

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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New Delhi 110001
India

Independent Auditor's Report

To the Members of M.D. Overseas Limited

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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 2017, the Statement of Profit and Loss and 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 prescribed 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 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

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.
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 these 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 these 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 2017, 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 prescribed 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 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 29 September 2017 as per Annexure B expressed unmodified opinion; and



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- 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, as detailed in note 30 to the standalone financial statements, has disclosed the impact of pending litigations on its 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; and
 - iv. The Company has provided disclosures in note 43 to the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, the total receipts, total payments and total amount deposited in banks are in accordance with the books of account maintained by the Company. However, owing to the nature of records of the Company and in the absence of sufficient appropriate audit evidence, we are unable to comment upon the appropriateness of disclosures made under specified bank notes and other denomination notes for permitted/non-permitted receipts, permitted/non-permitted payments and amount deposited in banks.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rajni Mundra.

per Rajni Mundra
Partner
Membership No.: 058644



Place: New Delhi
Date: 29 September 2017

Walker Chandniok & Co LLP

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 2017

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 has maintained proper records 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 complied with the provisions of Section 186 in respect of loans and investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 in respect of loans, investments, guarantees and security and Section 186 of the Act in respect of guarantees and security.
- (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) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) 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, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. 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 became payable.



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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 2017 (contd.)

- (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 Replenishment License	2,461,245	1,500,000	Assessment Year (A.Y) 1996-97	Additional Commissioner of Sales Tax
The Income tax Act, 1961	Income tax demand for treating certain loss as speculative loss	5,119,080	5,119,080	A.Y. 1999-00	Matter remanded back to Commissioner of income tax (Appeal) by Income tax Appellate Tribunal
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 and financial institution during the year. The Company has no loans or borrowings payable to government and no dues payable to debentures- holders 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.
- (xii) 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 Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.



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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 2017 (contd.)

- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Walker Chandniok & Co LLP
For Walker Chandniok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rajni Mundra.

per **Rajni Mundra**
Partner
Membership No.: 058644

Place: New Delhi
Date: 29 September 2017



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 2017

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 at and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's 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 includes 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.

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 include 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.



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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 2017 (contd.)

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 the 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 controls were operating effectively as at 31 March 2017, 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.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rajni Mundra.

per Rajni Mundra
Partner
Membership No.:058644

Place: New Delhi
Date: 29 September 2017



M.D. Overseas Limited
Balance Sheet as at 31 March 2017
(All amounts in rupees, unless otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016
Equity and liabilities			
Shareholders' funds			
Share capital	5	9,662,000	9,662,000
Reserves and surplus	6	5,356,319,529	3,869,630,952
		<u>5,365,981,529</u>	<u>3,879,292,952</u>
Non-current liabilities			
Long-term provisions	7	7,082,880	6,695,585
		<u>7,082,880</u>	<u>6,695,585</u>
Current liabilities			
Short-term borrowings	8	5,156,025,284	31,995,624,982
Trade payables			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		527,642,819	475,869,473
Other current liabilities	9	476,334,948	138,490,789
		<u>6,160,003,051</u>	<u>32,609,985,244</u>
Total		<u>11,533,067,460</u>	<u>36,495,973,781</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	16,821,651	24,718,794
Intangible assets	10	280,331	678,294
Non-current investments	11	47,287,500	47,287,500
Deferred tax assets, net	12	1,521,393	7,706,151
Long-term loans and advances	13	189,728,051	124,748,605
Other non-current assets	14	4,797,489	684,256
		<u>260,436,415</u>	<u>205,823,600</u>
Current assets			
Current investments	15	700,324,610	2,925,300,000
Inventories	16	2,260,124,708	1,621,829,994
Trade receivables	17	2,166,880,725	4,112,065,754
Cash and bank balances	18	5,241,621,136	26,906,761,203
Short-term loans and advances	19	793,481,150	605,896,701
Other current assets	20	110,198,716	118,296,529
		<u>11,272,631,045</u>	<u>36,290,150,181</u>
Total		<u>11,533,067,460</u>	<u>36,495,973,781</u>

The accompanying notes are an integral part of these standalone financial statements
This is the Balance Sheet referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants

Rajni Mundra
per Rajni Mundra
Partner



Place: New Delhi
Date: 29 September 2017

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

Satish Bansal
Managing Director
DIN: 76521

Kalpana Bansal
Director
DIN: 0076207

M.D. Overseas Limited
Statement of Profit and Loss for the year ended 31 March 2017
(All amounts in rupees, unless otherwise stated)

	Notes	Year ended 31 March 2017	Year ended 31 March 2016
Revenue			
Income from operations	21	78,022,671,978	171,298,942,558
Other income	22	2,570,356,348	5,027,238,855
Total revenue		80,593,028,326	176,326,181,413
Expenses			
Cost of materials consumed	23	3,622,387,175	61,044,693,418
Purchases of stock-in-trade	24	74,693,188,059	111,996,253,814
Changes in inventory of finished goods and stock in trade	25	(571,388,794)	3,638,402
Employee benefits expense	26	51,786,247	49,735,026
Finance costs	27	474,089,961	732,855,328
Depreciation and amortisation expense	10	8,931,093	12,050,757
Other expenses	28	75,602,931	115,485,764
Total expenses		78,354,596,671	173,954,712,509
Profit before tax		2,238,431,655	2,371,468,904
Tax expense			
Current tax		(731,583,589)	(794,560,110)
Earlier year tax		(13,974,733)	(3,555,208)
Deferred tax		(6,184,758)	1,184,149
Profit after tax		1,486,688,577	1,574,537,735
Profit for the year		1,486,688,577	1,574,537,735
Earnings per share, basic and diluted (Nominal value of equity share Rs. 10 each)	29	1,538.70	1,629.62

The accompanying notes are an integral part of these standalone financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

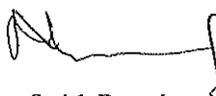
Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants

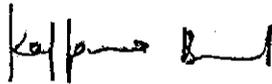
Rajni Munday
per Rajni Mundra
Partner



Place: New Delhi
Date: 29 September 2017

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


Satish Bansal
Managing Director
DIN: 76521


Kalpana Bansal
Director
DIN: 0076207

M. D Overseas Limited
Cash Flow Statement for the year ended 31 March 2017
(All amounts in rupees, unless otherwise stated)

	Year ended 31 March 2017	Year ended 31 March 2016
A. Cash flow from operating activities		
Net profit before tax	2,238,431,655	2,386,245,116
<i>Adjustments for:</i>		
Depreciation and amortisation	8,931,093	12,050,757
Finance costs	474,089,961	718,079,116
Advances written off	459,930	-
Liabilities written back	(551,594)	-
Interest income from fixed deposits	(2,362,318,939)	(4,666,199,244)
Loss on disposal of assets	50,964	-
Profit on sale of investments	(80,824,450)	(111,574,225)
Dividend income	(112,726,484)	(23,950,078)
Interest income from inter-corporate loan	(6,656,005)	-
Capital work in progress written off	-	4,238,944
Operating profit before working capital changes	158,886,131	(1,681,109,613)
4 Adjustments for:		
Inventories	(638,294,714)	3,638,402
Trade receivables	1,945,185,029	7,654,600,667
Loans and advances (current and non-current)	(249,663,353)	(57,280,670)
Other assets (current and non current)	(4,113,234)	1,450,000
Trade and other payables	394,392,449	(10,456,851,908)
Direct taxes paid	(746,403,513)	(915,893,610)
Net cash generated from/(used in) operating activities (A)	859,988,794	(5,451,446,732)
B. Cash flow from investing activities		
Interest income	2,370,133,518	4,977,064,136
Movement in fixed deposits with bank (net)	21,393,813,617	29,845,140,808
Proceeds on sale of mutual funds and bond	236,751,189,074	320,591,623,795
Purchase of mutual funds	(234,396,121,589)	(323,395,300,000)
Proceeds from sale of equity instruments	39,389,329	2,013,900,507
Purchase of equity instruments	(89,293,601)	(2,000,000,000)
Proceed from sale of property, plant and equipment	50,000	-
Purchase of tangible assets	(736,949)	(14,084,045)
Dividend income	112,726,484	-
Net cash generated from investing activities (B)	26,181,149,883	32,018,345,201
C. Cash flow from financing activities		
Finance costs	(472,865,430)	(761,013,708)
Proceeds from short term borrowings (net)	(26,839,599,699)	(25,686,793,872)
Net cash used in financing activities (C)	(27,312,465,130)	(26,447,807,580)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(271,326,453)	119,090,890
Cash and cash equivalents at the beginning of the year	279,308,891	160,218,000
Cash and cash equivalents at the close of the year	7,982,438	279,308,891
Components of cash and cash equivalents		
Cash in hand	204,007	578,694
Balances with banks		
In current accounts	7,778,432	25,134,548
In deposit accounts (with maturity upto 3 months)		253,595,649
	7,982,438	279,308,891

