0.00      | 0.00      |
| Interest due on above and remain unpaid                        | 0.00      | 0.00      |
| Interest paid                                                  | 0.00      | 0.00      |
| Payment made beyond appointed day during the year              | 0.00      | 0.00      |
| Interest due and payable for the period of delay               | 0.00      | 0.00      |
| Interest accrued and remaining unpaid                          | 0.00      | 0.00      |
| Amount of further interest due and payable in succeeding years | 0.00      | 0.00      |

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company.

**Trade Payables ageing schedule:**

| PARTICULARS                 | 2020-2021                                                  |           |           |                   |         |
|-----------------------------|------------------------------------------------------------|-----------|-----------|-------------------|---------|
|                             | Outstanding for following periods from due date of payment |           |           |                   |         |
|                             | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) MSME                    | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |
| (ii) Others                 | 2403.41                                                    | 0.00      | 0.00      | 5927.56           | 8330.96 |
| (iii) Disputed dues – MSME  | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |
| (iv) Disputed dues - Others | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |

| PARTICULARS                 | 2019-2020                                                  |           |           |                   |         |
|-----------------------------|------------------------------------------------------------|-----------|-----------|-------------------|---------|
|                             | Outstanding for following periods from due date of payment |           |           |                   |         |
|                             | Less than 1 year                                           | 1-2 years | 2-3 years | More than 3 years | Total   |
| (i) MSME                    | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |
| (ii) Others                 | 1194.52                                                    | 0.00      | 242.26    | 5685.29           | 7122.08 |
| (iii) Disputed dues – MSME  | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |
| (iv) Disputed dues - Others | 0.00                                                       | 0.00      | 0.00      | 0.00              | 0.00    |

**NOTE - 23**

**OTHER CURRENT FINANCIAL LIABILITIES**

(Amount in '000)

| PARTICULARS                                        | 2020-2021      | 2019-2020      |
|----------------------------------------------------|----------------|----------------|
| Security Deposits                                  | 0.00           | 18.00          |
| Creditors for Expenses                             | 365.38         | 384.39         |
| Due to employees                                   | 602.59         | 306.35         |
| Interest payable on unsecured loan (related party) | 465.24         | 0.00           |
| Lease liabilities of APT                           | 964.36         | 876.69         |
| <b>Total</b>                                       | <b>2397.57</b> | <b>1585.43</b> |

**NOTE - 24**

**OTHER CURRENT LIABILITIES**

(Amount in '000)

| PARTICULARS                                   | 2020-2021       | 2019-2020       |
|-----------------------------------------------|-----------------|-----------------|
| Outstanding Liabilities for:                  |                 |                 |
| Statutory Dues                                | 450.23          | 324.13          |
| Maintenance security recovered from customers | 14633.50        | 14543.64        |
| <b>Total</b>                                  | <b>15083.73</b> | <b>14867.76</b> |

**NOTE - 25**

**PROVISIONS**

(Amount in '000)

| PARTICULARS                             | 2020-2021    | 2019-2020    |
|-----------------------------------------|--------------|--------------|
| Professional Fees                       | 58.75        | 57.50        |
| Employee contribution to CM Relief Fund | 0.00         | 3.95         |
| <b>Total</b>                            | <b>58.75</b> | <b>61.45</b> |

**SILVER OAK (INDIA) LIMITED**

**NOTE - 26**

**REVENUE FROM OPERATIONS**

(Amount in '000)

| PARTICULARS                                                    | 2020-2021       | 2019-2020     |
|----------------------------------------------------------------|-----------------|---------------|
| <b>Revenue from contract with customers</b>                    |                 |               |
| Liquor - (Indian Made Foreign Liquor)                          | 0.00            | 58.86         |
| Sale of constructed residential units                          | 14450.00        |               |
| <b>Other operating revenues</b>                                |                 |               |
| Income from maintenance and electricity (refer note 35(27))    | 35.37           | 155.03        |
| Income from forfeiture on cancellation of unit (refer note 29) | 623.95          | 0.00          |
| <b>Total</b>                                                   | <b>15109.32</b> | <b>213.89</b> |

**Performance obligation**

Information about the Company's performance obligations for material contracts after applicability of Ind AS 115, 'Revenue from Contract with Customers' i.e. after April 1, 2018 are summarised below:

- a) The performance obligation of the Company in case of sale of residential units is satisfied upon passing of control to the customer which coincides with handing over of the possession to the customer.
- b) The customer makes the payment for contracted price as per the installment stipulated in the Apartment Buyer's Agreement.

**NOTE - 27**

**OTHER INCOME**

(Amount in '000)

| PARTICULARS                                           | 2020-2021       | 2019-2020       |
|-------------------------------------------------------|-----------------|-----------------|
| <b>Interest</b>                                       |                 |                 |
| From Bank on Fixed Deposits                           | 3300.84         | 2955.17         |
| Other Interest                                        | 7533.43         | 6959.50         |
| Miscellaneous Receipts                                | 132.28          | 927.48          |
| Income tax refund                                     | 47.98           | 202.59          |
| Reversal of expected credit loss on trade receivables | 2910.80         | 0.00            |
| <b>Total</b>                                          | <b>13925.32</b> | <b>11044.74</b> |

**NOTE - 28**

**COST OF MATERIAL CONSUMED**

(Amount in '000)

| PARTICULARS       | 2020-2021   | 2019-2020   |
|-------------------|-------------|-------------|
| Raw Materials     | 0.00        | 0.00        |
| Packing Materials | 0.00        | 0.00        |
| <b>Total</b>      | <b>0.00</b> | <b>0.00</b> |

**NOTE - 29**

**COST OF CONSTRUCTION**

(Amount in '000)

| PARTICULARS          | 2020-2021       | 2019-2020   |
|----------------------|-----------------|-------------|
| Cost of construction | 16232.50        | 0.00        |
| <b>Total</b>         | <b>16232.50</b> | <b>0.00</b> |

It includes external development charges and internal development charges.

