OSWAL OVERSEAS LIMITED

34TH ANNUAL REPORT

2017-18

OSWAL OVERSEAS LIMITED

BOARD OF DIRECTORS

1. Mr. Paramjeet Singh	Managing Director
2. Mr. Anoop Kumar Srivastava	Director
3. Mr. Harihar Nath Sharma	Independent Director
4. Ms. Anjul Agarwal	Independent Director
5. Mr. Rajinder Pal Singh	Independent Director

COMPANY SECRETARY
Mr. Lalit Kumar

CHIEF FINANCIAL OFFICER
Mr. Aijaz Ahmad

CHIEF EXECUTIVE OFFICER
Mr. Ashok Kumar

AUDITORS
N J & ASSOCIATES
Chartered Accountants,
FRN 023083N
Chandigarh-160017

BANKERS
HDFC Bank
State Bank of India

REGISTERED OFFICE
72, Ground Floor,
Taimoor Nagar,
Opp. New Friends Colony,
New Delhi-110025

WORKS
Village: Aurangabad
Tehsil: Nawab Ganj
Dist.: Bareilly- 243406 (U.P)

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 34TH ANNUAL GENERAL MEETING OF THE MEMBERS OF OSWAL OVERSEAS LIMITED (CIN L74899DL1984PLC018268) WILL BE HELD ON MONDAY, 24TH SEPTEMBER, 2018 AT 10:30 A.M. AT D-849, NEW FRIENDS COLONY, NEW DELHI - 110025 TO TRANSACT THE FOLLOWING BUSINESSES:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2018, together with the Report of the Directors and Auditors' thereon.
2. To appoint a director in place of Mr. Anoop Kumar Srivastava (DIN: 07052640), who retires by rotation and being eligible offers himself for reappointment.
3. To ratify appointment of Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:
   "RESOLVED THAT pursuant to the provisions of Section 139(2) and 142(1) and other applicable provision, if any, of the Companies Act, 2013 and the rules made there under as amended from time to time, the appointment of M/s. N J & Associates, Chartered Accountants, (Firm Registration No. 023083N), as Auditors of the company, to hold office from the conclusion of 34th Annual General Meeting till the conclusion of the 35th Annual General Meeting to be held in the year 2019, be and is hereby ratified by the members of the company on remuneration of Rs. 1 Lakh (Rupees One Lakh Only) per annum."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:
   "RESOLVED THAT pursuant to provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s M K Singhal & Co., Cost Accountants (Firm's Registration No. 00074) appointed as cost auditors by the Board of Directors of the Company to conduct the audit of the cost accounting records of the Company for the financial year ending 31st March, 2019 at Rs. 40,000/- plus out of pocket expenses and applicable taxes be and is hereby ratified."

By order of the Board
of Oswal Overseas Limited

Sd/-
Lalit Kumar
Company Secretary

Date: 28.08.2018
Place: New Delhi

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
   A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and same person shall not act as Proxy for any other person or shareholder.
   The instrument appointing the Proxy, duty completed and signed, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy does not have the right to speak at the meeting and can vote only on a poll.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business listed in item nos. 4 of the Notice is annexed hereto and forms part of this Notice.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and share transfer books of the Company shall remain closed from Tuesday, 18th September, 2018 to Monday, 24th September, 2018 (both days inclusive).
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
5. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
6. Members who have not registered their email addresses so far are requested to register them for receiving all communication including Annual Report and other Notices from the Company electronically.
7. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the Meeting. This would enable the Company to compile the information and provide replies in the meeting.
8. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is pleased to offer e-voting facility which will enable the Members to cast their votes electronically on all the resolutions set out in the Notice.
   The Board of Directors has appointed Mr. Anuj Kumar Malik, a Practicing Company Secretary (A42273, CP NO. 16061) as Scrutinizer for conducting the electronic voting process in a fair and transparent manner. The Scrutinizer shall submit his report, to the Chairman, on the votes cast in favour or against, if any, within a period of three working days from the date of conclusion of the e-voting period.

9. The voting period begins on 21st September, 2018 at 9:00 A.M. and ends on 23rd September, 2018 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
10. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
11. **E-voting facility-**

The instructions for shareholders voting electronically are as under:

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

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

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to _____**<Please mention the e-mail ID of Scrutinizer>** with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

12. The Results shall be declared at or after the Annual General Meeting of the Company. The Results declared, along with the Scrutiniser's Report, shall be placed on the Company's website www.oswaloverseasltd.com and on the website of RTA within three working days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges where the shares of the Company are listed, viz. BSE Ltd.

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

Sr. No.	Name of the Directors	Mr. Anoop Kumar Srivastava (Director)
1.	Director Identification Number (DIN)	07052640
2.	Date of Birth	13.03.1978
3.	Permanent Account Number (PAN)	BGUPS7161P
4.	Date of Appointment on the Board	31.03.2015
5.	Qualifications	B-Com
6.	Experience and Expertise in specific functional area	11 years' experience in IT management and 5 years' experience in export management
7.	No. of equity shares held in the Company (as on 31st March, 2017)	NIL
8.	List of other directorships	AMRIT RESTAURANTS AND HOTELS PRIVATE LIMITED
9.	Relationships between directors inter-se	NO
10.	Name of other listed companies in which he/ she holds the directorship and membership of committees	NIL

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

Item No. 4

Pursuant to Section 148 of the Companies Act, 2013 the audit of cost records of the company to be conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of M K Singhal & Co., Cost Accountants (Firm's Registration No. 00074) of the Company to conduct audit of cost records of the Company for products covered under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year ending 31 March, 2019, at a remuneration of Rs. 40,000/- plus reimbursement of out-of-pocket expenses.

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

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31 March, 2018.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

Map of the venue of Annual General Meeting of Oswal Overseas Limited
D-849, New Friends Colony, New Delhi - 110025

Google Maps



H779+9M New Delhi, Delhi

Director's Report

To,
The Members,
OSWAL OVERSEAS LIMITED

Your Directors have pleasure in presenting their 34th Annual Report on the business and operations of the Company and the Audited Accounts of your Company for the Financial Year ended March 31, 2018.

1. Financial Results

(Figs in Lakhs)

Particulars	2017-18	2016-17
Sales and other Income	7680.08705	8108.00383
Increase/Decrease in WIP and Finished Goods	(3586.98823)	(671.64938)
Profit/Loss before Depreciation, Finance Cost and Taxes	(1637.32770)	440.47338
Financial Charges	194.79192	253.31864
Depreciation	230.19538	223.39748
Profit / Loss before tax	(2062.31500)	(36.24274)
Profit/Loss after Tax	(1996.45078)	(36.20279)
Dividend	Nil	Nil

2. Operational performance:

Particulars	2017-18	2016-17
Sugar Division		
Start of crushing season	08/11/2017	10/11/2016
Close of crushing season	26/04/2018	28/03/2017
Duration(Days) (upto 31st March, 2018)	144	139
Recovery (%)	10.15	9.63
Cane crushed (Lakh Qtls) (upto 31st March, 2018)	4096611	2206803
Production (Qtls)		
White Sugar (Qtls) (upto 31st March, 2018)	358377	211327
BISS Sugar (Qtls)	0	1210
Molasses (Qtls) (upto 31st March, 2018)	169520	112743

3. Applicability of IND AS:

The Indian Accounting Standard is applicable on your company w.e.f. from 1st April, 2017 (Transition period for the Company) and due to applicability of IND AS on the company, all the calculation have been done as per IND AS and all the figure in Balance Sheet and Annual Report for the financial year 2016-17 and 2017-18 have been given as per IND AS.

4. Operations:

Total Income of the Company has decreased from Rs. 8108.00383 Lakh (2016-17) to Rs. 7680.08705 Lakh (2017-18). This year your company gets a net loss after tax of Rs. 1996.45078 Lakh against a Net Loss after tax of Rs. 36.20279 Lakh in the previous year.

5. Dividend

No dividend has been recommended by the board of directors for the current Financial Year.

6. Significant and Material orders passed by the regulators or courts or tribunals

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

7. Internal controls system and their adequacy

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

8. Management Discussion and Analysis Report:

In terms of the provisions of Regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Management Discussion and Analysis Report is set out in this Annual Report.

9. Deposits

We have not accepted any deposits and, as such, no amount of interest and principal was outstanding as at the date of Balance Sheet.

10. Particulars of Loans, Guarantee or investments

Loans, Guarantee and investments covered under section 186 of the Companies Act, 2013 form parts of the notes to the financial Statements provided in the Annual Report.

11. Auditors

Statutory Auditor

At the Annual General Meeting held on 25.09.2017, M/s. N J & Associates, Chartered Accountants, (Firm Registration No. 023083N), was appointed as statutory Auditor of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2018, in terms of the first proviso of section 139 of the Companies Act, 2013, subject to the ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of statutory Auditors is being sought from the members of the company at the ensuing Annual General Meeting.

The Auditor report for the financial year 2017-18 is enclosed with the financial statement in this annual report.

Secretarial Auditors

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014, the Company has appointed M/s Malik Anuj & Company, Company Secretaries (C. P. No. 16061) to undertake the secretarial audit of the Company for the financial year 2017-18. The Secretarial Audit Report is annexed herewith as "Annexure – 1".

Internal Auditor

M/s Ajay Krishna & Co., Chartered Accountants, (FRN No. - 012453C) Dehradun (Uttarakhand) represented by Mr. A. K. Rastogi performs the duties of internal auditors of the Company for the financial year 2017-18 and their report is reviewed by the Audit Committee from time to time.

Auditors' certificate on Corporate Governance

As required by SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the auditor's certificate on Corporate Governance is annexed herewith as "Annexure – 4". The Auditors certificate for the financial year 2017-18 does not contain any qualification, reservation or adverse remark.

12. Share Capital

Authorised share capital of the company is Rs. 36,00,00,000/- divided into 2,60,00,000 equity shares of Rs. 10/- each only and 1,00,00,000 preference share of Rs. 10/- each only. Total Paid up share capital of the company is Rs. 12,46,10,500/- divided into 64,61,050 equity share capital of Rs. 10/- each and 60,00,000 Non-convertible Redeemable Preference Share Capital of Rs. 10/- each.

13. Extract of the annual return

In accordance with Section 134(3) of the companies Act, 2013 a extract of the annual return in Form MGT – 9 is annexed herewith as "Annexure – 2."

14. Conservation of energy, technology absorption and foreign exchange earnings and outgo

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

15. Directors and Key Managerial Personnel:

A) Change in Directors

There was no change in Directors and Key Managerial Personnel during the financial year 2017-18.

B) Re-appointment

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

16. Number of meetings of the Board of Directors

During the financial year 6 (Six) Board Meeting and 1 (one) independent directors meeting were held. The details of which are given in Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

17. Committees of the Board of Director of the Company

Currently the Board has three committees: the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The details with regards to the composition and meetings held during the financial year 2017-18 are in the Corporate Governance Report.

18. Policy on Director's appointment and Remuneration

The current policy is to have an appropriate mix of executives and independent directors to maintain the independence of the Board, and separate its function of governance and management. On March 31, 2018, the Board consist of five members, one of whom is executive, one is non-executive and three are independent directors.

The policy of the company on director's appointment and remuneration, including criteria for determining qualification, positive attributes, independence of Director and other matters, as required under sub-section (3) of section 178 of the companies Act, 2013, is available on our website (www.oswaloverseasltd.com). There has been no change in the policy since the last financial year. We

affirm that the remuneration paid to the directors as per terms laid down in the Nomination and Remuneration Policy of the company.

19. Declaration by Independent Directors

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

20. Board Evaluation

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

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

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

21. Familiarization Programme of Independent Directors

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

22. Code of Conduct for the prevention of Insider Trading

The Board of Directors has adopted the Insider Trading Policy in accordance with the provision of the requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the company lays down guidelines and procedures to be followed, and disclosure to be made while dealing in the shares of the company, as well as consequences of the violation.
The Insider Trading Policy of the Company covering code of Practice and procedure of fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website (www.oswaloverseasltd.com).

23. Vigil Mechanism/ whistle blower policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report and also posted on the website (www.oswaloverseasltd.com) of the company. There has been no change to the Whistle Blower Policy adopted by the company during the financial year 2017-18.

24. Managerial Remuneration & Particulars of employees:

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

Designation	Remuneration in 2016-17	Remuneration in 2017-18	Increase in remuneration
Chief Executive Officer	823125	840000	16875
Chief Financial Officer	465000	480000	15000
Company Secretary	405000	432000	27000

D. Total no. of permanent employee of the company is 73 in the financial year as on 31st March, 2018.
E. The remuneration paid to all the Key Managerial Personal was in accordance with remuneration policy adopted by the company.
F. The particulars of employee who are covered by the provision contained in Rule 5(2) and 5(3) of the companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 are:
   i). Employed throughout the year Nil
   ii). Employed for part of the year Nil

25. Corporate Governance

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

Adherence to transparency, accountability, fairness and ethical standard are integral part of the company's function. Your Company's structure, business dealings, administration and disclosure practices have aligned to good corporate governance philosophy. Your Company has an adequate system of control in place to ensure that the executive decisions taken should result in

optimum growth and development which benefits all the stakeholders. The Company aims to increase and sustain its corporate value through growth and innovation.

Our Corporate Governance Report for the financial year 2017-18 form parts of this Annual Report.