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

Walker Chandniok & Co LLP
Chartered Accountants

Rajni Munday
Partner

Place: New Delhi
Date: 29 September 2017



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

Satish Bansal
Managing Director
DIN: 76521

Kalpna Bansal
Director
DIN: 0076207

	As at 31 March 2017	As at 31 March 2016
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) There has been no change in share capital during the current and preceding financial year.

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

Name of shareholders	31 March 2017		31 March 2016	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr Satish Bansal	772,700	79.97	770,870	79.78
Mrs Kalpana Bansal	186,300	19.28	186,300	19.28
	<u>959,000</u>		<u>957,170</u>	

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

d) The Company has not issued any other shares pursuant to a contract without payment being received in cash nor allotted as fully paid up by way of bonus shares and there has not been any buy back shares in the period of five years immediately preceding the reporting period.

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M. D Overseas Limited

Summary of significant accounting policies and other explanatory informations to the standalone financial statements for the year ended 31 March 2017

(All amounts in rupees, unless otherwise stated)

10. Fixed assets

	Freehold land	Buildings	Plant and equipments	Tangible assets Office equipments	Vehicles	Computers	Furniture and fixtures	Total	Intangible assets Computer software	Total
Gross block										
As at 1 April 2015	43,200	55,585	35,494,652	5,607,483	21,634,063	12,193,627	13,563,937	88,592,547	1,584,169	1,584,169
Additions										
As at 31 March 2016	43,200	55,585	7,553,282 43,047,934	710,263 6,317,746	1,931,000 23,565,063	461,508 12,654,935	2,910,404 16,474,341	13,566,257 102,158,804	517,788 2,101,937	517,788 2,101,937
Additions										
Disposals / adjustments										
As at 31 March 2017	43,200	55,585	124,854 (17,579,507) 25,593,281	(6,001,420) 316,326	(12,152,100) 11,412,963	473,900 (11,142,661) 1,986,174	138,195 (9,102,910) 7,509,626	736,949 (55,978,598) 46,917,155	(59,000) 2,042,937	(59,000) 2,042,937
Accumulated depreciation and amortisation										
As at 1 April 2015	-	40,995	23,032,705	5,532,262	15,210,903	11,440,095	10,956,742	66,213,702	599,213	599,213
Charge for the year	-	1,782	5,628,099	628,181	3,036,533	618,679	1,313,233	11,226,307	824,450	824,450
As at 31 March 2016	-	42,777	28,660,804	6,160,443	18,247,236	12,058,774	12,269,975	77,440,009	1,423,663	1,423,663
Charge for the year	-	1,564	4,657,485	61,820	1,833,441	253,910	1,724,909	8,533,129	397,963	397,963
Reversal on disposals / adjustments	-		(17,579,507)	(6,001,420)	(12,051,136)	(11,142,661)	(9,102,910)	(55,877,634)	(59,000)	(59,000)
As at 31 March 2017	-	44,341	15,738,782	220,843	8,029,542	1,170,023	4,891,974	30,095,504	1,762,626	1,762,626
Net block										
As at 31 March 2016	43,200	12,808	14,387,130	157,303	5,317,827	596,161	4,204,366	24,718,795	678,294	678,294
As at 31 March 2017	43,200	11,244	9,854,499	95,483	3,383,422	816,151	2,617,652	16,821,651	280,331	280,331

Note:

Consequent to updation of fixed assets records in the books and fixed asset registers adjustments have been incorporated in the above schedule. However, the same does not have any impact in the statement of profit and loss.