It includes amount of sale of flat of Rs. 88,53,895/- booked prior to April 1, 2018 under construction linked payment plan which is now cancelled by the defaulter customer. Income from forfeiture on cancellation of unit as well as from its resale is shown under revenue from operations (Refer note 26).

**NOTE - 30****CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

(Amount in '000)

| <b>PARTICULARS</b>                             | <b>2020-2021</b> | <b>2019-2020</b> |
|------------------------------------------------|------------------|------------------|
| <b>(Increase) / Decrease in Stock in Trade</b> |                  |                  |
| Opening Stock                                  |                  |                  |
| Finished Goods                                 | 1189.41          | 16058.44         |
| Work in Process                                | 733.77           | 733.77           |
| Less : Stock out Transfer                      | 0.00             | 1860.36          |
| Less : Closing Stock                           |                  |                  |
| Finished Goods                                 | 1189.41          | 1189.41          |
| Work in Process                                | 733.77           | 733.77           |
|                                                | <b>0.00</b>      | <b>13008.67</b>  |
| Less - Transfer to Exceptional Items           | 0.00             | 12865.34         |
| <b>Total</b>                                   | <b>0.00</b>      | <b>143.33</b>    |

**NOTE - 31****EMPLOYEE BENEFIT EXPENSES**

(Amount in '000)

| <b>PARTICULARS</b>                     | <b>2020-2021</b> | <b>2019-2020</b> |
|----------------------------------------|------------------|------------------|
| Salary, Wages & Bonus                  | 6105.51          | 4233.90          |
| Contributions to Provident Fund & ESIC | 190.78           | 156.72           |
| Gratuity contribution to LIC           | 3.59             | 0.00             |
| Staff Welfare Expenses                 | 0.00             | 2.86             |
| <b>Total</b>                           | <b>6299.88</b>   | <b>4393.48</b>   |

**NOTE - 32****FINANCE COSTS**

(Amount in '000)

| <b>PARTICULARS</b>                                                 | <b>2020-2021</b> | <b>2019-2020</b> |
|--------------------------------------------------------------------|------------------|------------------|
| <b><u>Interest Expenses</u></b>                                    |                  |                  |
| To Bank                                                            |                  |                  |
| Interest on Working Capital Loan                                   | 211.81           | 1568.74          |
| To Inter corporate deposits<br>(Including related party ` 5499719) | 6297.09          | 4283.63          |
| a)                                                                 | <b>6508.90</b>   | <b>5852.36</b>   |
| <b><u>Other Borrowing Cost</u></b>                                 |                  |                  |
| Bank Processing Fees                                               | 0.00             | 60.18            |
| b)                                                                 | <b>0.00</b>      | <b>60.18</b>     |
| <b>Total (a+b)</b>                                                 | <b>6508.90</b>   | <b>5912.54</b>   |



**SILVER OAK (INDIA) LIMITED**

**NOTE - 33**

**OTHER EXPENSES**

(Amount in '000)

| <b>PARTICULARS</b>                              | <b>2020-2021</b> | <b>2019-2020</b> |
|-------------------------------------------------|------------------|------------------|
| <b>a) Manufacturing Expenses</b>                |                  |                  |
| Insurance Charges                               | 126.41           | 155.61           |
| Factory Expenses                                | 0.00             | 4.60             |
| Labour Charges                                  | 0.00             | 47.25            |
| Licence Fees                                    | 19.31            | 1705.94          |
| Power & Water charges                           | 551.91           | 612.38           |
| Repairs to Machinery                            | 300.11           | 0.00             |
| Freight Inwards                                 | 0.00             | 154.36           |
| Testing Fees                                    | 23.34            | 27.61            |
| <b>Total (a)</b>                                | <b>1021.08</b>   | <b>2707.74</b>   |
| <b>b) Selling &amp; Distribution Expenses</b>   |                  |                  |
| Breakage/ Demurrage charges                     | 0.00             | 155.00           |
| Freight, Loading & Unloading charges            | 0.00             | 13.43            |
| Freight Outward                                 | 0.00             | 16.80            |
| Label Registration Fees                         | 412.50           | 412.50           |
| Transport Fee                                   | 0.00             | 1.00             |
| <b>Total (b)</b>                                | <b>412.50</b>    | <b>598.73</b>    |
| <b>c) Administrative &amp; General Expenses</b> |                  |                  |
| Advertisement                                   | 43.05            | 60.19            |
| Auditors Remuneration (Note 35(13))             | 472.00           | 450.00           |
| Allowance for expected credit loss              | 0.00             | 3352.60          |
| Bank Charges                                    | 4.86             | 23.99            |
| Courier, Postage & Telephone Expenses           | 29.38            | 25.66            |
| Custodian Fee                                   | 21.24            | 21.24            |
| Electricity Charges                             | 80.22            | 98.60            |
| Interest and Damages Charges                    | 0.86             | 42.18            |
| Lease Rent                                      | 0.23             | 0.23             |
| Legal Fee                                       | 96.77            | 80.94            |
| Listing Fees                                    | 354.00           | 354.00           |
| Repair and Maintenance Charges                  | 605.90           | 465.46           |
| Office Expenses                                 | 0.77             | 3.64             |
| Office Rent                                     | 360.00           | 468.50           |
| Printing & Stationery                           | 6.00             | 55.29            |
| Water Expenses                                  | 960.00           | 960.00           |
| Telecommunication and technology expenses       | 29.92            | 26.69            |
| Other expenditure                               | 623.00           | 381.66           |
| Provision for loss in share of partnership firm | -10.25           | -10.25           |
| Bad debts                                       | 102.54           | 0.00             |
| Professional Fees                               | 2358.71          | 2946.59          |
| Rates, taxes and duties                         | 137.27           | 1657.03          |
| Travelling Expenses                             | 123.72           | 219.99           |
| <b>Total (c)</b>                                | <b>6400.19</b>   | <b>11704.73</b>  |
| <b>Total (a+b+c)</b>                            | <b>7833.77</b>   | <b>15011.21</b>  |

