



# OMKAR OVERSEAS LTD.

(A Government recognised Export House)

Email: [omkaroverseas212@gmail.com](mailto:omkaroverseas212@gmail.com)

Fax No. : 91-79-25732986, 25732981-85

CIN: L51909GJ1994PLC023680

Date :

OOL/SE/2019/P29  
September 04, 2019

To,  
The Manager, Listing  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

Dear Sir/Madam,

**Sub : Annual Report for the year ended 31<sup>st</sup> March 2019 and Notice of the 23<sup>rd</sup> Annual General Meeting.**  
**Ref: Company Code: BSE: 531496**

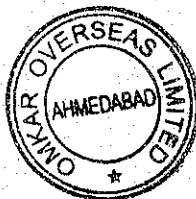
Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the Annual Report for the Financial Year ended 31<sup>st</sup> March, 2019 including the notice of the 23<sup>rd</sup> Annual General Meeting of Omkar Overseas Limited ("the Company) to be held on Monday, 30<sup>th</sup> September 2019 at 04.00 p.m. at 212, New Cloth Market, O/S. Raipur Gate, Ahmedabad – 380002.

Kindly take note of the above and acknowledge the receipt of the same.

Thanking You,

Yours Faithfully,  
**FOR OMKAR OVERSEAS LIMITED**

**RAMESH DEORA**  
**CEO & DIRECTOR**  
**DIN : 01135440**



Website: [www.omkaroverseasltd.com](http://www.omkaroverseasltd.com)

# **OMKAR OVERSEAS LIMITED**

**23<sup>rd</sup> Annual Report**  
**2018-2019**

**BOARD OF DIRECTORS**

|                              |                |
|------------------------------|----------------|
| Mr. Ramesh Deora             | Chairman & CEO |
| Mr. Niranjana Agarwal        | Director & CFO |
| Mr. Shivbhagwan Bohra        | Director       |
| Ms. Chinar Rajkumar Jethwani | Director       |

**KEY MANAGERIAL PERSONNEL**

|                          |                               |
|--------------------------|-------------------------------|
| 1. Mr. Ramesh Deora      | Chief Executive Officer (CEO) |
| 2. Mr. Niranjana Agarwal | Chief Financial Officer (CFO) |

**BOARD COMMITTEES****AUDIT COMMITTEE**

|                       |          |
|-----------------------|----------|
| Mr. Shivbhagwan Bohra | Chairman |
| Mr. Niranjana Agarwal | Member   |
| Ms. Chinar Jethwani   | Member   |

**NOMINATION & REMUNERATION COMMITTEE**

|                       |          |
|-----------------------|----------|
| Mr. Shivbhagwan Bohra | Chairman |
| Ms. Chinar Jethwani   | Member   |
| Mr. Niranjana Agarwal | Member   |

**STAKEHOLDER RELATIONSHIP COMMITTEE**

|                       |          |
|-----------------------|----------|
| Mr. Shivbhagwan Bohra | Chairman |
| Ms. Chinar Jethwani   | Member   |

**INDEPENDENT DIRECTORS**

|                       |
|-----------------------|
| Mr. Shivbhagwan Bohra |
| Ms. Chinar Jethwani   |

**AUDITORS :****M/s. Abhishek Kumar & Associates**

Chartered Accountants

**INTERNAL AUDITOR :****M/s. R. R. Jain & Associates**

Chartered Accountants

**SECRETARIAL AUDITOR :****M/s. Umesh Ved & Associates**

Company Secretaries

**BANKERS :****Punjab National Bank**Vanijya Bhavan Branch  
Kankaria Road, Ahmedabad**REGD. OFFICE :**212, New Cloth Market,  
O/S. Raipur Gate,  
Ahmedabad - 380 002.  
Tel: 079-22132078**REGISTRAR & SHARE TRANSFER AGENT :****Link Intime India Pvt. Ltd.**5th floor, 506 to 508 Amarnath Business Centre - I  
(ABC - I), Beside Gala Business Centre,  
Nr. St. Xavier's College Corner,  
Off CG Road, Navarangpura,  
Ahmedabad,  
Gujarat -380009,  
E mail ID: ahmedabad@linkintime.co.in**CORPORATE WEBSITE :**[www.omkaroverseasltd.com](http://www.omkaroverseasltd.com)**INDEX**

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**OMKAR OVERSEAS LIMITED****Registered Office :** 212, New Cloth Market, O/s. Raipur Gate, Raipur, Ahmedabad – 380 002**Phone No.:** 91-79-22132078**Website :** www.omkaroverseasltd.com **CIN:** L51909GJ1994PLC023680 **E - mail:** omkaroverseas212@gmail.com

**NOTICE** is hereby given that 23rd (Twenty third) Annual General Meeting of the members of the Company will be held on Monday, 30th September 2019 at 4:00 p.m. at the registered office of the Company situated at 212, New Cloth Market, O/S. Raipur Gate, Ahmedabad 380002 to transact the following business : -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements of the Company which includes Audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss including the statement of Other Comprehensive Income and Cash Flow of the Company as on that date together with the Auditors' Report thereon and Report of the Board of Directors.
2. To reappoint Mr. Ramesh Deora (DIN: 01135440), Director of the Company who retires by rotation and being eligible offers himself for reappointment.

**SPECIAL BUSINESS:**

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shivbhagwan Bohra (DIN 00419134), Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Director of the Company for second term of five consecutive years with effect from 01st April, 2019 to 29th March, 2024 and whose office shall not be liable to retire by rotation”.

**BY THE ORDER OF THE BOARD OF DIRECTORS OF  
OMKAR OVERSEAS LIMITED**

**Date: 12.08.2019**  
**Place: Ahmedabad**

**RAMESH DEORA**  
**CHAIRMAN & DIRECTOR**  
**DIN: 01135440**

**NOTES:**

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies and that a proxy need not be a member of the company. Proxies in order to be effective must be deposited not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10(ten) percent of the total share capital of the Company. However, a member holding more than 10% (ten percent) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable.
2. The Register of Members and Share Transfer Books will remain close from 24th September, 2019 to 30th September, 2019. (both days inclusive).
3. Members are requested to intimate about the change in address, if any.
4. Members are requested to bring the copies of the annual report as the same will not be distributed at the annual general meeting.
5. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly.
6. Members may note that the copy of the annual report for the year 2018-19 is also available on the website of the Company.
7. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Members have been provided with the facility to cast their vote electronically, through the e- voting services provided by the, Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice.