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M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2017	As at 31 March 2016
6 Reserves and surplus		
General reserve		
Balance as at the beginning of the year	4,786,100	4,786,100
Balance as at the end of the year	<u>4,786,100</u>	<u>4,786,100</u>
Surplus in the statement of profit and loss		
Balance as at the beginning of the year	3,864,844,852	2,290,307,117
Add : Net profit for the current year	<u>1,486,688,577</u>	<u>1,574,537,735</u>
Balance as at the end of the year	<u>5,351,533,429</u>	<u>3,864,844,852</u>
	<u>5,356,319,529</u>	<u>3,869,630,952</u>
7 Long-term provisions		
Provision for gratuity (refer note 32)	<u>7,082,880</u>	<u>6,695,585</u>
	<u>7,082,880</u>	<u>6,695,585</u>
8 Short term borrowings		
Secured Loans		
Loans repayable on demand from banks:		
Buyer's credit (refer note (a) below)	2,809,294,694	31,995,624,982
Post shipment credit (refer note (b) below)	1,681,201,192	-
Bank overdraft (refer note (c) below)	<u>665,529,098</u>	<u>-</u>
	<u>5,156,025,284</u>	<u>31,995,624,982</u>
Notes		
(a) Buyer's credit are either on fixed interest rates (of 1.85 percent per annum (p.a.)) or variable interest rates (of London Interbank Offered Rate plus 0.25 basis point) and are repayable in 354 to 356 days from the date of origination and is secured by way of hypothecation of fixed deposits.		
(b) Post shipment credit from banks carry interest rate 7.95 percent p.a. less interest equalisation of 3 percent p.a. and are repayable in 175 to 179 days from the date of origination and are secured by way of hypothecation of fixed deposits.		
(c) Bank overdraft from banks carry interest ranging from 7.5 to 8.60 percent p.a and are secured by way of hypothecation of fixed deposit and interest thereon.		
9 Other current liabilities		
Interest accrued and not due on borrowings	16,183,829	20,019,883
Advance from customers	376,299,064	91,443,130
Statutory dues	66,363,096	13,785,049
Employee related payables	5,324,416	5,221,748
Bank overdraft	3,810,094	753,274
Others payables	<u>8,354,449</u>	<u>7,267,705</u>
	<u>476,334,948</u>	<u>138,490,789</u>

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M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2017	As at 31 March 2016
11 Non-current investments		
Non trade investment (At cost)		
Investment in equity instruments		
In subsidiary companies- unquoted		
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
In others- unquoted		
Prasidh 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
	<u>47,287,500</u>	<u>47,287,500</u>
12 Deferred taxes assets (net)		
Deferred tax asset arising on account for:		
Timing difference on depreciation and amortisation of fixed assets	6,290,839	7,531,291
Provision for employee benefits	2,451,385	3,042,038
	<u>8,741,424</u>	<u>10,573,329</u>
Deferred tax liabilities arising on account of:		
Expenses claimed in tax but not debited in statement of profit and loss	<u>(7,220,031)</u>	<u>(2,867,178)</u>
	<u>(7,220,031)</u>	<u>(2,867,178)</u>
Deferred tax assets (net)	<u>1,521,393</u>	<u>7,706,151</u>
13 Long-term loans and advances		
<i>(Unsecured and considered good)</i>		
Security deposits	5,335,367	5,794,575
Advance tax (net of provision for tax)	115,198,125	110,982,731
Balances with government authorities	3,467,223	7,331,663
Inter-corporate loan	65,087,699	-
Other advances	639,637	639,637
	<u>189,728,051</u>	<u>124,748,605</u>
14 Other non-current assets		
Non current bank balances (refer note 18)	4,514,255	684,255
Interest accrued on bank deposits	283,234	-
	<u>4,797,489</u>	<u>684,255</u>
15 Current investments		
Non-trade investments (lower of cost and fair value, quoted)		
In equity instruments		
Indiabulls Arbitrage Fund-Equity Share [61,896,631.31 units (previous year nil)]	650,000,000	-
In mutual funds		
Indiabulls Liquid Fund [10,423.86 units (previous year 1,614,583.49)]	-	2,375,300,000
Birla Sunlife Cash Plus -Direct - Growth [4,385.45 units (previous year nil)]	1,138,070	-
Taurus Ultra Short Fund Nil units (Previous year 300,433.51 units)]	-	550,000,000
India Bulls Housing Finance Limited 2 units (previous year nil)]	2,000,000	-
In bonds		
7.17% National Highways Authority of India [13 units (previous year nil)]	13,178,672	-
7.18% National Bank for Agriculture Rural Development [5 units (previous year nil)]	5,007,868	-
8.22% Daimler Financial SR-1 NCD [29 units (previous year nil)]	29,000,000	-
	<u>700,324,610</u>	<u>2,925,300,000</u>
Aggregate market value of investments in mutual funds as at the year end	705,335,517	2,928,034,037
16 Inventories (valued at lower of cost and net realisable value)		
Raw material	66,905,920	-
Finished goods :		
-Stock in trade	2,188,751,696	246,945,215
-Manufactured	4,467,092	1,374,884,779
	<u>2,260,124,708</u>	<u>1,621,829,994</u>