**NOTE - 34**

**EXCEPTIONAL ITEMS**

(Amount in '000)

| <b>PARTICULARS</b>                       | <b>2020-2021</b> | <b>2019-2020</b> |
|------------------------------------------|------------------|------------------|
| Scrap sale                               | 603.99           | 0.00             |
| Sale of Packing Material waste           | 223.24           | 0.00             |
| <b>Cost of Material Consumed:</b>        |                  |                  |
| - Raw Materials (including Consumables)  | 0.00             | -104.41          |
| - Packing Materials                      | -953.93          | -5764.16         |
| Changes in Inventories of Stock in Trade | 0.00             | -12865.34        |
| Profit on Sale of Securities             | 19952.92         | 0.00             |
| Sundry Balances Written Off (net)        | -287.35          | -2509.95         |
| <b>Total</b>                             | <b>19538.87</b>  | <b>-21243.86</b> |

**NOTE-35**  
**ADDITIONAL NOTES TO ACCOUNTS:**

1) Notes 1 to 35 Referred herein above forms an integral part of these Financial Statements.

2 (a) The Company is contingently liable in respect of-

- (i) Haryana VAT department has raised the liability of ₹ 2,43,72,920/- for the FY 2010-11, ₹ 5,05,27,219/- for the FY 2011-12, and ₹ 51,80,764/- for the FY 2014-15 against which company has filed an appeals before Joint Excise and Taxation Commissioner (Appeal), Faridabad and submitted the bank guarantee of ₹ 51.50 lakhs. Liability shall be accounted for on the final disposal of appeal. The department has held up refund of ₹ 45,90,951/- for the FY 2015-16 and FY 2016-17 which has been accounted as recoverable.
- (ii) A claim of approximately ₹ 50 lakhs by a supplier against the Company.
- (iii) For other contingent liability, refer note 35(27).

2 (b) Commitments : Nil

3) Pursuant to Ind AS 112 – 'Disclosure of Interests in Other Entities' the interest of the Company in its subsidiary is as follows:

- (i) The company has an investment in a subsidiary company namely APT Infrastructure Limited, a company incorporated in the country of India.
- (ii) The ownership interest and voting power of the company in terms of the total subscribed and paid up share capital in the subsidiary is 60% (Pr. Yr. 60%) amounting to ₹ 60 Lacs (Pr. Yr. ₹ 60Lacs) which is the carrying amount that appears under Investment head in the balance sheet of the company.
- (iii) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

4) As per the information on records, the company does not have any dues outstanding to Micro and Small Industries Enterprises under MSMED Act, 2006, for more than 45 days as at 31st March, 2021.

5) Figures of Trade Receivables, Trade Payables, Loans & Advances and Borrowings are subject to respective consent, confirmation, reconciliation and consequential adjustments, if any.

6) There were no such transactions that were not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**7) Corporate Social Responsibility**

During the year under consideration, the provisions of section 135 of the Companies Act, 2013 is not applicable to the Company as the Company is not having networth of ₹ 500 crores or turnover of ₹ 1,000 crores or more, or net profits of ₹ 5 crores or more during the immediately preceding financial year. However, the expenditure on Corporate Social Responsibility of earlier years is yet to be spent.

8) In accordance with IND AS-24 the related party disclosure is as under, the information regarding related party have been determined to the extent, such parties have been identified on the basis of information available with the company:

**I. Name of the Related Parties :**

**A) Holding Company:**  
Royal Highland Distilleries Ltd (59.83%)

**B) Subsidiary enterprises:**  
APT Infrastructure Pvt Ltd (60%)

**C) Related Concern:**  
Great Galleon Ventures Limited  
Mantra Investment LLP  
ROCOCO Mining Technologies Pvt Ltd.  
SVR Realtors Private Limited

**D) Key Management Personnel:**  
Leela Kalyani (Non-Executive Director)  
Shirish Jaltare (Whole Time Director)  
Suresh Kejriwal (Independent Director)  
Prakash Gadia (Independent Director)  
Sunil Khandelwal (Chief Financial Officer)  
Deepak Meena (Company Secretary)  
Shahzeb Khan (Director)  
Amit Kumar (Director)  
Rachna Kedia (Director)  
Saba Khan (wife of Shahzeb Khan, Director)

**II. Transactions with Related Parties :**

| Name                            | Relationship            | Nature of Transaction                           | 2020-2021             |                    | 2019-2020          |
|---------------------------------|-------------------------|-------------------------------------------------|-----------------------|--------------------|--------------------|
|                                 |                         |                                                 | Amount of Transaction | Amount Outstanding | Amount Outstanding |
| Royal Highland Distilleries Ltd | Holding Company         | Loan Taken                                      | 9800.00               | 65800.00           | 56000.00           |
|                                 |                         | Interest Paid                                   | 5499.72               | 465.24             | 4237.25            |
| Sunil Khandelwal                | Chief Financial Officer | Remuneration                                    | 687.92                | 58.35              | 58.35              |
| SVR Realtors Private Limited    | Associate               | Redemption of Optionally Convertible Debentures | 35000.00              | 0.00               | 15047.08           |
| Deepak Meena                    | Company Secretary       | Remuneration                                    | 542.60                | 43.43              | 42.17              |

Note: 1. All the above transactions are on arm's length basis. Current Account transactions are excluded.  
2. The aforementioned transactions in respect of expenses except purchase & sale are shown exclusive of GST.

