

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
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Independent Auditor's Report

To the Members of M.D. Overseas Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of M.D. Overseas Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement 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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.



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5. We conducted our audit 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. 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 31 March 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;



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- f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 9 September 2016 as per Annexure B expressed unmodified opinion; and
- 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. as detailed in Note 30 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

(Formerly Walker, Chandiook & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

per B P Singh

Partner

Membership No.: 70116



Place: New Delhi

Date: 09 September 2016

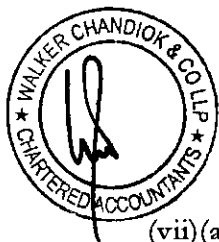
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Annexure A to the Independent Auditor's Report of even date to the members of M.D. Overseas Limited, on the standalone financial statements for the year ended 31 March 2016

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company is in the process of updating its records for showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'fixed assets') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable,



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Annexure A to the Independent Auditor's Report of even date to the members of M.D. Overseas Limited, on the standalone financial statements for the year ended 31 March 2016

to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

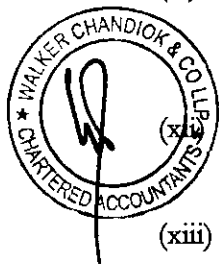
Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (Rs.)	Amount paid under protest (Rs.)	Period to which the amount relates	Forum where dispute is pending
Delhi Sales Tax Act, 1975	Duty on misutilisation of REP License	2,461,245	1,500,000	A.Y. 1996-97	Additional Commissioner of Sales Tax
The Income Tax Act, 1961	I.T demand for treating certain loss as speculative loss	5,119,080	5,119,080	A.Y. 1999-00	Matter remanded back to CIT(A) by ITAT
Custom Act, 1962	Custom duty demand and penalty thereon	16,717,822	1,500,000	A.Y. 1996-97	Custom Excise and Service Tax Appellate Tribunal

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial



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Annexure A to the Independent Auditor's Report of even date to the members of M.D. Overseas Limited, on the standalone financial statements for the year ended 31 March 2016

statements, as required by the applicable accounting standards. Further, in our opinion, the Company is not required to constitute audit committee under section 177 of the Act.

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) Based on management's representations, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

(Formerly Walker, Chandiook & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

B P Singh
per B P Singh
Partner
Membership No: 70116



Place: New Delhi

Date: 9 September 2016

Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of M.D. Overseas Limited, on the standalone financial statements for the year ended 31 March 2016 (Cont'd)

Annexure B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone financial statements of M.D. Overseas Limited ("the Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.



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Annexure B to the Independent Auditor's Report of even date to the members of M.D. Overseas Limited, on the standalone financial statements for the year ended 31 March 2016 (Cont'd)

Meaning of Internal Financial Controls over Financial Reporting

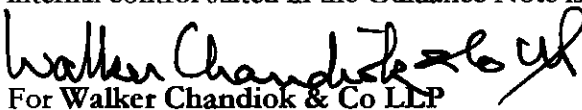
6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures 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.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

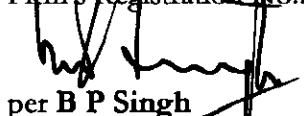
8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.


For Walker Chandiook & Co LLP

(Formerly Walker, Chandiook & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013


per B P Singh

Partner

Membership No.: 70116



Place: New Delhi

Date: 09 September 2016

M.D. Overseas Limited

Balance Sheet as at 31 March 2016

(All amounts in rupees, unless otherwise stated)

	Note	As at 31 March 2016	As at 31 March 2015
Equity and liabilities			
Shareholders' funds			
Share capital	5	9,662,000	9,662,000
Reserves and surplus	6	3,869,630,952	2,295,093,217
		<u>3,879,292,952</u>	<u>2,304,755,217</u>
Non-current liabilities			
Long-term provisions	8	6,695,585	6,825,106
		<u>6,695,585</u>	<u>6,825,106</u>
Current liabilities			
Short-term borrowings	9	31,995,624,982	57,682,418,854
Trade payables			
- Payable to micro enterprises and small enterprises	10A	-	-
- Other payables	10B	475,869,473	10,633,206,024
Other current liabilities	11	138,490,789	480,811,216
Short-term provisions	8	-	12,686,518
		<u>32,609,985,244</u>	<u>68,809,122,612</u>
Total		<u>36,495,973,781</u>	<u>71,120,702,935</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	12	24,718,794	22,378,845
Intangible assets	12	678,294	984,956
Capital work-in-progress		-	4,238,944
Non-current investments	13	47,287,500	47,287,500
Deferred tax assets	7	7,706,151	6,522,002
Long-term loans and advances	14	23,591,527	29,701,983
Other non-current assets	15	102,618,334	13,752,772
		<u>206,600,600</u>	<u>124,867,002</u>
Current assets			
Current investments	16	2,925,300,000	-
Inventories	17	1,621,829,994	1,625,468,396
Trade receivables	18	4,112,065,754	11,766,666,421
Cash and bank balances	19	26,906,761,203	56,632,811,121
Short-term loans and advances	20	605,119,701	541,728,575
Other current assets	21	118,296,529	429,161,420
		<u>36,289,373,181</u>	<u>70,995,835,933</u>
Total		<u>36,495,973,781</u>	<u>71,120,702,935</u>