Notice of the 23rd Annual General Meeting of the Company. Inter alia, indicating the process and manner of e-voting is being sent to all the members whose email Ids are registered with the Company/Depository Participant(s) for communication purpose through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 23rd Annual general Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent through the permitted mode.

**THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (“Amended Rules 2015”) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide members facility to exercise their right to vote at the 23rd AGM by electronic means (“e-voting”)

- (i) The voting period begins on Friday, 27th September, 2019 (9:00 a.m) and ends on Sunday, 29th September, 2019 (5:00 p.m). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Omkar Overseas Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - “m - Voting” for e voting . m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xix) Note for Non Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) Mr. Umesh Ved, Company Secretary of M/s. Umesh Ved & Associates, (Membership No 4411, CP 2924), Ahmedabad has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e- voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xxiii) The results of the e-voting along with the scrutinizer's report shall be placed in company's website and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

ROUTE MAP FOR THE 23<sup>RD</sup> ANNUAL GENERAL MEETING



**OMKAR OVERSEAS LIMITED****Registered Office :** 212, New Cloth Market, O/s. Raipur Gate, Raipur, Ahmedabad – 380 002**Phone No.:** 91-79-22132078**Website :** www.omkaroverseasltd.com **CIN:** L51909GJ1994PLC023680 **E - mail:** omkaroverseas212@gmail.com**EXPLANATORY STATEMENT**

**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 for item No. 3 of the accompanying notice is as under:**

**Item No. 3:**

Mr. Shivbhagwan Bohra (DIN: 00419134) was appointed as Independent Director on the Board of the Company and he hold office as Independent Director of the Company up to 31st March, 2019(“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Director, has recommended re-appointment of Mr. Shivbhagwan Bohra as Independent Director of the Company for second term of 5 (five) consecutive years, i.e. up to the 29th March, 2024.

The Board, based on the performance evaluation and as per the recommendations of Nomination and Remuneration Committee, considers that, given his background, experience and contributions made by him during his tenure, the continued association of Mr. Shivbhagwan Bohra would be beneficial to the Company and therefore it is desirable to continue to avail the services as Independent Director for a second term of 5 (five) consecutive years.

The Company has also received declaration from Mr. Shivbhagwan Bohra that he meet the criteria of independence as prescribed under both SEBI (LODR) Regulations, 2015 as well as Section 149(6) of the Act.

In the opinion of the Board Mr. Shivbhagwan Bohra fulfil the conditions for re-appointment as Independent Director as specified in the Act and SEBI (LODR) Regulations, 2015.

The Company has received notices in writing pursuant to Section 160 of the Companies Act, 2013, from a member proposing the re-appointment of Mr. Shivbhagwan R. Bohra for the office of Independent Director of the Company.

Details of Mr. Shivbhagwan Bohra whose re-appointment as Independent Director is proposed at Item Nos. 3 is provided in the “Annexure” to the Explanatory statement.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company.

Your Directors recommend Resolution at Item No. 3 as a Special Resolution for approval of the members.

None of the other Directors or key managerial personnel or their relatives other than Mr. Shivbhagwan Bohra and his relative, are in any way concerned or interested, financially or otherwise, in the proposed resolution.

**BY THE ORDER OF THE BOARD OF DIRECTORS OF  
OMKAR OVERSEAS LIMITED**

**Date: 12.08.2019  
Place: Ahmedabad**

**RAMESH DEORA  
CHAIRMAN & DIRECTOR  
DIN: 01135440**



## Annexure to the Explanatory Statement

Information pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings(SS-2) issued by Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment /continuation of appointment at the Annual General Meeting.

| Name of the Director  | Mr. Ramesh Deora   | Mr. Shivbhagwan R. Bohra   |
|---|--|--|
| DIN   | 01135440   | 00419134   |
| Father/Husband Name   | Ghanshyamdas Deora   | Radhakishan Bohra  |
| Date of Birth   | 10.08.1973   | 01.08.1974   |
| Date of Appointment   | 24.03.2011   | 03.07.2006   |
| Qualification   | B.COM  | Under graduate   |
| Name of the Companie(s) in which he is a director   | 1) Deora Polytax Limited   | NIL  |
| Name of the company in which he is Member/ Chairman in the committees                                 | NIL  | NIL  |
| Disclosure of Relationship with other Directors, Manager and Key Managerial Personnel of the Company. | NIL  | NIL  |
| Specific functional Areas   | Mr. Ramesh Deora is having 22 years of experience in the field of Textile, Marketing, Accounts and Administration. | Mr. Shivbhagwan R. Bohra is having Experience in the field of Administration |
| Shareholding in the Company as on 31st March, 2019.   | NIL  | NIL  |
| Details of remuneration sought to be paid and Remuneration last drawn by such person, if any          | NIL  | NIL  |
| No. of the Board Meeting attended during the year   | 4  | 4  |

## DIRECTORS REPORT

To,  
The Members,  
**Omkar Overseas Limited**  
Ahmedabad

Your Directors are pleased to present the 23rd Annual Report on the Business and Operation of the company along with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2019.

### **FINANCIAL SUMMARY AND HIGHLIGHTS:**

The financial performance of the company for the Financial Year ended on 31st March, 2019 and for the previous financial year ended on 31st March, 2018 is given below:

(Amt. in Rupees)

| Particulars   | 2018-2019         | 2017-2018         |
|---|-------------------|-------------------|
| Revenue from operations   | 10,657,449        | 11,916,326        |
| Other Income  | 511,153           | 360,504           |
| <b>Total revenue</b>  | <b>11,168,602</b> | <b>12,276,830</b> |
| <b>Expenditure</b>  |                   |                   |
| Employee benefits expenses  | 0                 | 0                 |
| Purchases of Stock-in-trade                                       | 10,067,161        | 11,363,967        |
| Other expenses  | 685,292           | 6,69,935          |
| <b>Total expenses</b>   | <b>10,752,453</b> | <b>12,033,902</b> |
| <b>Profit before exceptional and extra ordinary items and tax</b> | <b>416,149</b>    | <b>2,42,928</b>   |
| <b>Profit before tax</b>  | <b>416,149</b>    | <b>2,42,928</b>   |
| <b>Tax expense :</b>  |                   |                   |
| Income tax for earlier years                                      | (18,600)          | 5,806             |
| Provision for income tax  | 90,000            | 70,000            |
| Reversal of excess provision of Income tax                        | 0                 | 0                 |
| <b>Net profit for the year</b>                                    | <b>344,749</b>    | <b>1,67,122</b>   |

### **PRESENT OPERATIONS & FUTURE PROSPECTS:**

During the year under review, the revenue from operations of company for the Financial Year 2018-19 was Rs. 106.57 Lakhs compared to the previous Financial Year 2017-18 of Rs. 119.16 Lakhs. The Company made Net Profit of Rs. 3.44 Lakhs as compared to profit of Rs. 1.67 Lakhs in previous Financial Year.

