



September 07, 2023

To  
The Department of Corporate Relations,  
BSE Limited,  
25<sup>th</sup> Floor, P.J. Tower,  
Dalal Street,  
Mumbai-400001

Scrip ID: **OSIAJEE**

Scrip Code: **540198**

**SUBJECT: NOTICE OF 28<sup>TH</sup> ANNUAL GENERAL MEETING, ANNUAL REPORT AND E-VOTING FOR THE FINANCIAL YEAR 2022-23**

Dear Sir/ Madam,

We wish to inform you that the 28<sup>th</sup> Annual General Meeting (AGM) of Osiajee Texfab Limited ('the Company') is scheduled to be held on Saturday, September 30, 2023 at 2.00 p.m. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) in accordance with the circulars/ notifications issued by Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) to transact the businesses, as set forth in the Notice convening the Meeting.

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), please find enclosed herewith the Annual Report for the Financial Year 2022-23 and the Notice convening the 28<sup>th</sup> AGM being sent to all the members in electronic mode whose email address is registered with the Company/ Company's Registrar and Transfer Agent, Depositories/Depository Participants.

The aforementioned Annual Report is also available on the website of the Company at [www.osiajeehdl.com](http://www.osiajeehdl.com).

The Company has engaged the services of Central Depository Services (India) limited (CDSL) to provide e-voting facility to its shareholders. The details such as manner of (i) registering / updating email addresses, (ii) casting vote through e-voting and (iii) attending the AGM through VC/ OAVM has been set out in the Notice of the AGM.

The Cut-off Date for the purpose of determining the Members eligible to vote on the resolutions set out in the Notice or to attend the AGM and Remote e-voting Schedule is given below:

Sr. No.	Event	Day & Date	Time
1.	Cut-off Date	Friday, September 22, 2023	-
2.	e-voting Commencement	Wednesday, September 27, 2023	9.00 a.m. (IST)
3.	e-voting ends	Friday, September 29, 2023	5.00 p.m. (IST)

**Osiajee Texfab Limited**

**CIN: L17299PB1995PLC055743**

*Registered Office Address: 1043- 1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur- 146001, Punjab, India  
Contact No. +91-90565-53253 / E-Mail: [csosiajee.texfab@gmail.com](mailto:csosiajee.texfab@gmail.com) / Website: [www.osiajeehdl.com](http://www.osiajeehdl.com)*



**OSIAJEE**

Further, pursuant to Section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and the provisions of the Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 23, 2023 to Saturday, September 30, 2023 (both days inclusive) for the purpose of AGM.

Kindly take the same on record.

Thanking you,

Yours faithfully

**For Osiajee Texfab Limited**

**Reema Saroya**  
**Managing Director**  
**DIN: 08292397**

*Enclosed: As above*

**Osiajee Texfab Limited**

**CIN: L17299PB1995PLC055743**

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**OSIAJEE TEXTFAB LIMITED**  
**28<sup>TH</sup> ANNUAL REPORT 2022-23**

## Board of Directors as on date

Name of Directors	Designation	Date of Appointment
Mr. Gurprit Singh	Chairman & Independent Director	14 <sup>th</sup> August, 2021
Ms. Reema Saroya	Managing Director	7 <sup>th</sup> June, 2021
Mr. Lokesh Goyal	Whole Time Director	7 <sup>th</sup> June, 2021
Mr. Mehul Jagdish Modi	Executive Director	2 <sup>nd</sup> September, 2020
Ms. Megha Jain	Non- Executive Director	9 <sup>th</sup> February, 2021
Ms. Vibha Jain	Non- Executive Director	7 <sup>th</sup> June, 2021
Ms. Rupanjeet Kaur	Independent Director	14 <sup>th</sup> August, 2021
Mr. Ranjeet Singh Rana	Independent Director	21 <sup>st</sup> July, 2022

## Key Managerial Personnel

Name	Designation	Date of Appointment
Mr. Hemant Padmakar Chavan	Chief Financial Officer	2 <sup>nd</sup> September, 2020
Mr. Vikas Jain	Chief Executive Officer	7 <sup>th</sup> June, 2021
Ms. Laveena Basil	Company Secretary	14 <sup>th</sup> August, 2021

<b>Registered Office</b>	1043-1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur- 146001
<b>Bankers</b>	HDFC Bank Ltd., Federal Bank Limited, AU Small Finance Bank Limited
<b>Auditors</b>	M/s. S C Mehra & Associates LLP (Chartered Accountants)
<b>Secretarial Auditors</b>	M/s. JPM & Associates LLP (Practicing Company Secretaries)
<b>Registrar and Share Transfer Agent</b>	Satellite Corporate Services Private Limited Office No. 106 & 107, Dattani Plaza, East West Compound, Andheri Kurla Road, Safedpool Sakinaka, Mumbai- 400072

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### 28<sup>th</sup> ANNUAL GENERAL MEETING

<b>Day</b>	: Saturday
<b>Date</b>	: 30 <sup>th</sup> September, 2023
<b>Time</b>	: 2.00 p.m.
<b>Mode</b>	: Video Conferencing (VC)/ Other Audio Visual Means (OAVM)



# OSIAJEE TEXTFAB LIMITED

CIN: L17299PB1995PLC055743

1043-1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur- 146001, Punjab

E-Mail: [csosiajee.textfab@gmail.com](mailto:csosiajee.textfab@gmail.com) | Website: [www.osiajeehdl.com](http://www.osiajeehdl.com)

## NOTICE OF 28<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS

**NOTICE** is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of **OSIAJEE TEXTFAB LIMITED** ('the Company') will be held on Saturday, 30<sup>th</sup> day of September, 2023 at 2:00 P.M. (IST) through Video Conferencing ("VC") /Other Audio Visual Means ("OAVM") to transact the following Business. The Venue of the meeting shall be deemed to be the registered office of the company situated at 1043-1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur- 146001, Punjab.

### **ORDINARY BUSINESS:**

#### **1. ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS:**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 comprising Audited Balance Sheet the Statement of Profit & Loss along with Notes to Accounts and Cash Flow Statement appended thereto and Reports of the Board of directors and Statutory Auditors thereon.

#### **2. ADOPTION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS:**

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 comprising Consolidated Audited Balance Sheet, the Consolidated Statement of Profit & Loss along with Notes to Accounts and Cash Flow Statement appended thereto and reports of the Statutory Auditors thereon.

#### **3. CONFIRMATION OF DIVIDEND**

To confirm Interim Dividend of Rs.0.10/- per equity share of Rs. 10/- each for the financial year ended 31<sup>st</sup> March 2023.

#### **4. RE-APPOINTMENT OF MS. VIBHA JAIN (DIN: 09191000) AS A DIRECTOR, LIABLE TO RETIRE BY ROTATION.**

To appoint a Director in place of Ms. Vibha Jain (DIN: 09191000), Non- Executive Director of the Company, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

## 5. APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY.

To consider, and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modifications(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. S C Mehra & Associates LLP, Chartered Accountants (Firm Registration no. 106156W) be and are hereby re-appointed as Statutory Auditor of the Company, for a second term of 5 (five) consecutive years commencing from the conclusion of 28<sup>th</sup> Annual General Meeting till conclusion of 32<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2028, on such remuneration as may be mutually agreed upon by the Board of Directors and the Auditor.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to the above resolution.”

## SPECIAL BUSINESS:

### 6. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. AKASHDEEP (DIN: 10298196) AS INDEPENDENT DIRECTOR OF THE COMPANY.

To consider, and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:-

**“RESOLVED THAT**, pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors, **Mr. Akashdeep (DIN: 10298196)**, who was appointed as an Additional Director of the Company with effect from September 01, 2023 under Section 161(1) of the Act and holds office as such up to the date of ensuing Annual General Meeting and who is eligible for appointment and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of the Director of the company, be and is hereby appointed as a Director of the company.

**RESOLVED FURTHER THAT**, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Act and rules made there under read with Schedule IV of the Act as amended from time to time and Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of **Mr. Akashdeep (DIN: 10298196)** who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and who is eligible for appointment be and is hereby appointed as an Independent director of the Company, not liable to retire by rotation, to hold office for a period of five (5) years effective September 01, 2023 to August 31, 2028 be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**7. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. ANKUR VERMA (DIN: 10298199) AS INDEPENDENT DIRECTOR OF THE COMPANY.**

To consider, and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution:-**

**“RESOLVED THAT**, pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors, **Mr. Ankur Verma (DIN: 10298199)**, who was appointed as an Additional Director of the Company with effect from September 01, 2023 under Section 161(1) of the Act and holds office as such up to the date of ensuing Annual General Meeting and who is eligible for appointment and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of the Director of the company, be and is hereby appointed as a Director of the company.

**RESOLVED FURTHER THAT**, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Act and rules made there under read with Schedule IV of the Act as amended from time to time and Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of **Mr. Ankur Verma (DIN: 10298199)** who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and who is eligible for appointment be and is hereby appointed as an Independent director of the Company, not liable to retire by rotation, to hold office for a period of five (5) years effective September 01, 2023 to August 31, 2028 be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**8. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. AKASH RAI (DIN: 10299049) INDEPENDENT DIRECTOR OF THE COMPANY.**

To consider, and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution:-**

**“RESOLVED THAT**, pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors, **Mr. Akash Rai (DIN: 10299049)**, who was appointed as an Additional Director of the Company with effect from September 01, 2023 under Section 161(1) of the Act and holds office as such up to the date of ensuing Annual General Meeting and who is eligible for appointment and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of the Director of the company, be and is hereby appointed as a Director of the company.

**RESOLVED FURTHER THAT**, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Act and rules made there under read with Schedule IV of the Act as

amended from time to time and Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of **Mr. Akash Rai (DIN: 10299049)** who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and who is eligible for appointment be and is hereby appointed as an Independent director of the Company, not liable to retire by rotation, to hold office for a period of five (5) years effective September 01, 2023 to August 31, 2028 be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Date: 01.09.2023**  
**Place: Hoshiarpur**

**By order of the Board**  
**For Osiajee Texfab Limited**  
**Sd/-**  
**(Laveena Basil)**  
**Company Secretary**  
**M. No.: A65860**



## **NOTES:**

- 1.** The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business with respect to Item Nos. 5 to 8 forms part of this Notice. Additional information, pursuant to Regulation 36(3) and 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as an Annexure to the Notice.
- 2.** Pursuant to General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, Circular No. 02/2022 dated May 05, 2022 and Circular No.10/2022 dated December 28, 2022 and all other relevant circulars issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'), the Company is convening the 28<sup>th</sup> AGM through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at 1043-1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur- 146001, Punjab, which shall be deemed venue of the AGM.
- 3.** Pursuant to the provisions of the Act, a member entitled to vote and attend the AGM is entitled to appoint a proxy to attend and vote on their behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to MCA circulars through VC/ OAVM, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM are not annexed to this Notice.
- 4.** The Company has appointed Central Depository Services (India) Limited (CDSL) for providing the members the facility for participation in the 28<sup>th</sup> AGM through VC/OAVM, for voting through remote e-Voting and for e-Voting during the 28<sup>th</sup> AGM.
- 5.** The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 6.** Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the Listing Regulations, the Share Transfer Books and Register of Members of the Company will remain closed from Saturday, September 23, 2023 to Saturday, September 30, 2023 (both days inclusive) for the purpose of annual book closure.
- 7.** SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/655 dated November 3, 2021 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 has mandated for furnishing/ updating PAN, KYC details (Address, Mobile no., Email ID, Bank Details) and Nomination details by all holders of physical securities in listed company otherwise their folios shall be frozen by RTA from October 01, 2023. Therefore, Members holding shares in physical form are requested to submit the duly filled in documents along with related proofs to the Company's Registrar and Share Transfer Agent. The forms for updating KYC details are available on the Company's website and can be accessed at [www.osiajeehdl.com](http://www.osiajeehdl.com)

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

**1. VOTING THROUGH ELECTRONIC MEANS:**

I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

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

III. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 and May 12, 2020 respectively, the Notice of the AGM along with the Annual Report 2022-23 has been uploaded on the website of the Company at [www.osiajeehdl.com](http://www.osiajeehdl.com). The Notice of the Annual General Meeting along with the Annual Report for the financial year 2022-23 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. The Notice is also available on the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM notice is also disseminated on the website of CDSL (agency for providing remote e-voting and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

IV. For members who have not registered their email IDs so far, are requested to register their email IDs for receiving all communications, including Annual Report, Notices from the Company electronically. For any communication, the shareholders may also send requests to the Company's investor email id: [csosiajee.textfab@gmail.com](mailto:csosiajee.textfab@gmail.com).

V. The Company has appointed M/s JPM & Associates LLP, Practicing Company Secretaries, Ludhiana as the Scrutinizer for scrutinizing the entire e-voting process i.e. remote e-voting and e-voting during the AGM, to ensure that the process is carried out in a fair and transparent manner.

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

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

(i) The remote e-voting period begins on Wednesday, September 27, 2023 (9.00 a.m. IST) and ends on Friday, September 29, 2023 (5.00 p.m. IST). During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, September 22, 2023 may cast their vote electronically. The e-voting module shall be disabled by

CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before/ during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company.

(ii) The members who have cast their vote through remote e-voting prior to the AGM may attend the meeting but shall not be entitled to cast their vote again.

(iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

(iv) Pursuant to aforesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4) <b>Alternatively</b>, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on “Shareholders” module.
3. 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.
4. Next enter the Image Verification as displayed and Click on Login.
5. 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.
6. If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</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 sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <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.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) 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.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the **EVSN (230901073) for Osiajee Texfab Limited** on which you choose to vote.

(x) 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.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) 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.

**(xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- 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;

[csosiajee.textfab@gmail.com](mailto:csosiajee.textfab@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.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meetings & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [csosiajee.textfab@gmail.com](mailto:csosiajee.textfab@gmail.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [csosiajee.textfab@gmail.com](mailto:csosiajee.textfab@gmail.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

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 **Company** at [csosiajee.textfab@gmail.com](mailto:csosiajee.textfab@gmail.com) or RTA at [kyc@satellitecorporate.com](mailto:kyc@satellitecorporate.com) .

2. **For Demat shareholders-** Please update your email id & mobile no. with your respective Depository Participant (DP).

3. **For Individual Demat shareholders-** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

*If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.*

*All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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 toll free no. 1800 22 55 33.*

## 8. Declaration of Results

I. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.

II. Based on the scrutinizer's report, the Company will submit within 2 days of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulations.

III. The results declared along with the scrutinizer's report, will be hosted on the website of the Company at [www.osiajeehdl.com](http://www.osiajeehdl.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com), immediately after the declaration of the result by the Chairperson or a person authorised by him in writing and communicated to the Stock Exchange.

IV. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. September 30, 2023.

## 9. Other Instructions:

I. The persons who have acquired shares and become members after the dispatch of the notice may send a request to the Company Secretary via e-mail at [csosiajee.textfab@gmail.com](mailto:csosiajee.textfab@gmail.com) for a copy of the Annual Report. The Annual Report is also available on the website of the Company i.e. [www.osiajeehdl.com](http://www.osiajeehdl.com) and on the website of the Bombay Stock Exchange at [www.bseindia.com](http://www.bseindia.com).

II. The Company has designated an exclusive e-mail ID i.e. [csosiajee.textfab@gmail.com](mailto:csosiajee.textfab@gmail.com) to enable the investors to register their complaints / send correspondence, if any.

III. A person who is not a Member as on the cut-off date i.e. Friday, September 22, 2023 should treat this Notice for information purposes only.

IV. As per the provisions of Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016, the service of notice/documents including Annual Report can be sent by e-mail to its members. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail address with Company's Registrar & Transfer Agents, M/s. Satellite Corporate Services Private Ltd and Depository Participant in case of Demat Shares, to enable the Company to send the notices, documents including Annual Reports by e-mail.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF OSIAJEE TEXTFAB LIMITED TO BE HELD ON, SATURDAY, 30<sup>TH</sup> DAY OF SEPTEMBER, 2023 AT 2:00 P.M. (IST) THROUGH VIDEO CONFRENCING/ OTHER AUDIO VISUAL MEANS.**

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned under item nos. 5 to 8 of the accompanying Notice:

**Item No. 5:**

The Members of the Company in their meeting held on September 29, 2018 approved the appointment of M/s. S C Mehra & Associates LLP, Chartered Accountants as the Statutory Auditor of the Company to hold office for a term of five consecutive years commencing from Company's financial year 2018-19 to hold office from the conclusion of 23<sup>rd</sup> Annual General Meeting till the conclusion of the 28<sup>th</sup> Annual General Meeting to be held in the year 2023. Thus, the 1<sup>st</sup> term of M/s S C Mehra & Associates LLP will complete on the conclusion of ensuing Annual General Meeting of the Company.

Pursuant to the recommendation of the Audit Committee, the Board of Directors in their meeting held on May 19, 2023 approved the reappointment of M/s S C Mehra & Associates LLP, Chartered Accountants as the Statutory Auditor of the Company for Second term of five consecutive years to hold office from the conclusion of 28<sup>th</sup> Annual General Meeting till the conclusion of 32<sup>nd</sup> Annual General Meeting to be held in the year 2028, subject to the approval of the Shareholders in the ensuing Annual General Meeting.

Before recommending the reappointment of M/s S C Mehra & Associates LLP, Chartered Accountants as Statutory Auditor of the Company, the Audit Committee considered various parameters like capacity to serve the Company, audit experience in Company's operating segment, market standing of the firm, clientele served, technical knowledge etc., and found M/s S C Mehra & Associates LLP, Chartered Accountants to be suitable to handle the scale and complexity associated with the audit of the financial statements of the Company.