26. Directors' Responsibility Statement

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

a) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) that the annual financial statements have been prepared on a going concern basis;
e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

27. Related Party Transaction

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013.There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

28. Risk management policy

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

29. Acknowledgements

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

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

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

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

	Sd/-	**Sd/-**
	Anoop Kumar Srivastava	**Paramjeet Singh**
Place: New Delhi	**Director**	**(Managing Director)**
Dated: 28/08/2018	**DIN: 07052640**	**DIN: 00313352**

Annexure - 1
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Oswal Overseas Limited
(CIN: L74899DL1984PLC018268)
G.F. 72, Taimoor Nagar, New Delhi-110065

Sir,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Oswal Overseas Limited (the Company).** Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing my opinion thereon.
Based on my verification of **the Company's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2018** according to the provisions of:

- **i.** The Companies Act, 2013 (the Act) and the rules made thereunder;
- **ii.** The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made hereunder;
- **iii.** The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- **iv.** Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  (Not applicable as the Company do not have any Foreign Direct Investment, Overseas Direct Investment or External Commercial Borrowings)
- **v.** The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - **(i)** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - **(ii)** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - **(iii)** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    (Not applicable as the Company has not issued any securities)
  - **(iv)** The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014);
    (Not Applicable as the Company has not formulated any Employee Stock Option Scheme and Employee Stock Purchase Scheme.)
  - **(v)** The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    (Not applicable as the Company has not issued any debt securities which were listed)
  - **(vi)** The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    (Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.)
  - **(vii)** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    (Not applicable as the company has not opted for any Delisting) and
  - **(viii)** The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
    (Not applicable as the company has not done any Buyback of securities.)
- **vi.** Other laws as applicable specifically to the Company:
  - **a.** Levy Sugar Price Equalisation Fund Act, 1976
  - **b.** Sugarcane (Control) Order, 1966
  - **c.** Food Safety and Standards Act, 2006
  - **d.** Sugar Development Fund Act, 1982
  - **e.** Essential Commodities Act, 1955

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
I further report that:
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (Except in cases where the meeting is held on shorter notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
Majority decision is carried through while the dissenting member's views are captured and recorded as part of the Minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Malik Anuj & Company
Company Secretaries
Sd/-
Anuj Kumar Malik
Prop.
ACS No.: A42273
C P No.: 16061
Place: New Delhi
Date: 04/08/2018

To,
The Members,
Oswal Overseas Limited
(CIN: L74899DL1984PLC018268)
G.F. 72, Taimoor Nagar, New Delhi-110065
Sir,
My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Malik Anuj & Company
Company Secretaries
Sd/-
Anuj Kumar Malik
Prop.
ACS No.: A42273
C P No.: 16061
Place: New Delhi
Date: 04/08/2018

Annexure - 2

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2018 of Oswal Overseas Limited [Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L74899DL1984PLC018268
Registration Date	31.05.1984
Name of the Company	OSWAL OVERSEAS LIMITED
Category / Sub-Category of the Company	Public Company/ Limited by shares
Address of the Registered Office and contact details	72, GROUND FLOOR, TAIMOOR NAGAR, DELHI - 110025
Whether listed company	Yes
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED, Beetal House, 3rd Floor, 99, Madangir, Behind LSC, New Delhi – 110062 Phone No. – 011-29961281-283 Fax No. - 011-29961284 Email id - beetalrta@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	**Sugar**	**1072**	**100**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No.	Name and Address of the company	CIN/GLN	Holding / Subsidiary Associate	% of shares held	Applicable Section
1.	**Nil**				
2.					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A. Promoters									
1) Indian									
a) Individual / HUF	4838950	**NIL**	**4838950**	**74.89**	4838950	**NIL**	**4838950**	**74.89**	**-**
b) Central Govt.	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
c) State Govt (s)	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
d) Bodies Corp.	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
e) Banks / FI	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
f) Any Other...	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
Sub-total (A) (1) :-									
2) Foreign									
a) NRIs-Individuals	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
b) Other Individuals	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
c) Bodies Corp.	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
d) Banks / FI	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
f) Any Other...	-	**-**	**-**	**-**	-	**-**	**-**	**-**	
Sub-total (A) (2) :-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	4838950	**NIL**	**4838950**	**74.89**	4838950	**NIL**	**4838950**	**74.89**	-
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	-	**-**	**-**	-	-	**-**	**-**	-	

b) Banks / FI	-	-	-	-	-	-	-	-	
c) Central Govt.	-	-	-	-	-	-	-	-	
d) State Govt(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	-	-	-	-	-	-	-	-	
g) FIIs	-	-	-	-	-	-	-	-	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1) :-	-	-	-	-	-	-	-	-	
2) Non-Institutions									
a) Bodies Corp.									
i) Indian	-	**800**	**800**	0.01	-	**800**	**800**	0.01	**-**
ii) Overseas									
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs.1 lakh	12700	**95950**	108650	1.68	13300	**95350**	108650	1.68	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	**1054550**	**1054550**	16.32	-	**1054550**	**1054550**	16.32	
c) Others (specify)									
HUF	8100	**450000**	**458100**	7.09	8100	**450000**	**458100**	7.09	
Sub-total(B)(2) :-	20800	**1601300**	**1622100**	25.10	21400	**1600700**	**1622100**	25.11	
Total Public Shareholding (B)=(B)(1)+(B)(2)	20800	**1601300**	**1622100**	25.10	21400	**1600700**	**1622100**	25.11	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	**4859750**	**1601300**	**6461050**	**100**	**4860350**	**1600700**	**6461050**	**100**	

(ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	**PARAMJEET SIINGH**	**1808710**	**27.994**	**-**	**1808710**	**27.994**	**-**	**-**
2.	**MANJEET SINGH (Transmitted to Surjeet Singh on 19.02.2018)**	**1739840**	**26.928**	**-**				
3.	**SURJEET SINGH HUF**	**1221650**	**18.908**	**-**	**1221650**	**18.908**	**-**	**-**
4.	**RANJEETA KAUR**	**68750**	**1.064**		**68750**	**1.064**	**-**	**-**
5.	**SURJEET SINGH (received through transmission on 19.02.2018)**	**-**	**-**	**-**	**1739840**	**26.928**	**-**	**-**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year	No changes during the year			
Data wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat / equity etc.)	No changes during the year			

At the end of the year	No changes during the year

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No	For Each of the Top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	Rajinder Sharma	64000	0.991	64000	0.991
2.	Manuj Sharma	64000	0.991	64000	0.991
3.	Ravi Manchanda	64000	0.991	64000	0.991
4.	VeenaManchanda	64000	0.991	64000	0.991
5.	RajkumarBhasin	64000	0.991	64000	0.991
6.	Rajesh Bhasin	64000	0.991	64000	0.991
7.	Naresh Bhasin	64000	0.991	64000	0.991
8.	A Charu Goyalw	64000	0.991	64000	0.991
9.	Poonam Agarwal	64000	0.991	64000	0.991
10.	Gurubachan Kaur Gujral	64000	0.991	64000	0.991

(v) Shareholding of Directors and Key Managerial Personnel :

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the company	No of shares	% of total shares of the company
1. Mr. Paramjeet Singh (Managing Director) At the beginning of the year	1808710	27.994	1808710	27.994
Increase or Decrease	-	-	-	-
At the end of the year	1808710	27.994	1808710	27.994
2. Mr. Anoop Kumar Srivastava (Director) At the beginning of the year	Nil	Nil	Nil	Nil
Increase or Decrease	-	-	-	-
At the end of the year	Nil	Nil	Nil	Nil
3. Mr. Ashok Kumar (Chief Executive Officer) At the beginning of the year	Nil	Nil	Nil	Nil
Increase or Decrease	-	-	-	-
At the end of the year	Nil	Nil	Nil	Nil
4. Mr. Aijaz Ahmad (Chief Financial Officer) At the beginning of the year	Nil	Nil	Nil	Nil
Increase or Decrease	-	-	-	-
At the end of the year	Nil	Nil	Nil	Nil
5. Mr. Lalit Kumar (Company Secretary) At the beginning of the year	Nil	Nil	Nil	Nil
Increase or Decrease	-	-	-	-
At the end of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	109641492	41220000	0	**150861492**
ii) Interest due but not paid	1533664	0	0	**1533664**
iii) Interest accrued but not due	0	0	0	**0**
Total (i+ii+iii)	**111175156**	**41220000**	**0**	**152395156**
Change in Indebtedness during the financial year				
• Addition	0	44884932	0	**44884932**
• Reduction	40370840	33290000	0	**73660840**
Net Change	**-40370840**	**11594932**	**0**	**-28775908**

Indebtedness at the end of the financial year				
iv) Principal Amount	69270652	52814932	0	**122085584**
v) Interest due but not paid	769949	0	0	**769949**
vi) Interest accrued but not due	0	0	0	**0**
Total (i+ii+iii)	**70040601**	**52814932**	**0**	**122855533**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of remuneration	Name of MD	Total Amount
		Mr. Paramjeet Singh	
1.	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 b) Value of perquisites u/s 17(2) Income Tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	**Nil**	**Nil**
2.	Stock Option	**Nil**	**Nil**
3.	Sweat Equity	**Nil**	**Nil**
4.	Commission - as % of profit - Others, specify.....	**Nil**	**Nil**
5.	Others, please specify	**Nil**	**Nil**
	Total (A)	**Nil**	**Nil**
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl. No.	Particulars of remuneration	Name of Directors				Total Amount
		Mr. Hari HarNath Sharma	**Ms. Anjul Agarwal**	**Mr. Rajinder Pal Singh**	**Mr. Anoop Kumar Srivastava**	
1.	Independent Directors • Free for attending board/ committee meetings • Commission • Others, please specify	**Nil**	**Nil**	**Nil**		**Nil**
	Total (1)	**Nil**	**Nil**	**Nil**		**Nil**
2.	Other Non-Executive Directors • Free for attending board / committee meetings • Commission • Others, please specify				**Nil**	**Nil**
	Total (2)				**Nil**	**Nil**
	Total (B) = (1+2)				**Nil**	**Nil**
	Total Managerial Remuneration				**Nil**	**Nil**
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	**Company Secretary**	**CFO**	
1.	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	840000	432000	480000	**1752000**
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	**0**
	c) Profits in lieu of Salary under section	0	0	0	**0**

	17(3) Income-tax Act, 1961				
2.	Stock Option	**0**	**0**	**0**	**0**
3.	Sweat Equity	**0**	**0**	**0**	**0**
4.	Commission				
	- as % of profit	0	0	0	**0**
	- Others, specify....	0	0	0	**0**
5.	Others, please specify	**0**	**0**	**0**	**0**
	Total	**840000**	**432000**	**480000**	**1752000**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty / Punishment Compounding fees imposed**	**Authority [RD/NCLT/ COURT]**	**Appeal made, if any (give Details)**
A. COMPANY	None				
Penalty					
Punishment					
Compounding					
B. DIRECTORS	None				
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT	None				
Penalty					
Punishment					
Compounding					

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

1. OVER VIEW:

Sugar industry is an important agro-based industry located in the rural India. About 50 million sugarcane farmers, their dependents and a large mass of agricultural labourer are involved in sugarcane cultivation, harvesting and ancillary activities. Besides, about 5 Lakh skilled and semi-skilled workers, mostly from the rural areas are engaged in the sugar industry. India is the second largest producer of sugar in the world after Brazil and is also the largest consumer. Today Indian sugar industry's annual output is worth approximately 80000 crores. Surplus production over domestic consumption in the last three sugar seasons and low exports due to subdued international sugar prices have led to building up of sugar stocks with the mills and low realization from sale of sugar. This has adversely affected the financial health of the mills and resulted in accumulation of cane price arrears.

2. SWOT ANALYSIS:

Strength:

- It is an established player in the sugar industry with an installed capacity of 3500 TCD at its Aurangabad, Nawabganj plant.
- OOL is planning to crush the maximum cane in shorter sugar season. The unit is strategically situated in cane rich belt of central Uttar Pradesh.
- Abundant Land at the existing plant site which may be used for the Company's future expansion and diversification programmes
- The unit is empowered with experienced, skilled and young Human Assets
- Presence of temporary labor force during peak period ensures maximum profits.

Weaknesses:

- Being the Seasonal Industry, OOL's growth plan & profitability depends on various cyclic constraints.
- The Company has not been able to achieve desired utilization levels on account of various technical limitations in its manufacturing process.
- Cane price is administered by State Government which may affect profitability and cash flow of Company.
- Quality of raw material largely depends upon natural and seasonal factors.

Opportunities:

- Co-Generation through Bagasse /Biomass, proposed to be used for forthcoming Co-gen Power Plant will qualify for Carbon Credits Mechanism
- OOL is planning to expand its Sugar & Furnace Capacities and setting-up Co-generation plant by consuming the by-product bagasse / Biomass through external resources. This will give opportunity to make use of capital resources during the off season even when sugar production remains stopped.
- Production of value added products such as refined sugar, small packs, sugar cubes etc. that shall bring in higher contribution.
- White sugar has the maximum market share in India and OOL will produce maximum white sugar in future also.

Threats:

- OOL has only one manufacturing plant which increases its risk in case of a plant failure or maintenance issues.
- OOL has to face tough competition with the existing competitors.
- Sugar & Alcohol/Ethanol Industries are always poised to threat because of continuous monitoring by Government policies in the form of Regularization or De-regularization & infrastructure changes.
- Cheap sugar imports are harming the existing sugar mills in India and leading them to crisis.
- Sugar industry is very volatile as many factors including rainfall, cultivated area and transportation cost affects sugarcane prices and hence make this industry unpredictable

3. STRATEGY :

The demand & supply gap of the Sugar across the Country may affect the small units like OOL. Hence the Company's near term strategy is to focus on higher cane recovery by improving internal efficiencies and higher production of sugar.

4. HUMAN RESOURCES/ INDUSTRIAL RELATIONS:

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

5. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

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

6. FINANCIAL TRANSACTION :

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

7. REVENUE ANALYSIS:

Gross revenues in financial year 2017-18 has decreased to Rs. 768008705 (P.Y.Rs. 810800383) while the net Loss after tax were at Rs. 199645078 in F.Y.2017-18 in comparison of Net Loss Rs. 3020279 in the F.Y. 2016-17.

8. CAPITAL STRUCTURE:
The paid-up capital of the company is Rs. 12,46,10,500/- as on 31st March, 2018 divided into equity share capital of Rs. 6,46,10,500/- and Preference share capital of Rs 6,00,00,000/-.