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2017	As at 31 March 2016
17 Trade receivables <i>(Unsecured, considered good)</i>		
Outstanding for a period exceeding six months from the date they were due for payment	-	-
Others	2,166,880,725	4,112,065,754
	<u>2,166,880,725</u>	<u>4,112,065,754</u>
18 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	204,007	578,694
Balances with banks		
In current accounts	7,778,432	25,134,548
Deposit with original maturity less than 3 months	-	253,595,649
	<u>7,982,439</u>	<u>279,308,891</u>
Other bank balances		
Deposits with maturity of more than 3 months but less than 12 months*	5,233,638,696	26,627,452,313
Deposits with maturity of more than 12 months*	4,514,255	684,255
	<u>5,238,152,951</u>	<u>26,628,136,568</u>
Less : Amounts disclosed as other non-current assets (refer note 15)*	(4,514,255)	(684,255)
Total	<u>5,241,621,136</u>	<u>26,906,761,203</u>
*Amount held as margin money with the banks		
19 Short-term loans and advances <i>(Unsecured considered good)</i>		
Prepaid expenses	694,780,196	567,981,220
Security deposits	9,723,970	28,779,134
Advance to related party	-	900,000
Advance to suppliers	61,623,843	-
Balances with government authorities	9,173,818	3,726,088
Inter-corporate loan	16,271,925	-
Other advances	1,907,398	4,510,259
	<u>793,481,150</u>	<u>605,896,701</u>
20 Other current assets		
Interest accrued on bank deposits	110,198,716	118,296,529
	<u>110,198,716</u>	<u>118,296,529</u>

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M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2017	As at 31 March 2016
21 Income from operations		
Sale of products		
Export	8,309,165,086	41,830,505,763
Domestic	69,713,506,892	129,468,436,795
	<u>78,022,671,978</u>	<u>171,298,942,558</u>
Details of products sold		
Gold	59,190,202,926	107,513,659,334
Silver	10,502,814,996	21,939,651,461
Jewellery	35,643,515	11,368,872,999
Gold medallion	2,155,564,845	-
Polymers	290,359,073	30,231,386,201
Nickels	5,827,597,653	245,372,563
Agro products	20,488,970	-
	<u>78,022,671,978</u>	<u>171,298,942,558</u>
22 Other income		
Interest income from		
Fixed deposits	2,362,318,939	4,666,199,244
Inter-corporate loans	6,656,005	-
Dividend income	112,726,484	23,950,078
Profit on sale of investments	80,824,450	111,574,225
Settlement of derivative contracts and commodities (net)	-	210,154,148
Net loss on foreign currency transaction	-	12,710,764
Liabilities written back	551,594	-
Miscellaneous income	7,278,876	2,650,396
	<u>2,570,356,348</u>	<u>5,027,238,855</u>
23 Cost of materials consumed		
Opening stock		
Raw materials and components	-	-
Add : Purchases during the year		
Raw materials and components (Gold)	3,689,293,095	61,044,693,418
	<u>3,689,293,095</u>	<u>61,044,693,418</u>
Less : Closing stock		
Raw materials and components	66,905,920	-
	<u>66,905,920</u>	<u>-</u>
	<u>3,622,387,175</u>	<u>61,044,693,418</u>
Detail of raw materials purchased		
Gold	3,688,282,373	61,016,782,339
Others	1,010,722	27,911,079
24 Purchase of stock-in-trade		
Gold	56,282,230,894	57,505,973,540
Silver	10,314,084,316	22,186,152,026
Polymers	284,812,766	32,104,362,836
Nickels	5,921,945,746	199,765,411
Agro Product	1,890,114,337	-
	<u>74,693,188,059</u>	<u>111,996,253,814</u>
25 Changes in inventory of finished goods and stock in trade		
Opening stock		
-Stock in trade	246,945,215	154,172,616
-Finished goods	1,374,884,779	1,471,295,780
Closing stock		
-Stock in trade	2,188,751,696	246,945,215
-Finished goods	4,467,092	1,374,884,779
	<u>(571,388,794)</u>	<u>3,638,402</u>