During the year under the review, the profit of Rs. 344,749/- is being carried forward in Profit and loss Account surplus.

During the year under the review the total revenue from operation decreased by Rs. 1,108,228/- (9.02%) in comparison to the previous year. The total expenses have also been decreased by Rs.1,281,449/- (10.64%) and due to that fewer expenses during the year under review the net profit after tax (PAT) has increased by Rs. 177,627/- (106.28%). The decrease in sales was result of the stiff competition and general economic conditions.

Your Directors are hopeful to exploit the present resources in efficient manner and achieve better results in the coming year.

**CHANGE IN NATURE OF COMPANY'S BUSINESS:**

During the year under review, there is no change in the nature of company's Business.

**DIVIDEND:**

Your directors do not recommend payment of any dividend for the financial year ended 31st March, 2019, in order to conserve the resources of the Company. The Company will retain the earnings for use in the operations of future projects and strive to increase the net worth of the stakeholders.

**DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED:**

**i. Retirement by Rotation:**

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Ramesh Deora, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your directors recommend his re-appointment.

**ii. Appointment/Cessation:**

During the year under review, there was no appointment or cessation of any Director during the year.

**iii. Key Managerial Personnel:**

The following persons were designated as Key Managerial Personnel:

1. Mr. Niranjana Agarwal is designated as Chief Financial Officer
2. Mr. Ramesh Deora is designated as Chief Executive Officer

**DETAILS OF HOLDING / SUBSIDIARY COMPANIES / JOINT VENTURES / ASSOCIATE COMPANIES:**

The Company doesn't have any Holding/ Subsidiary/ Joint Ventures/ Associate Companies at the start of the year, during the year or at the end of the year and hence there is no requirement of giving the statement containing the salient feature of the financial statement of the company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures.

**DEPOSIT:**

The Company has not invited/accepted any Deposit within the meaning of the Chapter V of the Companies Act, 2013 other than exempted deposit as prescribed under the Companies Act, 2013. Hence there are no particulars to report about the deposit falling under Rule 8 (5) (v) and (vi) of Companies (Accounts) Rules, 2014.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS:**

During the year under review there **were no** significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status or which may have impact on the Company's operation in future.

**INTERNAL FINANCIAL CONTROLS:**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its

assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014, the Board of Directors hereby declare that there are no particulars to report for the Conservation of Energy & Technology Absorption. There is no foreign exchange earnings and outgo during the year under the review.

**PERSONNEL:**

There was no employee drawing remuneration requiring disclosure under the Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**AUDITORS:**

**(A) Statutory Auditors and their Report:**

At 21st Annual General Meeting held on 28th September, 2017 the members approved appointment of M/s. Abhishek Kumar & Associates, Chartered Accountants, having Firm Registration No.: 130052W to hold office from the conclusion of the 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting.

The Ministry of Corporate Affairs vide its notification dated 07th May, 2018 had omitted first proviso to section 139(1) regarding ratification of appointment of auditors by members at every annual general meeting. Therefore, the Resolution for the ratification of M/s. Abhishek Kumar & Associates (Firm Registration No. 130052W), Chartered Accountants by members at Annual General Meeting is not taken for approval of Shareholders in the ensuing Annual General Meeting.

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The report does not contain any qualification, reservation or adverse remark.

**(B) INTERNAL AUDITORS:**

The Board of Directors has appointed M/s. R. R. Jain & Associates, Chartered Accountants, as Internal Auditors of the Company for the year 2018-19.

Further the Company has appointed M/s. Sejal Agrawal & Associates, Chartered Accountants, as an Internal Auditor of the Company in its Board Meeting dated 12th August, 2019 for the year 2019-20. The Audit Committee of the Board of Directors in consultation with the Internal Auditors formulate the scope, functioning periodicity and methodology for conducting the internal audit.

**(C) SECRETARIAL AUDITORS:**

The Board of Directors of the Company has, in compliance with the provisions of Section 204(1) of the Companies Act, 2013 and rules made in this behalf, appointed M/s. Umesh Ved & Associates, Company Secretaries to carry out Secretarial Audit of the Company for the financial year 2018-19. The Report of the Secretarial Auditor is annexed to this Report as “Annexure A” which is self explanatory and give complete information.

**EXPLANATION TO THE QUALIFICATIONS IN SECRETARIAL AUDIT REPORT:**

| Qualification/ Adverse Remark  | Explanation  |
|--|--|
| The Company is yet to appoint the Company Secretary as specified under the provisions of Section 203 under the Companies Act, 2013.  | The Company was not able to get a fit and proper candidate at remuneration commensurate with the size of the Company. The Company did make sufficient attempts to appoint full time Company Secretary, however, was unable to find / appoint any suitable candidate. However, the company has made appointment of the women director, i.e. Ms. Chinar Jethwani, who is a Company Secretary by profession guiding for the compliance of the company related to the same area.   |
| The composition of the Nomination and Remuneration Committee of the Board is not in compliance of provisions of section 178 of the Companies Act, 2013 and rules made thereof as the Company is yet to appoint Non-Executive Directors in the company. | The Company had proper composition of the Nomination and Remuneration Committee. However, due to the appointment of Mr. Niranjana Agarwal as Chief Financial Officer, who was Non-Executive director in the company prior to such appointment as KMP, the company requires to appoint one more Non-Executive Director to complete the composition of the Nomination and Remuneration Committee. The Company is looking for fit and proper candidate for the said position to complete the composition of the Nomination and Remuneration Committee of the Board. |

**DISCLOSURE UNDER SECTION 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

There was no employee drawing remuneration requiring disclosure under section 197(12) and Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Required details are annexed to this Report as “Annexure B”.

**LISTING:**

The Equity Shares of the Company are listed on the Bombay Stock Exchange with security ID /symbol of OMKAR.