9. RESERVE:
Company's Free Reserves has decreased to Rs. -185771131/- in Financial Year 2017-18 in comparison to Financial Year 2016-17 Rs. 14292229/-.

10. FINANCIAL OBJECTIVITY , INITIATIVE AND ACHIEVEMENTS :
Your Company is taking proactive measures to ensure all financial costs are effectively reduced to positively impact the bottom line:

(i) **Finance Cost**: The outflow on account of Finance Cost charges decreased from Rs. 25331864 in financial year 2016-17 to Rs. 19479192 in financial year 2017-18, representing a decrease of 23.104%.
(ii) **Inventories**: In Financial Year 2016-17 the inventory value was at Rs. 142524043/- while in financial year 2017-18 is at Rs. 492236280/-.
(iii) **Depreciation and Amortization Exp.**: Depreciation and Amortization Exp. increased from Rs. 22339748 in financial year 2016-17 to Rs. 23019538 in financial year 2017-18 representing a increase of 3.043%.
(iv) **Property Plant & Equipment:** Property Plant & Equipment in 2016-17 was of Rs. 674050753/- while in 2017-18 was Rs. 666368533/-
(v) **Loans & Advances**: In Financial Year 2017-18, loans & advances stood at Rs. 26818448/-, compared to Rs. 37397938/- in Financial Year 2016-17.

11. SIGNIFICANT ACCOUNTING POLICIES : (As mentioned in the Auditors Report)
Revenue Recognition, Inventories Valuation, Fixed Assets, Depreciation, Research & Development, Expenditure on new projects & substantial expansions, Cenvat Credit Sales Tax, Borrowing Cost, Earning Per Share, Taxes on Income, Segment Reporting Policy, Intangible Assets, Impairment of Assets, Provisions, Cash & Cash equivalent

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

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

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

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

14. STEPS TAKEN TO MITIGATE RISKS
OOL is planning to upgrade its existing plant through expansion and diversification on the basis of latest technology and human expertise. The objectives are:

a) Ability to rapidly commercialize new expanded and diversified capabilities.
b) Access to new opportunities through long-standing strategic partnerships.

15. OTHER RISKS AND KEY MANAGEMENT INITIATIVES :

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

b) **Regulatory Risk**:
The policies of the Government may not be conducive to the growth and development of the Indian Sugar Industry, particularly for a short span of time.
There are various favourable policies expected from the Government in the near future.

c) Working Capital Risk:
The sugar sector is working-capital intensive. The continued slump in the Industry may affect the Company's profitability to manage its working capital requirements.
The Company will manage the enhanced requirement of working capital by means of working capital limits by the banks, short-term loan or unsecured loan from the promoters and issue of share capital to the promoters & others.

d) **Business Model Risk:**
The Company's business model may not be effective in a year of sugar down turn.

To mitigate the risk our Company has adopted a diversified model comprising Sugar and furnace to minimize the inherent risk of cyclicality of the sugar business. OOL is exploring the business opportunities through expansions of existing infrastructure and diversification into Co-Gen.

e) **People risk management:**
High quality human resources are vital to the success of our business.
In order to retain talent, the Company promotes a sense of ownership and pride in association with strong HR initiatives, which have helped us keep attrition rates well in control.

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

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

16. DISCLOSURE:

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

17. MANAGEMENT'S RESPONSIBILITY STATEMENT:

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

18. CAUTIONARY STATEMENT:

Some of the statements in this report that are not historical facts are forward-looking statements. The forward-looking statements include our financial growth projections as well as statements concerning our plans strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. These risks include uncertainties that could cause actual events to differ materially from these forward-looking statements. These risk include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world and other risks not specifically mentioned.

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

	Sd/-	**Sd/-**
	Anoop Kumar Srivastava	**Paramjeet Singh**
Place: New Delhi	**Director**	**(Managing Director)**
Dated: 28/08/2018	**DIN: 07052640**	**DIN: 00313352**

ANNEXURE – 3

INFORMATION AS PER SECTION 134 (3) (m) READ WITH COMPANIES (ACCOUNTS) RULES2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018

A. CONSERVATION OF ENERGY:

The Company has already installed most modern equipments to save and minimize energy consumption. The Company is having three turbo alternative sets of 3 MW each. The entire requirement of power is met through captive generations. The Company has also made standby arrangement of two Diesel Generating Sets.

To achieve maximum conservation of energy, the Company has put up high pressure boilers and matching turbo alternatives and prime movers. The Company is also having electrical motors of appropriate size, continuous centrifugals and batch type centrifugals.

I. ELECTRICITY		**Current year 2017-18**	**Previous Year 2016-17**
a)	**Units Purchased**	**207376**	**183032**
	Total Amount (Rs.)	**2195494**	**2112539**
	Rate per Unit (Rs.)	**10.59**	**11.54**
b)	**Own Generation**		
i)	Trough Diesel Generator Units	**77694**	**46946**
	Units Per Litre of diesel oil (Rs.)	**2.66**	**2.74**
	Cost per Unit (Rs.)	**22.56**	**19.97**
ii)	Through Turbine (Units)	**15041268**	**13946026**
II. CONSUMPTION PER UNIT OF PRODUCT			
i)	Electricity (KW / MT)	**427.66**	**666.99**
ii)	Bagasse (MT / MT)	Own bagasse used and cost not ascertained	Own bagasse used and cost not ascertained

B. TECHNOLOGY ABSORPTION:

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

C. FOREIGN EXCHANGE EARNING & OUTGO:

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

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

Sd/-
Anoop Kumar Srivastava
Director
DIN: 07052640

Sd/-
Paramjeet Singh
(Managing Director)
DIN: 00313352

Place: New Delhi
Dated: 28/08/2018

ANNEXURE – 4

Auditor's Certificate on Corporate Governance

To,
The Members of Oswal Overseas Limited

We have examined the Compliance conditions of Corporate Governance of Oswal Overseas Limited for the year ended on 31st March, 2018, as per Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

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

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

For N J & Associates
Chartered Accountants

Sd/-
CA Shenu Agarwal
Partner
M. No. 527267
FRN 023083N

Place: Chandigarh
Date: 28.08.2018

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

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

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

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

Implementation Modules:

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

2. BOARD OF DIRECTORS OF THE COMPANY:

SIZE AND COMPOSITION OF THE BOARD

The Company's policy is to maintain optimum combination of Independent, executive and non-executive Directors to maintains its independence and separates its function of governance and management. Listing Regulation mandate that for a company with a executive chairman at least half of the Board should be Independent Directors. On March 31, 2018 our Board consists of 5 members, one of whom is executive, one is non-executive, while the remaining three are independent directors, consisting 60% of the Board Strength – more than the requirement of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. One out of five Board members or 20% of the Board is woman. All Board members (100%) are Indians.

CHAIRMAN OF THE BOARD

Mr. Paramjeet Singh was appointed as Managing Director as well as the chairman of the Board of the company w.e.f. 31.03.2015 for a period of 5 years.

ROLE OF BOARD OF DIRECTOR

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

INDEPENDENT DIRECTOR

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

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on February 13, 2018, inter alia to discuss:

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

BOARD MEMBERSHIP CRITERIA

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

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

SELECTION OF NEW DIRECTOR

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

MEMBERSHIP TERM

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

PERFORMANCE EVALUATION

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

REMUNERATION PAID TO DIRECTORS

No remuneration was paid to Executive & Non- Executive Directors for the year ended 31st March 2018.

3. BOARD MEETING

SCHEDULING AND SELECTION OF AGENDA ITEMS FOR BOARD MEETING

The Company Secretary draft the agenda for each meeting, along with notes on agenda, in consultation with Managing Director of the Company, and distributes in advance to the directors. Every Board member can suggest the inclusion of the additional items in the agenda. The Board meets at least once a quarter to review the quarterly results and other items on agenda and also on the occasion of the AGM. Additional meetings are held when necessary. During the financial year 2017-18, 6 (Six) meetings of the Board of Directors were held on the following dates -

1. 30.05.2017 2. 11.08.2017 3. 26.08.2017 4. 25.10.2017 5. 11.12.2018 6. 13.02.2018

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

Name & Designation of the Directors	Category	Attendance at last Annual General Meeting held on 29.09.2016 and Board Meeting held during the year	% of attendance in Board Meeting	No. of Directorships in other companies (excluding foreign Companies & Pvt. Ltd. Companies)	Committee (including Oswal Overseas Ltd.) Positions held	
					Chairman	Member
Mr. Paramjeet Singh (Managing Director)	Executive/ Non-Independent	Yes/6	100	2	0	0
Mr. Harihar Nath Sharma (Independent Director)	Non-Executive/ Independent	No/6	100	1	0	0
Ms. Anjul Agarwal (Independent Director)	Non-Executive/ Independent	No/6	100	Nil	0	3
Mr. Rajinder Pal Singh (Independent Director)	Non-Executive/ Independent	Yes/6	100	Nil	3	0
Mr. Anoop Kumar Srivastava (Director)	Non-Executive/ Non-Independent	Yes/6	100	Nil	0	3

Notes:

1. Committee positions of only 3 committees namely Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee have been considered.
2. Number of Shares held by non- executive Directors is tabulated below:

Sr. No.	Name of Non- Executive Directors	No. of Shares held
1.	Mr. HariharNath Sharma	NIL
2.	Ms. Anjul Agarwal	NIL
3.	Mr. Anoop Kumar Srivastava	NIL
4.	Mr. Rajinder Pal Singh	NIL

3. BOARD COMMITTEES

Currently the Board has three committee viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of

reference/role of the Committees are taken by the Board of Directors. The chairman of the Board, in consultation with the Company Secretary and the committee chairperson, determines the frequency and duration of the committee meetings. Recommendations of the committees are submitted to the entire Board for approval. The quorum for the meetings is either two members or one-third of the total number of members of the committee, whichever is higher.

(i) AUDIT COMMITTEE:

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

BRIEF DESCRIPTION OF TERMS OF REFERENCE

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

Statutory audit, internal audit, reporting and other aspects

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

Audit & other duties

i. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
ii. Discussion with internal auditors of any significant findings and follow up there on.
iii. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and internal Auditors considering their independence and effectiveness and their replacement and removal.
iv. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
v. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

Four Audit Committee meetings were held during the year and the gap between two meetings never exceeded one hundred and twenty days. The dates on which such meetings were held are as follows:

1. 30.05.2017 2. 11.08.2017 3. 11.12.2017 4. 13.02.2018

As on 31.03.2018 the Composition of Audit Committee and attendance of each director during the meetings held in financial year 2017-18 are given below:

Name of the Members	Status	Category	No of Meetings Attended during the year 2017-18
Mr. Rajinder Pal Singh	Chairman	Non Executive& Independent Director	4
Ms. Anjul Agarwal	Member	Non Executive& Independent Director	4
Mr. Anoop Kumar Srivastva	Member	Non Executive& Non-Independent Director	4

(ii) Nomination and Remuneration Committee:

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

The terms of reference of the committee are as follows:

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

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

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

No Nomination and Remuneration Committee meeting was held during the year.

(iii) Stakeholders Relationship Committee

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

The Committee performs following functions:

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

The Stakeholders Relationship Committee comprises of Mr. Rajinder Pal Singh as Chairman, Mr. Anoop Kumar Srivastava as member and Ms. Anjul Agarwal as member.
During, the financial year 2017-18, no meeting of the Stakeholders Relationship Committee was held.
No compliant was received by any member during the financial year.
The Company Secretary of the Company had been designated as the Compliance Officer pursuant to the provisions of Regulation 6 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

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

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

Criteria of selection of Non Executive Directors

a. The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
b. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
c. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
d. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
   - ✓ Qualification, expertise and experience of the Directors in their respective fields;
   - ✓ Personal, Professional or business standing;
   - ✓ Diversity of the Board.
e. In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

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

For the purpose of selection of the Managing Director or Whole Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.
The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

6. DISCLOSURES:

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

   NIL

   The Board has approved a policy for related party transactions which has been uploaded on the Company's website i.e. www.oswaloverseasltd.com.
2. Details of non-compliance by the Company, penalties, structure imposed by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years:-

   No
3. Your company has adopted whistle blower policy approved by the Board of Director, which has been uploaded on the Company's website i.e. www.oswaloverseasltd.com. It has affirmed by the company that no personal has been denied access to the audit committee.
4. The Company has made all the mandatory compliance in accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

7. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

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

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

8. MEANS OF COMMUNICATION:

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

9. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES):

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

10. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time
2015	72, Ground Floor, Taimoor Nagar, Opp. New Friends Colony, New Delhi-110025	28th September, 2015	12.30 p.m
2016	72, Ground Floor, Taimoor Nagar, Opp. New Friends Colony, New Delhi-110025	29th September, 2016	12.30 p.m
2017	72, Ground Floor, Taimoor Nagar, Opp. New Friends Colony, New Delhi-110025	25th September, 2017	12.30 p.m

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

Sr. No.	Year	Section of Companies Act, 2013	Purpose
1.	**2015**	196-197 42(3) 61 12 & 13 42, 43 & 55 180(1)(c)	1. Appointment of Mr. Paramjeet Singh as Managing Director of the company for a period of 5 years w.e.f. 31.03.2015. 2. To abandoned or withdraw the resolution, passed by the members in their meeting held on 3rd November, 2014, for issue of preference share of Rs. 3 crore. 3. To reclassification of authorised equity shares capital into preference share to the extent of Rs. 10 Crore divided into 1 crore preference share of Rs. 10/- each. 4. To adopt the new set of Memorandum of Association and Article of Association as per companies Act, 2013. 5. To approve the issue of sixty lakhs Non-convertible Redeemable Preference share of Rs. 10/- each at par. 6. To borrow the money to the extent of Rs. 350 crore.
2.	**2016**	NA	NA
3.	**2017**	NA	NA

11. GENERAL SHAREHOLDERS INFORMATION:

B. 34th Annual General Meeting: 24thSeptember, 2018 at 10:30 A.M.

C. Financial Year: 1st April, 2017 to 31st March, 2018

D. Book Closure: 18th September, 2018 to 24th September, 2018

E. Dividend Payment Date: As no dividend for the year 2017-18 was recommended by the Board of Directors, hence no disclosures for the same is required.