**9) Directors Remuneration:**

The Company has paid directors' remuneration as per the provisions of Schedule V to the Companies Act, 2013 and has complied with all the provisions of the said act:

| S.No | Name of Director | Nature of payment      | 2020-2021 | 2019-2020 |
|------|------------------|------------------------|-----------|-----------|
| 1    | Vivek Chibba     | Directors Remuneration | 1438.00   | NIL       |

10) Additional information as required under part II of schedule III to the companies Act, 2013 is as under:

- (i) Earnings in foreign Exchange - Cr. Yr. ₹ NIL (Pr. Yr. ₹ NIL)  
(ii) CIF value of Imported items: ₹ NIL  
(iii) Expenditures (remittance) in foreign currency: ₹ NIL

11) The inventories amounting to ₹ 6932196/- (Previous Year - ₹ 7886121/-) is shown at cost instead of valuation at cost or net realizable value whichever is lower. (As per Ind AS Ascertainment of net realizable value requires technical judgments and consideration of market related factors. The impact of diminution in the valuation thereof, if any, will be accounted for in the year of consumption/realization.

**12) Events after reporting date:**

There have been no events after the reporting date that requires adjustment/ disclosure in these financial statements.

**13) Auditor's Remuneration (Excluding GST):**

|              |                               |  | (Amount in '000) |              |
|--------------|-------------------------------|--|------------------|--------------|
| Particulars  |                               |  | 2020-2021        | 2019-2020    |
| a)           | Audit Fees                    |  | 462.00           | 40.00        |
| b)           | Certification and Consultancy |  | 10.00            | 10.00        |
| <b>Total</b> |                               |  | <b>472.00</b>    | <b>50.00</b> |

**14) In accordance of Ind AS-33, the earning per share of the company is as under:**

|                                                   |  |  | (Amount in '000) |           |
|---------------------------------------------------|--|--|------------------|-----------|
| Particulars                                       |  |  | 2020-2021        | 2019-2020 |
| Profit after Tax                                  |  |  | 4990.59          | -37449.92 |
| Weighted average No. of Equity Shares outstanding |  |  | 3790200          | 3790200   |
| Earning Per Share - Basic                         |  |  | 1.32             | -9.88     |
| Earning Per Share - Diluted                       |  |  | 1.32             | -9.88     |

**15) Deferred Tax:**

In view of accumulated losses and uncertainty of its realization in the near future the deferred tax asset has not been adjusted against the loss of ₹ 35410522/- by the company as a matter of prudence.

**16) Consolidation of Accounts: As per Ind As 110:**

- (i) The company is under an obligation to make consolidated financial statements covering its subsidiary APT Infrastructure (CIN: U45400DL2007PTC170319; Shareholding 60%) and accordingly the said consolidated audited balance sheet will be separately made.
- (ii) Pursuant to the provisions of section 2(87) of the Companies Act, 2013 the company is a subsidiary of Royal Highland Distilleries Limited (CIN no. U51228WB1992PLC056959) as the said company holds 59.83% shareholding of the company consequently the company is liable to be consolidated.

- 17) The Company was holding 7000, 0% Compulsory Convertible Debentures (Series II) of its subsidiary APT Infrastructure Private Limited at a price of Rs. 5000/- each which is compulsorily convertible in equity share at the end of 60 months i.e. 8 June 2020, which is extended for further term of 5 years. however were redeemed at Rs 5000 each at face value on 10th March 2021.
- 18) Pursuant to disclosure pertaining to Section 186 (4) of the Companies Act, 2013 the following are the details thereof:
- a. **Loan given-outstanding as at the year-end:**  
During the year there has been no such transaction.
- b. **Investments Made:**  
The investments are classified under respective heads pertaining to Section 186(4) as mentioned in Note 5 of the Balance Sheet.
- c. **Guarantee Given or Security Provided:**  
During the year there has been no such transaction.
- 19) **Financial risk management objectives and policies to the extent applicable:**  
The Company has not started any significant commercial operations and therefore the company does not envisage any market risk, currency risk, interest rate risk, price risk, liquidity risk and credit risk. The Company's senior management in consultation with audit committee has the responsibility for establishing and governing the Company's overall risk management framework, wherever applicable.
- 20) **Estimation of uncertainties relating to the global health pandemic from COVID-19:**  
The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information that the carrying amount of these assets will be recovered.
- 21) **Indications of Impairment:**  
In the opinion of management, there are no indications, internal or external which could have the effect of impairing the value of assets to any material extent as at the Balance sheet date requiring recognition in terms of IND AS-36.
- 22) **Financial Instruments by Category and fair value hierarchy:**  
Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values. The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