The Company confirms that the annual listing fees of Bombay Stock Exchange is paid for the year 2018-19.

**DIRECTORS RESPONSIBITLY STATEMENT :**

As required under the provisions of Section 134 of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submit that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors have laid down internal financial controls as required by Explanation to Section 134(5)(e) of the Act to be followed by the Company and such internal financial controls are adequate and are operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of applicable laws and such systems are adequate and operating effectively.

**CORPORATE GOVERNANCE:**

The Regulation 27(2)(a) of SEBI(Listing Obligation and Disclosure Requirement) Regulations, 2015 regarding Corporate Governance is not applicable to the Company, as company falls under criteria of Regulation 15 (2) (a) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 the paid-up capital of the company being less than Rs.10 crore and net worth being less than Rs. 25 crore, the threshold limit as prescribed therein.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report for the financial year under review as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as “Annexure-C”.

**COMPLIANCE WITH THE SECRETARIAL STANDARD:**

The Company has complied with all the provisions of Secretarial Standards on Board Meetings and General Meetings issued by the Institute of Company Secretaries of India.

**RELATED PARTY TRANSACTIONS:**

During the year under review there has been no transaction entered into with the related parties.

**PARTICULARS OF LOANS / GUARANTEES / INVESTMENT:**

During the year the Company has not provided any Loan/guarantee/security or made any investments which fall under the provisions of Section 186 of the Companies Act, 2013.

**RISK MANAGEMENT POLICY:**

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The following Directors are independent in terms of Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015:

(a) Mr. Shivbhagvan Bohra

(b) Ms. Chinar Jethwani

The Company has received requisite declarations/ confirmations from all the above Directors confirming their independence.

#### **EXTRACT OF THE ANNUAL RETURN:**

Pursuant to provision of Section 92 and 134 and other applicable provision of the Companies Act, 2013 and of Rule 12 (1) of Companies (Management and Administration) Rules, 2014 the extract of the annual return in form MGT-9 for the Financial Year ended on 31st March, 2019 is annexed as “**Annexure-D**” to this Report and available on company's website: [www.omkaroverseasltd.com](http://www.omkaroverseasltd.com)

#### **NUMBER OF BOARD MEETINGS:**

The calendar of meetings to be held in a year is decided in advance by the Board and circulated to the Directors. The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Companies Act, 2013.

During the year, 4 meetings of the Board Meeting were held during the Financial year 2018-19 on following dates:

30.05.2018, 13.08.2018, 14.11.2018 and 14.02.2019

| Sr. No. | Date of Board Meeting | Number of meetings Entitled | Number of meetings Attended |
|---------|-----------------------|-----------------------------|-----------------------------|
| 1.      | Mr. Ramesh Deora      | 4                           | 4                           |
| 2.      | Mr. Niranjana Agarwal | 4                           | 4                           |
| 3.      | Mr. Shivbhagwan Bohra | 4                           | 4                           |
| 4.      | Ms. Chinar Jethwani   | 4                           | 4                           |

#### **CORPORATE SOCIAL RESPONSIBILITY:**

The Provision of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility is not applicable to the company.

#### **SHARE CAPITAL:**

The paid up Equity Share Capital as at 31st March, 2019 remained at Rs. 49,235,750/-. During the period under report, your company has not issued any share including Sweat Equity, Convertible Debentures.

#### **ANNUAL PERFORMANCE EVALUATION:**

In compliance with the provisions of the Act and voluntarily under SEBI (LODR) Regulations, 2015, the performance evaluation was carried out as under:

#### **Board:**

In accordance with the criteria suggested by The Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors on a whole was satisfactory.

**Committees of the Board:**

The performance of the Audit Committee, the Nomination and Remuneration Committee, The Stakeholder Relationship Committee was evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act, the Rules framed there under and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015

**Individual Directors:**

- (a) **Independent Directors:** In accordance with the criteria suggested by The Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (excluding the director being evaluated) on various parameters like engagement, leadership, analysis, decision making, communication, governance and interest of stakeholders. The Board was of the unanimous view that each independent director was a reputed professional and brought his/her rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all the independent directors in guiding the management in achieving higher growth and concluded that continuance of each independent director on the Board will be in the interest of the Company.
- (b) **Non-Independent Directors:** The performance of each of the non-independent directors (including the chair person) was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance and interest of stakeholders. The Independent Directors and the Board were of the unanimous view that each of the non-independent directors was providing good business and people leadership.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment.

During the Financial Year 2018-2019, the Company has not received any complaint of sexual harassment.

**AUDIT COMMITTEE :**

The company is having an Audit committee comprising of the following Members. The Composition of the Committee and attendance of the members is given hereunder:

| Sr. No. | Name of Members       | Member/<br>Chairman | Number of<br>meetings Entitled | Number of<br>meetings Attended |
|---------|-----------------------|---------------------|--------------------------------|--------------------------------|
| 1.      | Mr. Shivbhagvan Bohra | Chairman            | 4                              | 4                              |
| 2.      | Mr. Niranjana Agarwal | Member              | 4                              | 4                              |
| 3.      | Ms. Chinar Jethwani   | Member              | 4                              | 4                              |



During the year, 4 meetings of the Audit Committee were held during the Financial year 2018-19 on following dates:

30.05.2018, 13.08.2018, 14.11.2018 and 14.02.2019

The Composition and the Terms of Reference of the Audit Committee is as mentioned in the provisions of Section 177 of the Companies Act, 2013 as amended from time to time.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The company is having Nomination and Remuneration committee comprising of the following Members. The Composition of the Committee and attendance of the members is given hereunder:

| Name                  | Position |
|-----------------------|----------|
| Mr. Shivbhagwan Bohra | Chairman |
| Ms. Chinar Jethwani   | Member   |
| Mr. Niranjan Agarwal  | Member   |

During the Year under review, no Nomination and Remuneration Committee Meetings were held.