F. Listing on Stock Exchange and Stock Codes

The Company's equity shares are listed with Bombay Stock Exchange Ltd. (Code 531065), The Company has paid annual listing fee due to the Bombay Stock Exchanges for the Financial Year 2018-19.

G. Market Price Data and Performance in Comparison to Index:

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

H. Code of Conduct:

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

I. Registrar and Transfer Agent:

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

J. Investor correspondence may also be addressed to:

Mr. Lalit Kumar
Company Secretary & Compliance Officer
Oswal Overseas Limited
72, Ground Floor, Taimoor Nagar,

Opposite New Friends Colony,
New Delhi – 110065
Phone no. 011-41064256,
E-mail id – cs@oswaloverseasltd.com

K. Share Transfer System:

Presently the share transfers which are received in physical form, if not disputed and accompanied with complete documents, are normally effected within a maximum period of 30 days from the date of receipt and demat requests are confirmed within a maximum period of 15 days. The company provides investor or depository services through its Registrar & Transfer Agent (RTA).

L. Distribution of Shareholding:

The Distribution of Shareholding as on March 31, 2018 was as follows:

No. of Shares held	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 5000	262	79.64	48200	0.74
5001-10000	22	6.69	20450	0.32
10001-20000	5	1.52	6050	0.09
20001-30000	2	0.61	5500	0.08
30001-40000	6	1.82	23750	0.37
40001-50000	0	0	0	0
50001-100000	3	0.91	23600	0.37
100001 and above	29	8.81	6333500	98.02
Total	**329**	**100**	**6461050**	**100**
Held by	**No. of Shares**		**% holding**	
Promoters				
-Individual	4838950		74.89	
-Private Corporate Bodies	0		0	
Indian Public				
-Individual	1621300		25.10	
-Private Corporate Bodies	800		0.01	
Total	**6461050**		**100.00**	

M. Dematerialization of Shares and Liquidity

The shares of the Company are available for trading in depository systems of both NSDL & CDSL with ISIN INE906K01019. As on March 31, 2018, 75.2 % (48,60,350 equity shares) of the share capital of the Company had been dematerialized and 24.78% (16,00,700 equity shares) of the share capital of the Company had been digitalized.

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

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

O. Unclaimed Dividends:

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

P. Plant Location:

The Company is engaged in the manufacturing of Sugar. The business of the Company is being operated from the following sites:

Village - Aurangabad
Tehsil - NawabGanj,
District – Bareilly (U.P) – 262407
Phone no. 05825-226551, Fax no. 05825-226753
E-mail id:info@oswaloverseasltd.com

Q. Registered Office & Address for Correspondence:

72, Ground Floor,
Taimoor Nagar,
New Delhi-110025
Phone no. 011-41064256, Fax no. 011-26322664
Email-id: cs@oswaloverseasltd.com

12. RISK MANAGEMENT

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

13. RECONCILIATION OF SHARE CAPITAL AUDIT:

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

14. CORPORATE IDENTITY NUMBER (CIN):

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

15. CEO / CFO CERTIFICATION:

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

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

Pursuant to the Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I Paramjeet Singh, Managing Director of the Company, declares hereby that all the Board Members & Senior Management of the Company, have affirmed their compliance with the Code of Conduct during the year ended 31st March 2018.

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

	Sd/-	**Sd/-**
	Anoop Kumar Srivastava	**Paramjeet Singh**
Place: New Delhi	**Director**	**(Managing Director)**
Dated: 28/08/2018	**DIN: 07052640**	**DIN: 00313352**

CERTIFICATE OF CHIEF FINANCIAL OFFICER

To,
The Board of Directors,
Oswal Overseas Limited,

I, Aijaz Ahmad, Chief Financial Officer of Oswal Overseas Limited, on the basis of the review of the financial statements and cash flow statement for the year ended 31st March 2018 and to the best of my knowledge and belief, hereby certify that:

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

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

3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2018 which, are fraudulent, illegal or in violation of the Company's Code of Conduct.

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

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

Sd/-
Place: New Delhi **Aijaz Ahmad**
Dated: 30.05.2018 **Chief Financial Officer**

CERTIFICATE OF CHIEF EXECUTIVE OFFICER

To,
The Board of Directors,
Oswal Overseas Limited,

I, Ashok Kumar, Chief Executive Officer of Oswal Overseas Limited, on the basis of the review of the financial statements and cash flow statement for the year ended 31st March 2018 and to the best of my knowledge and belief, hereby certify that:

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

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

3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2018 which, are fraudulent, illegal or in violation of the Company's Code of Conduct.

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

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

Sd/-
Place: New Delhi **Ashok Kumar**
Dated: 30.05.2018 **Chief Executive Officer**

INDEPENDENT AUDITOR'S REPORT

To The Members of Oswal Overseas Limited

Report on the Standalone Financial Statements
We have audited the accompanying standalone financial statements of **Oswal Overseas Limited**("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.
We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.
We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion
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, 2018, and its profit and loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date, read with **Annexure "A" and "B"** of our report.

Report on Other Legal and Regulatory Requirements
1. As required by Section 143(3) of the Act, based on our audit we report that:
a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow 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 Indian Accounting Standards prescribed under section 133 of the Act.
e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For N J & Associates
Chartered Accountants

Sd/-
CA Shenu Agarwal
Partner
M.No. 527267
FRN 023083N

Place: Chandigarh
Date: 30.05.2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Oswal Overseas Limited of even date)

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

We have audited the internal financial controls over financial reporting of Oswal Overseas Limited("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N J & Associates
Chartered Accountants
Sd/-
CA Shenu Agarwal
Partner
M. No. 527267
FRN 023083N

Place: Chandigarh
Date: 30.05.2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Oswal Overseas Limited of even date)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets. Pursuant to the program, fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii. The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. As per the management, no discrepancies were noticed on verification between the physical stocks and the book records.

iii. In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

iv. n our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues,with certain delays, the dues including, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to itwith the appropriate authorities.

(b) Further, as at 31st March 2018, there are no such dues outstanding for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2018 on account of dispute are given below:

Name of the Statute	**Nature of Dues**	**Total demand (Rs. in lacs)**	**Paid under protest (Rs. in lacs)**	**Balance amount (Rs. in lacs)**	**Financial year to which relates**	**Forum where dispute is pending**
U.P. sales tax	Entry Tax	10.00	0.41	9.59	2000-01	Hon'ble Supreme Court
U.P. sales tax	Entry Tax	60.04	-	60.04	2001-02	Hon'ble Supreme Court
U.P. sales tax	Entry Tax	35.05	17.53	17.52	2002-03	Hon'ble Supreme Court
U.P. sales tax	Entry Tax	7.67	0	7.67	2003-04	To be Reassessed by the Regional Authority
U.P. sales tax	Entry Tax	63.82	0	63.82	2004-05	To be Reassessed by the Regional Authority
U.P. sales tax	Entry Tax	98.99	0	98.99	2005-06	To be Reassessed by the Regional Authority
U.P. sales tax	Entry Tax	76.17	0	76.17	2006-07	To be Reassessed by the Regional Authority
U.P. sales tax	Entry Tax	40.80	2.09	38.71	2007-08	Hon'ble Commissioner
U.P. sales tax	Entry Tax	25.59	7.47	18.12	2008-09	Tribunal
U.P. sales tax	Entry Tax	9.34	1.91	7.43	2009-10	Tribunal
	Entry Tax (Total)	**427.48**	**29.40**	**398.08**		
Excise Department	CENVAT	0.411	0.03	0.38	2015-16	Commissioner Appeals
Excise Department	Against the sale of Pressmud and Baggase	3.29	0.25	3.04	2015-16	Commissioner Appeals
Excise Department	CENVAT	0.42	0.03	0.39	2016-17	Commissioner Appeals
Excise Department	CENVAT	19.11	0.00	19.11	2016-17	Commissioner Appeals
	Excise Department (Total)	**23.23**	**0.31**	**22.92**		

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

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

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For N J & Associates
Chartered Accountants

Sd/-
CA Shenu Agarwal
Partner
M. No. 527267
FRN 023083N

Place: Chandigarh
Date: 30.05.2018

OSWAL OVERSEAS LIMITED
Balance sheet as at March 31, 2018
All Amounts in Rupees, unless otherwise stated

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
(A) NON CURRENT ASSETS				
i Property, Plantand Equipment	3	666,368,533	674,050,753	692,185,036
ii Capital Work-in-Progress	3	2,272,429	672,275	3,371,306
iii Financial Assets				
Security Deposits	4	633,372	629,785	629,785
iv Prepayments	5	701,572	867,320	912,587
(B) CURRENT ASSETS				
i Inventories	6	492,236,280	142,524,043	65,130,914
ii Financial Assets				
(a) Trade Receivables	7	11,297,458	17,981,588	13,867,805
(b) Cash & Cash Equivalents	8	11,175,397	54,104,796	17,718,855
(c) Bank Balance other than (b) above	8	-	-	677,059
(d) Loans & Advances	4	26,818,448	37,397,938	71,986,329
(e) Others	9	5,619,725	10,835,575	18,471,179
iii Prepayments	5	190,635.00	190,635.00	190,635.00
Assets held-for-sale/ Assets included in disposal group(s) held-for-sale				
Total Assets		**1,217,313,848**	**939,254,708**	**885,141,490**
Equity AND Liabilities				
(C) Equity				
i Equity Share capital	10	64,610,500	64,610,500	64,610,500
ii **Other Equity**				
(a) Equity Component of Compound Financial Instrument	10	39,643,374	39,643,374	39,643,374
(b) Reserve & Surplus	11	(185,771,131)	14,292,229	18,037,406
(c) Other Reserves	11	159,010,800	159,010,800	159,010,800
(D) Liabilities				
Non Current Liabilities				
i Financial Liabilities				
Borrowings	12	87,541,288	107,745,394	145,264,799
ii Provisions	13	1,551,890	959,953	711,158
iv Deferred Tax Liabilities (Net)	14	57,634,476	64,370,042	65,269,698
v Other Non-Current Liabilities	15	2,499,438	4,078,011	3,980,427
Current Liabilities				
i Financial Liabilities				
(a) Borrowings	12	49,887,122.53	49,673,560	76,801,472.00
(b) Trade payables	16	891,176,999	369,865,373	228,514,547
(c) Other Financial Liabilities	12	39,059,732	47,010,034	55,787,160
ii Provisions	13	443,836	196,485	100,308
iii Other Current Liabilities	15	10,025,523	17,798,953	27,409,841
Total Equity & Liabilities		**1,217,313,848**	**939,254,708**	**885,141,490**

The accompanying notes are an integral part of these Financial statements

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

Sd/-	Sd/-	Sd/-	Sd/-
(AIJAZ AHMAD)	(LALIT KUMAR)	(ANOOP KUMAR SHRIVASTAV)	(PARAMJEET SINGH)
CFO	COMPANY SECRETARY	DIRECTOR	MANAGING DIRECTOR

As per our report of even date attached.
FOR N J & ASSOCIATES
CHARTERED ACCOUNTANTS
Sd/-
(CA. SHENU AGGARWAL)
Partner
Membership No. : 527267
FRN 023083N

Place : Chandigarh
Dated : 30.05.2018

OSWAL OVERSEAS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Sr. No	Particulars	Note No.	March 31, 2018	March 31, 2017
			INR	**INR**
	Continuing Operations			
	Revenue from Operations	17	766,032,317	809,625,591
	Other Income	18	1,976,388	1,174,792
	Total Income		768,008,705	810,800,383
	Expenses			
	Cost of Raw Material and Components Consumed	19	1,205,900,001	715,632,752
	(Increase)/Decrease in inventories of finished goods, work in progress and traded goods		(358,698,823)	(67,164,938)
	Excise Duty on Sales		6,268,710	45,874,238
	Employee Benefits Expense	20	30,208,520	25,478,900
	Depreciaton and amortization Expense	3	23,019,538	22,339,748
	Finance Costs	21	19,479,192	25,331,864
	Other Expenses	22	48,063,067	46,932,093
	Total Expenses		**974,240,204.72**	**814,424,657.43**
	Profit/(Loss) before exceptional itmes and Tax		(206,231,500)	(3,624,274)
	Exceptionals Items		-	-
	Profit/(Loss) before Tax		(206,231,500)	(3,624,274)
	(1) Current Tax		-	-
	(2) Adjustment of Tax relating to earlier periods		-	-
	(3) Deferred Tax		(6,586,422)	(3,996)
	Income Tax Expense		(6,586,422)	(3,996)
	Profit/(Loss) for the year		(199,645,078)	(3,620,279)
	Other Comprehensive Income			
	Re-measurement Gains/(Losses) on defined benefit plans		(482,667)	(89,386)
	Income Tax effect		149,144	27,620
			(333,523)	(61,766)
	Net Other Comprehensive Income not to be reclassified to Profit or Loss in subsequent periods		(333,523)	(61,766)
	Other Comprehensive Income for the year, Net of Tax		(333,523)	(61,766)
	Total Comprehensive Income for the year, Net of Tax attributable to :		(199,978,601)	(3,682,044)
	Earnings per Equity share for Profit from continuing operation attributable to owner of Oswal Overseas Limited:			
	Basic earning per share		(30.90)	(0.56)
	Diluted earning per share		(30.90)	(0.56)
	Significant Accounting Policies	2		
	Notes to Accounts			

The accompanying notes are an integral part of these Financial statements

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

Sd/-	Sd/-	Sd/-	Sd/-
(AIJAZ AHMAD)	(LALIT KUMAR)	(ANOOP KUMAR SHRIVASTAV)	(PARAMJEET SINGH)
CFO	COMPANY SECRETARY	DIRECTOR	MANAGING DIRECTOR

As per our report of even date attached.