The accompanying notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP

(Formerly Walker, Chandiook & Co)

Chartered Accountants

Firm Registration No.: 001076N/N500013

per **B. P. Singh**
 Partner



For and on behalf of the Board of Directors of
M. D. Overseas Limited

Satish Bansal

Satish Bansal
 Managing Director
 DIN : 76521

Tamanna Bansal

Tamanna Bansal
 Director
 DIN : 6630643

M.D. Overseas Limited**Statement of Profit and Loss for the year ended 31 March 2016***(All amounts in rupees, unless otherwise stated)*

	Note	Year ended 31 March 2016	Year ended 31 March 2015
Revenue			
Income from operations	22	171,311,653,322	304,955,670,066
Other income	23	5,014,528,091	3,999,768,206
Total revenue		176,326,181,413	308,955,438,272
Expenses			
Cost of materials consumed	24	61,044,693,418	26,373,376,605
Purchases of traded goods		111,996,253,814	278,981,174,266
Changes in inventories of traded goods	25	3,638,402	1,864,977,052
Employee benefit expenses	26	49,735,026	44,590,634
Finance costs	27	718,079,116	444,766,771
Depreciation and amortisation expense	12	12,050,757	13,963,965
Other expenses	28	115,485,764	101,151,573
Total expenses		173,939,936,297	307,824,000,866
Profit before tax		2,386,245,116	1,131,437,406
Tax expense			
Current tax		(809,336,322)	(389,237,188)
Earlier years		(3,555,208)	-
Deferred tax		1,184,149	7,347,721
Profit after tax		1,574,537,735	749,547,939
Profit for the year		1,574,537,735	749,547,939
Basic and diluted earning per equity share [nominal value of share Rs. 10 (previous year : Rs. 10)]	29	1,629.62	775.77

The accompanying notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

*Walker Chandiook & Co LLP***For Walker Chandiook & Co LLP***(Formerly Walker, Chandiook & Co)*

Chartered Accountants

Firm Registration No: 001076N/N500013

per *B. P. Singh*
Partner

Place: New Delhi

Date: 09 September 2016

For and on behalf of the Board of Directors of
M. D. Overseas Limited*Satish Bansal***Satish Bansal**
Managing Director
DIN : 76521*Tamanna Bansal***Tamanna Bansal**
Director
DIN : 6630643

M. D Overseas Limited
Cash Flow Statement for the year ended 31 March 2016
(All amounts in rupees, unless otherwise stated)

	Year ended 31 March 2016	Year ended 31 March 2015
A. Cash flow from operating activities		
Net profit before tax	2,386,245,116	1,131,437,406
<i>Adjustments for:</i>		
Depreciation and amortisation	12,050,757	13,963,965
Finance costs	718,079,116	444,766,771
Interest income	(4,666,199,244)	(3,711,484,081)
Unrealised foreign exchange (gain)/loss	-	(183,001,539)
Profit on sale of mutual funds	(135,524,303)	(147,497,081)
Operating profit before working capital changes	(1,685,348,558)	(2,451,814,559)
4 Adjustments for:		
Inventories	3,638,402	2,016,781,278
Trade receivables	7,654,600,667	(6,680,083,601)
Loans and advances (current and non-current)	(57,280,670)	(263,509,616)
Other assets (current and non current)	1,450,000	-
Trade and other payables	(10,456,851,908)	5,437,110,578
	(4,539,792,067)	(1,941,515,920)
Direct taxes paid	(915,893,610)	(322,315,819)
Net cash used in operating activities	(5,455,685,677)	(2,263,831,739)
B. Cash flow from investing activities		
Interest income	4,977,064,136	3,461,802,323
Movement in fixed deposits with bank (net)	29,845,140,808	(19,513,104,270)
Proceeds on sale of mutual funds and bond	320,591,623,795	266,162,644,351
Purchase of mutual funds	(323,395,300,000)	(265,650,200,000)
Proceeds from sale of shares	2,013,900,507	289,124,032
Purchase of shares	(2,000,000,000)	(279,171,306)
Purchase of tangible assets	(14,084,045)	(6,137,623)
Decrease in capital work in progress	4,238,944	-
Net cash generated from/(used) in investing activities	(B) 32,022,584,145	(15,535,042,493)
C. Cash flow from financing activities		
Finance costs	(761,013,708)	(395,031,951)
Proceed from short term rupee loan	-	(400,000,000)
Proceeds from short term borrowings (net)	(25,686,793,872)	18,143,304,486
Net cash (used in)/generated from in financing activities	(C) (26,447,807,580)	17,348,272,535
Net increase/(decrease) in cash and cash equivalents	(A+B+C) 119,090,888	(450,601,697)
Cash and cash equivalents at the beginning of the year	160,218,000	610,819,697
Cash and cash equivalents at the close of the year	279,308,888	160,218,000