The Composition and the Terms of Reference of the Nomination and Remuneration Committee is as mentioned in the provisions of Section 178 of the Companies Act, 2013 as amended from time to time.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE :**

The company is having Stakeholders Relationship Committee comprising of the following Members. The Composition of the Committee and attendance of the members is given hereunder:

| Sr. No. | Name of Members       | Member/<br>Chairman | Number of<br>meetings Entitled | Number of<br>meetings Attended |
|---------|-----------------------|---------------------|--------------------------------|--------------------------------|
| 1.      | Mr. Shivbhagwan Bohra | Chairman            | 4                              | 4                              |
| 2.      | Ms. Chinar Jethwani   | Member              | 4                              | 4                              |

During the year, 4 meetings of the Stakeholder Relationship Committee were held during the Financial year 2018-19 on following dates:

30.05.2018, 13.08.2018, 14.11.2018 and 14.02.2019

The Composition and the Terms of Reference of the Stakeholder Relationship Committee is as mentioned in the provisions of Section 178 of the Companies Act, 2013 as amended from time to time.

#### **VIGIL MECHANISM:**

Pursuant to Section 177(9) of the Companies Act, 2013, the company has adopted Whistle Blower Policy to deal with any instance of fraud and mismanagement. The employees of the company are free to report violations of any laws, rules, regulations and concerns about unethical conduct to the Audit Committee under this policy. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination with any person for a genuinely raised concern.

**POLICIES:**

In accordance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has framed the following policies:

1. Materiality of Information Policy.
2. Policy for Preservation of Documents
3. Code for Fair Disclosure of UPSI
4. Person Authorised for determining the materiality of any event or transaction or information
5. Whistle Blower Policy
6. Nomination & Remuneration Policy.
7. Code of conduct.
8. Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information (UPSI).
9. Policy for Determination of Legitimate purpose for Disclosures of Unpublished Price Sensitive Information (UPSI)

All the above policies have been displayed on the website of the Company [www.omkaroverseasltd.com](http://www.omkaroverseasltd.com)

**TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under review, the provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in last seven years so the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to the provision of Section 125 (e) of the Companies Act, 2013 as there is no amount unclaimed for a period of 7 years from the date it became due for repayment.

**REPORTING OF FRAUD:**

During the year under review there was no instance of any fraud which has been reported by any Auditor to the Audit Committee or the Board.

**MATERIAL CHANGES AND COMMITMENTS IF ANY AFTER BALANCE SHEET DATE:**

There are no material changes and commitments, which may have adverse effect on the operations of the Company.

**APPRECIATION:**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Banker, Suppliers, customers, Shareholders, Regulatory Bodies and other Business associates who have extended their valuable sustained support and encouragement during the year under review.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF  
OMKAR OVERSEAS LIMITED**

**Date: 12.08.2019**  
**Place: Ahmedabad**

**RAMESH DEORA**  
**CHAIRMAN & DIRECTOR**  
**DIN: 01135440**

'ANNEXURE - A'

Form No. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019**

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

To,  
The Members,  
**OMKAR OVERSEAS LIMITED**  
212 New Cloth Market,  
O/S Raipur Gate,  
Ahmedabad - 380002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Omkar Overseas Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not Applicable to the Company during the Audit Period**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 10th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11th November, 2018); **(Not Applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ; **(Not Applicable to the Company during the Audit Period)** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10th September 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11th September 2018); **(Not Applicable to the Company during the Audit Period).**
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further Report That,

*The Company is yet to appoint the Company Secretary as specified under the provisions of Section 203 under the Companies Act, 2013.*

*The composition of the Nomination and Remuneration Committee of the Board is not in compliance of provisions of section 178 of the Companies Act, 2013 and rules made thereof as the Company is yet to appoint Non-Executive Directors in the company.*

**We further report that:**

The Board of Directors of the Company is duly constituted subject to our observations made herein above. There were no changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any matter.

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

**We further report that** during the year under report, the Company has not undertaken event/ action having a major bearing in the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

Place: Ahmedabad

Date : 12.08.2019

**Umesh Ved**  
**Umesh Ved & Associates**  
**Company Secretaries**  
**FCS No.: 4411**  
**C.P. No.: 2924**

To.  
The Members,  
**OMKAR OVERSEAS LIMITED**  
212 New Cloth Market,  
O/S Raipur Gate,  
Ahmedabad - 380002

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

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

Place: Ahmedabad  
Date : 12.08.2019

**Umesh Ved**  
**Umesh Ved & Associates**  
**Company Secretaries**  
**FCS No.: 4411**  
**C.P. No.: 2924**

**“ANNEXURE- B”****Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) rules 2014**

- (i) The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19:

During the period no remuneration was paid to any Director, hence ratio of remuneration stands at 0 (zero)

- (ii) The percentage increase in remuneration of each director CFO, CEO, Company Secretary or Manager, if any, in the financial year 2018-19:

|                       |     |     |
|-----------------------|-----|-----|
| Mr. Niranjana Agarwal | CFO | Nil |
| Mr. Ramesh Deora      | CEO | Nil |

- (iii) **The number of permanent employees on the rolls of the Company: Nil**

- (iv) **Percentage increase in median remuneration of employees in the financial year- Nil**

- (v) **Affirmation that the remuneration is as per remuneration policy of the company**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration if paid to the Key Managerial Personnel and senior Management in near future will be as per the Remuneration Policy of your company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF  
OMKAR OVERSEAS LIMITED**

**Date: 12.08.2019  
Place: Ahmedabad**

**RAMESH DEORA  
CHAIRMAN & DIRECTOR  
DIN: 01135440**

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**“ANNEXURE-C”**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2019

**1. INDUSTRY STRUCTURE AND DEVELOPMENTS**

During the period under the review, the Company had been operating in Textile activities i.e. Trading of Finished Goods/Fabrics

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY 2017-18 stood at US\$ 39.2 billion in FY18 and is expected to increase to US\$ 82.00 billion by 2021 from US\$ 31.65 billion in FY19 (up to Jan 19).

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

The textiles manufacturing business is a pioneer activity in the Indian manufacturing sector and it has a primordial importance in the economic life of the country. Growth in sector depends on consumer spending and there are multiple factors affecting consumer spending like actual and perceived economic condition, disposable income, employment and consumer credit availability. The government has been pushing for indigenous production through 'Make in India' campaign to bring down imports.

**2. OPPORTUNITIES & THREATS:**

The areas of operations of the Company are largely challenged by the players from the unorganized players having lesser stakes into the Business. Demonetization, Goods and Service Tax Act and other law reforms has little bit hampered the growth and confidence into the market.

However, with the strong team, the Company is poised to meet all the challenges and the Board is confident to meet all the challenges to which the Company may be exposed.