FOR N J & ASSOCIATES

CHARTERED ACCOUNTANTS

Sd/-

(CA. SHENU AGGARWAL)

Partner

Membership No. : 527267

FRN 023083N

Place : Chandigarh

Dated : 30.05.2018

OSWAL OVERSEAS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Particulars	Note No.	March 31, 2018	March 31, 2017
			INR	INR
A	**Cash flow from Operating activities**			
1	**Profit before Tax**		**(206,231,499.54)**	**(3,624,274.43)**
2	**Adjustments to reconcile Profit before Tax to Net cash flows:**			
	Depreciation and amortisation Expense	3	23,019,538.00	22,339,748.43
	Interest Income	18	(181,581.00)	(192,208.00)
	(Profit)/ Loss on sale of assets/ Written off (Net)		-	-
	Finance Costs	21	19,479,192.06	25,331,864.00
	Liabilities/ Provisions Written back		(2,277,353.00)	(89,386.00)
			40,039,796.06	**47,390,018.43**
3	**Operating Profit before working capital adjustments (1+2)**		**(166,191,703.48)**	**43,765,744.00**
4	**Working capital adjustments:**			
	Trade and other receivables and prepayments		22,641,630.94	38,155,479.00
	(Increase)/Decrease in Inventories		(349,712,236.62)	(77,393,129.00)
	Increase/(Decrease) Trade and other payables and Provisions		514,508,837.38	131,251,323.00
			187,438,231.70	**92,013,673.00**
5	**Cash generated from Operations (3+4)**		**21,246,528.22**	**135,779,417.00**
6	Taxes (Paid) /Refund		-	-
7	**Net cash flows from Operating activities (5-6)**		**21,246,528.22**	**135,779,417.00**
B	**Cash Flow from Investing Activities:**			
	Purchase of Property, Plant and Equipment (PPE)	3	(16,937,471.28)	(4,538,453.00)
	Sale of Property, Plant and Equipment (PPE)	3	-	3,032,018.20
	Proceeds from fixed deposits matured during the year	8		677,059.00
	Interest Income	18	181,581.00	192,208.00
	Net cash used in investing activities:		**(16,755,890.28)**	**(637,167.80)**
C	**Cash flow from financing activities:**			
	Increase/(Decrease) in Repayments of Term Loans	12	(39,830,733.20)	(47,450,367.00)
	Increase/(Decrease) in Repayments of WCL	12	213,562.53	(27,127,912.00)
	Increase/(Decrease) in Interest accured and due on TL	12	(639,712.00)	(2,371,262.00)
	Increase/(Decrease) in Unsecured Loans	12	12,316,037.00	3,525,098.00
	Finance Costs	21	(19,479,192.06)	(25,331,864.00)
	Net cash used in Financing Activities:		**(47,420,037.73)**	**(98,756,307.00)**
D	**Net change in cash and cash equivalents (A+B+C)**		**(42,929,399.79)**	**36,385,942.20**
E -	Cash and cash equivalents at the beginning of the year		54,104,796.00	17,718,855.00
E - 2	**Cash and cash equivalents at year end**		**11,175,396.36**	**54,104,796.00**

The accompanying notes are an integral part of these Financial statements

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

Sd/-	Sd-	Sd/-	Sd/-
(AIJAZ AHMAD)	(LALIT KUMAR)	(ANOOP KUMAR SHRIVASTAV)	(PARAMJEET SINGH)
CFO	COMPANY SECRETARY	DIRECTOR	MANAGING DIRECTOR

As per our report of even date attached.

FOR N J & ASSOCIATES

CHARTERED ACCOUNTANTS

Sd/-

(CA. SHENU AGGARWAL)

Partner

Membership No. : 527267

FRN 023083N

Place : Chandigarh

Dated : 30.05.2018

1. Corporate Information:

Oswal Overseas Limited (the Company) (CIN: L74899DL1984PLC01826) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on a recognized stock exchange in India. The Registered office of the Company is located at 72, Ground Floor, Taimoor Nagar, Opposite New Friends Colony, New Delhi – 110025.

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

The financial statements were authorized for issue in accordance with a resolution by the Board of Directors of the Company on 30th May 2018.

2. Significant Accounting Policies

2.1 Basis of Preparation

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

For all periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March 2018 are the first financial statements which have been prepared in accordance with the Ind AS notified under the Companies Indian Accounting Standards Rules, 2015, as amended from time to time. The Company is in Phase II of Ind AS adoption and accordingly the date of transition is 1st April 2016.

In respect of financial information for the year ended 31st March 2018, the Company followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exceptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1st April 2016. Refer to Note 29 for information on how the Company adopted Ind AS.

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

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

In accordance with IND AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of Financial Information under Accounting Standards notified under Previous GAAP to IND AS of Restated Shareholders' equity as at 31st March, 2017 and 2016 and of the Statement of Profit and loss and other comprehensive Income for the year ended 31st March, 2017.

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

Summary of Significant Accounting Policies:

2.1.1 Property, Plant & Equipment:

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.On the date of transition to IND AS, the Company has applied exemption as per Para D5 of Appendix D to Ind AS 101 and elected to regard the fair values indicated in the valuation report as on 31st March 2016 as deemed cost. The Company had a valuation report for Land, Building and Plant & Machinery pertaining to Property, Plant and Equipment as on 31st March 2016. Accordingly, the Company has not fair valued the property at 1st April 2016 again. Certain items of plant and equipment have been measured at deemed cost at the date of transition to Ind AS.

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

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

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

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

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

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

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

2.1.2 Current versus Non Current Classification:

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

2.1.3 Taxes:

2.1.3.1 Current Income Tax:

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

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

2.1.3.2 Deferred Tax:

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

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

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

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

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

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

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

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

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

Goods & Service Tax (GST)/ Sales/ Value Added Taxes (VAT) paid on acquisition of assets or on incurring expenses:

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

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

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

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

2.1.4 Inventory

Inventories are valued at the lower of cost and net realizable value.
Costs incurred in bringing each product to its present location and condition is accounted for as follows:

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

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

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

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

2.1.5 Financial Instruments:

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

a. *Financial Assets*:

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

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

- Those measured at amortized cost

Initial recognition and measurement:

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

Subsequent measurement:

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

- Debt instruments at amortized cost

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

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

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

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

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

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

Derecognition:
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:
1. the rights to receive cash flows from the asset have expired, or

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

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

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

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

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

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

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

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

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

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

Reclassification of financial assets:
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification

date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

b. Financial Liabilities:

Initial recognition and measurement:

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

Subsequent measurement:

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

Trade Payables:

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

Financial Liabilities at fair value through profit & loss:

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

Loans & Borrowings:

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

Derecognition:

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

Offsetting of financial instruments:

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

2.1.6 Cash & Cash Equivalents:

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

2.1.7 Mandatorily Redeemable Preference Shares:

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

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

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

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

2.1.8 Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate

can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but onlywhen the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Profit and Loss net of any reimbursement.

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

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

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

2.1.9 Employee Benefits:

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

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

2.1.9.3 **Post-employment obligations:** The Company operates the following post-employment schemes:
2.1.9.3.1 Defined benefit plans such as gratuity; and
2.1.9.3.2 Defined contribution plans such as provident fund.

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

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

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

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

2.1.10 Revenue Recognition:
Revenue is recognized to the extent that 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. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ Goods & Service Tax (GST)/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Goods:
Revenue from the sale of goods is recognized 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.

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

2.1.11 Leases
The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangement entered into prior to 01ST April, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee
A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payment are structured to increase in line with expected general inflation to compensate for the losses in expected inflationary cost increase.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
i. In the principal market for the asset or liability, or
ii. In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
a. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
b. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.
At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.
The management in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.1.13 Significant accounting judgments, estimates and assumptions

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

Judgments

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

Operating lease commitments - Company as lessee

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

Estimates and assumptions

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

a. Taxes

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

b. Defined benefit plans

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

c. Fair value measurement of financial instrument

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

2.1.14 Borrowing Costs:

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

2.1.15 Impairment of Non Financial Assets:

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

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

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

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

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

After impairment depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

An assessment is made in respect of assets at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.1.16 Government Grants:

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. However if any export obligation is attached to the grant related to an asset, it is recognized as income on the basis of accomplishment of the export obligation.
When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the under lying asset i.e. by equal annual installments.

2.1.17 Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period, attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Note: 3 Property, Plant and Equipment (PPE)

Particulars	Freehold Land	Freehold Buildings	Plant& Machinery	Furniture, Fitting & Equipments/ Installations	Vehicles	Others Equipments	Total	Captial Work-in-progress
	INR	INR	INR	INR	INR	INR	INR	INR
Transition as at 1 April 2016								
Gross Carrying Amount								
Deemed cost as at 1 April 2016	151,140,000	217,936,002	304,236,964	31,593,968	38,541,008	9,002,512	752,450,454	3,371,306
Additions/Reduction on account of								
Closing Gross Carrying Amount as at 1 April 2016	**151,140,000**	**217,936,002**	**304,236,964**	**31,593,968**	**38,541,008**	**9,002,512**	**752,450,454**	**3,371,306**
Accumulated Depreciation as at 1 April 2016	-	-	-	30,001,859	22,430,334	7,833,226	60,265,418	
Additions/Reduction on account of								
Closing Accumulated Depreciation as at 1 April 2016	**-**	**-**	**-**	**30,001,859**	**22,430,334**	**7,833,226**	**60,265,418**	**-**
Net Carrying Amount as at 1 April 2016	**151,140,000**	**217,936,002**	**304,236,964**	**1,592,109**	**16,110,674**	**1,169,286**	**692,185,036**	**3,371,306**
Year ended 31 March 2017								
Gross Carrying Amount								
Opening Gross Carrying Amount	**151,140,000**	**217,936,002**	**304,236,964**	**31,593,968**	**38,541,008**	**9,002,512**	**752,450,454**	**3,371,306**
Additions	-	2,697,528	724,847	141,578	540,000	434,500	4,538,453	
Disposals	-	-	-	-	(1,121,973)	-	(1,121,973)	
Closing Gross Carrying Amount as at 31 March 2017	**151,140,000**	**220,633,530**	**304,961,811**	**31,735,546**	**37,959,035**	**9,437,012**	**755,866,934**	**3,371,306**
Accumulated Depreciation								
Opening Accumulated Depreciation	**-**	**-**	**-**	**30,001,859**	**22,430,334**	**7,833,226**	**60,265,418**	
Depreciation charge during the year	-	6,901,543	11,569,112	225,629	3,367,348	276,116	22,339,748	
Disposals	-	-	-	-	(788,986)	-	(788,986)	(2,699,031)
Closing Accumulated Depreciation as at 31 March 2017	**-**	**6,901,543**	**11,569,112**	**30,227,488**	**25,008,696**	**8,109,342**	**81,816,180**	**(2,699,031)**
Net Carrying Amount as at 31 March 2017	**151,140,000**	**213,731,987**	**293,392,699**	**1,508,058**	**12,950,339**	**1,327,670**	**674,050,753**	**672,275**
Year ended 31 March 2018								
Gross Carrying Amount								
Opening Gross Carrying Amount	**151,140,000**	**220,633,530**	**304,961,811**	**31,735,546**	**37,959,035**	**9,437,012**	**755,866,934**	**672,275**
Additions	-	35,600	8,106,124	174,457	6,316,663	704,473	15,337,317	1,600,154
Disposals	-	-	-	-		-	-	

Particulars	Freehold Land	Freehold Buildings	Plant& Machinery	Furniture, Fitting & Equipments/ Installations	Vehicles	Others Equipments	Total	Captial Work-in-progress
	INR	INR	INR	INR	INR	INR	INR	INR
Closing Gross Carrying Amount as at 31 March 2018	**151,140,000**	**220,669,130**	**313,067,935**	**31,910,003**	**44,275,698**	**10,141,485**	**771,204,251**	**2,272,429**
Accumulated Depreciation								
Opening Accumulated Depreciation	**-**	**6,901,543**	**11,569,112**	**30,227,488**	**25,008,696**	**8,109,342**	**81,816,180**	**-**
Depreciation charge during the year	-	6,986,142	11,775,213	223,193	3,599,524	435,466	23,019,538	-
Disposals	-	-	-	-		-	-	
Closing Accumulated Depreciation as at 31 March 2018	**-**	**13,887,685**	**23,344,325**	**30,450,681**	**28,608,220**	**8,544,808**	**104,835,718**	**-**
Net Carrying Amount as at 31 March 2018	**151,140,000**	**206,781,445**	**289,723,610**	**1,459,322**	**15,667,478**	**1,596,678**	**666,368,533**	**2,272,429**
Net Book Value								
At 31 March 2018	151,140,000	206,781,445	289,723,610	1,459,322	15,667,478	1,596,678	666,368,533	
At 31 March 2017	151,140,000	213,731,987	293,392,699	1,508,058	12,950,339	1,327,670	674,050,753	
At 1 April 2016	151,140,000	217,936,002	304,236,964	1,592,109	16,110,674	1,169,286	692,185,036	

No Borrowing cost are capitalized either on PPE or on Asset under construction (CWIP). Financial Year 31 March 18 - Nil, 31 March 17 - Nil, 1 April 2016 - Nil

Charge on PPE

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

4. Financial Assets - Loans

(Unsecured, considered good unless otherwise stated)

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
Loans & Advances	26,818,448	37,397,938	71,986,329
Security Deposits	633,372	629,785	629,785
	27,451,820	**38,027,723**	**72,616,114**
Current	26,818,448	37,397,938	71,986,329
Non-Current	633,372	629,785	629,785

5. Prepayments

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
Deferred Loan Processing Fees	326,101	516,736	707,371
Pre Paid Expenses	566,106	541,219	395,851
	892,207	**1,057,955**	**1,103,222**
Current	190,635	190,635	190,635
Non-Current	701,572	867,320	912,587

6. Inventories

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
(a) Raw Materials (at Cost)	476,450	-	-
(b) Work-in-progress (at Cost including appropriate overhead)	14,548,385	263,300	-
(c) Finished Goods (at lower of cost and Net realisable value)	453,506,449	117,936,740	45,830,747
(d) Stores and spares (at Cost)	23,704,996	24,324,003	19,300,167
	492,236,280	**142,524,043**	**65,130,914**

7. Trade receivables

(Unsecured, considerd good)

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
Trade receivables	11,297,458	17,981,588	13,867,805
	11,297,458	**17,981,588**	**13,867,805**

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

Trade receivables are non-interest bearing and are generally on Terms of 30 to 45 days.