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

(All amounts in rupees, unless otherwise stated)

	As at 31 March 2017	As at 31 March 2016
26 Employee benefits expense		
Salaries, wages and bonus	48,280,132	44,846,573
Contribution to provident and other defined contribution funds	1,929,579	2,052,449
Staff welfare expenses	1,576,536	2,836,004
	<u>51,786,247</u>	<u>49,735,026</u>
27 Finance costs		
Interest expenses	474,089,961	732,855,328
	<u>474,089,961</u>	<u>732,855,328</u>
28 Other expenses		
Power and fuel	2,234,732	2,636,023
Rent	2,333,212	2,226,572
Repairs and maintenance		
- Plant and equipments	122,641	1,808,554
- Others	1,984,653	496,331
Insurance	-	6,222,691
Legal and professional expenses	2,682,920	2,513,890
Payment to auditors (refer note 38)	1,264,646	1,240,966
Net loss on foreign currency transaction	11,907,720	-
Advances written off	459,930	-
Assets written off	-	4,238,944
Loss on disposal of fixed assets	50,964	-
Other expenses	52,561,513	94,101,793
	<u>75,602,931</u>	<u>115,485,764</u>
29 Earnings per share		
Net profit attributable to equity shareholders	1,486,688,577	1,374,537,735
Nominal value of shares	10	10
Computation of weighted average number of shares for basic and diluted earnings per share (Weighted average number of shares) in number	966,200	966,200
Earnings per share -basic and diluted	1,538.70	1,629.62

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M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

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 also manufactures 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 Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied by the Company. 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 Act.

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. Summary of 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, the revenue can be reliably measured and there is certainty of ultimate collection.

- 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 the Company retains no effective control of the goods transferred to the buyer and is stated net of trade discounts, sales return, sales tax, wherever applicable.

- Interest income

Interest income is recognised using time proportion basis, taking into account the amount outstanding and the rates applicable.



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

b. Fixed assets

Tangible assets

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

Intangible assets

Intangible assets are stated at cost less accumulated amortisation. These are recognised as assets if it is probable that future economic benefits attributable to such assets will flow to the Company and the cost of the assets can be measured reliably.

c. Depreciation and amortisation

Tangible assets

Depreciation on tangible assets is being charged using written down value method, computed on the basis of useful life prescribed in Schedule II to the Act, on a pro rata basis from the date the asset is ready for use. The useful life of the assets has been tabulated below:

Asset description	Useful life
Buildings	30 years
Plant and equipments	15 years
Furniture and fixtures	10 years
Office equipments	5 years
Computers	3 - 6 years
Vehicles	8 years

Intangible assets

Intangible assets are being amortised over the useful life estimated by the management to be the economic life of the asset over which economic benefits are expected to flow. The economic life of the asset is:

Asset description	Useful life
Computer software	3 years

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



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

e. Inventory

Inventories are valued as follows:

Raw materials - at lower of cost and net realisable value. However, materials held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished goods and stock-in-trade - At lower of cost and net realisable value.

Cost of inventories is ascertained on the following basis:

Raw materials - On first-in-first-out basis.

Finished goods - On first-in-first-out basis. Cost includes direct materials, labour, and all other costs of purchase incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion to make the sale.

f. Employee benefits

Wages, salary, the 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.

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



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

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. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are valued at the lower of cost and fair value. Long-term investments are stated at cost.

Provision is made for diminution in the value of long-term investments to recognise a decline, if any, other than temporary in nature.