The accompanying notes are an integral part of these financial statements.
This is the Cash Flow Statement referred to in our report of even date.

Walker Chandiook & Co
For Walker Chandiook & Co LLP

(Formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No.: 001076N/N60001

per B. P. Singh
Partner



For and on behalf of the Board of Directors of
M. D. Overseas Limited

Satish Bansal

Satish Bansal
Managing Director
DIN : 76521

Tamanna Bansal

Tamanna Bansal
Director
DIN : 6630643

Place: New Delhi
Date: 09 September 2016

M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2016

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2016	As at 31 March 2015
5 Share capital		
Authorised share capital		
1,000,000 equity shares of Rs. 10 each (previous year 1,000,000 of Rs. 10 each)	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
Issued, subscribed and fully paid up		
966,200 equity shares of Rs. 10 each (previous year 966,200 of Rs. 10 each)	9,662,000	9,662,000
	<u>9,662,000</u>	<u>9,662,000</u>

a) Terms and rights attached to equity shares:

The Company has one class of equity shares with a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) Reconciliation of the number of shares outstanding at beginning and at the end of the reporting year:

	31 March 2016		31 March 2015	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	966,200	9,662,000	966,200	9,662,000
Shares outstanding at the end of the year	966,200	9,662,000	966,200	9,662,000

c) Details of shareholders holding more than 5% of equity share capital:

Name of shareholders	31 March 2016			31 March 2015		
	No. of shares held	% of holding	Amount	No. of shares held	% of holding	Amount
Mr Satish Bansal	770,870	79.78	7,708,700	530,420	54.90	5,304,200
Mrs Kalpana Bansal	186,300	19.28	1,863,000	186,300	19.28	1,863,000
	<u>957,170</u>		<u>9,571,700</u>	<u>716,720</u>		<u>7,167,200</u>

d) The Company has not issued bonus shares, equity shares issued for consideration other than cash and also no share has been bought back during the period of five years immediately preceding the reporting period.

The above information is furnished as per the shareholders register as on that date.

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M. D Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2016
(All amounts in rupees, unless otherwise stated)

12. Fixed assets

	Freehold Land	Buildings	Plant and equipments	Office equipments	Vehicles	Computers	Furniture and fixtures	Computer software	Total
Grass block									
As at 1 April 2014	43,200	55,585	32,806,081	5,108,410	20,784,987	11,720,681	13,520,140	-	64,039,093
Additions			2,888,571	499,073	849,076	472,946	43,788	1,584,169	6,137,623
As at 31 March 2015	<u>43,200</u>	<u>55,585</u>	<u>35,694,652</u>	<u>5,607,483</u>	<u>21,634,063</u>	<u>12,193,627</u>	<u>13,563,937</u>	<u>1,584,169</u>	<u>90,176,716</u>
As at 1 April 2015	43,200	55,585	35,694,652	5,607,483	21,634,063	12,193,627	13,563,937	1,584,169	90,176,716
Additions			7,553,282	710,283	1,931,000	461,308	2,910,404	517,788	14,094,045
As at 31 March 2016	<u>43,200</u>	<u>55,585</u>	<u>43,247,934</u>	<u>6,317,766</u>	<u>23,565,063</u>	<u>12,654,935</u>	<u>16,474,341</u>	<u>2,101,957</u>	<u>104,260,761</u>
Accumulated depreciation									
As at 1 April 2014	-	40,995	13,568,292	3,341,448	10,914,728	10,647,850	9,602,232	-	48,115,545
Change for the year	-	-	5,057,116	2,190,814	3,986,810	536,512	993,500	599,213	13,063,965
Disposals	-	-	3,807,297	-	309,365	255,733	361,010	-	4,733,405
As at 31 March 2015	<u>-</u>	<u>40,995</u>	<u>23,032,705</u>	<u>5,532,262</u>	<u>15,210,903</u>	<u>11,440,095</u>	<u>10,956,742</u>	<u>599,213</u>	<u>66,812,915</u>
As at 1 April 2015	-	40,995	23,032,705	5,532,262	15,210,903	11,440,095	10,956,742	599,213	66,812,915
Change for the year	-	1,782	5,628,099	628,181	3,036,333	618,679	1,313,233	824,450	12,050,757
As at 31 March 2016	<u>-</u>	<u>42,777</u>	<u>28,660,804</u>	<u>6,160,443</u>	<u>18,247,236</u>	<u>12,058,774</u>	<u>12,269,975</u>	<u>1,423,663</u>	<u>78,863,672</u>
Net block									
As at 31 March 2015	43,200	14,590	12,661,947	78,221	6,423,160	753,332	2,607,195	984,956	23,363,801
As at 31 March 2016	43,200	12,808	14,387,130	157,303	5,317,827	596,161	4,284,366	678,294	21,307,089
Gross as at 31 March 2015								4,238,944	4,238,944
Net as at 31 March 2015								<u>4,238,944</u>	<u>4,238,944</u>
Gross as at 31 March 2016								4,238,944	4,238,944
Less: Amount written off								(4,238,944)	(4,238,944)
Net as at 31 March 2016								<u>-</u>	<u>-</u>