M/s S C Mehra & Associates LLP is a Chartered Accountant Firm registered with Institute of Chartered Accountants of India with Firm Registration No. 106156W. The Firm was established in the year 2018 and is led by 14 Partners. The Firm has its Head office in Mumbai and has branches at Ahmedabad, Bengaluru, Chennai, New Delhi, Jaipur, Jodhpur, Thane, Varanasi. The firm's audit services are reviewed by Peer Reviewers appointed by The Institute of Chartered Accountants of India. The firm has also been accredited with ISO 9001 certifications for its Quality Management Systems. The firm provides a range of services which include audit & assurance, taxation, advisory & accounting.

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), M/s. S C Mehra & Associates LLP, Chartered Accountants, have provided their consent and eligibility certificate to that effect, their appointment, if made, would be in compliance with the applicable laws.

The remuneration to be paid to Statutory Auditors during the term shall be as mutually agreed between the Board of Directors and Statutory Auditors, from time to time.

None of the other Directors or Key Managerial Personnel of the Company or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

#### **Item No. 6:**

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Akashdeep for the office of the Independent Director of the Company.

The Board of Directors of the Company appointed Mr. Akashdeep (DIN: 10298196) as an Additional Director (Non-Executive Independent Director) w.e.f September 01, 2023, in accordance with the provisions of Section 161 of Companies Act, 2013 to hold office only upto the date of forthcoming Annual General Meeting. He further submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and is eligible for appointment.

His brief profile is as follow:

Mr. Akashdeep has a Bachelor's degree in Arts from the Government College of Hoshiarpur under the Punjab University and possesses great analytical and management skills required for the business. He also has wide knowledge and experience in the field of management.

Considering Mr. Akashdeep's ability and taking into account the recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Akashdeep at its meeting held on September 01, 2023 as Additional Director (Non-Executive Independent) of the company, not liable to retire by rotation w.e.f. September 01, 2023 for period of 5 years subject to approval of members.

The Company has received from Mr. Akashdeep (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Akashdeep fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge.

Mr. Akashdeep does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The board considers that his association would be of immense benefit to the Company. In the opinion of the Board, Mr. Akashdeep fulfils the conditions specified in the Companies Act, 2013 and rule made thereunder for appointment as an independent director of the Company.

Accordingly, the Board recommends the Special Resolution set out at Item No. 6 of the Notice, in relation to the appointment of Mr. Akashdeep as an Independent director, considering

recommendation of the Nomination and Remuneration Committee for the approval by the shareholders of the Company.

None of the Directors or Key Managerial Personnel (KMP) or their relatives, except Mr. Akashdeep and his relatives is deemed to be interested or concerned, financially or otherwise in this resolution.

Brief resume of Mr. Akashdeep, nature of his expertise in specific functional area and names of the Companies in which he holds directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

#### **Item No. 7:**

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Ankur Verma for the office of the Independent Director of the Company.

The Board of Directors of the Company appointed Mr. Ankur Verma (DIN: 10298199) as an Additional Director (Non-Executive Independent Director) w.e.f September 01, 2023, in accordance with the provisions of Section 161 of Companies Act, 2013 to hold office only upto the date of forthcoming Annual General Meeting. He further submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and is eligible for appointment.

His brief profile is as follow:

Mr. Ankur Verma possess experience in financial matters and have great analytical skills required for the business.

Considering Mr. Ankur Verma's ability and taking into account the recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Ankur Verma in its meeting held on September 01, 2023 as Additional Director (Non-Executive Independent) of the company, not liable to retire by rotation w.e.f. September 01, 2023 for period of 5 years subject to approval of members.

The Company has received from Mr. Ankur Verma (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Ankur Verma fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge.

Mr. Ankur Verma does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The board considers that his association would be of immense benefit to the Company. In the opinion of the Board, Mr. Ankur Verma fulfils the conditions specified in the Companies Act, 2013 and rule made thereunder for appointment as an independent director of the Company.

Accordingly, the Board recommends the Special Resolution set out at Item No. 7 of the Notice, in relation to the appointment of Mr. Ankur Verma as an Independent director, considering recommendation of the Nomination and Remuneration Committee for the approval by the shareholders of the Company.

None of the Directors or Key Managerial Personnel (KMP) or their relatives, except Mr. Ankur Verma and his relatives is deemed to be interested or concerned, financially or otherwise in this resolution.

Brief resume of Mr. Ankur Verma, nature of his expertise in specific functional area and names of the Companies in which he holds directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors interse as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

#### **Item No. 8:**

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Akash Rai for the office of the Independent Director of the Company.

The Board of Directors of the Company appointed Mr. Akash Rai (DIN: 10299049) as an Additional Director (Non-Executive Independent Director) w.e.f September 01, 2023, in accordance with the provisions of Section 161 of Companies Act, 2013 to hold office only upto the date of forthcoming Annual General Meeting. He further submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and is eligible for appointment.

His brief profile is as follow:

Mr. Akash Rai possess experience in legal and financial matters. He also has wide knowledge and experience in the field of management.

Considering Mr. Akash Rai's ability and taking into account the recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Akash Rai at its meeting held on September 01, 2023 as additional director (Non-Executive Independent) of the company, not liable to retire by rotation w.e.f. September 01, 2023 for period of 5 years subject to approval of members.

The Company has received from Mr. Akash Rai (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Akash Rai fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge.

Mr. Akash Rai does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The board considers that his association would be of immense benefit to the Company. In the opinion of the Board, Mr. Akash Rai fulfils the conditions specified in the Companies Act, 2013 and rule made thereunder for appointment as an independent director of the Company.

Accordingly, the Board recommends the Special Resolution set out at Item No. 8 of the Notice, in relation to the appointment of Mr. Akash Rai as an Independent director, considering recommendation of the Nomination and Remuneration Committee for the approval by the Shareholders of the Company.

None of the Directors or Key Managerial Personnel (KMP) or their relatives, except Mr. Akash Rai and his relatives is deemed to be interested or concerned, financially or otherwise in this resolution.

Brief resume of Mr. Akash Rai, nature of his expertise in specific functional area and names of the Companies in which he holds directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors interse as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice

## Profile of the Director seeking appointment / re-appointment at the Annual General Meeting

[Pursuant to Regulation 26(4) and 36(3) of SEBI (Listing of Listing Obligations and Disclosures Requirements) Regulations, 2015 along with Paragraph 1.2.5 of Secretarial Standard on General Meetings]

Name of Director	Ms. Vibha Jain	Mr. Akashdeep	Mr. Ankur Verma	Mr. Akash Rai
Category	Non- Executive Director	Independent Director	Independent Director	Independent Director
Age	48 years	24 years	24 years	23 years
DIN	09191000	10298196	10298199	10299049
Qualification	Bachelor in Arts	Bachelor in Arts	Secondary Education	Secondary Education
Expertise	Ms. Vibha Jain possesses great wide knowledge and experience in the field of Management.	Mr. Akashdeep possesses great analytical and management skills required for the business. He also has wide knowledge and experience in the field of management.	Mr. Ankur Verma possess experience in financial matters and have great analytical skills required for the business	Mr. Akash Rai possess great experience in legal and financial matters. He also has wide knowledge and experience in the field of management
Directorships in other Listed Companies as on March 31, 2023	NIL	NIL	NIL	NIL
Chairmanship/ Membership of Committees of Other Listed Companies as on 31st March, 2023	NIL	NIL	NIL	NIL
Listed entities from which the Director has resigned in the past three years	NIL	NIL	NIL	NIL
Shareholding	1070	NIL	NIL	NIL
Disclosure of relationship between Directors inter-se	Ms. Vibha Jain is wife of Mr. Vikas Jain, Chief Executive Officer of the Company.	NONE	NONE	NONE

By order of the Board  
For Osiajee Texfab Limited  
Sd/-  
(Laveena Basil)  
Company Secretary  
M. No.: A65860

Date: 01.09.2023  
Place: Hoshiarpur

## DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2023. The consolidated performance of the Company and its wholly owned subsidiary has been referred to wherever required.

### Financial Performance

(₹ in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	68.93	206.81	244.59	289.93
Other income	10.77	9.00	0.31	9.00
<b>Gross Income</b>	<b>79.70</b>	<b>215.81</b>	<b>244.90</b>	<b>298.93</b>
Total Expenses	76.33	213.63	130.46	227.46
<b>Profit before Financial Expenses, Depreciation and Taxation</b>	<b>3.37</b>	<b>2.18</b>	<b>114.44</b>	<b>71.47</b>
Less: Finance Cost	-	-	-	-
Less: Depreciation and amortization	0.15	0.09	1.78	0.09
<b>Profit before Taxation</b>	<b>3.22</b>	<b>2.09</b>	<b>112.66</b>	<b>71.38</b>
Less: Tax Expense (Deferred & Current)	0.84	0.54	0.84	0.54
<b>Profit for the year</b>	<b>2.38</b>	<b>1.55</b>	<b>111.82</b>	<b>70.84</b>
Add: Other Comprehensive Income / (loss) for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>2.38</b>	<b>1.55</b>	<b>111.82</b>	<b>70.84</b>
<b>Earnings Per Share</b>				
Basic	0.04	0.03	2.07	1.31
Diluted	0.04	0.03	2.07	1.31

### Indian Accounting Standard

The financial statements have been prepared in accordance with the Indian Accounting Standards (IndAS) as notified by Ministry of Corporate Affairs (MCA) under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. Further, we would like to inform you that your Company operates in single segment. Hence no segment wise figures are published.

### Performance Review

We would like to brief you regarding the financial performance of the Company on standalone as well as consolidated basis, which is as under:-

#### Standalone Financial Performance

On standalone basis, the Company earned total income of Rs. 79.70 Lakhs in the current year as against Rs. 215.81 Lakhs in the previous year and earned a profit before tax of Rs. 3.22 Lakhs in the

current year as against Rs. 2.09 Lakhs in the previous year. After providing for tax expense of Rs. 0.84 Lakhs, the Company earned a net profit of Rs. 2.38 Lakhs for the year ended March 31, 2023 as compared to Rs. 1.55 Lakhs for the year ended March 31, 2022, improving the Earnings Per share of the Company from 0.03 in the year 2022 to 0.04 in the year 2023.

### **Consolidated Financial Performance**

The consolidated financial results includes the result of the wholly owned subsidiary company namely, Osiajee Agro Farms Limited which was incorporated on September 29, 2021. The wholly owned subsidiary of the Company endeavors to pursue high growth opportunities in agriculture, horticulture & agro farming industry and is pursuing high growth agro farming in Eucalyptus and Poplar trees and cultivation of other crops in Hoshiarpur district of Punjab, the produce of which will be sold to nearby plywood industry as well as other wood-based manufacturers.

On consolidated basis, the Company earned total income of Rs. 244.90 lakhs in the current year as against Rs. 298.93 Lakhs in the previous year and earned a profit before tax of Rs. 112.66 Lakhs in the current year as against Rs. 71.38 Lakhs in the previous year. After providing for tax expense of Rs. 0.84 Lakhs, the Company earned a net profit of Rs. 111.82 Lakhs with an EPS of 2.07 during the FY 2022-23 as against Rs. 70.84 Lakhs with an EPS of 1.31 earned during the FY 2021-22.

### **Management Discussion Analysis**

The Management Discussion and Analysis Report under requirements of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, forms part of this Annual Report as **Annexure- I** for the year ended 31<sup>st</sup> March 2023.

### **Dividend**

The Board of Directors in the first quarter of the Financial Year 2022-23 declared an Interim Dividend at a rate of 10% i.e. 0.10 paisa per equity share of INR 10/- each on the equity share capital of the Company paid out of the surplus of the profit and loss account of the Company.

However, keeping in mind to conserve the resources by taking into account the prevailing economic situation and the need of resources for growth, the Board of Directors of your Company have decided not to recommend any final dividend for the Financial Year ended March 31, 2023.

### **Share Capital**

During the year under review, the Authorized Share Capital of the Company was increased from Rs. 6,00,00,000/- to Rs. 10,00,00,000/- pursuant to the approval of Shareholder in the Annual General Meeting held on September 16, 2022. Accordingly, the Authorized Share Capital of the Company as on March 31, 2023 stands at Rs. 10,00,00,000/- divided into 1,00,00,000 Equity Shares of Rs. 10/- each.

The Issued, Subscribed & Paid-up Equity Share Capital of the Company as on March 31, 2023 stands at Rs. 5,40,00,000/- divided into 54,00,000 Equity Shares of Rs. 10/- each.

During the year under review, the Company has neither issued any Shares with differential voting rights nor granted any stock options, sweat equity shares or warrants or convertible securities and none of the Directors of the Company held instruments convertible into Equity Shares of the Company. There is no instance where the Company failed to implement any corporate action within the specified time limit.



## **Transfer to General Reserve**

During the year under review, the Company had not transferred any amount to General Reserve and the entire amount of profits for the year forms part of the 'Retained Earnings'.

## **Directors and Key Managerial Personnel:**

### **Retire by Rotation**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Vibha Jain (DIN: 09191000), Non-Executive Non- Independent Director of the Company retires by rotation at the 28<sup>th</sup> Annual General Meeting of the Company and being eligible, offers herself for reappointment.

### **Details of Directors and Key Managerial Personnel**

The Board of Directors of your Company is composed of Executive, Non-Executive and Independent Directors. As on March 31, 2023, the Board of Directors consists of Eight (8) Directors, of which Three (3) Directors are Executive, Two (2) Directors are Non- Executive Non- Independent and Three (3) are Independent Directors. The Board of Directors includes Four (4) Women Directors as on 31st March, 2023.

During the Financial Year 2022-23, the following changes occurred in the Board of Directors and Key Managerial Personnel of the Company:

- Mr. Dheeraj Kumar Mishra, ceased to act as Non-Executive Independent Director of the Company due to his Vacation of Office u/s 167 of the Companies Act, 2013 w.e.f October 20, 2022.
- Mr. Ranjeet Singh Rana (DIN: 09675082) was appointed as an Additional Director (Independent) by the Board of Directors in their meeting held on July 21, 2022 and his appointment as a Non-Executive Independent Director was approved by the members in their meeting held on September 16, 2022.

### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 read with Part D of Schedule II to the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance and the Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specified duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

The Independent Directors of the Company in their meeting without the presence of Non-Independent Directors and members of the management reviewed the performance of Non-Independent Directors, the Board of Directors as a whole and assessed the quality, quantity and timeliness of flow of information between the management and the Board of Directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The Board of Directors expressed their satisfaction with the evaluation process.

#### **Board of directors and its committee thereof**

##### **(a) Composition of the Board of Director**

The Board of the Company is composed of individuals from diverse fields. The Board of the Company is composed of Executive, Non-Executive, Independent Directors and Women Director.

As on March 31, 2023, the strength of the Board of Directors of the Company was at Eight Directors comprising of Three Executive, Two Non- Executive and Three Independent Directors. The details of the Board of Directors as on March 31, 2023 are given below:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>
<b>1</b>	Ms. Reema Saroya	Managing Director
<b>2</b>	Mr. Lokesh Goyal	Whole Time Director
<b>3</b>	Mr. Mehul Jagdish Modi	Executive Director
<b>4</b>	Ms. Megha Jain	Non- Executive Director
<b>5</b>	Ms. Vibha Jain	Non- Executive Director
<b>6</b>	Mr. Gurprit Singh	Independent Director
<b>7</b>	Ms. Rupanjeet Kaur	Independent Director
<b>8</b>	Mr. Ranjeet Singh Rana*	Independent Director

The composition of the Board also complies with the provisions of the Companies Act, 2013 and regulation 17 (1) of SEBI (LODR) Regulations, 2015.

All the Independent Directors had furnished to the Company a declaration under section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided under section 149(6)of the Companies Act, 2013 and SEBI Listing Regulations.

\* Mr. Ranjeet Singh Rana (DIN: 09675082) was appointed as an Additional Director (Independent) by the Board of Directors in their meeting held on July 21, 2022 and his appointment as a Non-Executive Independent Director was approved by the members in their meeting held on September 16, 2022.

##### **(b) Board Meetings**

The Board/Committee meetings are pre-scheduled and proper notices of Board and Committee meetings is circulated to the Directors well in advance to enable them to plan their schedules and to ensure their meaningful participation in the meetings.

During the year ended March 31, 2023, Four (04) Board Meetings were held by the Company. The gap between two Board meetings was in compliance with the provisions of the Act and the SEBI (LODR) Regulations, 2015. Details of the Directors as on March 31, 2023 and their attendance at the Board meetings and Annual General Meeting ("AGM") during the financial year ended March 31, 2023 are given below:

Name of Directors	Date of Meeting				
	30.05.2022	21.07.2022	20.10.2022	09.02.2023	16.09.2022 AGM
Reema Saroya	✓	✓	✓	✓	✓
Lokesh Goyal	✓	✓	✓	✓	✓
Mehul Jagdish Modi	✓	✓	Ab	✓	✓
Megha Jain	✓	✓	✓	✓	✓
Vibha Jain	Ab	✓	Ab	✓	✓
Gurprit Singh	✓	✓	✓	✓	✓
Rupanjeet Kaur	Ab	✓	Ab	Ab	✓
Ranjeet Singh Rana*	NA	NA	Ab	Ab	Ab
Dheeraj Kumar Mishra**	Ab	Ab	Ab	NA	Ab

\* Mr. Ranjeet Singh Rana (DIN: 09675082) was appointed as an Additional Director (Independent) by the Board of Directors in their meeting held on July 21, 2022 and his appointment as a Non-Executive Independent Director was approved by the members in their meeting held on September 16, 2022.