Profit/loss on sale of investments are computed with reference to their cost determined on first in first out basis.

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 on a straight line basis over the lease term.

j. Taxation

Tax expense comprises current income tax and deferred 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 tax is recognized for the tax effect of timing differences representing the difference between taxable incomes and accounting income that originate in one period, and are capable of reversal in one or more subsequent period(s). Such deferred tax is quantified using rates and laws enacted or substantively enacted as at the end of the financial year.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax arising from brought forward losses and un-absorbed depreciation are recognized only when there is virtual certainty supported by convincing evidence that such assets will be realized.

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.



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2017

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

The Company makes a provision when there is a present obligation as a result of a past event, where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- present obligation, where a reliable estimate cannot be made.

When there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

m. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term bank deposits with an original maturity of three months or less.

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M.D. Overseas Limited**Summary of significant accounting policies and other explanatory notes to the standalone financial statement for the year ended 31 March 2017***(All amounts in rupees, unless otherwise stated)***30. Contingent liabilities not provided for in respect of:**

	31 March 2017	31 March 2016
Demand against the Company not acknowledged as liability		
Income - tax	5,119,080	5,119,080
Sales tax	2,461,245	2,461,245
Custom duty	16,717,822	16,717,822

Income tax cases

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 the entire sum under protest against the said demand.

Sales tax cases

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 under protest against the said demand.

Excise and customs cases

The Company had deposited Rs 1,500,000 under protest 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 2017	31 March 2016
Current service cost	366,171	342,486
Interest cost	592,344	546,008
Expected return on plan assets	58,573	61,878
Actuarial (gain) /loss recognised during the year	(511,217)	197,113
Total	388,725	629,503

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M.D. Overseas Limited

Summary of significant accounting policies and other explanatory notes to the standalone financial statement for the year ended 31 March 2017

(All amounts in rupees, unless otherwise stated)

Movement in the liability recognised in the balance sheet is as under:

Description	31 March 2017	31 March 2016
Present value of defined benefit obligation as at the beginning of the year	7,404,299	6,825,106
Current service cost	366,171	342,486
Interest cost	592,344	546,008
Actuarial loss/(gain) recognised during the year	(511,217)	197,113
Benefits paid	-	112,188
Present value of defined benefit obligation as at the end of the year	7,851,597	7,404,299

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

Description	31 March 2017	31 March 2016
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 2017	31 March 2016
Fair value of plan assets at the beginning of the year	708,714	759,017
Actual return on plan assets	58,573	61,878
Contribution	1,430	7
Benefit paid	0	(112,188)
Fair value of plan assets at the end of the year	768,717	708,714

Table showing net present value of defined benefit obligation as at the end of the year

Description	31 March 2017	31 March 2016
Present value of defined benefit obligation as at the end of the year	7,851,597	7,404,299
Fair value of plan assets at the end of the year	(768,717)	(708,714)
Net present value of defined benefit obligation as at the end of the year	7,082,880	6,695,585

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M.D. Overseas Limited**Summary of significant accounting policies and other explanatory notes to the standalone financial statement for the year ended 31 March 2017***(All amounts in rupees, unless otherwise stated)***Reconciliation of fair value of assets and obligations for the current and past years**

S. No	Description	2017	2016	2015
a)	Present value of obligation as at the end of period	7,851,597	7,404,299	6,825,106
b)	Fair value of plan assets at the end of the period	768,717	708,714	759,017
c)	Surplus / (Deficit)	511,217	(197,113)	(1,088,452)
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.

32. Related party disclosures

In accordance with the required Accounting Standard (AS-18) on 'Related Party Disclosures', disclosures are as given below:

Subsidiary company: M.D. Securities (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): Kanak Exports

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

	31 March 2017	31 March 2016
Transactions with subsidiary Company		
Brokerage	17,863	94,170
Repayment of margin money and brokerage	900,000	-
Outstanding balances		
Advance for maintaining margin money and brokerage	-	900,000
Enterprises owned or significantly influenced by key management personnel or their relatives		
<i>Transactions during the year</i>		
Kanak Exports		
Loan taken	498,700,000	
Interest expenses	10,730,969	



M.D. Overseas Limited**Summary of significant accounting policies and other explanatory notes to the standalone financial statement for the year ended 31 March 2017***(All amounts in rupees, unless otherwise stated)*

	31 March 2017	31 March 2016
Repayment of loan (including interest)	509,430,969	
Remuneration	8,900,000	7,200,000
Satish Bansal	6,500,000	6,000,000
Tamanna Bansal	2,400,000	1,200,000

33. Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006.