8. Cash and cash equivalent

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
(A) Balances with Banks			
(I) Bank Balances held as margin money or as security against:			
(i) Guarantees	-	-	677,059
(ii) Letters of Credit	1,539,191	1,415,045	3,759,227
(II) In Current Accounts	6,248,770	48,774,387	13,577,251
(B) Cash on hand	3,387,435	3,915,364	382,377
	11,175,397	**54,104,796**	**18,395,914**
Cash & Cash Equivalents	11,175,397	54,104,796	17,718,855
Bank Balance other than above	-	-	677,059

9. Other Financial Assets

	March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured, considered good)	INR	INR	INR
Capital Advances	-	-	-

Others			
Balance with Revenue Authorities	-	-	1,690,343
Tax and duties Recoverable	1,265,549	3,989,189	2,939,615
Interest & Other Receivable	1,252,603	2,004,000	9,028,993
Taxes under protest/appeal	3,101,573	4,842,386	4,812,228
	5,619,725	**10,835,575**	**18,471,179**
Current Assets	5,619,725	10,835,575	18,471,179
Non-current Assets	-	-	-

10. Share Capital

Authorised Share Capital **Equity Shares**	**No.**	**INR**
At 1st April 2016	36,000,000	360,000,000
Increase/(decrease) during the year	-	-
At 31 March 2017	36,000,000	360,000,000
Increase/(decrease) during the year	-	-
At 31 March 2018	**36,000,000**	**360,000,000**

Terms/ rights attached to Equity Shares

The company has only one class of Equity Shares having par value of INR 10 per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividends, if any, in Indian rupees.

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

0.1% Non Cumulative Redeemable Preference Shares	**No.**	**INR**
At 1st April 2016	6,000,000	60,000,000
Increase/(decrease) during the year	-	-
At 31 March 2017	6,000,000	60,000,000
Increase/(decrease) during the year	-	-
At 31 March 2018	**6,000,000**	**60,000,000**

Terms/ rights attached to Preference Shares

The Preference Shares issued by the company are non-convertible and will be redeemed in year 2036 at the price of INR 10/- per share. The Preference Shares carry a dividend of 0.1% per annum payable at the discretion of the company and subject to apporval of the lenders. The dividend rights are non-cumulative. The Preference Shares rank ahead of the Equity Shares in event of liquidation. The presentation of Liability and Equity portion of these Shares is explained in the summary of significant Accounting policy.

Issued Share Capital **Equity Shares**	**No.**	**INR**
At 1st April 2016	6,461,050	64,610,500
Increase/(decrease) during the year	-	-
At 31 March 2017	6,461,050	64,610,500
Increase/(decrease) during the year	-	-
At 31 March 2018	**6,461,050**	**64,610,500**

Equity Component of Redeemable Preference Shares of INR 10 each issued and fully paid	**No.**	**INR**
At 1st April 2016	6,000,000	39,643,374
Increase/(decrease) during the year	-	-
At 31 March 2017	6,000,000	39,643,374
Increase/(decrease) during the year	-	-
At 31 March 2018	**6,000,000**	**39,643,374**

10. Statement of Changes in Equity

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid	No.	INR
At 1st April 2016	6,461,050	64,610,500
Increase/(decrease) during the year		
At 31st March 2017	6,461,050	64,610,500
Increase/(decrease) during the year		
At 31st March 2018	6,461,050	64,610,500

b. Other Equity

For the year ended 31st March 2018

	Attributable to the Equity Holders			
	Equity Component of Redeemable Preference Shares	Reserves and Surplus		Total Equity
		Share Premium	Retained Earnings	
As at 1st April 2017	39,643,374	159,010,800	14,292,229	212,946,403
Profit for the period			(199,645,077)	(199,645,077)
Other Comprehensive Income			(333,523)	(333,523)
Appropriation for Molasses Storage Fund			(84,760)	(84,760)
Total Comprehensive Income	**39,643,374**	**159,010,800**	**(185,771,131)**	**12,883,043**
At 31st March 2018	**39,643,374**	**159,010,800**	**(185,771,131)**	**12,883,043**

For the year ended 31st March 2017

	Attributable to the Equity Holders			
	Equity Component of Redeemable Preference Shares	Reserves and Surplus		Total Equity
		Share Premium	Retained Earnings	
As at 1st April 2016	39,643,374	159,010,800	18,037,404	216,691,578
Profit for the period			(3,620,278)	(3,620,278)
Other Comprehensive Income			(61,766)	(61,766)
Appropriation for Molasses Storage Fund			(63,131)	(63,131)
Total Comprehensive Income	**39,643,374**	**159,010,800**	**14,292,229**	**212,946,403**
At 31st March 2017	**39,643,374**	**159,010,800**	**14,292,229**	**212,946,403**

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

Details of shareholders holding more than 5% Shares in the company

Name of the shareholder	March 31, 2018		March 31, 2017	
	No.	% holding in the class	No.	% holding in the class
Equity Shares of INR 10 each				
1. Paramjeet Singh	1,808,710	27.99%	1,808,710	27.99%
2. Manjeet Singh	-	0.00%	1,739,840	26.93%
3. Surjeet Singh HUF	1,221,650	18.91%	1,221,650	18.91%
4. Surjeet Singh	1,739,840	26.93%	-	0.00%
Preference Shares of INR 10 each				
1. Surjeet Singh HUF	1,000,000.00	16.67%	1,000,000.00	16.67%
2. Jagjeet Kaur	1,000,000.00	16.67%	1,000,000.00	16.67%
3. Gurinder Kaur	1,000,000.00	16.67%	1,000,000.00	16.67%
4. Paramjeet Singh HUF	1,000,000.00	16.67%	1,000,000.00	16.67%
5. Surjeet Singh	1,000,000.00	16.67%	1,000,000.00	16.67%
6. Gulshan Kaur	1,000,000.00	16.67%	1,000,000.00	16.67%

11. Other Equity

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
Securities Premium Reserve	159,010,800	159,010,800	159,010,800
Retained Earnings	(185,771,131)	14,292,229	18,037,406
	(26,760,331)	**173,303,029**	**177,048,206**
Reserves and Surplus	(185,771,131)	14,292,229	18,037,406
Other Reserve	159,010,800	159,010,800	159,010,800

Securities Premium Reserve	March 31, 2018	March 31, 2017
	INR	INR
Opening Balance	159,010,800	159,010,800
Appropriations during the year	-	-
Closing Balance	**159,010,800**	**159,010,800**

Retained Earnings	March 31, 2018	March 31, 2017
	INR	INR
Opening Balance	14,292,229	18,037,404
Net Profit for the period	(199,645,077)	(3,620,278)
Items of other Comprehensive Income recognised directly in retained Earnings	(333,523)	(61,766)
Appropriation for Molasses Storage Fund	(84,760)	(63,131)
Closing Balance	(185,771,131)	14,292,229

13. Provisions

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
Provision for employee Benefits (Refer Note No. 26)	1,995,726.00	1,156,438.00	811,466.00
	1,995,726.00	**1,156,438.00**	**811,466.00**
Current	443,836.00	196,485.00	100,308.00
Non-Current	1,551,890.00	959,953.00	711,158.00

14. Deferred Tax Assets/(Liabilities)(Net)

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR

12. Borrowings

	Effective Interest rate	Maturity	Installment (No.)	March 31, 2018	March 31, 2017	April 1, 2016
				INR	INR	INR
Non-Current Borrowings						
Term Loan						
From Banks						
(i) Term Loan from SBI (Secured)	10.15%	September 2015-December 2020	21	39,241,404	64,426,929	79,358,276
(ii) WCTL State Bank of India (Secured)	10.15%	September 2014-September 2019	36	25,273,206	35,482,730	48,122,647
(iii) Sugar Development Fund	4%	October 2011-October 2017	4	-	6,635,250	26,541,000
(iv) Liability Component of compound financial instrument (Unsecured)	16.85%	January 2016-January 2036 February 2016-February 2036	Lumpsum	3,745,487	3,205,380	2,743,158
(v) Vehicle Loans (Secured)		Refer Note No.....		5,525,991	4,506,244	7,313,081
Unsecured Loans						
- From Directors (Unsecured) (Refer Note No. 24)				47,408,000	35,220,000	32,150,000
- From Intercorporate (Unsecured)	14%	September 2009-September 2019	21	5,406,932	5,278,895	4,823,797
Total borrowings				**126,601,020**	**154,755,428**	**201,051,959**
Less: Current maturities of debt				(36,814,608)	(42,035,250)	(48,886,673)
Less: Current maturities of vehicle Loans				(1,475,175)	(3,565,123)	(3,119,564)
Less: Interest accrued and due				(769,949)	(1,409,661)	(3,780,923)
Non current borrowings				**87,541,288**	**107,745,394**	**145,264,799**

		March 31, 2018	March 31, 2017	April 1, 2016
		INR	INR	INR
(i) Term Loan from SBI (Secured)	**Amount**	496,743	926,931	3,158,276
	Period of default	Since March 2018	Since March 2017	Since March 2016

	Effective Interest rate	Maturity	March 31, 2018	March 31, 2017	April 1, 2016
			INR	INR	INR
Current borrowings					
(A) Loans repayable on demand					
Secured					
From banks	10.15%	On Demand	49,887,123	49,673,560	76,801,472
Total Current borrowings			**49,887,123**	**49,673,560**	**76,801,472**

	March 31, 2018	March 31, 2017	April 1, 2016
(B) Other financial liablities	INR	INR	INR
Current			
Current maturities of debt	36,814,608	42,035,250	48,886,673
Current maturities of vehicle Loans	1,475,175	3,565,123	3,119,564
Interest accrued and due	769,949	1,409,661	3,780,923
	39,059,732	**47,010,034**	**55,787,160**

At 31 March 2018, 31 March 2017 and 1 April 2016, there were 6000000 no. of redeemable preference shares in issue. Each share has a par value of INR 10. Preference shares will be redeemed in year 2036 at par. The preference shares carry a dividend of 0.1% per annum, payable yearly in arrears on 31 March. The dividend rights are non-cumulative. The preference shares rank ahead of the Equity shares in the event of a liquidation. The presentation of the liability and Equity portions of these shares is explained in the summary of significant Accounting policies.

Deferred Tax Asset/(Liability)(Net) (Refer Note No. 25)	(69,633,145)	(76,368,711)	(76,400,327)
MAT Credit	11,998,669	11,998,669	11,130,629
	(57,634,476)	**(64,370,042)**	**(65,269,698)**

Reconciliation of Tax Expense and the Accounting Profit multiplied by India's domestic Tax rate for 31 March 2017 and 31 March 2018:

	March 31, 2018	March 31, 2017
	INR	INR
Accounting Profit before Income Tax	(206,231,499.54)	(3,624,274.43)
At India's statutory Income Tax rate of 30.90% (31 March 2017: 30.90%)	(63,725,533.36)	(1,119,900.80)
Non-deductible Expenses for Tax purposes	3,590,081.89	3,621,439.21
Utilisation of previously unrecognised Tax Losses	60,135,451.30	(2,501,538.55)
Income Tax Expenses reported in the statement of Profit & Loss A/c	-	-

Reconciliation of Deferred Tax Liabilities (Net):	March 31, 2018	March 31, 2017
	INR	INR
Opening Balance as of 1 April	(76,368,711.00)	(76,400,327.00)
Tax Income/(Expense) during the period recognised in Profit or Loss	6,586,421.90	3,995.73
Tax Income/(Expense) during the period recognised in OCI	149,144.10	27,620.27
Closing Balance as at 31 March	(69,633,145.00)	(76,368,711.00)

15. Other Liabilities

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
Statutory Dues Payables	2,881,935	11,618,359	18,611,051
Revenue received in advance	646,366	1,130,428	1,479,234
Security Deposits	2,239,898	2,108,545	2,074,092
Other Liabilities and payables	6,497,222	5,050,166	7,319,556
Molasses Storage Fund	259,540	1,969,466	1,906,335
	12,524,962	**21,876,964**	**31,390,268**
Current	10,025,523	17,798,953	27,409,841
Non-Current	2,499,438	4,078,011	3,980,427

16. Trade payables

	March 31, 2018	March 31, 2017	April 1, 2016
	INR	INR	INR
Trade Payables - Raw Material	830,330,012	336,230,736	203,311,364
Trade Payables - Capital	-	-	-
Trade Payables - Others	60,846,987	33,634,637	25,203,183
	891,176,999	**369,865,373**	**228,514,547**

Terms and conditions of the above financial Liabilities

- Trade payables are non-interest bearing and are normally settled as per terms of the respective contract.

17. Revenue from Operations

	March 31, 2018	March 31, 2017
	INR	INR
Revenue from Sale of products (including excise duty)	766,032,317	809,594,116
Total sale of products	**766,032,317**	**809,594,116**
Other Operating Revenues	-	31,475
Total	**766,032,317**	**809,625,591**

Sale of goods includes excise duty collected from customers of INR 62,68,710 (31 March 2017: INR 4,58,74,238). Sale of goods Net of excise duty is INR 75,97,63,607 (31 March 2017: INR 76,73,93,565). Revenue from Operations for periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect Taxes in India have been replaced with Goods and Service Tax (GST). The company collects GST on behalf of the Government. Hence, GST is not included in Revenue from Operations. In view of the aforesaid change in indirect Taxes, Revenue from Operations year ended 31 March 2018 is not comparable 31 March 2017.