Effective from 01 April 2014, the Company has changed depreciation based on the revised remaining useful life of the assets as per the requirements of Schedule II of the Companies Act, 2013. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 47 lacs (net of deferred tax) was adjusted against the retained earnings. Owing to the aforementioned change in estimate, depreciation charge for year ended 31 March 2015 was higher by Rs. 72.36 lacs.

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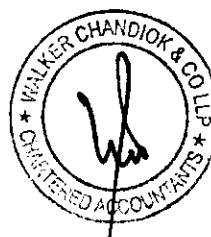


M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended March 31, 2016

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2016	As at 31 March 2015
6 Reserves and surplus		
General reserve		
Balance at the beginning of the year	2,500,000	2,500,000
Balance at the end of the year	<u>2,500,000</u>	<u>2,500,000</u>
Export Reserve		
Balance at the beginning of the year	2,286,100	2,286,100
Balance at the end of the year	<u>2,286,100</u>	<u>2,286,100</u>
Surplus in the statement of profit and loss		
Balance at the beginning of the year	2,290,307,117	1,545,492,583
Add : Net profit for the current year	1,574,537,735	749,547,939
Less : Depreciation adjustment against reserves (refer note 12)	-	4,733,405
Balance at the end of the year	<u>3,864,844,852</u>	<u>2,290,307,117</u>
	<u>3,869,630,952</u>	<u>2,295,093,217</u>
7 Deferred taxes (assets)/liabilities		
Deferred tax liabilities arising on account of:		
Expenses claimed in tax but not debited in statement of profit and loss	2,867,178	2,330,536
	<u>2,867,178</u>	<u>2,330,536</u>
Deferred tax asset arising on account for:		
Timing difference on tangible assets depreciation	7,531,291	6,532,684
Provision for employee benefits	3,042,038	2,319,854
	<u>10,573,329</u>	<u>8,852,538</u>
Net deferred tax (assets)/ liabilities	<u>(7,706,151)</u>	<u>(6,522,002)</u>
8 Provisions		
	Long-term	Short-term
	31 March 2016	31 March 2015
Provision for gratuity (refer note 31)	6,695,585	6,825,106
	<u>6,695,585</u>	<u>6,825,106</u>
		31 March 2016
		12,686,518
		<u>12,686,518</u>
9 Short term borrowings		
Secured		
Foreign currency loan (refer note -4f)	31,995,624,982	57,682,418,854
	<u>31,995,624,982</u>	<u>57,682,418,854</u>
10 Trade payables		
A) Payable to micro enterprises and small enterprises		
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006')		
Particulars		
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	Nil	Nil
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.		
B) Other payables	475,869,473	10,633,206,024
	<u>475,869,473</u>	<u>10,633,206,024</u>
11 Other current liabilities		
Bank overdraft	753,274	258,348,002
Statutory dues	13,785,049	108,190,018
Employee related payables	5,221,748	4,104,522
Interest accrued and not due	20,019,883	62,954,475
Margin money received	5,700,000	2,400,000
Other accrued liabilities	7,267,705	6,693,460
Advance from customers	85,743,130	38,120,739
	<u>138,490,789</u>	<u>480,811,216</u>