(Amount in '000)

| 2020-2021                    | Fair Value Measurement        |              |                       | Fair Value hierarchy        |                |                |
|------------------------------|-------------------------------|--------------|-----------------------|-----------------------------|----------------|----------------|
|                              | FVTPL                         | FVOCI        | Amortised Cost        | Level-1                     | Level-2        | Level-3        |
| <b>Particulars</b>           |                               |              |                       |                             |                |                |
| <b>Financial assets</b>      |                               |              |                       |                             |                |                |
| Investments                  | 0.00                          | 0.00         | 84532.05              | 0.00                        | 0.00           | 0.00           |
| Other financial assets       | 0.00                          | 0.00         | 71384.88              | 0.00                        | 0.00           | 0.00           |
| Cash and cash equivalents    | 0.00                          | 0.00         | 16979.25              | 0.00                        | 0.00           | 0.00           |
| Other bank balances          | 0.00                          | 0.00         | 29893.48              | 0.00                        | 0.00           | 0.00           |
| Loans                        | 0.00                          | 0.00         | 60000.00              | 0.00                        | 0.00           | 0.00           |
| Trade Receivables            | 0.00                          | 0.00         | 8480.00               | 0.00                        | 0.00           | 0.00           |
| <b>Total</b>                 | <b>0.00</b>                   | <b>0.00</b>  | <b>277269.67</b>      | <b>0.00</b>                 | <b>0.00</b>    | <b>0.00</b>    |
| <b>Financial liabilities</b> |                               |              |                       |                             |                |                |
| Borrowings                   | 0.00                          | 0.00         | 90800.00              | 0.00                        | 0.00           | 0.00           |
| Trade payables               | 0.00                          | 0.00         | 15823.06              | 0.00                        | 0.00           | 0.00           |
| Other financial liabilities  | 0.00                          | 0.00         | 2560.77               | 0.00                        | 0.00           | 0.00           |
| <b>Total</b>                 | <b>0.00</b>                   | <b>0.00</b>  | <b>109183.83</b>      | <b>0.00</b>                 | <b>0.00</b>    | <b>0.00</b>    |
| <b>2019-2020</b>             | <b>Fair Value Measurement</b> |              |                       | <b>Fair Value hierarchy</b> |                |                |
| <b>Particulars</b>           | <b>FVTPL</b>                  | <b>FVOCI</b> | <b>Amortised Cost</b> | <b>Level-1</b>              | <b>Level-2</b> | <b>Level-3</b> |
| <b>Financial assets</b>      |                               |              |                       |                             |                |                |
| Investments                  | 0.00                          | 0.00         | 90521.80              | 0.00                        | 0.00           | 0.00           |
| Other financial assets       | 0.00                          | 0.00         | 47089.80              | 0.00                        | 0.00           | 0.00           |
| Cash and cash equivalents    | 0.00                          | 0.00         | 4952.60               | 0.00                        | 0.00           | 0.00           |
| Other bank balances          | 0.00                          | 0.00         | 39957.38              | 0.00                        | 0.00           | 0.00           |
| Loans                        | 0.00                          | 0.00         | 96000.00              | 0.00                        | 0.00           | 0.00           |
| Trade Receivables            | 0.00                          | 0.00         | 13799.48              | 0.00                        | 0.00           | 0.00           |
| <b>Total</b>                 | <b>0.00</b>                   | <b>0.00</b>  | <b>292321.06</b>      | <b>0.00</b>                 | <b>0.00</b>    | <b>0.00</b>    |
| <b>Financial liabilities</b> |                               |              |                       |                             |                |                |
| Borrowings                   | 0.00                          | 0.00         | 96829.60              | 0.00                        | 0.00           | 0.00           |
| Trade payables               | 0.00                          | 0.00         | 14660.95              | 0.00                        | 0.00           | 0.00           |
| Other financial liabilities  | 0.00                          | 0.00         | 2713.00               | 0.00                        | 0.00           | 0.00           |
| <b>Total</b>                 | <b>0.00</b>                   | <b>0.00</b>  | <b>114203.54</b>      | <b>0.00</b>                 | <b>0.00</b>    | <b>0.00</b>    |

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

23) **Financial Ratios:**

| Particulars                      | 2020-2021 | 2019-2020  | Variance | Reasons for variance                                        |
|----------------------------------|-----------|------------|----------|-------------------------------------------------------------|
| Current Ratio                    | 1.70      | 2.29       | -25.57%  | Reduction in inventory levels due to old stock written offs |
| Debt-Equity Ratio                | 0.48      | 0.47       | 0.99%    | -                                                           |
| Debt Service Coverage Ratio      | -0.50     | -1.72      | -71.10%  | Losses Due To No Operation                                  |
| Return on Equity Ratio           | 0.03      | -0.18      | -114.35% | Operational closings and hence no return                    |
| Inventory turnover ratio         | -         | -          | -        | -                                                           |
| Trade Receivables turnover ratio | -         | -          | -        | -                                                           |
| Trade payables turnover ratio    | -         | -          | -        | -                                                           |
| Net capital turnover ratio       | 6.81%     | 0.09%      | 7459.81% | Losses Due To No Operation                                  |
| Net profit ratio                 | 33.03%    | -17509.13% | -100.19% | No profit against turnover / sales                          |
| Return on Capital employed       | -1.46%    | -4.23%     | -65.60%  | No operations                                               |
| Return on investment             | -1.71%    | -4.93%     | -65.38%  | No operations                                               |

24) In accordance with IND AS - 109 the long-term investments held by the company are to be carried at Cost or Fair Value. All the investments of the Company have been considered by the management to be of long-term nature.

25) According to Ind AS - 7 the desired Cash flow statement is enclosed herewith.