**3. SEGMENT-WISE PERFORMANCE:**

The Company's main business activity is textile and its related activities which fall under single reportable segment i.e. 'Textiles'. The Company has majorly focused on quality and production.



**4. OUTLOOK:**

Your Company expects turn around in its performance in coming year on several initiatives taken by the Company .The Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

**5. RISK & CONCERNS:**

The Company is exposed to specific risks that are particular to its business, including interest rate volatility, economic cycle, market risk and credit risk. The management continuously assesses the risks and monitors the business and risk management policies to minimize the risk.

**6. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. The Company has appointed M/s. R.R.Jain & Associates, Chartered Accountants, as Internal Auditors of the Company for the year 2018-19. The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter-alia, monitoring and evaluating the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit Committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

**7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the year, the Company has recorded a turnover of Rs.10,657,449/- as compared to Rs. 11,916,326/- in the previous year. The Company has made net profit of Rs. 344,749/- as compared to Rs. 167,122/- of the previous year after providing depreciation, tax, etc. for the year ended 31st March, 2018.

**8. HUMAN RESOURCE DEVELOPMENT:**

The Company believes that the human resources are vital in giving the Company a Competitive edge in the current business environment. The Company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition / dissemination, creativity and responsibility. As in the past, the Company has enjoyed cordial relations with the employees at all levels.

**9. CAUTIONARY STATEMENT:**

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be “forward-looking statements”

within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

#### 10. DISCLOSURE OF ACCOUNTING TREATMENT:

The company does follow all the treatments in the Financial Statements as per the prescribed Accounting Standards.

#### 11. KEY FINANCIAL RATIOS:

| Sr. No. | Ratios                  | 2019      | 2018      | Variance  |
|---------|-------------------------|-----------|-----------|-----------|
| 1.      | Debtors Turnover        | 366(Days) | 354(Days) | 12 (Days) |
| 2.      | Current Ratio           | 7.05%     | 4.92%     | 2.13%     |
| 3.      | Operating Profit Margin | 3.73%     | 1.98%     | 1.75%     |
| 4.      | Net Profit Margin       | 3.09%     | 1.36%     | 1.73%     |

Return on Net worth Increased from 0.34% in 2017-18 to 0.69% in 2018-19 mainly due to Profits.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF  
OMKAR OVERSEAS LIMITED**

**Date: 12.08.2019**  
**Place: Ahmedabad**

**RAMESH DEORA**  
**CHAIRMAN & DIRECTOR**  
**DIN: 01135440**

**“ANNEXURE-D”****Form No. MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2019**

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

|             |   |   |
|-------------|---|---|
| <b>i.</b>   | CIN   | L51909GJ1994PLC023680   |
| <b>ii.</b>  | Registration Date   | 25/11/1994  |
| <b>iii.</b> | Name of the Company   | OMKAR OVERSEAS LIMITED  |
| <b>iv.</b>  | Category/Sub-Category of the Company                                      | Public Company Limited by Shares  |
| <b>v.</b>   | Address of the Registered office and contact details                      | 212 New Cloth Market o/s Raipur Gate,<br>Ahmedabad-380002<br>E-mail : omkaroverseas212@gmail.com<br>Contact No. : <b>079-22132078</b>   |
| <b>vi.</b>  | Whether listed company  | Yes   |
| <b>vii.</b> | Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime (India) Private Limited<br>5th floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off CG Road, Navarangpura, Ahmedabad, Gujarat - 380009<br>Contact No. : <b>079-26465179</b> |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| Sr. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|---|----------------------------------|------------------------------------|
| 1       | Trading in textile                              | 46411                            | 100%                               |

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

| Sr. No. | Name And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | %of shares held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|-----------------|--------------------|
| 1       |                                 |         |                                |                 |                    |
| 2       |                                 |         |                                |                 |                    |
| 3       |                                 |         |                                |                 |                    |
| 4       |                                 |         |                                |                 |                    |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i. Category-wise Share Holding**

| Category of Shareholders  | No. of Shares held at the beginning of the year |          |               |                   | No. of Shares held at the end of the year |          |               |                   | % Change during The year |
|---|---|----------|---------------|-------------------|---|----------|---------------|-------------------|--------------------------|
|   | Demat   | Physical | Total         | % of Total Shares | Demat                                     | Physical | Total         | % of Total Shares |                          |
| <b>A. Promoter</b>  |   |          |               |                   |   |          |               |                   |                          |
| <b>1) Indian</b>  |   |          |               |                   |   |          |               |                   |                          |
| a) Individual/ HUF  | 358346  | 0        | 358346        | 7.17              | 358346                                    | 0        | 358346        | 7.17              | 0                        |
| b) Central Govt   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| c) State Govt(s)  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| d) Bodies Corp  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| e) Banks / FI   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| f) Any Other  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| <b>Sub-total(A)(1):-</b>  | <b>358346</b>                                   | <b>0</b> | <b>358346</b> | <b>7.17</b>       | <b>358346</b>                             | <b>0</b> | <b>358346</b> | <b>7.17</b>       | <b>0</b>                 |
| <b>2) Foreign</b>   |   |          |               |                   |   |          |               |                   |                          |
| g) NRIs-Individuals   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| h) Other-Individuals  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| i) Bodies Corp.   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| j) Banks / FI   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| k) Any Other....  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| <b>Sub-total(A)(2):-</b>  | <b>0</b>  | <b>0</b> | <b>0</b>      | <b>0</b>          | <b>0</b>                                  | <b>0</b> | <b>0</b>      | <b>0</b>          | <b>0</b>                 |
| <b>Total Shareholding of Promoters (A)= (A)(1)+(A)(2)</b>                 | <b>358346</b>                                   | <b>0</b> | <b>358346</b> | <b>7.17</b>       | <b>358346</b>                             | <b>0</b> | <b>358346</b> | <b>7.17</b>       | <b>0</b>                 |
| <b>B. Public Shareholding</b>   |   |          |               |                   |   |          |               |                   |                          |
| <b>1. Institutions</b>  |   |          |               |                   |   |          |               |                   |                          |
| a) Mutual Funds   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| b) Banks / FI   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| c) Central Govt   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| d) State Govt(s)  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| e) Venture Capital Funds  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| f) Insurance Companies  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| g) FIs  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| h) Foreign Venture Capital Funds  | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| i) Others (specify)   | 0   | 0        | 0             | 0                 | 0   | 0        | 0             | 0                 | 0                        |
| <b>Sub-total(B)(1)</b>  | <b>0</b>  | <b>0</b> | <b>0</b>      | <b>0</b>          | <b>0</b>                                  | <b>0</b> | <b>0</b>      | <b>0</b>          | <b>0</b>                 |
| <b>2. Non Institutions</b>  |   |          |               |                   |   |          |               |                   |                          |
| a) Bodies Corp.   | 374301  | 0        | 374301        | 7.4860            | 342723                                    | 0        | 342723        | 6.8545            | -0.63                    |
| (i) Indian  |   |          |               |                   |   |          |               |                   |                          |
| (ii) Overseas   |   |          |               |                   |   |          |               |                   |                          |
| b) Individuals  |   |          |               |                   |   |          |               |                   |                          |
| (i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 2212438   | 78800    | 2291238       | 45.8248           | 2266587                                   | 78700    | 2345287       | 46.9057           | +1.09                    |