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2016

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2016	As at 31 March 2015
13 Non-current investments		
Non-trade investment (Valued at cost)		
Quoted investment		
Prasdh Finance Limited*		
24,000 (previous year 24,000) equity shares of Rs 10/- each fully paid up	73,000	73,000
Sincere Packers Limited*		
21,500 (previous year 21,500) equity shares of Rs 10/- each fully paid up	64,500	64,500
Unquoted investment		
M D Securities Private Limited		
75,500 (previous year 75,500) shares of Rs 100 each fully paid up	47,150,000	47,150,000
	<u>47,287,500</u>	<u>47,287,500</u>
Aggregate amount of unquoted investments	47,150,000	47,150,000
Aggregate amount of quoted investments	137,500	137,500
* These are not actively traded. Hence market data is not available.		
14 Long-term loans and advances (Unsecured, considered good)		
Security deposits	6,801,082	7,611,637
Other advances	16,790,445	22,090,346
	<u>23,591,527</u>	<u>29,701,983</u>
15 Other non-current assets		
Income tax (net of provision for tax Rs. 453,173,350 (previous year Rs. 210,222,134))	100,978,129	11,618,517
Bank deposits (due to mature after 12 months from the reporting date)	684,255	2,134,255
	<u>101,662,384</u>	<u>13,752,772</u>
16 Current investments		
Non-trade investments (at lower of cost and fair value, quoted)		
Indiabulls Liquid Fund (Units 1,614,583.496 @ Rs 1471.1534)	2,375,300,000	-
Taurus Ultra Short Fund (Units 300,433.515 @ Rs 1,830.6879)	550,000,000	-
	<u>2,925,300,000</u>	<u>-</u>
Aggregate Market value of investments in mutual funds as at the year end	2,928,034,037	-
17 Inventories (valued at cost or lower of net realisable value)		
Traded goods	1,621,829,994	1,625,468,396
	<u>1,621,829,994</u>	<u>1,625,468,396</u>
18 Trade receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they were due for payment		
Others	4,112,065,754	11,766,666,421
	<u>4,112,065,754</u>	<u>11,766,666,421</u>
19 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	578,694	518,663
Balances with banks		
In current accounts	25,134,548	94,699,337
In deposit accounts (with maturity upto 3 months)	251,305,649	65,080,000
	<u>279,308,891</u>	<u>160,218,000</u>
Other bank balances		
Balances with bank held as		
Bank deposits with maturity of less than 12 months from the reporting date*	26,627,452,313	56,472,593,121
Bank deposits with maturity of more than 12 months from the reporting date	684,255	2,134,255
	<u>26,628,136,568</u>	<u>56,474,727,376</u>
Less : Amounts disclosed as other non-current assets (refer note 15)*	(684,255)	(2,134,255)
Total	<u>26,906,761,203</u>	<u>56,632,811,121</u>

*Kept as margin money



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information in the financial statements for the year ended 31 March 2016

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2016	As at 31 March 2015
20 Short-term loans and advances (Unsecured considered good)		
Prepaid expenses	570,930,308	240,464,053
Security deposits	28,779,134	8,714,525
Advance to related party	900,000	1,100,000
Other advances	4,510,259	291,449,997
	<u>605,119,701</u>	<u>541,728,575</u>
21 Other current assets		
Interest accrued on bank deposits	118,296,529	429,161,420
	<u>118,296,529</u>	<u>429,161,420</u>
22 Income from operations		
Sale of products		
Export	41,830,505,763	84,737,563,050
Domestic	129,468,436,795	219,173,900,905
	<u>171,298,942,558</u>	<u>303,911,463,955</u>
Other operating revenues	12,710,764	1,044,206,111
	<u>171,311,653,322</u>	<u>304,955,670,066</u>
Details of products sold		
Gold	107,513,659,334	184,864,749,436
Silver	21,939,651,461	34,309,151,469
Jewellery	11,368,872,999	19,726,144,966
Polymers	30,231,386,201	24,611,399,803
Nickels	245,372,563	40,400,018,281
	<u>171,298,942,558</u>	<u>303,911,463,955</u>
Details of other operating revenue		
Foreign exchange difference	12,710,764	1,044,206,111
23 Other income		
Interest income	4,666,199,244	3,711,484,081
Net settlement of derivative contracts and commodities	210,154,148	133,523,320
Other income	138,174,699	154,761,805
	<u>5,014,528,091</u>	<u>3,999,768,206</u>
24 Cost of materials consumed		
Opening stock		
Raw materials and components	-	151,804,226
	-	<u>151,804,226</u>
Add: Purchases during the year		
Raw materials and components	61,016,782,339	26,187,463,393
Manufacturing expenses	27,911,079	34,108,986
	<u>61,044,693,418</u>	<u>26,221,572,379</u>
Less: Closing stock		
Raw materials and components	-	-
	<u>61,044,693,418</u>	<u>26,373,376,605</u>
25 Changes in inventories of traded goods		
Opening stock		
- Traded goods	1,625,468,396	3,490,445,448
Closing stock		
- Traded goods	1,621,829,994	1,625,468,396
	<u>3,638,402</u>	<u>1,864,977,052</u>