\*\* Mr. Dheeraj Kumar Mishra (DIN: 08851007), ceased to act as Non-Executive Independent Director of the Company due to his Vacation of Office u/s 167 of the Companies Act, 2013 w.e.f October 20, 2022.

### (c) Board Committees

#### (i) Audit Committee

Pursuant to Regulation 18 read with Part C of Schedule II of SEBI (LODR) Regulations, 2015, The Composition of Audit Committee as on March 31, 2023 comprises of Ms. Rupanjeet Kaur, Ms. Reema Saroya and Mr. Gurprit Singh.

Ms. Rupanjeet Kaur, Independent Director, is the Chairman of the Audit Committee. The representatives of Internal and Statutory Auditors are invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

During the financial year ended March 31, 2023, 4 (Four) meetings of the Audit Committee were held on May 30, 2022, July 21, 2022, October 20, 2022, and February 09, 2023 which were attended by the members of the Committee. During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board.

#### (ii) Nomination & Remuneration Committee

Pursuant to Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015, The composition of Nomination and Remuneration Committee as on March 31, 2023 comprises of Ms. Rupanjeet Kaur, Ms. Megha Jain and Mr. Gurprit Singh all of whom are Non- Executive Directors.

Ms. Rupanjeet Kaur, Non-Executive Independent Director of the Company, is the Chairman of the Nomination and Remuneration Committee.

During the financial year ended March 31, 2023, 2 (Two) meetings of the Nomination and Remuneration Committee were held on May 30, 2022 and July 21, 2022 which were attended by the members of the Committee.

### **(iii) Stakeholders' Relationship Committee**

Pursuant to Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015, the composition of Stakeholders Relationship Committee as on March 31, 2023 comprises of Three Member i.e. Ms. Megha Jain, Ms. Rupanjeet Kaur and Mr. Gurprit Singh all of whom are Non-Executive Directors.

Ms. Megha Jain, Non-Executive Director, is the Chairman of the Stakeholders Relationship Committee.

During the financial year ended on March 31, 2023, 1 (One) meeting of the Stakeholders Relationship Committee were held on May 30, 2022 which were attended by the members of the Committee.

### **(iv) Corporate Social Responsibility Committee**

Since the provisions as laid down in the Section 135 of the Companies Act, 2013 are not applicable to the Company, hence no Corporate Social Responsibility Committee has been formed. However, the Company tries in its best possible ways to involve itself in social development activities.

### **Declaration of Independence from Independent Directors**

Your Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 enclosed as **Annexure II** and they have also confirmed that they have complied with the Company's Code of Business Conduct and Ethics. Based on Independent Director's declarations, the Board of Directors is of the opinion that the Independent Directors fulfill the said condition of Independence. Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

### **Internal Control Systems and their Adequacy**

The details of Internal Control Systems and their adequacy have been discussed in the Management Discussion and Analysis Report under the title 'Internal Control Systems'.

### **Directors' Responsibility Statement**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of your Company, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on March 31, 2023 and of the profit and loss of the company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Particulars of Employees**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2022-23.

### **Change in the Nature of Business**

As required to be reported pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(ii) of Companies (Accounts) Rules, 2014, there is no change in the nature of business carried on by the Company during the financial year 2022-23.

### **Website Link for Annual Return**

In terms of Section 92(3) and 134(3)(a) of the Companies Act, 2013 the Annual Return of the Company is available on the website of the Company at the link: [www.osiajeehdl.com](http://www.osiajeehdl.com)

### **Auditors & their Report**

#### **a) Statutory Auditors:**

M/s. S C Mehra & Associates LLP, Statutory Auditors of your Company having (ICAI Firm Registration No. 106156W) were appointed at the 23<sup>rd</sup> Annual General Meeting of the Company held on September 29, 2018 for a period of 5 years i.e. from financial year 2018-2019 to 2022-2023 on a remuneration as mutually agreed upon by the Board of Directors and Statutory Auditor.

The Board of Directors, on the recommendation of the Audit Committee, has recommended for the approval of the members for reappointment of M/s. S C Mehra & Associates LLP, Statutory Auditors for Second term of Five years commencing from the conclusion of this AGM till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company. Appropriate resolution seeking the approval of the members is mentioned in the Notice convening the 28<sup>th</sup> AGM of the Company.

In view of the above, the Audit Committee is requested to note the eligibility of the Statutory

Auditor based on the Certificate received from them confirming that they do not attract any disqualification u/s 141 of the Companies Act, 2013.

The Statutory Auditors' Report forms part of the Annual Report. There is no audit qualification, reservation or adverse remark for the year under review. There was no instance of fraud during the year under review, which required the Statutory Auditor to report to the Audit Committee and/or Board under Section 143(12) of Act and Rules framed thereunder.

#### **b) Secretarial Auditor & Annual Secretarial Compliance Report:**

Pursuant to the provision of Section 204 of the Companies Act, 2013 read with rules made thereunder, the Board of Directors has appointed M/s JPM & Associates LLP, Company Secretaries (LLP ID: L2020PB007800 and Peer Review Cert. No. 1903/2022), as Secretarial Auditors to undertake secretarial audit of the Company for the Financial Year ended March 31, 2023. The Secretarial Audit Report is annexed as **Annexure- III** and form an integral part of this report.

The Secretarial Auditor has not expressed any qualification, reservation or adverse remark in their Secretarial Audit Report for the year under review.

The Annual Secretarial Compliance Report of the Company pursuant to Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, is uploaded on the website of the Company i.e. [www.osiajeehdl.com](http://www.osiajeehdl.com).

#### **c) Internal Auditor:**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

Pursuant to Section 138 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company had appointed M/s. K.L. Miglani & Co., Chartered Accountants, Hoshiarpur (Registration No. 010654N) as Internal Auditor of the Company for the FY 2022-23 and as per their Internal Audit Report no reportable weakness in the system was observed.

The Board of Directors in their meeting held on May 19, 2023 has appointed M/s. Rajan Beri & Associates, Chartered Accountants as the Internal Auditor of the Company for the Financial Year 2023-24.

#### **d) Cost audit**

In terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, appointment of Cost Auditor is not applicable to our company.

#### **Risk Management**

The Company has a comprehensive Risk Assessment and Minimization Procedure which enables it to take certain risks to remain competitive and achieve higher growth and at the same time mitigate other risks to maintain sustainable results. The Company's activities expose it to a variety of Financial Risks which are Market Risk, Credit Risk, Liquidity Risk and Capital Risk.

## Public Deposits

During the year under review, your Company has not accepted or renewed any Deposit within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder.

## Particulars of Contracts/ Arrangements with Related Party under Section 188

All contracts / arrangements / transactions entered by the Company during the year under review with related parties were in the ordinary course of business and on an arm's length basis. During the period under review, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Policy on Materiality of and Dealing with Related Party Transactions and accordingly, the disclosures in Form No. AOC-2 is not applicable. Details of all related party transactions are mentioned in the notes to financial statements forming part of the Annual Report.

The Audit Committee approves all the Related Party Transactions in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Omnibus approvals are obtained on a yearly basis for transactions which are repetitive in nature. In terms of Regulation 23 of SEBI (LODR) Regulations, 2015, the Company submits the disclosures of Related Party transactions to the Stock Exchange and also publishes the same on its website every six months.

The Policy on Materiality of and Dealing with Related Party Transactions as approved by the Board is available on the official website of the Company at [www.osiajeehdl.com](http://www.osiajeehdl.com).

## Particulars of Loans, Guarantees or Investments by the Company under section 186

The Particulars of loans, investments or guarantees have been disclosed in notes to the financial statements and the Company has duly complied with Section 186 of the Companies Act, 2013 in relation to Loans, Investment and Guarantee during the financial year 2022-23.

## Material Subsidiary

Pursuant to the thresholds laid down under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), for the FY 2022-23 Osiajee Agro Farms Limited is material subsidiary of the Company. The board of directors of the Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy has been uploaded on the Company's website and can be accessed at [www.osiajeehdl.com](http://www.osiajeehdl.com).

## Performance of Subsidiary Company

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Companies Accounts) Rules, 2014, a statement containing salient features of financial statements of wholly owned subsidiary company in Form AOC-1 is attached to the Financial Statements. The separate audited financial statements in respect of the subsidiary shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of the wholly owned subsidiary are also available on the website of the Company at [www.osiajeehdl.com](http://www.osiajeehdl.com).

## Material Changes affecting the financial position of the Company

During the year ended March 31, 2023, there were no material changes and commitments affecting the financial position of the Company that have occurred to which financial results relate and the date of the Report.

## Dematerialization of Shares

Your Company has connectivity with the National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for dematerialization of its Equity Shares. The ISIN No INE186R01013 has been allotted for the Company's Shares. Therefore, the members and/or investors may keep their shareholdings in the electronic mode with their Depository Participant. As on March 31, 2023, 98.68% of the paid-up Equity Share Capital stands in Demat mode and the remaining 1.32% Equity Shares were held in physical mode, the details of which are as follows:

Particulars	No. of Shares	% of Total Capital
Held in Demat form with CDSL	4233477	78.40
Held in Demat form with NSDL	1094968	20.28
Held in Physical mode	71555	1.32
<b>Total</b>	<b>54,00,000</b>	<b>100.00</b>

## Listing of Shares

The shares of your Company are listed at Bombay Stock Exchange (BSE) Limited. The applicable Annual Listing fee has been duly paid by the Company to the Stock Exchange for the Financial Year 2022-23.

## Subsidiary Companies

As on the last day of financial year under review, the Company has one Subsidiary- Osiajee Agro Farms Limited, the wholly owned subsidiary.

Osiajee Agro Farms Limited was incorporated on September 29, 2021 to commence business in Agro Farming. The wholly owned subsidiary Company is pursuing high growth agro farming in Eucalyptus and Poplar trees in Hoshiarpur district of Punjab, the produce of which are sold to nearby plywood industry as well as other wood-based manufacturers.

## Consolidated Financial statement

The Audited Consolidated Financial Statements prepared by the Company are duly provided in the Annual Report of the Company.



## Dividend lying in the Unpaid Dividend Account

In compliance with the provision of Section 124 of the Companies Act, 2013 the Company has transferred to the Unpaid Dividend Account the following amount:-

Sr. No.	Type of Dividend and Year	Amount (in ₹)	Year in which it will get transferred to IEPF
1.	Interim Dividend 2022-23	17,323.50	August, 2030

More details are available on the website of the Company at [www.osiajeehdl.com](http://www.osiajeehdl.com)

## Corporate Governance

With reference to the captioned subject and regulation 15(2)(a) of the said regulations the compliance with the corporate governance provisions as specified in regulations 17, 17A 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of the Schedule V shall not apply to listed entity having paid up equity share capital not exceeding rupees Ten Crore and net worth not exceeding rupees Twenty Five Crore, as on the last date of the previous financial year. Hence Compliance with above mentioned provisions relating to Corporate Governance are not applicable to your Company.

## Secretarial Standards of ICSI

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India as amended/replaced from time to time have been complied with by the Company during the financial year under review.

## Significant and Material Orders Passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's future operations.

## Environment, Health and Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources. The Company is committed to continuously take further steps to provide a safe and healthy environment.

## Nomination and Remuneration Policy

The Board of Directors has framed the nomination and remuneration policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment and removal of Directors, Key Managerial Personnel / Senior Management which are considered by the Nomination and Remuneration Committee and the Board of Directors.

The nomination and remuneration policy is displayed on the Company's website at [www.osiajeehdl.com](http://www.osiajeehdl.com).

## Human Resource /Industrial Relations

A detailed section on Human Resource/Industrial Relations is provided in the Management Discussion and Analysis Report, which forms part of this Annual Report.

### Vigil Mechanism and Whistle Blower Policy

The Company has implemented Vigil Mechanism & Whistle Blower policy. The policy inter-alia provides that any Directors, Employees, Stakeholders who observe any unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics, policies, improper practices or alleged wrongful conduct in the Company may report the same to Chairman of the Audit Committee or Managing Director of the Company. The Identity of the Whistle Blower shall be kept confidential to the greatest extent possible.

The detailed procedure is provided in the policy and the same is available on official website of the Company at following link [www.osiajeehdl.com](http://www.osiajeehdl.com).

During the year under review, there were no instances of fraud reported to the Audit Committee/ Board. Further, all recommendations of the Audit Committee were accepted by the Board.

### Familiarization Program for Independent Directors

A policy on familiarization program for independent directors has been adopted by the Company. All new Independent Directors inducted to the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board Constitutions and its procedures. The policy is available at company's website [www.osiajeehdl.com](http://www.osiajeehdl.com).

### Disclosure under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act 2013.

The Company is committed to maintaining a productive environment for all its employees at various levels in the organization free of sexual harassment and discrimination on the basis of gender. The Company has framed a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The number of employees being less than 10, the Company is not required to constitute an Internal Complaint Committee however, to redress complaints received regarding sexual harassment the Company has formed a complaint mechanism which is mentioned in the policy. During the year under review, the Company had not received any complaint of harassment. The policy is available at company's website [www.osiajeehdl.com](http://www.osiajeehdl.com).

### Disclosure of Remuneration of Directors and Employees of the Company

Information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as **Annexure IV** and forms part of this report.

### Statutory Information

1. The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption are not required to be furnished considering the nature of activities

undertaken by the Company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

2. The Business Responsibility Reporting as required under SEBI (LODR) Regulation, 2015 is not applicable to your Company for the financial year under review.

3. A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed herewith as a part of the report.

### **Fraud Reporting**

During the year under review, no fraud was reported to the Board of Director of the Company.

### **Green Initiative**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of the Annual Report to Shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

### **Acknowledgement**

Your directors wish to place on record sincere gratitude and appreciation, for the contribution made by the employees at all levels for their hard work, support, dedication towards the Company.

Your directors thank the Government of India and the State Governments for their co-operation and appreciate the relaxations provided by various regulatory bodies to facilitate ease in compliance with provisions of law.

Your directors also wish to thank its customers, business associates, suppliers, investors and bankers for their continued support and faith reposed in the Company.

**For and on behalf of the Board of Directors  
For Osiajee Texfab Limited**

**Sd/-**

**Ms. Reema Saroya  
Managing Director  
DIN: 08292397**

**Sd/-**

**Ms. Vibha Jain  
Non- Executive Director  
DIN: 09191000**

**Place: Hoshiarpur  
Date: 09.08.2023**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Objective of Report

The Objective of this report is to convey Management's perspective on the external environment and textile industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, internal control systems and their adequacy in the Company during the financial year 2022-23. This report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013, ('Act') and regulations issued by the Securities and Exchange Board of India ('SEBI'), each as amended from time to time.

### External Environment

#### Global Economic Condition and Outlook:

The year 2022 saw the developed world grapple with some of the highest levels of inflation in recent history. The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine is slowing amid widening divergences among economic sectors and regions. In May, the World Health Organization (WHO) announced COVID-19 as no longer a "global health emergency". However, Inflation remains high and continues to erode household purchasing power. As per the IMF estimates, the world economy grew by 3.4% in 2022. The most notable disparity was seen between the growths of Advanced and Emerging economies. The Advanced economies grew by 2.7% in 2022 while the Emerging economies led by China and India grew by 4% in 2022.

The IMF estimates that the global growth is projected to fall from an estimated 3.5% in 2022 to 3.0% in both 2023 and 2024. Core inflation is generally declining more gradually. Globally, it is set to decline from an annual average of 6.5 percent in 2022 to 6.0 percent in 2023 and 4.7 percent in 2024. The major forces that shaped the world economy in 2022 seem to continue in 2023 but with changed intensities. Debt levels remain high, limiting the ability of fiscal policymakers to respond to new challenges. Commodity prices that rose sharply following Russia's invasion of Ukraine have moderated, but the war continues, and geopolitical tensions are high. Infectious COVID-19 strains caused widespread outbreaks last year, but economies that were hit hard – most notably China – appear to be recovering with easing of supply-chain disruptions.

While the Western world becomes the epicentre of global tensions, emerging and developing economies are expected to outpace them by growing at 3.9% in 2023 and 4.2% in 2024. Emerging Asian economies led by China and India are bound to grow by 5.3% in 2023 and 5.1% in 2024 respectively.

According to the IMF World Economic Outlook- July 2023, in most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthening financial supervision and risk monitoring.

## Indian Economy and Outlook:

The IMF has estimated India's growth at 5.9% in FY23 and 6.3% in FY24, well above other economies of significant scale causing many to state that this could well be India's decade. India has emerged as the shining beacon in a grim global scenario by growing at 6.8% in 2022. The Reserve Bank of India (RBI) has tried to cushion the economy from rising prices and maintain liquidity. Still navigating inflation and preserving financial stability while boosting growth drivers will continue to be a tightrope walk. The central government has played a major role in boosting the growth of the economy as it continued with its capital expenditure push in the Union Budget 2023-24. In FY 2023-24, capex is budgeted at ₹10 lakh crore, which will constitute 3.3% of GDP. As per the RBI, such level of capex spending can take India's real GDP growth close to 7% in FY24. Despite the challenging global environment, the Indian economy with its strong fundamentals and massive demographic strengths seems en route to outpace other large economies.

## Textile Industry

### Global Textile Industry

As per the International Textile Manufacturers Federation (ITMF), the Textile sector has seen weakening demand since June 2022 due to persistent global inflation and lingering possibilities of a recession. Inflation has affected consumers and manufacturers alike with manufacturers and suppliers having to pay much more along all stages of their supply chains, from the cost of freight to wage increases for their workers. This has put textile manufacturers in a difficult situation.

### Indian Textile Industry

Despite the slowdown in the sector globally, the Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029. In FY23, exports of readymade garments (RMG) cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally. This has been made possible due to a structurally strong Indian economy fuelled by an ever-increasing domestic demand and some critical policy initiatives taken by the Government of India.