Particulars	As at 31 March 2017	As at 31 March 2016
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
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 MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
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 of the MSMED Act.	-	-

34. Details of imported raw materials consumed

Particulars	31 March 2017		31 March 2016	
	Value	% of total consumption	Value	% of total consumption
Imported	3,621,376,453	100 %	61,016,782,339	100%
Total	3,621,376,453	100 %	61,016,782,339	100%

35. Purchase of traded good includes exchange difference (loss)/gain of Rs. (1,049,086,200), Previous year Rs. 1,234,439,520**36. Expenditure in foreign currency**

	31 March 2017	31 March 2016
Interest on short term borrowings	451,738,640	701,517,720
Travelling expenses	3,601,161	3,768,729
Total	455,339,801	705,286,449



M.D. Overseas Limited**Summary of significant accounting policies and other explanatory notes to the standalone financial statement for the year ended 31 March 2017***(All amounts in rupees, unless otherwise stated)***37. FOB value of exports**

	31 March 2017	31 March 2016
Direct exports	8,309,165,086	41,830,505,763
Total	8,309,165,086	41,830,505,763

38. Payment to statutory auditors (including service tax)

	31 March 2017	31 March 2016
As auditors	1,035,000	1,035,000
Other services	2,07,000	189,600
For reimbursement of expenses	22,646	16,366
Total	1,264,646	1,240,966

39. Un-hedged foreign currency exposure

Foreign currency exposures which are not hedged as at the balance sheet, are as follows:

	As at 31 March 2017		As at 31 March 2016	
	Amount (USD)	Amount (Rs)	Amount (USD)	Amount (Rs)
Receivable	33,419,610	2,166,880,725	61,525,804	4,081,185,004
Payable	8,088,022	524,416,014	57,777,475	3,832,547,481
Buyers Credit (Including accrued interest)	2,668,632	182,613,140	-	-

40. Segment information, as required under Accounting Standard 17 'Segment Reporting' of the Companies (Accounting standards) Rules, 2006, has been provided in the consolidated financial statements of the Company and therefore, no separate disclosure on segment information is given in these standalone financial statements.

41. The Company has deposits with the banks for amounts outstanding as buyer's credit, bank guarantee, MCX, NCDEX and security to Government authorities. Such deposit are restricted for any other use and therefore disclosed as margin money in Schedule 19.

Particulars	As at 31 March 2017	As at 31 March 2016
Provided as security to Government authorities	792,661	784,311
Held as margin money for buyer's credit	4,812,000,000	26,415,095,181
Held as margin money for bank guarantee	37,000,0000	-
Held as margin money for Government authorities	6,727,682	6,727,682
Held as margin money for MCX, NCDEX etc.	49,425,269	206,313,705



M.D. Overseas Limited

Summary of significant accounting policies and other explanatory notes to the standalone financial statement for the year ended 31 March 2017

(All amounts in rupees, unless otherwise stated)

42. Corporate Social Responsibility:

(a) Gross amount required to be spent by the Company during the year in compliance with section 135 of the Act is Rs. 26,726,955 (Previous year Rs. 26,116,717)

(b) Amount spent during the year on:

Sr 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

43. Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 31 March 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	8,075,500	123,041	8,198,541
Add: permitted receipts	-	958,000	958,000
Less: permitted payments	-	774,335	774,335
Less: amount deposited in banks	8,075,500		8,075,500
Closing cash in hand as on 30 December 2016	-	306,706	306,706

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November, 2016.

44. The previous year figures have been regrouped / reclassified wherever considered necessary, to make them comparable with that of the current year.

Walker Chandniok & Co LLP
For Walker Chandniok & Co LLP
Chartered Accountants

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

Rajni Mundry.
per Rajni Mundra
Partner



Satish Bansal
Managing Director
DIN : 00076521

Kalpana Bansal
Director
DIN : 0076207

Place: New Delhi

Date: 29 September 2017