**26) Revenue from contract with customers, trade receivables and contract balances:**

- a. The Company derives revenue primarily from business of construction, development and sale of residential projects. The construction and development of the residential units were completed prior to March 31, 2018 and the revenues from sale of residential flats after April 1, 2018 are recognised at point of time in accordance with Ind AS 115, 'Revenue from Contracts with Customers' (refer note 2(n)). As on March 31, 2021, there are no trade receivables or contract balances in respect of sale of residential flats after April 1, 2018.
- b. Upto March 31, 2018, the Company recognised its revenues in accordance with the "Guidance Note Accounting for Real Estate Transactions" on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost. As the construction and development of the residential units were completed prior to March 31, 2018, the performance obligations with respect to the contracts entered during the construction period were fulfilled. Accordingly, in respect of contract for said units, revenue was recognised over the period of time till March 31, 2018 and trade receivables were also recognised till March 31, 2018. The closing balance with respect to such trade receivables is as follows:

| Particulars         | (Amount in '000) |                 |
|---------------------|------------------|-----------------|
|                     | 2020-2021        | 2019-2020       |
| Trade receivables * | 8425.40          | 13457.53        |
|                     | <b>8425.40</b>   | <b>13457.53</b> |

\* after adjusting IFMS (refer note 28 below) and impairment allowance (refer note 9 of financials)

**27) Segment reporting**

In line with the provisions of Ind AS 108, Operating Segments, and basis the review of operations being done by the Board and the management, the operations of the Company fall under liquor and real estate developer (subsidiary), which is considered to be the only reportable segment.

28) The Company received ₹4,71,14,068/- as maintenance security (IFMS) from customers. On November 30, 2017, the Company handed over maintenance services to Residents Welfare Association (RWA) and the excess of maintenance expenditure over maintenance recovery till March 31, 2021 amounted to ₹2,77,67,810/-, out of which ₹1,98,84,261/- was adjusted against IFMS on area cum time proportionate basis to the extent of IFMS received from the respective customers. The Company further adjusted ₹50,84,204/- being construction dues, and ₹75,12,105/- being maintenance dues from the customers against IFMS. The balance IFMS of ₹1,46,33,498/- as on March 31, 2021 (₹1,45,43,636/- as on March 31, 2020), is subject to further recovery in case of construction dues and maintenance dues and change in basis for adjustment of excess maintenance expenditure against IFMS. Complaint has been filed by the RWA towards REERA.

29) Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiaries:

**For the year ended 31st March 2021:**

(Amount in '000)

| Name of the entity in the Group    | Net Assets, i.e. Total Assets Minus Total Liabilities |                  | Share in Profit/ (Loss)             |                | Share in Other Comprehensive Income             |             | Share in Total Comprehensive Income             |                |
|------------------------------------|-------------------------------------------------------|------------------|-------------------------------------|----------------|-------------------------------------------------|-------------|-------------------------------------------------|----------------|
|                                    | As % of Consolidated Net Assets                       | Amount           | As % of Consolidated Profit/ (Loss) | Amount         | As % of Consolidated Other Comprehensive Income | Amount      | As % of Consolidated Total Comprehensive Income | Amount         |
| <b>Parent</b>                      |                                                       |                  |                                     |                |                                                 |             |                                                 |                |
| Silver Oak (India) Limited         | -12.47%                                               | -23616.36        | 80.75%                              | 4029.79        | 0.00%                                           | 0.00        | 80.75%                                          | 4029.79        |
| <b>Indian Subsidiary</b>           |                                                       |                  |                                     |                |                                                 |             |                                                 |                |
| APT Infrastructure Private Limited | 112.47%                                               | 212972.15        | 19.25%                              | 960.80         | 0.00%                                           | 0.00        | 19.25%                                          | 960.80         |
| <b>Total</b>                       | <b>100.00%</b>                                        | <b>189355.80</b> | <b>100.00%</b>                      | <b>4990.59</b> | <b>0.00%</b>                                    | <b>0.00</b> | <b>100.00%</b>                                  | <b>4990.59</b> |

**For the year ended 31st March 2020:**

(Amount in '000)

| Name of the entity in the Group    | Net Assets, i.e. Total Assets Minus Total Liabilities |                  | Share in Profit/ (Loss)             |                  | Share in Other Comprehensive Income             |             | Share in Total Comprehensive Income             |                  |
|------------------------------------|-------------------------------------------------------|------------------|-------------------------------------|------------------|-------------------------------------------------|-------------|-------------------------------------------------|------------------|
|                                    | As % of Consolidated Net Assets                       | Amount           | As % of Consolidated Profit/ (Loss) | Amount           | As % of Consolidated Other Comprehensive Income | Amount      | As % of Consolidated Total Comprehensive Income | Amount           |
| <b>Parent</b>                      |                                                       |                  |                                     |                  |                                                 |             |                                                 |                  |
| Silver Oak (India) Limited         | -4.23%                                                | -8624.24         | 93.43%                              | -34988.04        | 0.00%                                           | 0.00        | 93.43%                                          | -34988.04        |
| <b>Indian Subsidiary</b>           |                                                       |                  |                                     |                  |                                                 |             |                                                 |                  |
| APT Infrastructure Private Limited | 104.23%                                               | 212547.32        | 6.57%                               | -2461.89         | 0.00%                                           | 0.00        | 6.57%                                           | -2461.89         |
| <b>Total</b>                       | <b>100.00%</b>                                        | <b>203923.08</b> | <b>100.00%</b>                      | <b>-37449.92</b> | <b>0.00%</b>                                    | <b>0.00</b> | <b>100.00%</b>                                  | <b>-37449.92</b> |

30) Previous year figures have been regrouped or rearranged wherever necessary.