In the Union Budget 2023-24, the government announced various initiatives to aid the Textile and Apparel sector across its value chain from raw materials to manufacturing. The government has a special focus on Extra-Long Staple (ELS) cotton with the adoption of a cluster-based and value chain approach through public-private partnerships (PPP). The focus on enhancing the yield of ELS cotton would help increase the manufacturing of value-added garments and also to reduce the import of ELS cotton. The government also identified five new HS codes for cotton for further classification of cotton as per staple length. This will help in calibrating policy support for the segments which are import dependent or need further incentivisation. The increased outlay of funds to textile-centric schemes like RoDTEP, RoSCTL and the Amended Technology Upgradation Fund Scheme (ATUFS) further underlines the government's focus on textiles. The government has introduced various schemes such as the Scheme for Integrated Textile Parks (SITP) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme to attract private equity in the sector. The PM Mitra Park Scheme under which the government plans to invest over ₹70,000 crore to set up mega textile parks will provide a massive fillip to the textile sector and will help India transform from only a traditional textile industry to an MMF (man-made fibre) and technical textile hub in the world. The government recently approved an investment of ₹4,455 crore under this scheme for the creation of seven mega textile parks that would streamline multiple verticals from spinning, weaving and dyeing to printing and garment manufacturing. The government has come up with several export promotion policies for the textile sector as well. It has also allowed 100% FDI in the sector under the automatic route.

The government aims to achieve a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years. Further, Production-linked Incentive (PLI) Scheme worth ₹10,683 crore (US\$ 1.44 billion) for manmade fibre and technical textiles over a five-year period will also help the sector. The capex spending on transportation and logistics sectors by the government has increased to ₹10 lakh crore in the recent budget. This spending which is roughly about 3% of our GDP will have a ripple effect on multiple industries including the textile sector which could benefit from a smooth and sustainable infrastructure model. The textiles and apparel sector supported by the government's structural and productivity-related policy interventions and fuelled by a rising domestic demand looks well poised to prosper exponentially

## OPPORTUNITIES AND GROWTH DRIVERS

- Favourable government initiatives such as the National Technical Textiles Mission (NTTM), 100% FDI in the sector, SAMARTH- Scheme for Capacity Building in the Textile Sector, etc. for the development of the textile industry.
- Extension of the scheme for Rebate of State and Central Taxes and Levies (RoSCTL) till March 31, 2024, for the export of apparel, garments and made-ups with the same rates would benefit textile companies.
- 'China plus one' diversification policy will benefit Indian manufacturers. As global retailers are looking for an alternate supply base, India has greater appeal as an attractive option for manufacturing and exports of textiles and apparels.
- The growth of the technical textile market will create lucrative opportunities
- The rapid growth of the retail sector and E-commerce will boost the growth of the textile and apparel industry.
- Rising disposable income will stimulate domestic demand.
- The growing popularity of the fast fashion products will contribute to the growth of Textile and Apparel Industry.

## Threats

- Intense competition in the global market, especially from the textile and garment industries in Bangladesh and China.
- Subdued demand for textile and apparel exports as consumer confidence is low in the key markets.
- Compliance issues with the environmental norms and regulations.

## Company Overview

**Osiajee Textfab Limited ('the Company')** incorporated in the year 1995 as a Public Limited Company engaged in the business of trading in Textile Products, the end users of which are various manufacturing houses. The Company is currently dealing in the Textile of Fabrics with the mission to make Osiajee Textfab a trusted name in the textiles segment by delivering best products and customer services. The company is currently involved in trading of fabrics. The company is expanding its reach through modern trade and e-commerce. The Company is currently dealing in trading of Textile products with the mission to make "OSIAJEE" a trusted name in the textiles

segment by delivering best products and services to its customers.

The Company operates with its core values of Passion, Excellence, Creativity, Teamwork and Loyalty towards its employees, business partners, consumers and customers. The Company is committed to create future opportunities through growth by seeking long term profitability through win-win situation across all disciplines.

In September, 2021 the Company incorporated a Wholly Owned Subsidiary Company in the name of **Osiajee Agro Farms Limited** which commenced its business operations in Agro Farming and is generating profits since its first financial year. The wholly owned subsidiary Company endeavors to pursue the high growth opportunities in agriculture, horticulture & agro farming industry and is pursuing high growth agro farming in Eucalyptus and Poplar trees and cultivation of other crops in Hoshiarpur district of Punjab, the produce of which will be sold to nearby plywood industry as well as other wood-based manufacturers.

### Financial Performance

On standalone basis, the Company earned total income of Rs. 79.70 Lakhs in the current year as against Rs. 215.81 Lakhs in the previous year and earned a profit before tax of Rs. 3.22 Lakhs in the current year as against Rs. 2.09 Lakhs in the previous year. After providing for tax expense of Rs. 0.84 Lakhs, the Company earned a net profit of Rs. 2.38 Lakhs for the year ended March 31, 2023 as compared to Rs. 1.55 Lakhs for the year ended March 31, 2022, improving the Earnings Per share of the Company from 0.03 in the year 2022 to 0.04 in the year 2023.

### Segment wise or Product wise Performance

The Company is engaged in the business of trading in textile products and there is no separate reportable segment.

### Risk and Concern

Risk is an integral and unavoidable component of all businesses. The broader trends in the economy are expected to have a direct impact on your Company's growth prospects as well. Inflation is expected to remain elevated for the foreseeable future, driven by war-induced commodity price increases and broadening price pressures.

In addition, the anticipated increase in interest rates by Central Banks in the coming year are also expected to lower growth and exert pressure on economies particularly those in emerging markets. In these circumstances, the ability to successfully navigate cost pressures would have a significant bearing on the overall performance of your Company. Diminishing purchasing power and demand due to the economic circumstances could result in fundamental shifts in consumer behaviours and adversely impact the market for textiles and apparel. Migration to value-for-money options could also lead to reduced growth and profitability for your Company.

Though risks cannot be completely eliminated, an effective risk management plan ensures that risks are reduced, avoided, retained or shared. The Company's risk management procedure helps identify and evaluate risks on an ongoing basis. The following are the Principal Risks considered by the Company:

- The company's business may be impacted by introduction of new policies or changes in existing policies

**Mitigation:** The Company's management team keeps a close eye on policy regulations and

formulates company plans appropriately.

- Emerging businesses, capital expenditure for capacity expansion, among other purposes.  
**Mitigation:** Have well-defined processes and procedures in place for obtaining approvals for investments in new businesses and capacity expansions
- Commodity Price Risk.  
**Mitigation:** Strong and long-term relationships with vendors to help ensure timely availability of raw materials.

### **Internal Control Systems**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit Department with adequate experience and expertise in internal controls, operating system and procedures. The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. The Audit Committee reviews all financial statements to ensure adequacy of internal control systems. The Company has a well-defined organization structure, authority levels and internal rules and guidelines for conducting business transactions.

### **Human Resource Management and Industrial Relations**

Human Capital is considered a key resource and an intrinsic contributor to a Company's success. At Osiajee Texfab Limited we believe our employees are the cornerstone of our growth and progress and Company's most valuable asset. We promote a healthy work culture along with employee friendly policies for the overall development of our employees. We ensure a safe, transparent, healthy, progressive and productive work environment conducive to enhancing employee productivity. Training and Development Programs are periodically conducted for employees. These programs are organized to create opportunity for employees to learn, grow and take their career ahead and forward. During the year under review, Industrial relations remained cordial and the Board records its appreciation for the contribution of all employees towards the growth of the company. As on March 31, 2023 the Company has 10 employees.

### **Key Financial Ratios:**

The details of Key Financial Ratios are mentioned in the Standalone and Consolidated Financial Statements of the Company under note no. 26 in the notes to accounts of the Financial Statements.

### **Statutory Compliance:**

The Company has in place adequate systems and processes to ensure that it is in compliance with all applicable laws. The Company Secretary is responsible for implementing the systems and processes for monitoring compliance with the applicable laws and for ensuring that the system and processes are operating effectively.



**Cautionary Statement:**

The Management's Discussion & Analysis Report which seeks to describe the Company's objectives, projections, estimates, expectations and predictions may be considered to be "forward-looking statements" as of the date of this report and are stated as required by applicable laws and regulations. Actual performance and results could differ materially from those expressed or implied and the Company owes no obligation to publicly update these forward looking statements to reflect subsequent events or circumstances. Market data and product analysis contained in this Report has been obtained from internal Company reports and industry publications, but their accuracy and completeness are not guaranteed and their reliability cannot be assured

**For and on behalf of the Board of Directors  
For Osiajee Textfab Limited**

**Place: Hoshiarpur  
Date: 09.08.2023**

**Sd/-  
Ms. Reema Saroya  
Managing Director  
DIN: 08292397**

**Sd/-  
Ms. Vibha Jain  
Non- Executive Director  
DIN: 09191000**

DECLARATION OF INDEPENDENCE

To,

**The Board of Directors,**

Osiajee Textfab Limited

1043-1043 Bahadurpur Gate Road,

Near Maurya Palace,

Hoshiarpur- 146001

Punjab

Subject: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013 and the Regulation 16 of SEBI (LODR), Regulation, 2015

I, **Gurprit Singh (DIN: 09278753)** hereby certify that I am a Non-Executive Independent Director of Osiajee Textfab Limited, having its registered office at 1043-1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur- 146001, Punjab and comply with all the criteria of independent director as envisaged in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013 as amended.

I certify that:

- I possess relevant expertise and experience to be an independent director in the company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company or member of the promoter group of the listed entity;
- I am not related to promoters/directors in the Company or its holding, subsidiary or associate company;
- Apart from receiving director sitting fees/remuneration, I have/had no pecuniary relationship/transactions with the company or its holding, subsidiary or associate company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year;
- None of my relatives:
  - a. is holding securities of or interest in the Company, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the Company, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
  - b. is indebted to the Company, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
  - c. has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
  - d. has any other pecuniary transaction or relationship with the Company, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:
- Neither me nor any of my relatives:
  - a. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company or any company belonging to the promoter group of the Company in any of the three financial years immediately preceding the financial year in which i was proposed to be appointed;

b. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which i was proposed to be appointed, of;

I. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

II. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

c. holds together with my relatives 2% or more of the total voting power of the company; or

d. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts or corpus from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

e. is a material supplier, service provider or customer or a lessor or lessee of the company;

- I do hereby declare that I am not disqualified to act as the Director under any of the circumstances stipulated under Section 164 of the Companies Act, 2013 and that I at present stand free from any disqualification from being a director under other provisions of Section 164 of the Companies Act, 2013.
- I am not less than 21 years of age.
- I am not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

Further I hereby declare and submit that I have complied with sub-rule (1) and sub-rule (2) of rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014.

#### **Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully

Sd/-

**Gurprit Singh**

**Non-Executive Independent Director**

**DIN: 09278753**

**Dated: April 01, 2023**

**Place: Hoshiarpur**

**DECLARATION OF INDEPENDENCE**

To,  
**The Board of Directors,**  
Osiajee Textfab Limited  
1043-1043 Bahadurpur Gate Road,  
Near Maurya Palace,  
Hoshiarpur- 146001  
Punjab

**Subject: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013 and the Regulation 16 of SEBI (LODR), Regulation, 2015**

I, **Rupanjeet Kaur (DIN: 09276269)** hereby certify that I am a Non-Executive Independent Director of Osiajee Textfab Limited, having its registered office at 1043-1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur- 146001, Punjab and comply with all the criteria of independent director as envisaged in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013 as amended.

I certify that:

- I possess relevant expertise and experience to be an independent director in the company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company or member of the promoter group of the listed entity;
- I am not related to promoters/directors in the Company or its holding, subsidiary or associate company;
- Apart from receiving director sitting fees/remuneration, I have/had no pecuniary relationship/transactions with the company or its holding, subsidiary or associate company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year;
- None of my relatives:
  - e. is holding securities of or interest in the Company, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the Company, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
  - f. is indebted to the Company, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
  - g. has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
  - h. has any other pecuniary transaction or relationship with the Company, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:
    - Neither me nor any of my relatives:
      - a. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company or any company belonging to the promoter group of the Company in any of the three financial years immediately preceding the financial year in which i was proposed to be appointed;
      - b. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which i was proposed to be appointed, of;

I. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

II. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

c. holds together with my relatives 2% or more of the total voting power of the company; or

d. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts or corpus from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

e. is a material supplier, service provider or customer or a lessor or lessee of the company;

- I do hereby declare that I am not disqualified to act as the Director under any of the circumstances stipulated under Section 164 of the Companies Act, 2013 and that I at present stand free from any disqualification from being a director under other provisions of Section 164 of the Companies Act, 2013.

- I am not less than 21 years of age.

- I am not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

Further I hereby declare and submit that I have complied with sub-rule (1) and sub-rule (2) of rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014.

#### **Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully

**Sd/-**

**Rupanjeet Kaur**

**Non-Executive Independent Director**

**DIN: 09276269**

**Dated: April 01, 2023**

**Place: Hoshiarpur**

## DECLARATION OF INDEPENDENCE

**To,**  
**The Board of Directors,**  
Osiajee Texfab Limited  
1043-1043 Bahadurpur Gate Road,  
Near Maurya Palace,  
Hoshiarpur- 146001  
Punjab

**Subject: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013 and the Regulation 16 of SEBI (LODR), Regulation, 2015**

I, **Ranjeet Singh Rana (DIN: 09675082)** hereby certify that I am an Independent Director of Osiajee Texfab Limited, having its registered office at 1043-1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur- 146001, Punjab and comply with all the criteria of independent director as envisaged in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013 as amended.

I certify that:

- I possess relevant expertise and experience to be an independent director in the company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company or member of the promoter group of the listed entity;
- I am not related to promoters/directors in the Company or its holding, subsidiary or associate company;
- Apart from receiving director sitting fees/remuneration, I have/had no pecuniary relationship/transactions with the company or its holding, subsidiary or associate company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year;
- None of my relatives:
  - i. is holding securities of or interest in the Company, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the Company, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
  - j. is indebted to the Company, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
  - k. has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
  - l. has any other pecuniary transaction or relationship with the Company, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:
    - Neither me nor any of my relatives:
      - a. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company or any company belonging to the promoter group of the Company in any of the three financial years immediately preceding the financial year in which i was proposed to be appointed;
      - b. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which i was proposed to be appointed, of;

I. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

II. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

c. holds together with my relatives 2% or more of the total voting power of the company; or

d. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts or corpus from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

e. is a material supplier, service provider or customer or a lessor or lessee of the company;

- I do hereby declare that I am not disqualified to act as the Director under any of the circumstances stipulated under Section 164 of the Companies Act, 2013 and that I at present stand free from any disqualification from being a director under other provisions of Section 164 of the Companies Act, 2013.

- I am not less than 21 years of age.

- I am not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

Further I hereby declare and submit that I have complied with sub-rule (1) and sub-rule (2) of rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014.

#### **Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully

**Sd/-**

**Ranjeet Singh Rana**

**Additional (Non-Executive Independent) Director**

**DIN: 09675082**

**Dated: April 01, 2023**

**Place: Himachal Pradesh**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2023**

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

**To,**  
**The Members,**  
**Osiajee Textfab Limited**  
**1043-1043, Bahadurpur Gate**  
**Road Near Maurya Palace**  
**Hoshiarpur PB 146001 IN**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Osiajee Textfab Limited having registered office at 1043-1043, Bahadurpur Gate Road near Maurya Palace Punjab India, Corporate Identification No. L17299PB1995PLC055743.

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Osiajee Textfab Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2023, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Osiajee Textfab Limited for the financial year ended on **31<sup>st</sup> March 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (No event during the review period);



- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (No event during the review period);
- (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (No event during the review period);
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (No event during the review period);
- (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Laws applicable to the industry to which the Company belongs, as identified and confirmed by the management of the company and confirmed that the company has complied with these laws:

- Food Safety & Standards Act, 2006 and regulations made thereunder
- Legal Metrology Act, 2009 and Legal Metrology (General) Rules, 2011
- Legal Metrology (Packaged Commodities) Rules, 2011
- The Factories Act, 1948
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employee Provident Fund and Miscellaneous Provisions Act, 1952
- Employee State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Environment (protection) Act, 1986
- Electricity Act, 2003
- Payment of Gratuity Act, 1972
- Water (Prevention & Control of Pollution) Act, 1974 and rules thereunder
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder

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

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

We report that during the Period under Review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

#### **We further report that**

- (a) 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.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at reasonable gap 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.

- (c) As per the minutes, the decisions at the Board Meetings were taken unanimously..
- (d) The Company has obtained all necessary approvals under the various provisions of the Act; and
- (e) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, Depositories Act, and any other Act against/on the Company, its Directors and Officers.
- (f) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being Independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

We further report that based on the information received and records maintained 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.

We further report that during the Period under Review, the Company has not undertaken any specific event/action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For JPM & Associates LLP**  
**Companies Secretaries**  
**Peer Review Cert. No. 1903/2022**

Sd/-

**CS Pankaj Malhotra**  
**Designated Partner**  
**M.No. 11481 | CP No. 18710**  
**LLP ID: L2020PB007800**  
**UDIN: F011481E000768545**

**Dated: August 09, 2023**  
**Place: Ludhiana**

## Annexure A

**(Forming Integral part of Secretarial Audit Report for the financial year ending 31<sup>st</sup> March 2023)**

To,  
The Members,  
Osiajee Texfab Limited  
1043-1043, Bahadurpur Gate  
Road Near Maurya Palace  
Hoshiarpur PB 146001 IN

Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. which forms the integral part to express our opinion in Form MR-3.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis as the Secretarial Auditors.
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.