|   |                |               |                |                |                |               |                |               |          |
|---|----------------|---------------|----------------|----------------|----------------|---------------|----------------|---------------|----------|
| (ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 1103735        | 219100        | 1322835        | 26.4567        | 1103735        | 219100        | 1322835        | 26.4567       | 0        |
| c) Others(Specify)  | 653280         | 0             | 653280         | 13.0656        | 630809         | 0             | 630809         | 12.6161       | -0.4495  |
| <b>Sub-total(B)(2)</b>  | <b>4343754</b> | <b>297900</b> | <b>4641654</b> | <b>92.8331</b> | <b>4343854</b> | <b>297800</b> | <b>4641654</b> | <b>92.833</b> | <b>0</b> |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)                                      | 4343754        | 297900        | 4641654        | 92.8331        | 4343854        | 297800        | 4641654        | 92.833        | 0        |
| C. Shares held by Custodian for GDRs & ADRs                                       | 0              | 0             | 0              | 0              | 0              | 0             | 0              | 0             | 0        |
| <b>Grand Total (A+B+C)</b>  | <b>4702100</b> | <b>297900</b> | <b>5000000</b> | <b>100.00</b>  | <b>4702200</b> | <b>297800</b> | <b>5000000</b> | <b>100.00</b> | <b>0</b> |

### ii. Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year |                                  |   | Shareholding at the end of the year |                                  |   | % change in share holding during the year |
|--------|--------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|---|
|        |                    | No. of Shares                             | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares |   |
| 1.     | Pooja Agarwal      | 189829                                    | 3.80                             | 0   | 189829                              | 3.80                             | 0   | 0   |
| 2.     | Champalal Agarwal  | 168517                                    | 3.37                             | 0   | 168517                              | 3.37                             | 0   | 0   |
|        | <b>Total</b>       | <b>358346</b>                             | <b>7.17</b>                      | <b>0</b>  | <b>358346</b>                       | <b>7.17</b>                      | <b>0</b>  | <b>0</b>                                  |

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

| Sr. No | Name of the Promoter / Promoter Group | Shareholding at the beginning of the year (01.04.2018) |                                  | Date | Increase/ Decrease in Shareholding | Reason | Cumulative Shareholding during the year(31.03.2019) |                                  |
|--------|---------------------------------------|--|----------------------------------|------|------------------------------------|--------|---|----------------------------------|
|        |                                       | No. of Shares  | % of total shares of the company |      |                                    |        | No. of Shares                                       | % of total shares of the company |
| 1      | Pooja Agrawal                         | 189829   | 3.80                             |      |                                    |        | 189829  | 3.80                             |
| 2      | Champaklal Agarwal                    | 168517   | 3.37                             |      |                                    |        | 168517  | 3.37                             |
|        | <b>TOTAL</b>                          | <b>358346</b>  | <b>7.17</b>                      |      |                                    |        | <b>358346</b>                                       | <b>7.17</b>                      |

**(iv) Shareholding pattern of top ten shareholders**

| Sr. No. | For each of the Top 10 Shareholders | Shareholding at the beginning of the year |                                  | Date   | Increase/Decrease in share holding                                   | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year |                                  |
|---------|-------------------------------------|---|----------------------------------|--|--|---|----------------------------------|-------------------------------------|----------------------------------|
|         |                                     | No. of Shares                             | % of total shares of the company |  |  | No. of Shares                           | % of total shares of the company | No. of Shares                       | % of total shares of the company |
| 1.      | Premchand Madanchand                | 291003                                    | 5.8201                           | 09.11.2018<br>31.12.2018   | (291003)<br>291003   | 291003                                  | 5.8201                           | 219003                              | 5.8201                           |
| 2.      | Dadima Capital (P) Ltd              | 109162                                    | 2.1834                           | 09.11.2018<br>31.12.2018   | (109162)<br>109162   | 109162                                  | 2.1834                           | 109162                              | 2.1834                           |
| 3.      | Dharmesh Maldevbhai Godhania        | 100000                                    | 2.0002                           | -  | -  | 100000                                  | 2.0002                           | 100000                              | 2.0002                           |
| 4.      | S J Infratech Private Limited       | 95335                                     | 1.9067                           | 09.11.2018<br>31.12.2018   | (95335)<br>95335   | 95335                                   | 1.9067                           | 95335                               | 1.9069                           |
| 5.      | Jyotika Sanjay Kumar                | 94100                                     | 1.8822                           | -  | -  | 94100                                   | 1.8822                           | 94100                               | 1.8822                           |
| 6.      | Rakesh Jayantilal Shah              | 86099                                     | 1.722                            | -  | -  | 86099                                   | 1.722                            | 86099                               | 1.722                            |
| 7.      | Jainam Share Consultants Pvt. Ltd   | 84189                                     | 1.6838                           | 20.04.2018<br>06.07.2018<br>10.08.2018<br>05.10.2018<br>09.11.2018<br>31.12.2018<br>25.01.2019<br>22.03.2019 | (8704)<br>350<br>(7445)<br>145<br>(68535)<br>68535<br>(145)<br>(380) | 68010                                   | 1.3602                           | 68010                               | 1.3602                           |
| 8.      | Hemang Omprakash Mehta              | 71000                                     | 1.42                             | 09.11.2018<br>28.12.2018   | (71000)<br>71000   | 71000                                   | 1.42                             | 71000                               | 1.42                             |
| 9.      | M Rama Prasad Reddy                 | 68454                                     | 1.3691                           | 09.11.2018<br>28.12.2018   | (68454)<br>68454   | 68454                                   | 1.3691                           | 68454                               | 1.3691                           |
| 10.     | Kirti Kantilal Mehta                | 59228                                     | 1.1846                           | 09.11.2018<br>28.12.2018   | (59228)<br>59228   | 59228                                   | 1.1846                           | 59228                               | 1.1846                           |
|         |                                     | <b>1058570</b>                            | <b>21.1738</b>                   |  |  | <b>1042391</b>                          | <b>20.8485</b>                   | <b>1042391</b>                      | <b>20.8485</b>                   |