31) Figures are rounded off to the nearest multiple of a rupee.

For and on behalf of the Board

Shirish Jaitare  
Whole Time Director  
(DIN: 00070935)

Vivek Chibba  
Director cum C.E.O.  
(DIN: 06466844)

As Per our report of even date attached  
STATUTORY AUDITORS  
For MAHENDRA BADJATYA & CO  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C

Sunil Khandelwal  
Chief Financial Officer  
PLACE: INDORE  
DATE: 30.06.2021

Deepak Meena  
Company Secretary  
(ACS:41823)

CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAJE4306



# BHOMIA SOLANKI & ASSOCIATES LLP

LLPIN:-AAJ 7330

Reg Add: 301-B, Shreewardhan Complex, RNT Marg, Near Lemon Tree Hotel, Indore -M.P.

## **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  
**SILVER OAK (INDIA) LIMITED**  
**CIN: L11531MP1984PLC002635**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Silver Oak (India) Limited having CIN L11531MP1984PLC002635 and having registered office at Plot No.110, Sector-I, Industrial Area, Pithampur-454775, Dist. Dhar (M.P.) (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 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, any such other Statutory Authority.

| Sr. No. | Name of Director | DIN      | Date of Appointment in Company |
|---------|------------------|----------|--------------------------------|
| 01.     | SHIRISH JALTARE  | 00070935 | 3/1/2017                       |
| 02.     | LEELA KALYANI    | 06625369 | 11/6/2016                      |
| 03.     | SURESH KEJRIWAL  | 07497747 | 11/6/2016                      |
| 04.     | PRAKASH GADIA    | 08203487 | 31/08/2018                     |
| 05.     | VIVEK CHIBBA     | 06466844 | 28/09/2020                     |

**Place: Indore**  
**Date: 29.06.2021**  
**UDIN: F009144C000534625**

VARUN  
BHOMIA  
**CS VARUN BHOMIA**  
C.P. No. 10561

Digitally signed by VARUN BHOMIA  
DN: c=IN, o=Personal,  
ou=CS VARUN BHOMIA, email=VARUNBHOMIA@GMAIL.COM,  
serial=10561, cn=CS VARUN BHOMIA

**Note:** This Certificate is to be read with our letter of even date which is annexed as annexure "A" and forms an integral part of this report.

**ANNEXURE TO**  
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

To,  
The Members  
**SILVER OAK (INDIA) LIMITED**  
**CIN: L11531MP1984PLC002635**

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

1. Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company.
2. Our responsibility is to express an opinion on these based on our verification. **We believe that the processes and practices, We followed provide a reasonable basis for our opinion.**
3. 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.

**Place: Indore**  
**Date: 29.06.2021**

**VARUN**  
**BHOMIA**  
**CS VARUN BHOMIA**  
**C.P. No. 10561**

Digitally signed by VARUN BHOMIA  
DN: cn=VARUN BHOMIA,  
email=varun@shreebhoomia.com,  
serial=11531MP1984PLC002635, c=IN,  
ou=INDORE, o=SHREE BHOMIA,  
cn=VARUN BHOMIA  
Date: 2021.06.29 11:32:10 +05'30'



# BHOMIA SOLANKI & ASSOCIATES LLP

LLPIN:-AAJ 7330

Reg Add: 301-B, Shreewardhan Complex, RNT Marg, Near Lemon Tree Hotel, Indore -M.P.

**SECRETARIAL COMPLIANCE REPORT  
OF  
SILVER OAK (INDIA) LIMITED  
CIN: L11531MP1984PLC002635  
(FOR THE FINANCIAL YEAR ENDED 31.03.2021)**

We have conducted the secretarial verification of the compliance of applicable statutory provisions and the adherence to good corporate practices by SILVER OAK (INDIA) LIMITED (hereinafter called the Company) for the financial year ended 31.03.2021.

Based on our verification of the Website, Documents, Papers, Books, and returns filed and other records maintained by the Company and also on the basis of the information provided by the Company, its management, its officers, auditors, agents and authorized representatives during the conduct of verification, We have examined that:

- (a) all the documents and records made available to us and explanation provided by SILVER OAK (INDIA) LIMITED ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended 31.03.2021 in respect of compliance of with the provisions of:
  - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure

- Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;
  - (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars and guidelines issued thereunder.

And based on the above examination, We hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder;
- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- c) No actions had been taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

**Place: Indore**  
**Date: 29.06.2021**  
**UDIN: F009144C000534669**

**VARUN  
BHOMIA**  
**CS VARUN BHOMIA**  
C.P. No. 10561

Digitally signed by VARUN BHOMIA  
DN: cn=Personal,  
email=varunbh@188388011888842020040401  
61413717482259a46f7c76852b3233766c  
postalCode=452001, st=MAHARASHTRA  
INDIA,  
serialNumber=6e46527b15a6999a3587e6835  
709c1c26283c3541818a4a3d358a6696ca  
16, cn=VARUN BHOMIA  
Date: 2021.06.29 11:33:27 +05'30'

**Note:** This report is to be read with our letter of even date which is annexed as annexure "A" and forms an integral part of this report.







# ANUJ GUPTA AND ASSOCIATES

(Company Secretaries)

www.csanujgupta.com

SECRETARIAL COMPLIANCE REPORT  
OF  
APT INFRASTRUCTURE PRIVATE LIMITED  
CIN: U45400DL2007PTC170319  
(FOR THE FINANCIAL YEAR ENDED 31.03.2021)

We have conducted the secretarial verification of the Compliance of applicable statutory provisions and the adherence to good corporate practices by the APT INFRASTRUCTURE PRIVATE LIMITED for the financial year ended 31.03.2021.