**For JPM & Associates LLP**  
**Companies Secretaries**  
**Peer Review Cert. No. 1903/2022**

Sd/-  
**CS Pankaj Malhotra**  
**Designated Partner**  
**M.No. 11481 | CP No. 18710**  
**LLP ID: L2020PB007800**  
**UDIN: F011481E000768545**

**Dated: August 09, 2023**  
**Place: Ludhiana**

## CERTIFICATE ON 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 Board of Directors  
Osiajee Texfab Limited  
1043-1043, Bahadurpur Gate Road,  
Near Maurya Palace,  
Hoshiarpur-146001

We have examined the relevant registers, records, forms, returns and disclosures received the directors of Osiajee Texfab Limited having CIN L17299PB1995PLC055743 and having registered office at 1043-1043, Bahadurpur Gate Road, Near Maurya Palace, Hoshiarpur-146001 in (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 my/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 me 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 March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

<b>Sl. No</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Designation</b>	<b>Date of appointment in Company</b>
1	Reema Saroya	08292397	Managing Director	09.02.2021
2	Lokesh Goyal	03289773	Wholetime Director	07.06.2021
3	Mehul Jagdish Modi	08836999	Executive Director	02.09.2020
4	Megha Jain	09045476	Non-Executive Director	09.02.2021
5	Vibha Jain	09191000	Non-Executive Director	07.06.2021
6	Rupanjeet Kaur	09276269	Non-Executive, Independent Director	14.08.2021
7	Gurprit Singh	09278753	Non-Executive, Independent Director	14.08.2021
8	Ranjeet Singh Rana*	09675082	Non- Executive, Independent Director	21.07.2022

- \*Mr. Ranjeet Singh Rana (DIN: 09675082) was appointed as an Additional Director (Independent) by the Board of Directors in their meeting held on July 21, 2022 and his appointment as a Non-Executive Independent Director was approved by the members in their meeting held on September 16, 2022.

- Mr. Dheeraj Kumar Mishra (DIN: 08851007), ceased to act as Non-Executive Independent Director of the Company due to his Vacation of Office u/s 167 of the Companies Act, 2013 w.e.f October 20, 2022.

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

**For JPM & Associates LLP**  
**Companies Secretaries**  
**Peer Review Cert. No. 1903/2022**

Sd/-

**CS Pankaj Malhotra**  
**Designated Partner**  
**M.No. 11481 | CP No. 18710**  
**LLP ID: L2020PB007800**  
**UDIN: F011481E000768589**

**Dated: August 09, 2023**  
**Place: Ludhiana**

Annexure IV

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

1. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2023.

Sr. No.	Name	Remuneration received in FY 2022-23 (in Rs.)	% Increase in Remuneration in FY 2022-23	Ratio of Remuneration to each director to median remuneration of Employees	Comparison of the Remuneration of KMP against the performance of the Company
1.	Ms. Reema Saroya Managing Director	-	-	-	-
2.	Mr. Lokesh Goyal Whole Time Director	2,00,000	NIL	-	PBT increased by 54.07% and PAT increased by 53.55%
3.	Mr. Mehul Jagdish Modi Executive Director	-	-	-	-
4.	Ms. Megha Jain Non- Executive Director	-	-	-	-
5.	Ms. Vibha Jain Non- Executive Director	-	-	-	-
6.	Mr. Dinesh Kumar Independent Director	-	-	-	-
7.	Mr. Dheeraj Kumar Mishra Independent Director	-	-	-	-
8.	Mr. Gurprit Singh Independent Director	-	-	-	-
9.	Ms. Rupanjeet Kaur Independent Director	-	-	-	-
10.	Mr. Hemant Chavan Chief Financial Officer	-	-	-	-
11.	Ms. Laveena Basil Company Secretary	3,30,000	20%	-	PBT increased by 54.07% and PAT increased by 53.55%
12.	Mr. Vikas Jain Chief Executive Officer	-	-	-	-

2. During the year under the review, there was no proposal to increase the remuneration of any Director.

3. The number of permanent employees on the rolls of the company as on 31<sup>st</sup> March, 2023 – 10 (Ten)

It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**STATEMENT OF PARTICULARS OF EMPLOYEES UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31.03.2023.**

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2022-23.

Notes:

1. For this purpose, Sitting Fees paid to the Directors has not been considered as remuneration;

**Place: Hoshiarpur  
Date: 09.08.2023**

**For and on behalf of the Board of Directors  
For Osiajee Texfab Limited**

<b>Sd/-</b>	<b>Sd/-</b>
<b>Ms. Reema Saroya</b>	<b>Ms. Vibha Jain</b>
<b>Managing Director</b>	<b>Non- Executive Director</b>
<b>DIN: 08292397</b>	<b>DIN: 09191000</b>

MANAGING DIRECTOR'S DECLARATION

Pursuant to requirement of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, I hereby confirm that the Board members and Senior Management Personnel of the Company (as defined in the above said regulations) have affirmed compliance with the Code of Conduct for Board of Directors and senior management personnel' for the year ended 31<sup>st</sup> March, 2023.

**Date: 09.08.2023**  
**Place: Hoshiarpur**

**Sd/-**  
**(Reema Saroya)**  
**Managing Director**  
**DIN: 08292397**



CEO/CFO DECLARATION

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015,

To,  
The Board of Directors,  
Osiajee Texfab Limited

- 1) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. 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.
- 2) 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.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal controls 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.
- 4) We have indicated to the Auditor and Audit Committee that:
  - a. there are no significant changes in internal control over financial reporting during the year except changes consequent to adoption of IND AS;
  - b. there are significant changes in accounting policies made during the year on account of IND AS adoption; and
  - c. there have been no 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.

**Sd/-**  
**Vikas Jain**  
**(Chief Executive Officer)**

**Sd/-**  
**Hemant Padmakar Chavan**  
**(Chief Financial Officer)**

**Place: Hoshiarpur**  
**Date: 09.08.2023**

FORM AOC-1

**Statement containing salient features of the financial statements of the Subsidiaries/Joint Ventures/Associate Companies Pursuant to Section 129(3) of the Companies Act, 2013 [Read with Rule 5 of the Companies (Accounts) Rules, 2014**

**PART 'A' – Summary of Financial Information of Subsidiary Companies**

1. Name of the Wholly Owned Subsidiary (WOS)- Osiajee Agro Farms Limited
2. The date since when subsidiary was acquired/ incorporated- September 29, 2021
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period- same as holding company
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries- INR
5. Share capital- INR 1,00,000/-
6. Reserves and surplus- INR 1,78,73,377/-
7. Total assets- INR 7,05,36,457/-
8. Total Liabilities- INR 5,25,63,080/-
9. Investments- Nil
10. Turnover- INR 1,75,95,836/-
11. Profit before taxation- INR 1,15,44,152/-
12. Provision for taxation- Nil
13. Profit after taxation- INR 1,15,44,152/-
14. Proposed Dividend- Nil
15. Extent of shareholding (in percentage)- 100%

**Notes:**

1. Names of subsidiaries which are yet to commence operations- Nil
2. Names of subsidiaries which have been liquidated or sold during the year- Nil
3. The Company does not have any Associate or Joint Ventures. Accordingly, Part B of Form AOC- 1 is not applicable.

**For and on behalf of Osiajee Texfab Limited**

SD/- <b>(Reema Saroya)</b> Managing Director DIN: 08292397	SD/- <b>(Vibha Jain)</b> Director DIN: 09191000	SD/- <b>(Hemant Padmakar Chavan)</b> Chief Financial Officer	SD/- <b>(Laveena Basil)</b> Company Secretary	SD/- <b>(Vikas Jain)</b> Chief Executive Officer
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**Place: Hoshiarpur**

**Date: May 19, 2023**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **Osiajee Texfab Limited**

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of **Osiajee Texfab Limited** ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of Profit and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and Profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be communicated in our report.

**Management was unable to produce relevant document for verification of investment in Disha Clothing and Industries Private Ltd. Hence, we are unable to verify the cost of investment to ensure that whether the cost of investment is correct or not.**

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' report.

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

## **Management's Responsibility for the 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 and Cash Flow Statement of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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.

The 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls systems 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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**

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

#### **As required by Section 143(3) of the Act, we report that:**

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid

down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

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:

a. The Company does not have any pending litigations which would impact its financial position except some Income Tax Demand detailed in Annexure A VII(b).

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,

(i) 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; and

(ii) 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.

(iii) Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

e. In our opinion and according to the information and explanations given to us, the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

**For S C Mehra & Associates LLP**

**Chartered Accountants**

**Firm Registration No.106156W**

Sd/-

**CA S C Mehra**

**Partner**

**M. No. 039730**

**Place: Mumbai**

**Date: 19th May, 2023**

**UDIN: 23039730BGWHAX6620**

**ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF OSIAJEE TEXTFAB LIMITED FOR THE YEAR ENDED MARCH 31, 2023**

[Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. In respect of its Property Plant and equipment and Intangible asset:-
  - a) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
The Company does not have any intangible assets.
  - b) The property, plant and equipment of the Company were physically verified by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
  - c) In our opinion and according to the information and explanations given to us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
  - d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, paragraph 3 (i) (d) of the Order is not applicable.
  - e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, paragraph 3 (i) (e) of the Order is not applicable.
- ii.
  - a) The inventories have been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
  - b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable.
- iii. (a) In our opinion and according to information and explanation given to us, the Company has made investments in/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties.



(b) The aggregate amount during the year and balance outstanding at the balance sheet date with respect to loans or advances to subsidiaries are Rs. 158.06 Lakhs and Rs. 158.33 Lakhs respectively.

(c) The aggregate amount during the year and balance outstanding at the balance sheet date with respect to loans or advances and guarantees or security to other than subsidiaries, joint ventures and associates are Rs. 2.00 Lakhs and Rs. 127.15 Lakhs respectively.

(d) In our opinion and according to information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

(e) In our opinion and according to information and explanation given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular except few loans and advances given in past years with no transections during the year.

(f) In our opinion and according to information and explanation given to us, there are some loans and advances Rs. 127.15 Lakhs overdue for more than ninety days.

(g) In our opinion and according to information and explanation given to us, there are no loans or advances 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 over dues of existing loans given to the same parties.

In our opinion and according to information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment

- iv. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, paragraph 3 (v) of the Order is not applicable.
- vi. The provision of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provision stated in paragraph 3(vi) of the Order are not applicable to the Company.

vii. (a) Amounts deducted/ accrued in the books of account in respect of 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 other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

(b) No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable, except the following:

Name of the statute	Nature of the dues	Amount (Lakhs)	Period to which the amount related
Income Tax Act, 1961	Income Tax	20.1293	AY17-18
Income Tax Act, 1961	Penalty	0.1	AY 17-18
Income Tax Act, 1961	Interest	0.01734	AY 14-15
Income Tax Act, 1961	Income Tax	0.7933	AY 12-13
Income Tax Act, 1961	Penalty	0.1	AY 11-12
Income Tax Act, 1961	Penalty	3.5927	AY 11-12
Income Tax Act, 1961	Income Tax	0.04352	AY 08-09
Income Tax Act, 1961	Income Tax	0.1508	AY 10-11
Income Tax Act, 1961	Income Tax	19.2768	AY 19-20
Income Tax Act, 1961	Income Tax	8.25486	AY 20-21
Income Tax Act, 1961	Interest	2.42415	AY 20-21
Income Tax Act, 1961	Interest	3.3793	AY11-12
Income Tax Act, 1961	Income Tax	1.4975	AY17-18
Income Tax Act, 1961	Interest	0.15	AY17-18
Income Tax Act, 1961	Income Tax	7.1759	AY11-12
Income Tax Act, 1961	Income Tax	21.636	AY 21-22
Income Tax Act, 1961	Interest	0.008	AY 18-19

- (c) There are no statutory dues referred to in sub-clause (a), which have not been deposited on account of dispute.
- viii. In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the term loans obtained during the year were applied for the purpose for which they were availed.
- (d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
- (e) The Company has a subsidiary but has not taken any funds from other entities and persons on account of or to meet the obligations of its subsidiary.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, 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, paragraph 3 (x) (b) of the Order is not applicable.
- xi. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.
- b) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.

- c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.
- xii. The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system, commensurate with the size and nature of its business.
- (b) The reports of the internal auditors for the year under audit were considered by us, as part of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- xvi. a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- b) In our opinion and according to the information and explanations given to us, 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.
- c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.
- d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable.
- xix. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and management plans, there are no material uncertainty exists as on the date of the audit report that 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 of Companies Act, 2013 are not applicable to the company.
- xxi. In our opinion and according to the information and explanations given to us, 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.

**For S C Mehra & Associates LLP**

**Chartered Accountants**

**Firm Registration No.106156W**

Sd/-

**CA S C Mehra**

**Partner**

**M. No. 039730**

**Place: Mumbai**

**Date: 19th May, 2023**

**UDIN: 23039730BGWHAX6620**

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF OSIAJEE TEXTFAB LIMITED**

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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 with reference to financial statements of **Osiajee Textfab Limited** ("the Company") as of March 31, 2023 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 with reference to financial statements 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 (ICAI) (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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls With Reference to Financial Statements**

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, an internal financial control with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For S C Mehra & Associates LLP**

**Chartered Accountants**

**Firm Registration No.106156W**

Sd/-

**CA S C Mehra**

**Partner**

**M. No. 039730**

**Place: Mumbai**

**Date: 19<sup>th</sup> May, 2023**

**UDIN: 23039730BGWHAX6620**

# OSIAJEE TEXTFAB LIMITED

## Standalone Audited Balance Sheet as at March 31, 2023

(Amount in Lakhs)

	Notes	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, Plant and Equipment	2	0.22	0.37
Capital work in Progress			
Investment Properties			
Goodwill			
Other Intangible Assets			
Intangible assets under development			
Investments accounted for using the equity Method			
Financial Assets			
i) Investments	3	31.01	30.01
ii) Loans	4	285.48	149.90
Deferred Tax Assets	5	0.03	0.03
Other non-current assets	6	0.60	7.61
<b>Total non-current assets</b>		<b>317.34</b>	<b>187.92</b>
<b>Current Assets</b>			
Inventories		1.52	29.01
Financial Assets			
i) Investments			
ii) Trade Receivables	7	433.63	542.83
iii) Cash and Cash equivalents	8	1.34	1.79
iv) Bank balance other than (iii) above			
v) Loans		-	-
Current Tax Assets	9	-	0.50
Other Current Assets	10	1.81	1.68
<b>Total current assets</b>		<b>438.30</b>	<b>575.82</b>
<b>TOTAL ASSETS</b>		<b>755.64</b>	<b>763.74</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	11	540.00	540.00
Other Equity	12	161.06	164.08
<b>Total Equity</b>		<b>701.06</b>	<b>704.08</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Financial liabilities			
i) Borrowings		-	-
ii) Other Financial Liabilities		-	-
Provisions		-	-
Employee benefit obligations		-	-
Deferred Tax Liabilities		-	-
Government grants		-	-
Other non-current liabilities		-	-
<b>Total non-current liabilities</b>		<b>0.00</b>	<b>0.00</b>



**Current Liabilities**

Financial Liabilities			
i) Borrowings	13	9.71	9.87
ii) Trade Payables	14	9.29	7.96
iii) Other Financial Liabilities		0.00	-
Provisions		-	-
Employee benefits obligations		-	-
Government grants		-	-
Current tax liabilities	15	24.26	27.80
Other Current Liabilities	16	11.32	14.02
<b>Total current liabilities</b>		<b>54.58</b>	<b>59.66</b>
<b>TOTAL LIABILITIES</b>		<b>54.58</b>	<b>59.66</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>755.64</b>	<b>763.74</b>

The accompanying notes are an integral part of the Financial Statements.