18. Other Income

	March 31, 2018	March 31, 2017
	INR	INR
Interest Income	181,581	192,208
Other Non-Operating Income/(Expenses) (Net of Expenses directly attributable to such Income)	1,794,807	982,584
	1,976,388	**1,174,792**

19. Cost of Raw Material and Components Consumed

	March 31, 2018	March 31, 2017
	INR	INR
Inventory at the beginning of the year	-	-
Add: Purchase	1,206,376,451	715,632,752
	1,206,376,451	715,632,752
Less: Inventory at the end of the year	476,450	-
Cost of Raw Material and Components Consumed	**1,205,900,001**	**715,632,752**

20. Employee Benefits Expenses

	March 31, 2018	March 31, 2017
	INR	INR
Salaries, wages and bonus	28,428,553	23,805,694
Contribution to provident and other funds	855,366	552,543
Gratuity Expense	394,982	235,558
Leave Encashment	141,021	114,369
Staff welfare Expense	388,598	770,736
	30,208,520	**25,478,900**

21. Finance Costs

	March 31, 2018	March 31, 2017
	INR	INR
Interest Expense	18,889,211	23,446,810
Other borrowing cost	589,981	1,885,054
	19,479,192	**25,331,864**

22. Other Expenses

	March 31, 2018	March 31, 2017
	INR	INR
Power and Fuel	2,459,015	2,348,387
Other manufacturing Expenses	13,233,446	16,199,669
Rent	526,416	555,204
Rates and Taxes	561,822	864,198
Insurance	693,632	558,162
Repairs and maintence		
Plant and machinery	16,812,287	14,731,151
Buildings	4,064,362	3,029,470
Office Expenses	3,188,298	2,949,802
Vehicle Running & Maintenance	1,406,909	751,410
Advertising and sales promotion	137,845	135,740
Travelling and conveyance	468,861	1,930,723
Legal and professional fees	3,037,191	2,228,103
Payment to auditior	555,210	156,825
Directors' sitting fees	-	60,000
Other Expenses	917,774	433,249
	48,063,067	46,932,093

Payment to Auditors

	March 31, 2018	March 31, 2017
	INR	INR
As auditor:		
Audit fee	100,000.00	100,000.00
Tax audit fee	25,000.00	25,000.00
Limited review	-	-
In other capacity:	-	-
Taxation matters	-	-
Company law matters	400,000.00	-
Other services (cerfification fees)	30,210.00	31,825.00
	555,210.00	156,825.00

Notes to the Financial Statements for the year ended 31st March 2018

23. Contingent liabilities:

Liabilities in respect of Income Tax and Sales Tax have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessment is accounted for in the year in which assessment is completed. Income Tax assessments have been assessed up to the assessment year 2016-17 and there is no outstanding demand is case of completed assessments. Sales Tax assessments have been completed up to financial year 2015-16. The Demands have been raised by the Sales Tax Department and the Excise Department on account of Entry Tax, CENVAT Credit, Penalty etc. The Status of such assessments is provided below:

STATUS OF ENTRY TAX CASES AS ON 31st MARCH 2018

S. No.	YEAR	PENDING WITH	CAUSE	STATUS
1	2000-01 (Entry Tax)	Supreme Court	E.Tax Rs. 10 lac on Sale of Sugar Out of UP.	Stayed by H.Court on dt. 15.04.2003 Writ No. **588/2003**
2	2001-02 (Entry Tax)	Supreme Court	EntryTaxRs. 6004557/- on Sale of Sugar Out of UP.	Stayed by H.Court dt. 03.02.04 Writ No. **92/2004**
3	2002-03 (Entry Tax)	Supreme Court	EntryTaxRs. 3505535/- on Sale of Sugar Out of UP.	**Step-I** Stayed by H.Court dt. 18.10.06 Writ No. 1568/2006 **Step-II** Writ No. 1568 dismissed by the H. Court on dt. 23.12.2011 & tagged with order for Writ No. 1484/2007 ITC v/s UP Govt. **Step-III** Stayed 50% against bank guarantee on dt. 06.02.12 by Supreme Court
4*	2003 -04 (Entry Tax)	Pending for reassessment	Entry Tax Rs.767445.00 demand case no. 365/06	Remand order passed by tribunal on dt. 05.05.2012 for appeal no. 365/2006
5*	2004-05 (Entry Tax)	Pending for reassessment	Entry Tax assessed Rs. 6381556/-	**Step-I** Remand order passed by Addl. Commissioner for Ist appeal no. 285/2009 on dt. . 10.02.10 **Step-II** Remand confirmed for IInd appeal no. 93/2010 by tribunal on dt.05.05.2012
6*	2005-06 (Entry Tax)	Pending for reassessment	Entry tax assessed Rs. 9899921/- case no. 243/09	Remand order passed by tribunal on dt. 05.05.2012 for appeal no. 243/2006
7*	2006-07 (Entry Tax)	Pending for reassessment	Entry tax assessed Rs. 7617523/- order dt. 24.03.09.	**Step-I** Remand order passed by Addl. Commissioner for Ist appeal no. 285/2009 on dt. . 10.02.10 **Step-II** Remand confirmed for IInd appeal no. 92/2010 by tribunal on dt.05.05.2012
8*	2007-08 (Entry Tax)	Pending for Commissioner	E. Tax Rs. 4079891/- assessed by dy. Commissioner on dt. 28/01/10	**Step-I** Remand order passed on dt. 24.02.10by Addl. Commissioner for Ist appeal no. 142/2010 **Step-II** Remand order passed by additional commissioner dt. 24.02.12 **Step-III** IInd appeal filed on 20.06.12 with delay condemnation
9	2008-09 (Entry Tax)	Tribunal	Entry tax assessed Rs. 2559663/- by Jt. Commissioner Corp. Circle on dt. 28.02.11	**Step-I** Ist appeal no. 581/2011 filed **Step-II** IInd appeal no. 231/2011 filed on dt. 27.04.11against 60% stay obtained on first appeal dt. 04.05.11 interim stay (100%) **Step-III** 90% final stay granted by tribunal on dt. 21.07.2011
10	2009-10 (Entry Tax)	Tribunal	Entry tax assessed Rs. 934464/- by Jt. Commissioner Corp. Circle on dt. 28.03.11	**Step-I** IInd appeal no. 235/2011 filed on dt. 18.05.11against 60% stay obtained on first appeal dt. 04.05.11 interim stay (100%) **Step-II** 90% final stay granted by tribunal on dt. 21.07.2011

STATUS OF CENTRAL EXCISE CASES AS ON 31st MARCH 2018

S.NO.	YEAR	PENDING WITH	CAUSE	STATUS
1	2015-2016	Commissioner Appeal	Chapter Heading 72 & 73 Steel & Iron Amount Rs, 41,777/-	Appeal Filled in Commissioner Appeal Court

2	2015-2016	Commissioner Appeal	Demand against the sale of pressmud & bagasse. Amount Rs. 3,29,392/- and Penalty Rs. 3,29,392/-	Appeal Filled in Commissioner Appeal Against the dicission of Superintendent Central Exice Rang Bareilly
3	2016-2017	Commissioner Appeal	Chapter Heading 72 & 73 Amount Rs, 41,867/-	Appeal filled in Commissioner appeal Meerut against the dicission of Additional Commissioner (Appeal)
4	2016-2017	Commissioner Appeal	Demand against the sale of pressmud & bagasse. Amount Rs. 19,11,411/- and Penalty Rs. 19,11,411/-	Appeal filled in Commissioner (appeal) against the dicision of Additional Commissioner Central Excis Rang Bareilly

24. RELATED PARTY TRANSACTION:

Loans Received & Given, Sales & Purchases from Related Parties	F.Y.	Sales to related parties	Purchases from related parties	Amounts owed by related parties*	Loans Given/ (Received)	(Repayment)/ Received	Amounts owed by related parties
		INR lacs	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs
Entity in which the Director's are interested	31-Mar-18	-	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-
	01-Apr-16	-	-	-	-	-	-
Directors	31-Mar-18	-	-	-	(413.38)	291.50	474.08
	31-Mar-17	-	-	-	(720.70)	690.00	352.20
	01-Apr-16	-	-	-	687.08	1,529.34	321.50
Relatives of Directors	31-Mar-18	-	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-
	01-Apr-16	-	-	-	-	-	-

Key Management Personnel	F.Y.	Short Term Employee Benefits	Post Employment Benefits	Loans Given/ (Received)	(Repayment) / Received	Amounts owed by Key Management Personal
CEO	31-Mar-18	8.40	0.22	-	-	-
	31-Mar-17	8.37	0.18	-	-	-
	01-Apr-16	10.78	0.31	-	-	-
CFO	31-Mar-18	4.80	0.49	-	-	-
	31-Mar-17	4.80	0.31	-	-	-
	01-Apr-16	4.80	0.14	-	-	-
CS	31-Mar-18	4.32	0.34	-	-	-
	31-Mar-17	3.90	0.20	-	-	-
	01-Apr-16	3.00	0.20	-	-	-
Director sitting fees	31-Mar-18	0.60	-	-	-	-
	31-Mar-17	0.60	-	-	-	-
	01-Apr-16	-	-	-	-	-

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

Terms and conditions of transactions with related parties

Outstanding balances of Unsecured Loan of the Directors at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March

2017: INR Nil, 1st April 2016: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

25. Deferred Tax

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

The Company has tax losses (Business Loss) of INR 5,09,23,546(pertaining to A.Y. 2016-2017), INR 8,68,67,434(pertaining to A.Y. 2015-16), INR 7,16,78,892(pertaining to A.Y. 2014-15) and INR 1,72,01,753(pertaining to A.Y. 13-14) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose. Majority of these losses will expire in March 2023.

Deferred tax assets have not been recognized in respect of these losses as they may not be used to offset taxable profits since they have arisen on account of recent losses incurred by the company for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company were able to recognize all unrecognized deferred tax assets, the profit would increase by INR (7,00,41,532)

26. Employee Benefits:

A. **Defined Contribution Plan**

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

(Amount in Rs.)

Particulars	2017-18	2016-17
Employer's contribution towards Provident Fund	2,59,270	3,11,836

B. **Defined Benefit Plan**

General description of the plan:

Gratuity	Leave Encashment
Unfunded	Unfunded

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

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

(Amount in Rs.)

Item	Gratuity		Leave	
	2018	2017	2018	2017
Net opening liability/(asset)	890743	616302	265695	195164
Expenses as recognized in P&L account	394982	235558	141021	122712
Remeasurements	380671	97729	101996	(8343)
Contributions/benefits paid	(169615)	(58846)	(9767)	(43838)
Net closing liability(asset)	1496781	890743	498945	265695

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

(Amount in Rs.)

Particulars	Gratuity		Leave	
	2018	2017	2018	2017
FV of plan assets at the beginning of the period	-	-	-	-
Expected Return on plan assets	-	-	-	-
Contributions paid by the employer	-	-	-	-
Benefit paid by Fund	-	-	-	-
Assets Acquired/Ceded on settlement	-	-	-	-
Actuarial Gains/(Losses) on plan assets	-	-	-	-
Return on plan assets excluding interest income	-	-	-	-
FV of plan assets at the end of the period	-	-	-	-

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

(Amount in Rs.)

Particulars	Gratuity		Leave	
	2018	2017	2018	2017

Present value of DBO/LTEB	1496781	890743	498945	265695
FV of plan assets	-	-	-	-
Unrecognized past service cost(Non vested)	-	-	-	-
Net Liability/(Asset) recognized in Balance Sheet	1496781	890743	498945	265695

G. **Expense Recognized in Profit or Loss Statement**

(Amount in Rs.)

Particulars	Gratuity		Leave	
	2018	2017	2018	2017
Current Service Cost	309380	186254	120316	107099
Interest Cost	-	-	-	-
Actuarial (Gain)/Loss of obligations	-	-	101996	(8343)
Actuarial (Gain)/Loss of plan assets	-	-	-	-
Benefits paid directly by the employer	-	-	-	-
Expected Return on plan assets	-	-	-	-
Net Interest Cost	82422	49304	20705	15613
Past Service Cost – Vested	3180	-	-	-
Past Service Cost – Non Vested	-	-	-	-
Total Expense Recognized in Profit or Loss Statement	394982	235558	243017	114369

H. **Amount Recognized in Other Comprehensive Income**

(Amount in Rs.)

Particulars	Gratuity		Leave	
	2018	2017	2018	2017
Actuarial (Gain)/Loss on obligations– Due to change in Financial Assumptions	(26090)	52667	(6647)	16888
Actuarial (Gain)/Loss on obligations – Due to change in demographic Assumptions	-	-	-	-
Actuarial (Gain)/Loss – Due to experience variance	406761	45062	108643	(25231)
Return on plan assets other than amounts included in net interest cost	-	-	-	-
Re-measurement arising from change in asset ceiling	-	-	-	-
Net(Income)/Expense for the period recognized in Other Comprehensive Income	380671	97729	101996	(8343)

I. **Valuation Assumptions(Financial)**

Particulars	2018	2017
Discount Rate	7.55%	7.37%
Estimated rate of increase in compensation levels	4.50%	5.50%
Expected rate of return on plan assets	NA	NA

(Demographic)

Mortality basis	Indian Assured Lives Mortality (2006-08) Ult.
Attrition	4.5%
Disability	No explicit allowance
Leave a ailment factor	0%

Average Weighted Duration of Liabilities:
Sensitivity Analysis

(Amount in Rs.)