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2016

(All amounts in rupees, unless otherwise stated)

	Year ended 31 March 2016	Year ended 31 March 2015
26 Employee benefit expense		
Salaries, wages and bonus	44,846,573	38,398,699
Contribution to provident and other defined contribution funds	2,052,449	3,080,350
Staff welfare expenses	2,836,004	3,111,585
	<u>49,735,026</u>	<u>44,590,634</u>
27 Finance costs		
Interest expenses	718,079,116	444,766,771
	<u>718,079,116</u>	<u>444,766,771</u>
28 Other expenses		
Power and fuel	2,636,023	2,863,453
Rent	2,226,572	2,100,874
Repairs and maintenance		
- Buildings	1,408,142	2,183,614
- Plant and equipments	400,412	-
- Others	496,331	83,958
Insurance	6,222,691	2,943,116
Legal and professional expenses	2,513,890	13,124,568
Payment to auditors (refer note 37)	1,207,500	1,500,000
Other expenses	98,374,203	77,251,990
	<u>115,485,764</u>	<u>101,151,573</u>
29 Earnings per share (EPS)		
Net profit attributable to equity shareholders	1,574,537,735	749,547,939
Face value of share (in Rs.)	10	10
Weighted average number of equity shares in calculating basic EPS	966,200	966,200
Weighted average number of equity shares in calculating diluted EPS	966,200	966,200
Basic earnings per share (in Rs.)	1,629.62	775.77
Diluted earnings per share (in Rs.)	1,629.62	775.77

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M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2016

1. Company overview

M. D. Overseas Limited ("the Company") was incorporated as a Company in India on 5 December 1980. The Company is primarily engaged in bullion trading (gold, silver, diamond, etc) and manufactures gold/silver/diamond jewellery. It is also member of National Spot Exchange, Indian Commodity Exchange, Multi Commodity Exchange (MCX), National Commodity and Derivative Exchange (NCDEX).

2. Basis of preparation

The financial statements are prepared on accrual basis under the historical cost convention in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act, 2013.

3. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period. The actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

4. Significant accounting policies

a. 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.

- Sale of goods

Revenue from sale of goods is recognized when the significant risk and rewards of ownership of the goods are transferred to the customers and is stated net of trade discounts and sales tax.

- Interest income

Interest income is recognised using time proportion method, based on the rate implicit in the transaction.

b. Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises of purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2016

c. Depreciation

Depreciation on fixed assets is provided on the written down value method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to adjustments arising out of transitional provisions of Schedule II.

d. Impairment of assets

The Company reviews the carrying amounts of assets at each balance sheet date to ascertain if there is any indication of impairment. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognised in the prior accounting period is reversed if there is change in the estimate of the recoverable amount. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

e. Inventory

Finished Goods

Manufactured goods

Inventory is valued at lower of cost and net realizable value. Cost includes direct materials and manufacturing expenses incurred to bring inventories to their present location and condition.

Traded goods

Inventory is recorded at lower of cost and net realizable value. Traded goods are recorded at purchase price plus expenses incurred to bring inventory to its present location and related taxes net of tax credit, if any, available. Cost of closing inventory is determined on first in first out (FIFO) basis.

f. Employee benefits

Wages, salaries, unpaid leaves and bonuses are accrued in the year in which the associated services are rendered by employees of the Company.

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions into a fund established under Employees Provident Fund and Miscellaneous Provision Act, 1952. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short term nature.



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2016

The Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and remuneration. The legal obligation for any benefits from this kind of plan remains with the Company, even if plan assets for funding the defined benefit plan have been acquired. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation ('DBO') at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The DBO is calculated annually by independent actuaries using the projected unit credit method.

g. Foreign currency transactions

Transactions in foreign currency are recorded in the reporting currency by applying to the foreign currency amount the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currency as at the balance sheet date are converted at the exchange rate prevailing on that date. The exchange differences resulting on such translation and on settlement of transactions are charged to Statement of Profit and Loss.

h. Investment

The classification of investment as long term or current depends on the intention of management and its plans to monetize the investments.

Long-term investments are stated at cost. Provision for diminution in this value is made only if such decline is other than temporary.

Current investments are valued at lower of cost and fair value.

Where long-term investments are reclassified as current investments, transfers are made at the lower of cost and carrying amount at the date of transfer. Where investments are reclassified from current to long-term, transfers are made at the lower of cost and fair value at the date of transfer.

i. Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Lease rentals in respect of assets taken on 'operating lease' are charged to the Statement of Profit and Loss account on a straight line basis over the lease term.

j. Taxation

Tax expense comprises current income tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the year, in accordance with the Income Tax Act, 1961.

Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable/virtual certainty, depending on the



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2016

nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

k. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

l. Provisions and contingencies

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation on the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made when there is a present obligation that may, but probably will not, require an outflow of resources. Disclosure is also made in respect of a present obligation as a result of past event that probably requires an outflow of resource, where it is not possible to make a reliable estimate of the outflow. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

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M.D. Overseas Limited

Summary of significant accounting policies and other explanatory notes to the financial statement for the year ended 31 March 2016

(All amounts in rupees, unless otherwise stated)

30. Contingent liabilities not provided for in respect of:

	31 March 2016	31 March 2015
Demand against the company not acknowledged as liability		
Income Tax	5,119,080	5,119,080
Sales Tax	2,461,245	9,298,648
Custom Duty	16,717,822	16,717,822

Income Tax Cases

1. Matter has been remanded back by the Income-Tax Appellate Tribunal to The Commissioner of Income Tax (Appeals) against the demand of Rs 5,119,080 including interest on Income Tax for the Assessment Year. 1999-2000. The Company has deposited a sum of Rs 5,119,080 against the said demand.

Sales Tax Cases

1. First appeal pending before the additional commissioner of sales tax for the year 1996-97 against the demand of Rs. 2,461,245 was adjudicated and remanded back to the assessing officer of the ward. The Company has deposited a sum of Rs. 1,500,000 against the said demand which is shown as claim recoverable under the head 'Loans and Advances'.

Excise and Customs Cases

1. The Company had deposited Rs 1,500,000 with the customs department against demand of duty of Rs 8,358,911 and penalty of equal amount for disputes in utilization of import license for import of goods.

31) Employee benefits*

Gratuity

Description	31 March 2016	31 March 2015
Current service cost	342,486	423,562
Interest cost	546,008	414,625
Expected return on plan assets	61,878	83,382
Actuarial loss/(gain) recognised during the year	197,113	(1,088,452)
Total	629,503	1,843,257

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M.D. Overseas Limited**Summary of significant accounting policies and other explanatory notes to the financial statement for the year ended 31 March 2016***(All amounts in rupees, unless otherwise stated)***Movement in the liability recognised in the balance sheet is as under:**

Description	31 March 2016	31 March 2015
Present value of defined benefit obligation as at the beginning of the year	6,825,106	5,182,809
Current service cost	342,486	423,562
Interest cost	546,008	414,625
Actuarial loss/(gain) recognised during the year	197,113	(1,088,452)
Benefits paid	112,188	284,342
Present value of defined benefit obligation as at the end of the year	7,404,299	6,825,106

For determination of the gratuity liability of the Company, the following actuarial assumptions were used:

Description	31 March 2016	31 March 2015
Discount rate	8.00%	8.00%
Rate of increase in compensation levels	6.00%	6.00%

Table showing fair value of plan assets

Description	31 March 2016	31 March 2015
Fair value of plan assets at the beginning of the year	759,017	959,919
Actual return on plan assets	61,878	83,382
Contribution	7	58
Benefit paid	(112,188)	(284,342)
Fair value of plan assets at the end of the year	708,714	759,017

Reconciliation of fair value of assets and obligations for the current and past years

S. No	Description	2016	2015	2014
a)	Present value of obligation as at the end of period	6,825,106	5,182,809	4,053,594
b)	Fair value of plan assets at the end of the period	708,714	759,017	959,919
c)	Surplus / (Deficit)	197,113	(1,088,452)	478,947
d)	Experience adjustment on plan Liabilities (loss) / gain	-	-	-
e)	Experience adjustment on plan Assets (loss) / gain	-	-	-

*Information related to defined benefit obligation has been given to the extent available with the Company.



M.D. Overseas Limited**Summary of significant accounting policies and other explanatory notes to the financial statement for the year ended 31 March 2016***(All amounts in rupees, unless otherwise stated)***32) Related party disclosures****Subsidiary Company**

M.D. Securities (P) Limited (Formerly known Bansal Exports (P) Limited)

Key Management Personnel (KMP)

Mr. Satish Bansal

Mrs. Kalpana Bansal

Ms. Tamanna Bansal

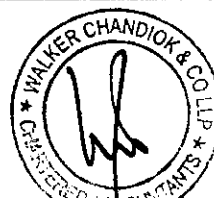
Enterprises owned or significantly influenced by key management personnel or their relatives (where there have been transactions during the year)

Gulab Impex Enterprises Limited

Kanak Exports

Transactions with and outstanding balances of related parties were as under:

	31 March 2016	31 March 2015
Transactions with Subsidiary Company		
Brokerage	94,170	277,227
Outstanding Balances		
Advance for maintaining margin money and brokerage	900,000	1,100,000
Enterprises owned or significantly influenced by key management personnel or their relatives		
<i>Transactions during the year</i>		
Sale of goods	-	4,113,960,058
(Parties to whom sale is made more than 10% of the total sale made to related party)		
Gulab Impex Enterprises Limited	-	4,113,960,058
Purchase of goods	-	56,156,977,041
(Parties from whom purchase is made more than 10% of the total sale made to related party)		
Kanak Exports	-	56,156,977,041
Rent paid	-	44,000



M.D. Overseas Limited**Summary of significant accounting policies and other explanatory notes to the financial statement for the year ended 31 March 2016***(All amounts in rupees, unless otherwise stated)*

	31 March 2016	31 March 2015
Remuneration	7,200,000	7,200,000
(Parties to whom remuneration paid is more than 10% of total amount)		
Satish Bansal	6,000,000	6,000,000
Tamanna Bansal	1,200,000	1,200,000
Relatives of KMP		
<i>Transactions during the year</i>		
Rent	-	340,000

33) Details of imported raw materials consumed

Particulars	31 March 2016		31 March 2015	
	Value	% of total consumption	Value	% of total consumption
Imported	61,016,782,339	100%	26,373,376,606	100%
Total	61,016,782,339	100%	26,373,376,606	100%

34) Purchase of traded good includes exchange difference of Rs 1,234,439,520 (Previous year - Rs 2,002,259,260)

35) Expenditure in foreign currency

	31 March 2016	31 March 2015
Interest on short term borrowings	701,517,720	408,618,310
Travelling expenses	3,768,729	3,625,976
Total	705,286,449	412,244,286

36) FOB value of exports

	31 March 2016	31 March 2015
Direct exports	41,830,505,763	84,737,563,050
Total	41,830,505,763	84,737,563,050

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M.D. Overseas Limited**Summary of significant accounting policies and other explanatory notes to the financial statement for the year ended 31 March 2016***(All amounts in rupees, unless otherwise stated)***37) Payment to auditors**

	31 March 2016	31 March 2015
Statutory audit fee	1,035,000	1,350,000
Tax audit fee	172,500	150,000
Total	1,207,500	1,500,000

38) Un-hedged foreign currency exposure

Foreign currency exposures which are not hedged as at the Balance Sheet are as follows:

	As at 31 March 2016		As at 31 March 2015	
	Amount (USD)	Amount (Rs)	Amount (USD)	Amount (Rs)
Receivable	61,525,804	4,081,185,004	187,899,197	11,760,761,066
Payable	57,777,475	3,832,547,481	166,345,183	10,411,678,090

39) Accounting Standard 17 "Segment Reporting" of the Companies (Accounting standards) Rules, 2006 requires the Company to disclose certain information about operating segments. The Company is managed as a single operating unit that deals in bullion trading and therefore, has only one reportable business segment. Hence the disclosure required by this standard is presently not applicable to the Company.

In terms of geographical disclosure, external revenue from customers based on their geographical location for the year ended is tabulated below:

	31 March 2016	31 March 2015
Export Sales	41,830,505,763	85,781,769,161
Domestic Sales	129,468,436,795	219,173,900,905
Total	171,298,942,558	304,955,670,066

40) The Company has deposits with the banks for amounts outstanding as buyer's credit aggregating to Rs 26,415,095,181 (Previous year Rs 54,169,100,000) under the arrangement with the banks, with whom such deposits have been placed, the Company has effectively redeemed its liabilities towards such trade transactions by exchanging the underlying foreign currencies at a predetermined rate. Such deposit are restricted for any other use and therefore disclosed as margin money in Schedule 19.

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M.D. Overseas Limited

Summary of significant accounting policies and other explanatory notes to the financial statement for the year ended 31 March 2016

(All amounts in rupees, unless otherwise stated)

41) Corporate Social Responsibility:

- (a) Gross amount required to be spent by the company during the year Rs. 26,116,717
- (b) Amount spent during the year on:

S . No	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	Nil	Nil	Nil
(ii)	On purposes other than	Nil	Nil	Nil

42) The Previous year figures have been regroup / recast wherever considered necessary to make them comparable with current year's figure.

Walker Chandok & Co LLP

For Walker Chandok & Co LLP
Chartered Accountants

B. P. Singh
per B. P. Singh
Partner



Satish Bansal

Satish Bansal
Managing Director
DIN : 00076521

For and on behalf of Board of Directors of
M.D. Overseas Limited

Tamanna Bansal

Tamanna Bansal
Director
DIN : 6630643

Place: New Delhi

Date: 09 September 2016