**For S C Mehra & Associates LLP**

**Chartered Accountants**

**Firm Reg. No : 106156W/W100305**

**Sd/-**

**(CA S C Mehra)**

Partner

M. No: 039730

**UDIN: 23039730BGWHAX6620**

**Place : Hoshiarpur**

**Date: May 19, 2023**

**For Osiajee Texfab Limited**

Sd/-

**(Reema Saroya)**

Managing Director

DIN: 08292397

Sd/-

**(Hemant Chavan)**

Chief Financial Officer

Sd/-

**(Vikas Jain)**

Chief Executive Officer

Sd/-

**(Vibha Jain)**

Director

DIN: 09191000

Sd/-

**(Laveena Basil)**

Company Secretary

## OSIAJEE TEXTFAB LIMITED

### Standalone Statement of Profit and Loss Account for the year ended March 31, 2023

(Amount in Lakhs)

	Notes	As at 31.03.2023	As at 31.03.2022
<b>Income</b>			
Revenue from Operations	17	68.93	206.81
Other Income	18	10.77	9.00
<b>Total Income</b>		<b>79.70</b>	<b>215.81</b>
<b>Expense</b>			
Purchases of Stock-In-Trade	19	2.98	206.59
Change In Inventories of Stock In Trade	20	27.49	-23.07
Employees Benefit Expenses	21	10.74	8.38
Finance Cost		-	-
Depreciation and Amortisation Expense	2	0.15	0.09
Other Expenses	22	35.12	21.72
<b>Total Expenses</b>		<b>76.48</b>	<b>213.72</b>
<b>Profit / (Loss) Before Tax</b>		<b>3.22</b>	<b>2.09</b>
<b>Tax expense</b>			
Current Tax		0.84	0.54
Deferred Tax		-	-
<b>Profit / (Loss) for the period</b>		<b>2.38</b>	<b>1.55</b>
<b>Other Comprehensive Income</b>			
<b>Total Comprehensive Income / (Loss) for the period</b>		<b>2.38</b>	<b>1.55</b>
Earnings per equity share:	23		
Basic and Diluted		0.04	0.03
[Face Value Rs. 10 each]			

Summary of Significant Accounting Policies 1

The accompanying notes are an integral part of to the Financial Statements

**For S C Mehra & Associates LLP**  
Chartered Accountants  
Firm Reg. No : 106156W/W100305

Sd/-

**(CA S C Mehra)**

Partner

M. No: 039730

UDIN: 23039730BGWHAX6620

Place : Hoshiarpur

Date: May 19, 2023

**For Osiajee Textfab Limited**

Sd/-

**(Reema Saroya)**

Managing Director

DIN: 08292397

Sd/-

**(Hemant Chavan)**

Chief Financial Officer

Sd/-

**(Vikas Jain)**

Chief Executive Officer

Sd/-

**(Vibha Jain)**

Director

DIN: 09191000

Sd/-

**(Laveena Basil)**

Company Secretary

## OSIAJEE TEXTFAB LIMITED

### STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(Amount in Lakhs)

Particulars	31.03.2023	31.03.2022
Profit Before Tax	3.22	2.09
Misc. Income	-	-
Depreciation	0.15	0.09
Interest Paid	-	0.02
Dividend Income	(6.00)	-
<b>Operating Profit Before</b>	<b>(2.63)</b>	<b>2.20</b>
Change In Working Capital		
Other Non-Current Investments	-	-
Non-Current Financial Loan Assets	(135.58)	(68.23)
Inventories	27.49	(23.07)
Trade Receivable	109.20	279.98
Current Financial Loan Assets	-	-
Other Current Assets	7.39	0.88
Current Tax Assets	-	-
Current Financial Borrowing	-	-
Trade Payables	1.33	(390.46)
Other Financial Liabilities	-	-
Other Current Liabilities	(6.25)	7.94
<b>Net Change In Working Capital</b>	<b>0.95</b>	<b>(191.85)</b>
Income Tax Payable	(0.84)	(0.54)
<b>Cash Flow from Operating Activities (a)</b>	<b>0.11</b>	<b>(191.31)</b>
Purchase Of Property Plant and Equipment		-
Sale of Investment	-	187.13
Purchase of Investment	(1.00)	-
Dividend Income	6.00	-
<b>Cash Flow from Investing Activities (b)</b>	<b>5.00</b>	<b>187.13</b>

Cash Flow from Financing Activities		
Increase (Decrease) in Short Term Borrowings	(0.16)	5.42
Interest Paid	-	(0.02)
Proceeds Form Issue of Share Capital	-	-
Dividend Paid	(5.40)	-
<b>Cash Flow from Financing Activities (c)</b>	<b>(5.56)</b>	<b>5.40</b>
<b>a + b + c</b>	<b>(0.45)</b>	<b>1.23</b>
Cash Opening Balance	1.79	0.56
Cash Closing Balance	1.34	1.79
Cash & Cash at The End of Year	(0.45)	1.23

**For S C Mehra & Associates LLP**  
**Chartered Accountants**  
**Firm Reg. No : 106156W/W100305**  
**Sd/-**  
**(CA S C Mehra)**  
**Partner**  
**M. No: 039730**  
**UDIN: 23039730BGWHAX6620**

**For and on behalf of Osiajee Texfab Limited**

**Sd/-**  
**(Reema Saroya)**  
**Managing Director**  
**DIN: 08292397**

**Sd/-**  
**(Vibha Jain)**  
**Director**  
**DIN: 09191000**

**Sd/-**  
**(Hemant Chavan)**  
**Chief Financial Officer**

**Sd/-**  
**(Laveena Basil)**  
**Company Secretary**

**Place : Hoshiarpur**  
**Date: May 19, 2023**

**Sd/-**  
**(Vikas Jain)**  
**Chief Executive Officer**

## NOTES

forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2023

### Corporate Information

Osiajee Textfab Limited (the Company) is a public limited company domiciled in India and incorporated on 13<sup>th</sup> February, 1995 under the provisions of the Companies Act, 1956. The Company's shares are listed on the Bombay Stock Exchange. The Company is engaged in the business of trading in Textile Products, the end users of which are various manufacturing houses. The company is currently involved in trading of fabrics. The company is expanding its reach through modern trade and e-commerce. The Company is currently dealing in trading of Textile products with the mission to make "OSIAJEE" a trusted name in the textiles segment by delivering best products and services to its customers.

The Company incorporated a Wholly Owned Subsidiary (WOS) Company namely, Osiajee Agro Farms Limited having CIN: U01100PB2021PLC054356 incorporated on September 29, 2021. The WOS of the Company endeavours to pursue the high growth opportunities in agriculture, horticulture & agro farming industry and is pursuing high growth agro farming in Eucalyptus and Poplar trees and cultivation of other crops in Hoshiarpur district of Punjab, the produce of which will be sold to nearby plywood industry as well as other wood-based manufacturers.

### 1. Significant Accounting Policies

#### 1.1 Basis of Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 and guidelines issues by the Securities and Exchange Board of India ("SEBI").

These financial statements are approved for issue by the Board of Directors on May 19, 2023. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provision of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2019 being the date of transition to Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following:

- a) Certain financial assets and liabilities that are measured at fair value;
- b) Assets held for sale-measured at lower of carrying amount or fair value less cost to sell;
- c) Defined benefit plans – plan assets measured at fair value;

## **1.2 Summary of Significant Accounting Policies**

### **a) Current vs Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when it is:

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

The Company classifies all other liabilities as non-current.

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

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

### **b) Use of estimates and judgements**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

### **c) Property, Plant & Equipment**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2018, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Property, plant & equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. In case of assets acquired in exchange for a non-monetary asset, the cost of such an item of property, plant and equipment is measured at fair value unless (a) the exchange transaction lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

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

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

### **d) Depreciation on Property, Plant & Equipment**

Depreciation on Property, Plant & Equipment is calculated on a written down value (WDV) basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II to the Companies Act, 2013.

### **e) Inventories**

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

### **f) Revenue Recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

### **g) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### **h) Employee Benefits**

Short term benefits and post-employment benefits are accounted in the period during which the services have been rendered.

### **i) Taxation**

#### **Current income tax**

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

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

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### **Deferred tax**

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.

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

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



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

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

#### **j) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the statement of profit and loss.

#### **k) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as part of finance costs.

#### **l) Contingent Liability**

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

#### **m) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## **n) Investments and other financial assets**

### **(i) Classification**

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

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) Those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

### **(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

**Debt Instruments:** Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

**Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

### **Equity instruments:**

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss.

### **(iii) Impairment of financial assets**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

## **o) Earnings Per Share**

### **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company

- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

### **Diluted earnings per shares**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## OSIAJEE TEXTFAB LIMITED

Accompanying Notes to the Financial Statements as at year ended March 31, 2023

### Note 2. Property, Plant and Equipment

(Amount In Lakhs)

	Computer	Furniture & Fixture	Office Equipment	Total
<b>Balance as at 31st March, 2022</b>	1.62	1.68	0.44	3.73
Additions	-	-	-	0.00
Disposals	-	-	-	0.00
Reclassification as held for sale	-	-	-	0.00
<b>Balance as at 31st March, 2023</b>	<b>1.62</b>	<b>1.68</b>	<b>0.44</b>	<b>3.73</b>
<b>Accumulated Depreciation</b>				
<b>Balance as at 31st March, 2021</b>	1.42	1.57	0.27	3.26
Additions	0.05	0.02	0.02	0.09
Disposals	-	0.00	-	-
Reclassification as held for sale	-	0.00	-	-
<b>Balance as at 31st March, 2022</b>	<b>1.48</b>	<b>1.59</b>	<b>0.29</b>	<b>3.36</b>
Additions	0.05	0.01	0.02	0.08
Disposals	-	0.00	-	-
Reclassification as held for sale	-	0.00	-	-
<b>Balance as at 30th Sep, 2022</b>	<b>1.52</b>	<b>1.60</b>	<b>0.31</b>	<b>3.43</b>
Additions	0.05	0.01	0.02	0.08
Disposals	-	0.00	-	0.00
Reclassification as held for sale	-	0.00	-	-
<b>Balance as at 31st March, 2023</b>	<b>1.57</b>	<b>1.61</b>	<b>0.33</b>	<b>3.51</b>
<b>Net carrying amount</b>				
<b>Balance as at 31st March, 2022</b>	<b>0.14</b>	<b>0.09</b>	<b>0.14</b>	<b>0.37</b>
<b>Balance as at 31st March, 2023</b>	<b>0.05</b>	<b>0.07</b>	<b>0.11</b>	<b>0.22</b>

**OSIAJEE TEXTFAB LIMITED**

Notes to Financial Statements as at and for the year ended March 31, 2023

(Amount in Lakhs)

	As at 31.03.2023	As at 31.03.2022					
<b>Note 3. Investments</b>							
<b>Investment in quoted Shares</b>							
MISC INVT QUOTED	0.01	0.01					
<b>Investment in Wholly owned Subsidiary</b>							
unquoted Shares							
OSIAJEE AGRO FARMS LTD (10000 Equity Shares of Rs. 10 each)	1.00						
<b>Other</b>							
unquoted Shares							
DISHA CLOTHING AND INDUSTRIES PVT LTD	30.00	30.00					
	<u>31.01</u>	<u>30.01</u>					
Aggregate value of unquoted investments	31.00	30.00					
Aggregate value of quoted investments	0.01	0.01					
Aggregate market value of quoted investments	0.01	0.01					
Aggregate provision for diminution in the value of investments							
<b>Note 4. Loans</b>							
(Unsecured, considered good)							
Loans to Wholly Owned Subsidiary	158.33	149.90					
Loan to Others	127.15						
	<u>285.48</u>	<u>149.90</u>					
<b>Note 5. Deferred Tax Assets</b>							
Deferred Tax Assets on account of:							
- Unabsorbed depreciation allowances	0.03	0.03					
	<u>0.03</u>	<u>0.03</u>					
<b>Note 6. Other Non Current Assets</b>							
Bank Deposit with maturity beyond 12 months	0.00	0.00					
balance With Government Authority (TDS Receivable)	0.60	7.61					
Advance against Expenses	0.00	0.00					
	<u>0.60</u>	<u>7.61</u>					
<b>Note 7. Trade Receivables</b>							
(Unsecured, considered good)							
Doubtful	433.63	542.83					
	<u>433.63</u>	<u>542.83</u>					
Loss allowance							
Provision for doubtful debts	0.00	0.00					
	<u>0.00</u>	<u>0.00</u>					
Net trade receivables	<u>433.63</u>	<u>542.83</u>					
<b>Trade receivables ageing details</b>							
<b>As at 31 March 2023</b>							
		Outstanding for the following periods from due date of payment					
	Not due	Less than 6 month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 year	Total
Undisputed trade receivables – considered good	-	0.00	3.18	388.88			392.07
Undisputed trade receivables – considered doubtful	-	0.00	0.00	0.00	0.00	0.00	0.00
Disputed trade receivables – considered good	-	0.00	0.00	0.00	0.00	0.00	0.00
Disputed trade receivables – considered doubtful	-	0.00	0.00	30.95	10.62	0.00	41.56
							<u>433.63</u>
<b>As at 31 March 2022</b>							
		Outstanding for the following periods from due date of payment					
	Not due	Less than 6 month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 year	Total
Undisputed trade receivables – considered good	-	0.00	0.00	501.27	0.00	0.00	501.27
Undisputed trade receivables – considered doubtful	-	0.00	0.00	0.00	0.00	0.00	0.00
Disputed trade receivables – considered good	-	0.00	0.00	0.00	0.00	0.00	0.00
Disputed trade receivables – considered doubtful	-	0.00	30.95	10.62	0.00	0.00	41.56
							<u>542.83</u>
<b>Note 8. Cash and Cash Equivalents</b>							
Balances with Scheduled Bank		0.57					0.52
Cash on Hand		0.77					1.27
		<u>1.34</u>					<u>1.79</u>
<b>Note 9. Current Tax Assets</b>							
Balance with Government Authorities		0.00					0.50
		<u>0.00</u>					<u>0.50</u>
<b>Note 10. Other Current Assets</b>							
GST Input		1.81					0.62
GST Refund		-					1.06
Advance From Debtors		-					0.00
		<u>1.81</u>					<u>1.68</u>
<b>Note 13. Borrowings</b>							
Short Term Borrowings - Loans		9.71					9.87
		<u>9.71</u>					<u>9.87</u>
<b>Note 14. Trade Payables</b>							
Outstanding dues of micro enterprises & small enterprises		0.00					0.00
Outstanding dues of creditors other than micro & small enterprises		9.29					7.96
		<u>9.29</u>					<u>7.96</u>
<b>Trade payables ageing details</b>							
<b>As at 31 March 2023</b>							
		Outstanding for the following periods from due date of payment					
	Not due	Less than 6 month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 year	Total
MSME	0.00	0.00	0.00	0.00	0.00	-	0.00
Others	0.00	0.25	0.48	7.82	0.00	-	8.54
Disputed dues-MSME	0.00	0.00	0.00	0.00	0.00	-	0.00
Disputed dues-Others	0.00	0.00	0.00	0.00	0.74	-	0.74
							<u>9.29</u>
<b>As at 31 March 2022</b>							
		Outstanding for the following periods from due date of payment					
	Not due	Less than 6 month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 year	Total
MSME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.35	6.75	0.11	0.00	0.00	7.22
Disputed dues-MSME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disputed dues-Others	0.00	0.00	0.00	0.74	0.00	0.00	0.74
							<u>7.96</u>
<b>Note 15. Current Tax Liabilities</b>							
Provision for tax		24.26					27.80
		<u>24.26</u>					<u>27.80</u>
<b>Note 16. Other Current Liabilities</b>							
Other Payable		11.32					14.02
		<u>11.32</u>					<u>14.02</u>

## OSIAJEE TEXTFAB LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

(Amount in Lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>Note 17. Revenue from Operations</b>		
Sales	68.93	206.81
Other Operating Income	-	-
	<b>68.93</b>	<b>206.81</b>
<b>Note 18. Other Income</b>		
Commission Income	-	9.00
Dividend Income	6.00	-
Interest Income	4.76	-
Service Charges Refund	0.01	-
	<b>10.77</b>	<b>9.00</b>
<b>Note 19. Purchase of Stock In Trade</b>		
Purchases	2.98	206.59
	<b>2.98</b>	<b>206.59</b>
<b>Note 20. Change in Inventories of Stock-In-Trade</b>		
Inventory at the Beginning	29.01	5.94
Inventory at the End	1.52	29.01
	<b>27.49</b>	<b>-23.07</b>
<b>Note 21. Employees Benefit Expenses</b>		
Salaries and Bonus	8.34	6.38
Staff Welfare	-	-
Remuneration to Director	2.40	2.00
	<b>10.74</b>	<b>8.38</b>
<b>Note 22. Other Expenses</b>		
Bank Charges	0.11	0.02
Listing Fees	-	5.76
Advertisement & Sales Promotion Expenses	1.18	1.70
Director Sitting Fees	1.20	2.07
Accounting Charges	0.30	-
Annual Custody Fees (NSDL)	0.27	-
BSE Listing Expenses	3.00	0.00
Legal & Professional Charges	2.32	3.63
Printing, Stationery	-	0.06
Postage & Courier	0.00	-
Misc Expenses	-	0.38
Charges- Monitoring Foreign Investment Unit	0.10	-
CDSL Issuer Fees	0.23	-
Annual Listing & Interest Fees	-	0.04
Interest	-	0.02
Consultancy charges	15.09	-
CDSL SMS Charges	0.26	-
Labour	0.20	-
NSDL Charges	0.25	-
Service Charges Paid	0.18	-
Round Off	0.00	-
Rent	2.40	1.60
Software	-	0.10
Fees & Taxes	0.35	0.35
Fine & Penalty	-	0.00
Amount Written Off	4.91	1.35
Agriculture Expenses	-	1.74
Demat Expenses	-	0.25
Audit Fees	2.75	2.36
Trademark Fee	-	0.27
Web Design Expenses	0.04	0.04
	<b>35.12</b>	<b>21.72</b>

### Note 23. Earning Per Share

Basis for calculation of Basic and Diluted Earnings per share

is as under:

Profit after tax (Lakhs)	238.02	154.05
Weighted Average Number of Equity Shares (Nos)	54,00,000.00	54,00,000.00
Face Value of each Equity Share (Rs.)	10.00	10.00
Basic and Diluted Earning Per Equity Share (Rs.)	0.04	0.03

## OSIAJEE TEXTFAB LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

## Note 11. Equity Share Capital

( Amount in Lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>Authorised</b>		
1,00,00,000 [31st March 2023: 10,00,00,000 and 31st March 2022: 6,00,00,000] Equity Shares of Rs. 10 each	1000.00	600.00
<b>Issued, Subscribed and Fully Paid up</b>		
54,00,000 [31st March 2023: 5,40,00,000 and 31st March 2022: 5,40,00,000] Equity Shares of Rs. 10 each	540.00	540.00
	<b>540.00</b>	<b>540.00</b>

## A. Reconciliation of the number of shares

Equity Shares	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Amount in Lakhs	Number of Shares	Amount in Lakhs
Balance as at the beginning of the year	54,00,000	540.00	54,00,000	540.00
Balance as at the end of the year	54,00,000	540.00	54,00,000	540.00

## B. Details of equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	Nos.	% of Holding	Nos.	% of Holding
Reema Saroya	10,43,311	19	6,76,029	13
Navraav Electro Limited	-	-	3,44,725	6
<b>Total</b>	<b>10,43,311</b>	<b>19</b>	<b>10,20,754</b>	<b>19</b>

## C. Terms/ Rights Attached to the Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity shares is entitled to one vote per share.