Based on our verification of the Documents, Papers, Books and returns filed and other records maintained by the Company and also on the basis of the information provided by the Company, its management, its officers, auditors, agents and authorized representatives during the conduct of verification, We have examined that :

- (a) all the documents and records made available to us and explanation provided by APT INFRASTRUCTURE PRIVATE LIMITED ("the Un-listed entity"),
- (b) the filings/ submissions made by the Un-listed entity to the stock exchanges,
- (c) Website of the Un-listed entity,
- (d) any other document/ filing as may be relevant , which has been relied upon to make this certification, for the financial year ended 31.03.2021 in respect of compliance of with the provisions of :
  - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), the rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (g) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

and circulars and guidelines issued thereunder.

And based on the above examination, we hereby report that, during the Review Period:

- (a) The Un-listed entity has complied with the provisions of the above regulations and circulars/ guidelines issued thereunder;

  
*Anuj Gupta*  
*CS*



187- H / 5, IInd Floor, Kilokari Market,  
Opp. Maharani Bagh, Above Easy Day,  
Back Side Entry, New Delhi- 110 014

+91 11 4300 1803,  
+91 81786 00221



- (b) The Un-listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) No actions had been taken against the Un-listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

**FOR ANUJ GUPTA AND ASSOCIATES**



*Anuj Gupta*  
*AS*

**(ANUJ GUPTA)**

**M. No.: 31025**

**CoP: 13025**

**UDIN: A031025C000424462**

**PLACE: NEW DELHI**

**DATED: 05/06/2021**

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



# ANUJ GUPTA AND ASSOCIATES

(Company Secretaries)

www.csanujgupta.com

## ANNEXURE TO SECRETARIAL COMPLIANCE REPORT

To,  
APT Infrastructure Private Limited  
CIN-U45400DL2007PTC170319

Our report of even date is to be read with this letter:

1. Maintenance of record is the responsibility of the management of the company. Our responsibility is to express an opinion on this record based on our verification.
2. We have followed the applicable practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the records. The verification was done on test basis to ensure that correct facts are reflected in records. We believe that the process and practices, followed provide a reasonable basis of our opinion.
3. Where ever required, We have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The Compliance of the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR ANUJ GUPTA AND ASSOCIATES  
  
  
(ANUJ GUPTA)

M. No.: 31025  
CoP: 13025

UDIN: A031025C000424462

PLACE: NEW DELHI  
DATED: 05/06/2021



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**SILVER OAK (INDIA) LIMITED**  
**CIN: L11531MP1984PLC002635**

**Registered Office:** Plot No.110, Sector-I, Industrial Area, Pithampur-454775, Dist. Dhar (M.P.)

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**Form No. MGT-11**  
**Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]*

CIN: **L11531MP1984PLC002635**

Name of the company: **SILVER OAK (INDIA) LIMITED**

Registered office: Plot No.110, Sector-I, Industrial Area, Pithampur-454775, Dist. Dhar (M.P.)

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address: .....

E-mail Id: .....

Signature:....., or failing him

2. Name: .....

Address: .....

E-mail Id: .....

Signature:....., or failing him

3. Name: .....

Address: .....

E-mail Id: .....

Signature:.....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Seventh Annual General Meeting of the Company, to be held on the Tuesday, the 28<sup>th</sup> day of September, 2021 At 02 p.m. at Plot No.110, Sector-I, Industrial Area, Pithampur-454775, Dist. Dhar (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated

|    |                                                                                                                                                                                                                             | Optional* |         |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
|    |                                                                                                                                                                                                                             | For       | Against |
| 1. | To adopt the Audited Financial Statement (including the Consolidated financial Statements) of the Company for the year ended 31 <sup>st</sup> March , 2021 together with the Reports of the Directors and Auditors thereon. |           |         |
| 2. | To appoint Smt. Leela Kalyani, (DIN: 06625369) Director of the company, who retires by rotation and being eligible offers herself for reappointment.                                                                        |           |         |
| 3. | Reappointment of Mr. Suresh Kejriwal As Independent Director                                                                                                                                                                |           |         |

below:

Signed this..... day of..... 2021

Signature of shareholder

Signature of Proxy holder(s)

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 34<sup>th</sup> Annual General Meeting.**
- The Company reserves its right to ask for identification of the proxy.**
- The proxy form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company /depository participant.**

|       |         |
|-------|---------|
| Affix | Revenue |
| Stamp |         |

**SILVER OAK (INDIA) LIMITED**  
**CIN: L11531MP1984PLC002635**

**Registered Office:** Plot No.110, Sector-I, Industrial Area, Pithampur-454775, Dist. Dhar (M.P.)

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

Full Name of the Member

Attending \_\_\_\_\_

Member's Folio No/ Client ID:

\_\_\_\_\_

DP ID:

\_\_\_\_\_

No. of shares held:

\_\_\_\_\_

Name of Proxy

\_\_\_\_\_

(To be filled in, if the Proxy attends instead of the member)

I hereby record my presence at the 37<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, the 28<sup>th</sup> September, 2021 at 02.00 P..M. at its registered office at Plot No. 110, Industrial Area, Sector-I, Pithampur- 454 775, Dist. Dhar (M.P.)

.....  
Member's / Proxy's Signature

1. Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2. The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
3. A Proxy need not be a member of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