Item	Gratuity		Leave	
	2018	2017	2018	2017
Increase Discount Rate by 0.50%	1426055	842479	480186	253145
Decrease Discount Rate by 0.50%	1573984	943502	519428	279380
Increase Salary Inflation by 0.5%	1575170	946412	519745	279564
Decrease Salary Inflation by 0.5%	1424425	841437	479744	252865
Increase in Withdrawal Rate by 20%(2018)/10%(2017)	1502123	892695	501538	266465
Decrease in Withdrawal Rate by 20%(2018)/10%(2017)	1491028	888733	496248	264899

27. Fair Value of Financial Instruments

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

Category	Carrying value		Fair Value	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Financial asset at amortized cost				
Loans (refer note no 4)	2,74,51,820.17	3,80,27,723.00	2,74,51,820.17	3,80,27,723.00
Other current financial assets (refer note no 7)	1,12,97,458.25	1,79,81,588.00	1,12,97,458.25	1,79,81,588.00
Financial liabilities at amortized cost				
Non-Current borrowings including current maturities (refer note no 12)	12,66,01,019.80	15,47,55,428.00	12,66,01,019.80	15,47,55,428
Current borrowings (refer note no 12)	4,98,87,122.53	4,96,73,560.00	4,98,87,122.53	4,96,73,560.00

The management assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors, other current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of loans from banks and other financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable and unobservable inputs in the model, of which the significant observable and unobservable inputs are disclosed below. Management regularly assesses a range of reasonably possible alternatives for those significant observable and unobservable inputs and determines their impact on the total fair value.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Company enters into derivative financial instruments such as foreign exchange forward contracts being valued using valuation techniques, which employs the use of market observable inputs. The Company uses Mark to Market provided by Bank for valuation of these derivative contracts.

The fair values of the Company's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2018 was assessed to be insignificant.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

(i) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2018

Particulars	Carrying value March 31, 2018	Fair value		
		Level 1	Level 2	Level 3
Loans (refer note no 4)	2,74,51,820.17	-	2,74,51,820.17	-
Other current financial assets (refer note no 7)	1,12,97,458.25	-	1,12,97,458.25	-

(ii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2017

Particulars	Carrying value March 31, 2017	Fair value		
		Level 1	Level 2	Level 3
Loans (refer note no 4)	38,027,723.00	-	38,027,723.00	-
Other current financial assets (refer note no 7)	17,981,588.00	-	17,981,588.00	-

(iii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on April 1, 2016

Particulars	Carrying value April 1, 2016	Fair value		
		Level 1	Level 2	Level 3
Loans (refer note no 4)	72,616,114.00	-	72,616,114.00	-
Other current financial assets (refer note no 7)	13,867,805.00	-	13,867,805.00	-

(iv) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2018

Particulars	Carrying value March 31, 2018	Fair value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note no 12)	126,601,019.80	-	126,601,019.80	-
Current borrowings (refer note no 12)	49,887,122.53	-	49,887,122.53	-

(v) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2017

Particulars	Carrying value March 31, 2017	Fair value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note no 12)	154,755,428.00	-	154,755,428.00	-
Current borrowings (refer note no 12)	49,673,560.00	-	49,673,560.00	-

(v) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on April 1, 2016

Particulars	Carrying value April 1, 2016	Fair value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note no 12)	201,051,959.00	-	201,051,959.00	-
Current borrowings (refer note no 12)	76,801,472.00	-	76,801,472.00	-

28. Capital Management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, Liability Component of compound financial instrument (CFI), security premium and all other equity reserves. The primary objective of the Company's capital management is that it maintains an efficient capital structure and maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, other bank balances.

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Borrowings	137,428,410.33	157,418,954.00	222,066,271.00
Other financial liabilities	39,059,732.00	47,010,034.00	55,787,160.00
Trade payables	891,176,999.23	369,865,373.00	228,514,547.00
Less: Cash and Cash equivalents	(11,175,396.57)	(54,104,796.00)	(17,718,855.00)
Less: Other bank balances	-	-	(677,059.00)
Net Debt	1,056,489,744.99	520,189,565.00	487,972,064.00
Equity share capital	64,610,500.00	64,610,500.00	64,610,500.00
Other equity	12,883,042.89	212,946,403.07	216,691,579.70
Total Equity	**77,493,542.89**	**277,556,903.07**	**281,302,079.70**
Total Capital and net debt	**1,133,983,287.88**	**797,746,468.07**	**769,274,143.70**
Gearing ratio	1363%	187%	173%

29. First-time adoption of Ind AS

These financial statements, for the year ended 31st March 2018, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1stApril 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31st March 2017.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

➢ As per Para D5 of Appendix D of IND AS 101, The Company has elected to regard the fair values indicated in the valuation report as on 31st March 2016 as deemed cost. The Company had a valuation report for Land, Building and Plant & Machinery pertaining to Property, Plant and Equipment as on 31st March 2016. Freehold land and buildings (properties) and Plant & Machinery, other than investment property, were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of valuations performed on 31 March 2016. The Company has elected to regard those values of property as deemed cost.

➢ **Estimates:**

The estimates at 1st April 2016 and at 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) except for Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

The estimates used by the Company to present such amounts in accordance with Ind AS reflect conditions at 1st April 2016, the date of transition to Ind AS and as of 31st March 2017.

30. Reconciliation of Equity as on 1st April,2016(date of transition to IND AS)

OSWAL OVERSEAS LIMITED

Balance sheet as at 01st April, 2016

All amounts in Rupees , unless otherwise stated

Particulars		Notes	IGAAP As at April 1, 2016	Adjustments As at April 1, 2016	Ind AS As at April 1, 2016
ASSETS					
(A) NON CURRENT ASSETS					
i	Property, Plant and Equipment	1	26,90,37,893	42,31,47,141	69,21,85,034
ii	Capital Work-in-Progress		33,71,306	-	33,71,306
iii	**Financial Assets**				
	(a) Security Deposits		6,29,785	-	6,29,785
	(b) Others		-	-	-
iv	Deferred Tax Assets (Net)	2	1,11,30,629	(1,11,30,629)	-
v	Prepayments	3	3,95,851	5,16,736	9,12,587
(B) CURRENT ASSETS					
i	Inventories		6,51,30,914	-	6,51,30,914
ii	Financial Assets				
	(a) Trade Receivables		1,38,67,805	-	1,38,67,805
	(b) Cash & Cash Equivalents		1,77,18,855	-	1,77,18,855
	(c) Bank Balance other than (b) above		6,77,059	-	6,77,059
	(d) Loans		7,19,86,329	-	7,19,86,329
	(e) Others		1,84,71,179	-	1,84,71,179
iii	Other Current Assets			-	-
iv	Prepayments	3	-	1,90,635	1,90,635
	Total Assets		**47,24,17,605**	**41,27,23,883**	**88,51,41,488**
	EQUITY AND LIABILITIES				
(C) EQUITY					
i	Equity Share capital		6,46,10,500	-	6,46,10,500
ii	**Other Equity**				

	(a) Equity Component of Compound Financial Instrument	4	6,00,00,000	(2,03,56,626)	3,96,43,374
	(b) Reserve & Surplus	5	(34,79,63,452)	36,58,78,538	1,79,15,086
	(c) Other Reserves	5	16,09,17,135	(19,06,335)	15,90,10,800
(D) LIABILITIES					
	Non Current Liabilities				
i	Financial Liabilities				
	(a) Borrowings	4	14,34,54,844	18,09,955	14,52,64,799
	(b) Other Financial Liabilities			-	-
ii	Provisions	6	8,11,466	(1,00,308)	7,11,158
iii	Deferred Tax Liabilities (Net)	2	-	6,53,92,016	6,53,92,016
iv	Other Non-Current Liabilities	6	20,74,092	19,06,335	39,80,427
	Current Liabilities				
i	Financial Liabilities				
	(a) Borrowings		7,68,01,472	-	7,68,01,472
	(b) Trade payables		22,85,14,547	-	22,85,14,547
	(c) Other Financial Liabilities		5,57,87,160	-	5,57,87,160
ii	Other Current Liabilities		2,74,09,841	-	2,74,09,841
iii	Provisions	6	-	1,00,308	1,00,308
	Total Equity & Liabilities		**47,24,17,605**	**41,27,23,883**	**88,51,41,488**

1. Property, Plant & Equipment:

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.On the date of transition to IND AS, the Company has elected to regard the fair values indicated in the valuation report as on 31st March 2016 as deemed cost. The Company had a valuation report for Land, Building and Plant & Machinery pertaining to Property, Plant and Equipment as on 31st March 2016. Accordingly, the Company has not fairly valued the property at 1st April 2016 again. Certain items of plant and equipment have been measured at deemed cost at the date of transition to Ind AS. The Company regards the fair value as in the valuation report of Land, Building and Plant & Machinery dated 31st March 2016 as deemed cost at the transition date, viz., 1st April 2016.

2. Deferred Tax:

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional/ restatement adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences.

3. Prepayments:

Under Indian GAAP the processing cost incurred for loans was accounted as under:

a. In Case the loan has been availed for funding of capital asset, the processing fee was capitalized as part of the cost of the asset;
b. In case the loan has been availed for meeting working capital gap the processing fee incurred is charged to profit and loss account

However as per Ind As 109, the carrying amount of loan is required to be restated to its amortized cost as at the date of the transition. Since the respective loans availed by the Company carried floating rate of interest and the transaction cost was not material hence the transaction cost has been amortized on straight line basis over the tenure of the respective loan.

4. 0.1% Non Cumulative/ Non Convertible Redeemable Preference Share Capital:

AS 32 requires the issuer of a non-derivative financial instrument to evaluate the terms of the financial instrument to determine whether it contains both a liability and an equity component. This evaluation is based on the contractual terms of the financial instruments, the substance of the arrangement and the definition of a financial liability, financial asset and an equity instrument. If

such components are identified, they must be accounted for separately as financial liabilities, financial assets or equity, [IAS 32.28], and the liability and equity components shown separately in the statement of financial position. [IAS 32.29].

The Preference Shares issued by the company are non-convertible and will be redeemed in year 2036 at the price of INR 10/- per share. The Preference Shares carry a dividend of 0.1% per annum payable at the discretion of the company and subject to approval of the lenders. The dividend rights are non-cumulative. The same has been classified as Compound Financial Instrument and segregated in to Debt and Equity as per above said explanation. Further Equity Portion of the Compound Financial Instrument has been shown net of tax impact.

5. Retained Earnings:
Retained earnings as at 31st March, 2017 and 1st April, 2016 has been adjusted consequent to the Ind AS transition adjustments mentioned herewith.

6. Errors:

a. Provisions:
Under Ind AS, measurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined liability) are recognized in balance sheet on the basis of Actuarial Report as per IND AS 19. Due to change in the Financial, Experience and Demographic assumptions, there has been change in the liability of provisions which has been reflected in the current as well as non current liability.

b. Molasses Storage Fund:
The Molasses Storage Fund was shown under Reserves and Surplus under Indian GAAP, but the same is being classified as Other Non- Current Liability as per Ind AS.

7. Cash & Cash Equivalents:
As per Indian GAAP all amounts in the bank used to be classified as Cash & Cash equivalents. However as per Ind AS cash or a cash equivalent the use of which is restricted from being exchanged or to settle a liability for at least twelve months after the reporting period are to be shown as Other Bank Balances. Accordingly the amounts which are held by the bank as margin money resulting in to restriction on its usage has been classified as Other Bank Balances which are not part of Cash or a Cash Equivalent.

8. Sale of Goods:
Under Indian GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss.

9. Statement of Cash Flows:
The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

10. Other Comprehensive Income:
Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income', includes remeasurement of defined benefit plans. The concept of other comprehensive income did not exist under Indian GAAP.

11. Re-measurements of post-employment benefit obligations:
Both under previous GAAP and Ind AS, the Company recognized costs related to its post employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit or loss. Under Ind AS, measurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined liability) are recognized in balance sheet through other comprehensive income.

For N J & ASSOCIATES
CHARTERED ACCOUNTANTS
Sd/-
(CA. Shenu Aggarwal)
Partner
Membership No. 527267
FRN 023083N

Place: Chandigarh
Date: 30.05.2018

FORM NO. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

OSWAL OVERSEAS LIMITED
CIN: L74899DL1984PLC018268
Registered Office: 72, Ground Floor,
Taimoor Nagar, New Delhi– 110025
Phone: (011) 41064256,
Fax: (011) 26332465,
Email: cs@oswaloverseasltd.com

Name of the Shareholder/Proxy	
Address	
Email-id:	
Folio No./Client ID:	
DP ID:	

I/ We, being the member (s) of …… shares of the above named company, hereby appoint :

1. Name: Address:
   E-mail Id Signature:
   or failing him;
2. Name: Address:
   E-mail Id Signature:

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the company, to be held on Monday, the 24th September, 2018 at 10:30 a.m. at D-849, New Friends Colony, New Delhi – 110025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution	Optional	
	Ordinary Business	For	Against
1	To approve the audited financial statements of the Company for the year ended 31st March, 2018, together with the Report of the Directors and Auditors' thereon.		
2	To Re-appoint Mr. Anoop Kumar Srivastava who retires by rotation		
3	To Ratify the appointment of M/s. N J & Associates, Chartered Accountants, (Firm Registration No. 023083N), as Statutory Auditors and fixing their remuneration		
	Special Business		
4	To ratify the remuneration of Cost Auditor for the financial year 2018-19		

Signed this……..……. day of…..…… 2018

Affix Re.1 Revenue

Signature of shareholder:

Signature of Proxy holder(s):

Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

OSWAL OVERSEAS LIMITED

CIN: L74899DL1984PLC018268
Registered Office: 72, Ground Floor,
Taimoor Nagar, New Delhi– 110025
Phone: (011) 41064256, Fax: (011) 26332465,
Email: cs@oswaloverseasltd.com

Name of the Shareholder/Proxy	
Address:	
Email-id:	
Folio No./Client ID:	
DP ID:	

I hereby record my presence at the **Annual General Meeting** of the Company held on Monday, the 24th September, 2018 at 10:30 a.m. at D-849, New Friends Colony, New Delhi - 110025.

……
Signature of Shareholder / Proxy

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING AND HAND OVER AT THE ENTRANCE DULY FILLED IN.