## D. Details of shares held by promoters

## As at 31st March 2023

## Promoter Name (Equity share capital)

Promoter Name (Equity share capital)	No. of Shares in the beginning of year	Change during the year	No. of Shares in the end of year	% of Total Shares	% change during the year
Umesh Kashinath Gawand	1,50,000	-	1,50,000	2.78	-
<b>Total</b>	<b>1,50,000</b>	<b>-</b>	<b>1,50,000</b>	<b>2.78</b>	<b>-</b>

## As at 31st March 2022

## Promoter Name (Equity share capital)

Promoter Name (Equity share capital)	No. of Shares in the beginning of year	Change during the year	No. of Shares in the end of year	% of Total Shares	% change during the year
Umesh Kashinath Gawand	1,50,000	-	1,50,000	2.78	-
<b>Total</b>	<b>1,50,000</b>	<b>-</b>	<b>1,50,000</b>	<b>2.78</b>	<b>-</b>

## OSIAJEE TEXTFAB LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

### Note 12. OTHER EQUITY

( Amount in Lakhs)

	Reserve & Surplus		
	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 31st March, 2021</b>	-	<b>162.54</b>	<b>162.54</b>
Profit for the year	-	1.55	1.55
Other comprehensive income for the year	-	0.00	0.00
Total comprehensive income for the year	-	1.55	1.55
<b>Balance as at 31st March, 2022</b>	-	<b>164.08</b>	<b>164.08</b>
Profit for the year	-	2.38	2.38
Dividend Declared & Paid		-5.40	-5.40
Other comprehensive income for the year	-	0.00	0.00
Total comprehensive income/ loss for the year	-	-3.02	-3.02
<b>Balance as at 31st March, 2023</b>	-	<b>161.06</b>	<b>161.06</b>



## 24. Related Party Transactions

Name of related parties in Transactions with company and description of relationship:

Name of Related Party	Description of Relationship
Mr. Lokesh Goyal	- Wholetime Director
Ms. Laveena Basil	- Company Secretary
Ms. Reema Saroya	- Managing Director
Osiajee Agro Farms Limited	- Wholly Owned Subsidiary Company
KT Investment	- Reema Saroya (Proprietor)

## 25.Transaction with Related Parties during the Year under review

*(Amount in Lakhs.)*

Name of Related Party	Nature of Transaction	Value of Transactions During the Year	Closing Balance for the Year ending March 31, 2023	Closing Balance for the Year ending March 31, 2022
Mr. Lokesh Goyal	Remuneration	2.00	2.40	2.00
Ms. Laveena Basil	Salary	3.30	0.30	0.25
Ms. Reema Saroya	Unsecured Loan Taken from Director	41.80	8.00	8.17
Osiajee Agro Farms Limited	Loan given	158.06	158.33	6.75
Osiajee Agro Farms Limited	Dividend Received	6.00	0	0
KT Investment	Rent Paid	2.20	2.60	0

In **accordance** with Accounting Standard Ind AS 108 'Operating Segment' the Company has only one reportable business segment and have only one reportable geographic segment in India.

## 26. Ratio analysis and its elements

Sr No	Particulars	Basis	Year ended			
			31st March, 2023	31st March, 2022	Variance	
1	Current ratio	Times	Current assets / Current liabilities	8.03	9.65	-1.62
2	Debt - Equity ratio	Times	Net Debt / Equity	0.01	0.01	0.00
3	Return on Equity	%	Profit after tax / Shareholders' Equity	0.00	0.00	0.00
4	Inventory Turnover Ratio	Times	Cogs or Sale/Average Inventory	4.52	5.92	-1.40
5	Trade Receivables turnover ratio	Times	Revenue from operations / Average trade receivable	0.14	0.30	-0.16
6	Trade Payables turnover ratio	Times	Cost of operations / Average trade payables	0.30	1.01	-0.71
7	Net Capital turnover ratio	Times	Revenue from operations / Working capital\$	0.18	0.40	-0.22
8	Net Profit/(Loss) Margin	%	Net Profit/(Loss) after tax / Revenue from operations	0.03	0.01	0.03
9	Return on Capital employed	%	Earnings Before Interest and tax# / Capital Employed@	0.00	0.00	0.00

\$ Working Capital = Current Assets - Current Liabilities

# Earnings before Interest and Tax = Profit after exceptional item and before tax + Finance costs (recognised)

@ Capital Employed = Average of equity and total borrowings

## 27. Capital Risk Management:

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**28. Contingent Liabilities:** Nil (Previous Year – Nil)

## **29. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

### **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

### **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities. The Company generally doesn't have collateral.

### **Trade Receivables and Security Deposits**

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

## Liquidity Risk

The company's principal source of liquidity is cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

30. Certain Balances of parties under sundry debtors, creditors, loans and advances are subject to confirmations/reconciliation.

31. There was no expenditure/earning in Foreign Currency during the year.

32. Deferred tax asset required as on 31/03/2023 is 0.15 lakh but we have shown only 0.03 lakh. Since, the amount was not material hence, entry was not passed for differential amount. to rectify the mistake differential amount entry will be passed in the in the Second Quarter of Financial Year 2023-24.

**For S C Mehra & Associates LLP**  
**Chartered Accountants**  
**Firm Reg. No : 106156W/W100305**

**Sd/-**  
**(CA S C Mehra)**  
**Partner**  
**M. No: 039730**  
**UDIN: 23039730BGWHAX6620**

**For and on behalf of Osiajee Texfab Limited**

**Sd/-**  
**(Reema Saroya)**  
**Managing Director**  
**DIN: 08292397**

**Sd/-**  
**(Vibha Jain)**  
**Director**  
**DIN: 09191000**

**Sd/-**  
**(Hemant Chavan)**  
**Chief Financial Officer**

**Sd/-**  
**(Laveena Basil)**  
**Company Secretary**

**Place : Hoshiarpur**  
**Date: May 19, 2023**

**Sd/-**  
**(Vikas Jain)**  
**Chief Executive Officer**

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of,  
**Osiajee Texfab Limited**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of Osiajee Texfab Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss and the consolidated Cash flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2023, of the consolidated profit/loss and its consolidated cash flows for the year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

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

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

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

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 and its subsidiary companies which are incorporated in India has adequate internal financial controls systems 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements.

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

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

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

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

### **Other Matter**

We did not audit the financial statements / financial information of subsidiaries, whose financial statements / financial information reflect total assets of Rs. 705.3646 Lakh as at 31st March, 2023, total revenues of Rs. 175.6522 Lakh, Total Comprehensive Income 115.4415 Lakh and net cash flows amounting to Rs. 46.49245 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.



- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure "A".
- (g) In our opinion and according to the information and explanations given to us, the company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There were no pending litigations which would impact the consolidated financial position of the Group.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

**For S C Mehra & Associates LLP**  
**Chartered Accountants**  
**FRN: 106156W**

Sd/-

**CA S C Mehra**  
**Partner**

**M No.: 039730**

**Place: Mumbai**

**Date: 19th May, 2023**

**UDIN: 23039730BGWHAY7287**

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

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (I) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)**

In conjunction with our audit of the Consolidated Financial Statements of **Osiajee Texfab Limited** (“The Company”) and its subsidiaries (the Company and its subsidiaries together referred to as “the Group”) as at and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of the Holding Company and its Subsidiary Companies incorporated in India, as at that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Company and its Subsidiary Companies, which are Companies incorporated in India, are 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **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 on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note required 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 risk of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company, its subsidiaries internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statement 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 expenditure of the Company are being made only in accordance with authorization 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 Limitation of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitation 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 procedure may deteriorate.

## **Opinion**

In our opinion, the Company and its Subsidiary Companies, which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India(ICAI).

## **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Financial Statements of Subsidiary Companies are based on the corresponding reports of the auditors of such Companies.

**For S C Mehra & Associates LLP**

**Chartered Accountants**

**FRN 106156W**

Sd/-

**CA S C Mehra**

**Partner**

**M No: 039730**

**Place: Mumbai**

**Date: 19th May, 2023**

**UDIN:23039730BGWHAY7287**

# OSIAJEE TEXTFAB LIMITED

## Consolidated Audited Balance Sheet as at March 31, 2023

(Amount in Lakhs)

	Notes	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, Plant and Equipment	2	367.55	0.37
Capital work in Progress			
Investment Properties			
Goodwill			
Other Intangible Assets			
Intangible assets under development			
Investments accounted for using the equity Method			
Financial Assets			
i) Investments	3	30.01	30.01
ii) Loans	4	218.92	217.20
Deferred Tax Assets	5	0.03	0.03
Other non-current assets	6	10.80	7.61
<b>Total non-current assets</b>		<b>627.29</b>	<b>255.22</b>
<b>Current Assets</b>			
Inventories		181.77	29.01
Financial Assets			
i) Investments			
ii) Trade Receivables	7	433.63	542.83
iii) Cash and Cash equivalents	8	56.58	10.53
iv) Bank balance other than (iii) above			
v) Loans		-	-
vi) Other financial assets		-	-
Current Tax Assets	9	-	0.50
Other Current Assets	10	1.81	1.68
<b>Total current assets</b>		<b>673.78</b>	<b>584.56</b>
<b>TOTAL ASSETS</b>		<b>1301.07</b>	<b>839.78</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	11	540.00	540.00
Other Equity	12	339.80	233.38
<b>Total Equity</b>		<b>879.80</b>	<b>773.38</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Financial liabilities			
i) Borrowings		-	-
ii) Other Financial Liabilities		-	-
Provisions		-	-
Employee benefit obligations		-	-
Deferred Tax Liabilities		-	-
Government grants		-	-
Other non-current liabilities		-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>

**Current Liabilities**

Financial Liabilities			
i) Borrowings	13	279.87	16.62
ii) Trade Payables	14	53.42	7.96
iii) Other Financial Liabilities		-	-
Provisions		-	-
Employee benefits obligations		-	-
Government grants		-	-
Current tax liabilities	15	24.26	27.80
Other Current Liabilities	16	63.72	14.02
<b>Total current liabilities</b>		<b>421.27</b>	<b>66.41</b>
<b>TOTAL LIABILITIES</b>		<b>421.27</b>	<b>66.41</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1301.07</b>	<b>839.78</b>

The accompanying notes are an integral part of the Financial Statements.

**For S C Mehra & Associates LLP**

**Chartered Accountants**

**Firm Reg. No : 106156W/W100305**

**Sd/-**

**(CA S C Mehra)**

Partner

M. No: 039730

**UDIN: 23039730BGWHAX6620**

**Place : Hoshiarpur**

**Date: May 19, 2023**

**For Osiajee Texfab Limited**

Sd/-

**(Reema Saroya)**

Managing Director

DIN: 08292397

Sd/-

**(Hemant Chavan)**

Chief Financial Officer

Sd/-

**(Vikas Jain)**

Chief Executive Officer

Sd/-

**(Vibha Jain)**

Director

DIN: 09191000

Sd/-

**(Laveena Basil)**

Company Secretary

# OSIAJEE TEXTFAB LIMITED

## Consolidated Statement of Profit and Loss Account for the year ended March 31, 2023

(Amount in Lakhs)

	Notes	As at 31.03.2023	As at 31.03.2022
<b>Income</b>			
Revenue from Operations	17	244.59	289.93
Other Income	18	0.31	9.00
<b>Total Income</b>		<b>244.90</b>	<b>298.93</b>
<b>Expense</b>			
Purchases of Stock-In-Trade	19	175.39	206.59
Change In Inventories of Stock In Trade	20	-152.75	-23.07
Employees Benefit Expenses	21	21.34	13.00
Finance Cost		-	-
Depreciation and Amortisation Expense	2	1.78	0.09
Other Expenses	22	86.48	30.93
<b>Total Expenses</b>		<b>132.24</b>	<b>227.55</b>
<b>Profit / (Loss)Before Tax</b>		<b>112.66</b>	<b>71.38</b>
<b>Tax expense</b>			
Current Tax		0.84	0.54
Deferred Tax		-	-
<b>Profit / (Loss) for the period</b>		<b>111.82</b>	<b>70.84</b>
<b>Other Comprehensive Income</b>			
<b>Total Comprehensive Income / (Loss) for the period</b>		<b>111.82</b>	<b>70.84</b>
Earnings per equity share:	23		
Basic and Diluted		2.07	1.31
[Face Value Rs. 10 each]			
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of to the Financial Statements

**For S C Mehra & Associates LLP**  
**Chartered Accountants**  
**Firm Reg. No : 106156W/W100305**  
**Sd/-**  
**(CA S C Mehra)**  
Partner  
M. No: 039730  
**UDIN: 23039730BGWHAX6620**

**Place : Hoshiarpur**  
**Date: May 19, 2023**

**For Osiajee Textfab Limited**

Sd/-  
**(Reema Saroya)**  
Managing Director  
DIN: 08292397

Sd/-  
**(Hemant Chavan)**  
Chief Financial Officer

Sd/-  
**(Vikas Jain)**  
Chief Executive Officer

Sd/-  
**(Vibha Jain)**  
Director  
DIN: 09191000

Sd/-  
**(Laveena Basil)**  
Company Secretary

## OSIAJEE TEXTFAB LIMITED

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

Particulars	(Amount in Lakhs)	
	31.03.2023	31.03.2022
Profit Before Tax	112.66	71.38
Misc. Income	-	-
Depreciation	1.78	0.09
Interest Paid	-	0.02
<b>Operating Profit Before</b>	<b>114.44</b>	<b>71.49</b>
Change in Working Capital		
Other Non-Current Investments		
Non-Current Financial Loan Assets	(1.72)	(68.23)
Inventories	(152.75)	(23.07)
Trade Receivable	109.20	279.98
Current Financial Loan Assets	-	(68.30)
Other Current Assets	7.99	0.88
Current Tax Assets	-	-
Current Financial Borrowing	-	-
Trade Payables	45.46	(390.46)
Other Financial Liabilities	-	-
Other Current Liabilities	46.15	7.94
<b>Net Change In Working Capital</b>	<b>168.77</b>	<b>(189.77)</b>
Income Tax Payable	(0.84)	(0.54)
<b>Cash Flow from Operating Activities (a)</b>	<b>167.94</b>	<b>(190.32)</b>
Purchase Of Property Plant and Equipment	(368.95)	-
Purchase Of Investment	(10.79)	-
Sale of Investments	-	187.13
<b>Cash Flow from Investing Activities (b)</b>	<b>(379.74)</b>	<b>187.13</b>



Cash Flow from Financing Activities		
Increase in Share Capital		1.00
Long Term Borrowings	209.68	-
Short Term Borrowings	53.57	12.17
Interest Paid	-	(0.02)
Dividend Paid	(5.40)	-
<b>Cash Flow from Financing Activities (c)</b>	<b>257.85</b>	<b>13.15</b>
<b>a + b + c</b>	<b>46.05</b>	<b>9.97</b>
Cash Opening Balance	10.53	0.56
Cash Closing Balance	56.58	10.53
Cash & Cash at The End of Year	46.05	9.97

**For S C Mehra & Associates LLP**  
**Chartered Accountants**  
**Firm Reg. No : 106156W/W100305**  
**Sd/-**  
**(CA S C Mehra)**  
**Partner**  
**M. No: 039730**  
**UDIN: 23039730BGWHAX6620**

**For and on behalf of Osiajee Textfab Limited**

**Sd/-**  
**(Reema Saroya)**  
**Managing Director**  
**DIN: 08292397**

**Sd/-**  
**(Vibha Jain)**  
**Director**  
**DIN: 09191000**

**Sd/-**  
**(Hemant Chavan)**  
**Chief Financial Officer**

**Sd/-**  
**(Laveena Basil)**  
**Company Secretary**

**Place : Hoshiarpur**  
**Date: May 19, 2023**

**Sd/-**  
**(Vikas Jain)**  
**Chief Executive Officer**

## NOTES

forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March, 2023

### Corporate Information

Osiajee Textfab Limited (the Company) is a public limited company domiciled in India and incorporated on 13<sup>th</sup> February, 1995 under the provisions of the Companies Act, 1956. The Company's shares are listed on the Bombay Stock Exchange. The Company is engaged in the business of trading in Textile Products, the end users of which are various manufacturing houses. The company is currently involved in trading of fabrics. The company is expanding its reach through modern trade and e-commerce. The Company is currently dealing in trading of Textile products with the mission to make "OSIAJEE" a trusted name in the textiles segment by delivering best products and services to its customers.

The Company incorporated a Wholly Owned Subsidiary (WOS) Company namely, Osiajee Agro Farms Limited having CIN: U01100PB2021PLC054356 incorporated on September 29, 2021. The WOS of the Company endeavours to pursue the high growth opportunities in agriculture, horticulture & agro farming industry and is pursuing high growth agro farming in Eucalyptus and Poplar trees and cultivation of other crops in Hoshiarpur district of Punjab, the produce of which will be sold to nearby plywood industry as well as other wood-based manufacturers. Osiajee Textfab Limited, together with its Wholly Owned Subsidiary named Osiajee Agro Farms Limited, is hereinafter referred to as 'the Group'.

The Group's Consolidated Financial Statements are approved for issue by the Company's Board of Directors on May 19, 2023.

### 1. Significant Accounting Policies

#### 1.1 Basis of Preparation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and guidelines issues by the Securities and Exchange Board of India ("SEBI").

These financial statements are approved for issue by the Board of Directors on May 19, 2023. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provision of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

The financial statements have been prepared on a historical cost basis, except for the following:

- a) Certain financial assets and liabilities that are measured at fair value;
- b) Assets held for sale-measured at lower of carrying amount or fair value less cost to sell;
- c) Defined benefit plans – plan assets measured at fair value;

## **1.2 Basis of consolidation**

Osiajee Texfab Limited consolidates entities which it owns or controls. The Consolidated financial statements comprise the financial statements of the Company and of its wholly owned subsidiary. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

## **1.3 Summary of Significant Accounting Policies**

### **a) Current vs Non-Current Classification**

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

#### **b) Use of estimates and judgements**

The estimates and judgments used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

#### **c) Property, Plant & Equipment**

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2018, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Property, plant & equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. In case of assets acquired in exchange for a non-monetary asset, the cost of such an item of property, plant and equipment is measured at fair value unless (a) the exchange transaction lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

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

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

#### **d) Depreciation on Property, Plant & Equipment**

Depreciation on Property, Plant & Equipment is calculated on a written down value (WDV) basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II to the Companies Act, 2013.

#### **e) Inventories**

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

#### **f) Revenue Recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

#### **g) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### **h) Employee Benefits**

Short term benefits and post-employment benefits are accounted in the period during which the services have been rendered.

#### **i) Taxation**

##### **Current income tax**

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

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

positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### **Deferred tax**

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.

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

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

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

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

### **j) Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or

CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, are recognised in the statement of profit and loss.

#### **k) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as part of finance costs.

#### **l) Contingent Liability**

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

#### **m) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

#### **n) Investments and other financial assets**

##### **(i) Classification**

The Group classifies its financial assets in the following measurement categories:

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) Those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

## **(ii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

**Debt Instruments:** Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following categories:

**Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

### **Equity instruments:**

The Group measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss.

## **(iii) Impairment of financial assets**

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

## **o) Earnings Per Share**

### **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Group.
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

### **Diluted earnings per shares**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



## OSIAJEE TEXTFAB LIMITED

Accompanying Notes to the Financial Statements as at year ended March 31, 2023

### Note 2. Property, Plant and Equipment

(Amount in Lakhs)

	Computer	Furniture & Fixture	Office Equipment	Agriculture Implements	Advance Against Land	Land	Total
<b>Gross Carrying amount</b>							
<b>Deemed Cost as at 1st April, 2021</b>	<b>1.62</b>	<b>1.68</b>	<b>0.44</b>	-	-	-	<b>3.73</b>
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>1.62</b>	<b>1.68</b>	<b>0.44</b>	-	-	-	<b>3.73</b>
Additions	-	-	-	10.87	182.07	194.53	387.47
Disposals	-	-	-	-	-	18.51	18.51
Reclassification as held for sale	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>1.62</b>	<b>1.68</b>	<b>0.44</b>	<b>10.87</b>	<b>182.07</b>	<b>176.01</b>	<b>372.68</b>
<b>Accumulated Depreciation</b>							
<b>Balance as at 1st April, 2021</b>	<b>1.42</b>	<b>1.57</b>	<b>0.27</b>	-	-	-	<b>3.26</b>
Additions	0.05	0.02	0.02	-	-	-	0.09
Disposals	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>1.48</b>	<b>1.59</b>	<b>0.29</b>	-	-	-	<b>3.36</b>
Additions	0.09	0.02	0.04	1.63	-	-	1.78
Disposals	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>1.57</b>	<b>1.61</b>	<b>0.33</b>	<b>1.63</b>	-	-	<b>5.14</b>
<b>Net carrying amount</b>							
<b>Balance as at 31st March, 2022</b>	<b>0.14</b>	<b>0.09</b>	<b>0.14</b>	-	-	-	<b>0.37</b>
<b>Balance as at 31st March, 2023</b>	<b>0.05</b>	<b>0.07</b>	<b>0.11</b>	<b>9.24</b>	<b>182.07</b>	<b>176.01</b>	<b>367.55</b>

**OSIAJEE TEXTFAB LIMITED**

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2023

	As at 31.03.2023	(Amount in Lakhs) As at 31.03.2022
<b>Note 3. Investments</b>		
Investment in quoted Shares	0.01	0.01
Investment in unquoted Shares	30.00	30.00
	<u>30.01</u>	<u>30.01</u>
<b>Note 4. Loans</b>		
(Unsecured, considered good)		
Loans	218.92	217.20
	<u>218.92</u>	<u>217.20</u>
<b>Note 5. Deferred Tax Assets</b>		
Deferred Tax Assets on account of:		
- Unabsorbed depreciation allowances	0.03	0.03
	<u>0.03</u>	<u>0.03</u>
<b>Note 6. Other Non Current Assets</b>		
Bank Deposit with maturity beyond 12 months	10.79	
balance With Government Authority (TDS Receivable)	0.01	7.61
Advance against Expenses	0.00	-
	<u>10.80</u>	<u>7.61</u>
<b>Note 7. Trade Receivables</b>		
(Unsecured, considered good)		
Doubtful	433.63	542.83
	<u>433.63</u>	<u>542.83</u>
Loss allowance	-	-
Provision for doubtful debts	-	-
	<u>-</u>	<u>-</u>
Net trade receivables	<u>433.63</u>	<u>542.83</u>

**Trade receivables ageing details**
**As at 31 March 2023**

	Not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 month	6 Month -1 Year	1-2 Year	2-3 Year	More than 3 year	
Undisputed trade receivables – considered good	-	-	3.18	388.88	-	-	392.07
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	30.95	10.62	-	41.56
							<u>433.63</u>

**As at 31 March 2022**

	Not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 month	6 Month -1 Year	1-2 Year	2-3 Year	More than 3 year	
Undisputed trade receivables – considered good	0 -	-	-	501.27	-	-	501.27
Undisputed trade receivables – considered doubtful	0	0	-	-	-	-	-
Disputed trade receivables – considered good	0	0	-	-	-	-	-
Disputed trade receivables – considered doubtful	0	0	30.95	10.62	-	-	41.56
							<u>542.83</u>

**Note 8. Cash and Cash Equivalents**

Balances with Scheduled Bank	44.33	0.66
Cash on Hand	12.25	9.87
	<u>56.58</u>	<u>10.53</u>

**Note 9. Current Tax Assets**

Balance with Government Authorities	-	0.50
	<u>-</u>	<u>0.50</u>

**Note 10. Other Current Assets**

GST Input	1.81	0.62
GST Refund	-	1.06
	<u>1.81</u>	<u>1.68</u>

**Note 13. Borrowings**

Borrowings -Term Loan	209.68	-
Short Term Borrowings - Loans	70.19	16.62
	<u>279.87</u>	<u>16.62</u>

**Note 14. Trade Payables**

Outstanding dues of micro enterprises & small enterprises	-	-
Outstanding dues of creditors other than micro & small enterprises	53.42	7.96
	<u>53.42</u>	<u>7.96</u>

**Trade payables ageing details**
**As at 31 March 2023**

	Not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 month	6 Month -1 Year	1-2 Year	2-3 Year	More than 3 year	
MSME	-	-	-	-	-	-	-
Others	-	0.25	44.61	7.82	-	-	52.68
Disputed dues-MSME	-	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	0.74	-	0.74
							<u>53.42</u>

**As at 31 March 2022**

	Not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 month	6 Month -1 Year	1-2 Year	2-3 Year	More than 3 year	
MSME	-	-	-	-	-	-	-
Others	-	0.35	6.75	0.11	-	-	7.22
Disputed dues-MSME	-	-	-	-	-	-	-
Disputed dues-Others	-	-	-	0.74	-	-	0.74
							<u>7.96</u>

**Note 15. Current Tax Liabilities**

Provision for tax	24.26	27.80
	<u>24.26</u>	<u>27.80</u>

**Note 16. Other Current Liabilities**

Other Payable	63.72	14.02
	<u>63.72</u>	<u>14.02</u>

## OSIAJEE TEXTFAB LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

(Amount in Lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>Note 17. Revenue from Operations</b>		
Sales	68.93	206.81
Agriculture Income	175.16	83.12
Sale of Leaf and Grass	0.49	-
Other Operating Income	-	-
	<b>244.59</b>	<b>289.93</b>
<b>Note 18. Other Income</b>		
Commission Income	-	9.00
Service Charges Refund	0.31	-
	<b>0.31</b>	<b>9.00</b>
<b>Note 19. Purchase of Stock In Trade</b>		
Purchases	2.98	206.59
Crop Grown on Arable Land	172.41	-
	<b>175.39</b>	<b>206.59</b>
<b>Note 20. Change in Inventories of Stock-In-Trade</b>		
Inventory at the Beginning	29.01	5.94
Inventory at the End	181.77	29.01
	<b>-152.75</b>	<b>-23.07</b>
<b>Note 21. Employees Benefit Expenses</b>		
Salaries and Bonus	18.41	10.82
Staff Welfare	0.53	0.18
Remuneration to Director	2.40	2.00
	<b>21.34</b>	<b>13.00</b>
<b>Note 22. Other Expenses</b>		
Agriculture Expenses	6.60	-
Bank Charges	2.29	0.05
Commission Expenses	-	0.17
Listing Fees	-	5.76
Advertisement & Sales Promotion Expenses	1.18	1.70
Director Sitting Fees	1.20	2.07
Accounting Charges	0.30	-
Annual Custody Fees (NSDL)	0.27	-
BSE Listing Expenses	3.00	-
Legal & Professional Charges	2.63	3.63
Printing, Stationery	-	0.06
Postage & Courier	0.00	-
Misc Expenses	-	0.42
Charges- Monitoring Foreign Investment Unit	0.10	-
CDSL Issuer Fees	0.23	-
Annual Listing & Interest Fees	-	0.04
Interest	-	0.02
Insurance	0.49	-
Interest to Bank	4.81	-
Consultancy charges	15.09	-
CDSL SMS Charges	0.26	-
Kanda Expenses	-	0.28
Labour	0.20	7.09
Land Levelling Expenses	18.94	-
Lease Rent	13.90	-
NSDL Charges	0.25	-
Service Charges Paid	0.18	-
Repair Charges	0.21	-
Round Off	-0	-
Rent	4.80	1.60
Seed Expenses	0.06	-
Software	-	0.10
Fees & Taxes	0.36	0.35
Fine & Penalty	-	0.00
Fuel Charges	0.27	-
Amount Written Off	4.91	1.35
Agriculture Expenses	-	1.74
Demat Expenses	-	0.25
Audit Fees	2.75	2.36
Trademark Fee	-	0.27
Tractor Charges	1.16	1.33
Travelling Expenses	-	0.25
Web Design Expenses	0.04	0.04
Water & Electricity Expenses	0.03	-
	<b>86.48</b>	<b>30.93</b>

### Note 23. Earning Per Share

Basis for calculation of Basic and Diluted Earnings per share

is as under:

Profit after tax (Lakhs)	111.82	70.84
Weighted Average Number of Equity Shares (Nos)	54,00,000	54,00,000
Face Value of each Equity Share (Rs.)	10	10
Basic and Diluted Earning Per Equity Share (Rs.)	2.07	1.31

## OSIAJEE TEXTFAB LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

### Note 11. Equity Share Capital

( Amount in Lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>Authorised</b>		
1,00,00,000 [31st March 2023: 10,00,00,000 and 1st April 2022: 6,00,00,000] Equity Shares of Rs. 10 each	1000.00	600.00
<b>Issued, Subscribed and Fully Paid up</b>		
54,00,000 [31st March 2023: 5,40,00,000 and 1st April 2022: 5,40,00,000] Equity Shares of Rs. 10 each	540.00	540.00
	<b>540.00</b>	<b>540.00</b>

#### A. Reconciliation of the number of shares

Equity Shares	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Amount (in Lakhs)	Number of Shares	Amount (in Lakhs)
Balance as at the beginning of the year	54,00,000	540.00	54,00,000	540.00
Balance as at the end of the year	54,00,000	540.00	54,00,000	540.00

#### B. Details of equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	Nos.	% of Holding	Nos.	% of Holding
Reema Sarova	10,43,311	19	6,76,029	13
Navraav Electro Limited	-	-	3,44,725	6
<b>Total</b>	<b>10,43,311</b>	<b>19</b>	<b>10,20,754</b>	<b>19</b>

#### C. Terms/ Rights Attached to the Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity shares is entitled to one vote per share.

#### D. Details of shares held by promoters

##### As at 31st March 2023

Promoter Name (Equity share capital)	No. of Shares in the beginning of year	Change during the year	No. of Shares in the end of year	% of Total Shares	% change during the year
Umesh Kashinath Gawand	1,50,000	-	1,50,000	2.78	-
<b>Total</b>	<b>1,50,000</b>	<b>-</b>	<b>1,50,000</b>	<b>2.78</b>	<b>-</b>

##### As at 31st March 2022

Promoter Name (Equity share capital)	No. of Shares in the beginning of year	Change during the year	No. of Shares in the end of year	% of Total Shares	% change during the year
Umesh Kashinath Gawand	1,50,000	-	1,50,000	2.78	-
<b>Total</b>	<b>1,50,000</b>	<b>-</b>	<b>1,50,000</b>	<b>2.78</b>	<b>-</b>

## OSIAJEE TEXTFAB LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2023

### Note 12. OTHER EQUITY

( Amount in Lakhs)

	Reserve & Surplus		
	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 31st March, 2021</b>	-	<b>162.54</b>	<b>162.54</b>
Profit for the year	-	70.84	70.84
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	70.84	70.84
<b>Balance as at 31st March, 2022</b>	-	<b>233.38</b>	<b>233.38</b>
Profit for the year	-	111.82	111.82
Dividend Declared & Paid	-	-5.40	-5.40
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	106.42	106.42
<b>Balance as at 31st March, 2023</b>	-	<b>339.80</b>	<b>339.80</b>

## 24.Related Party Transactions

Name of related parties in Transactions with group and description of relationship:

Name of Related Party	Description of Relationship
Mr. Lokesh Goyal	- Wholetime Director
Ms. Laveena Basil	- Company Secretary
Ms. Reema Saroya	- Managing Director
Osiajee Agro Farms Limited	- Wholly Owned Subsidiary Company
KT Investment	- Reema Saroya (Proprietor)

## 25.Transaction with Related Parties during the Year under review

(Amount in Lakhs.)

Name of Related Party	Nature of Transaction	Value of Transactions During the Year	Closing Balance for the Year ending March 31, 2023	Closing Balance for the Year ending March 31, 2022
Mr. Lokesh Goyal	Remuneration	2.00	2.40	2.00
Ms. Laveena Basil	Salary	3.30	0.30	0.25
Ms. Reema Saroya	Unsecured Loan Taken from Director	41.80	8.00	8.17
Osiajee Agro Farms Limited	Loan given	158.06	158.33	6.75
Osiajee Agro Farms Limited	Dividend Received	6.00	0	0
KT Investment	Rent Paid	2.20	2.60	0

In **accordance** with Accounting Standard Ind AS 108 'Operating Segment' the Company has only one reportable business segment and have only one reportable geographic segment in India.

## 26. Ratio analysis and it elements

Particulars	Basis	Year ended		Variance	
		31st March, 2023	31st March, 2022		
Current ratio	Times	Current assets / Current liabilities	1.60	8.80	-7.20
Debt - Equity ratio	Times	Net Debt / Equity	0.25	0.01	0.25
Return on Equity	%	Profit after tax / Shareholders' Equity	0.21	0.13	0.08
Inventory Turnover Ratio	Times	Cogs or Sale/Average Inventory	2.32	16.59	-14.27
Trade Receivables turnover ratio	Times	Revenue from operations / Average trade receivable	0.50	0.42	0.08
Trade Payables turnover ratio	Times	Cost of operations / Average trade payables	5.71	1.02	4.70
Net Capital turnover ratio	Times	Revenue from operations / Working capital\$	0.97	0.56	0.41
Net Profit/(Loss) Margin	%	Net Profit/(Loss) after tax / Revenue from operations	0.46	0.24	0.21
Return on Capital employed	%	Earnings Before Interest and tax# / Capital Employed@	0.10	0.09	0.01

Working Capital = Current Assets - Current Liabilities

Earnings before Interest and Tax = Profit after exceptional item and before tax + Finance costs (recognized)

Capital Employed = Average of equity and total borrowings

## 27. Capital Risk Management:

The Group aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**28. Contingent Liabilities:** Nil (Previous Year – Nil)

## **29. Financial risk management objectives and policies**

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

### **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

### **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities. The Group generally doesn't have collateral.

### **Trade Receivables and Security Deposits**

Customer credit risk is managed by business through the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.



## Liquidity Risk

The Group's principal source of liquidity is cash and cash equivalents and the cash flow that is generated from operations. The Group has no outstanding bank borrowings. The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

30. Certain Balances of parties under sundry debtors, creditors, loans and advances are subject to confirmations/reconciliation.

31. There was no expenditure/earning in Foreign Currency during the year.

**For S C Mehra & Associates LLP**  
**Chartered Accountants**  
**Firm Reg. No : 106156W/W100305**  
**Sd/-**  
**(CA S C Mehra)**  
**Partner**  
**M. No: 039730**  
**UDIN: 23039730BGWHAX6620**

**For and on behalf of Osiajee Texfab Limited**

**Sd/-**  
**(Reema Saroya)**  
**Managing Director**  
**DIN: 08292397**

**Sd/-**  
**(Vibha Jain)**  
**Director**  
**DIN: 09191000**

**Sd/-**  
**(Hemant Chavan)**  
**Chief Financial Officer**

**Sd/-**  
**(Laveena Basil)**  
**Company Secretary**

**Place : Hoshiarpur**  
**Date: May 19, 2023**

**Sd/-**  
**(Vikas Jain)**  
**Chief Executive Officer**



**OSIAJEE**

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