**(v) Shareholding of Directors and Key Managerial personnel:**

| SI No. | For each of the Directors and KMP     | Shareholding at the beginning of the year |                                  | Shareholding at the end of the year |                                  |
|--------|---------------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
|        |                                       | No. of shares                             | % of total shares of the company | No. of shares                       | % of total shares of the company |
| 1.     | <b>Niranjan Dwarikaprasad Agrawal</b> | <b>5000</b>                               | <b>0.10</b>                      | <b>5000</b>                         | <b>0.10</b>                      |

**V. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

| Particulars of Remuneration  | Name of Managing Director / Whole-Time Director / Manager | Total Amount ( In Rs. ) per annum |
|--|---|-----------------------------------|
| 1. Gross Salary  |   |                                   |
| a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | NIL   | NIL                               |
| (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                            | NIL   | NIL                               |
| (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961             | NIL   | NIL                               |
| Stock Option   | NIL   | NIL                               |
| Sweat Equity   | NIL   | NIL                               |
| Commission<br>- as % of profit<br>- others, specify...                             | NIL   | NIL                               |
| Others, please specify   | NIL   | NIL                               |
| Total(A)   |   | NIL                               |
| Ceiling as per the Act   |   | NIL                               |

**B. Remuneration to other directors:**

| Sl No. | Particulars of Remuneration  | Name of MD/WTD/ Manager | Total Amount |
|--------|--|-------------------------|--------------|
|        | <u>Independent Directors</u><br>Fee for attending board committee meetings<br>Commission<br>Others, please specify         | NIL                     | 0            |
|        | Total(1)   |                         | 0            |
|        | <u>Other Non-Executive Directors</u><br>Fee for attending board committee meetings<br>Commission<br>Others, please specify | NIL                     | 0            |
|        | Total(2)   |                         | 0            |
|        | Total(B)=(1+2)   |                         | 0            |
|        | Total Managerial Remuneration  |                         | 0            |
|        | Overall Ceiling as per the Act   |                         |              |

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

| Sl No. | Particulars of Remuneration  | Key Managerial Personnel |                   |          |          |
|--------|--|--------------------------|-------------------|----------|----------|
|        |  | CEO                      | Company Secretary | CFO      | Total    |
| 1.     | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | <u>0</u>                 | 0                 | <u>0</u> | <u>0</u> |
| 2.     | Stock Option   | <u>0</u>                 | <u>0</u>          | <u>0</u> | <u>0</u> |
| 3.     | Sweat Equity   | <u>0</u>                 | <u>0</u>          | <u>0</u> | <u>0</u> |
| 4.     | Commission<br>- as % of profit<br>- others, specify...   | <u>0</u>                 | <u>0</u>          | <u>0</u> | <u>0</u> |
| 5.     | Others, please specify   | <u>0</u>                 | <u>0</u>          | <u>0</u> | <u>0</u> |
| 6.     | Total  | <u>0</u>                 | <u>0</u>          | <u>0</u> | <u>0</u> |

**VI. Penalties / Punishment / Compounding of offences:**

| Type                                | Section of the companies Act | Brief description | Details of Penalty/Punishment/Compounding fees imposed | Authority [RD /NCLT/Court] | Appeal made. If any (give details) |
|-------------------------------------|------------------------------|-------------------|--|----------------------------|------------------------------------|
| <b>A. Company</b>                   |                              |                   |  |                            |                                    |
| Penalty                             |                              |                   |  |                            |                                    |
| Punishment                          |                              |                   |  |                            |                                    |
| Compounding                         |                              |                   |  |                            |                                    |
| <b>B. Directors</b>                 |                              |                   |  |                            |                                    |
| Penalty                             |                              |                   |  |                            |                                    |
| Punishment                          |                              |                   | NIL  |                            |                                    |
| Compounding                         |                              |                   |  |                            |                                    |
| <b>C. Other Officers In Default</b> |                              |                   |  |                            |                                    |
| Penalty                             |                              |                   |  |                            |                                    |
| Punishment                          |                              |                   |  |                            |                                    |
| Compounding                         |                              |                   |  |                            |                                    |



**ABHISHEK KUMAR & ASSOCIATES  
CHARTERED ACCOUNTANTS**

401, Silicon Tower, Nr. Samartheshwar Mahadev Temple, Law Garden  
Navrangpura, Ahmedabad-380009.

**STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED  
ON 31ST MARCH 2019 OF  
“OMKAR OVERSEAS LIMITED”**

**{Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements)  
Regulations, 2015}**

To,  
The Board of Directors,  
**M/S. OMKAR OVERSEAS LIMITED**  
AHMEDABAD.

1. We have audited the Standalone Financial Results of the Company “**M/S. OMKAR OVERSEAS LIMITED**” (the 'Company'), for the quarter and financial year ended on **31st March, 2019**, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016.
2. The said Standalone Financial Results of the Company for the quarter and financial year ended on 31st March, 2019, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the respective Standalone Annual Financial Statements which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IND-AS 34) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these standalone financial results based on our audit of such Standalone Annual Financial Statements and thus we state that our opinion as unmodified in respect of same.
3. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts disclosed in financial results. An audit also includes assessing the accounting principles used and the significant estimates made by the Management. We believe that our audit provides a reasonable basis for our opinion.
4. In our opinion and to the best of our information and according to the explanations given to us, the said Standalone Financial Results of the Company for the quarter and financial year ended on 31st March, 2019:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circulars no. CIR/CFD/FAC/62/2016 dated 05th July, 2016; and
- (ii) give a true and fair view of the financial performance including other comprehensive income and other financial information for the quarter ended 31st March, 2019 as well as the year ended on 31st March, 2019.

**As per our Report of Even Date For and on Behalf of**

**Place : Ahmedabad  
Date : 28/05/2019**

**For, Abhishek Kumar & Associates  
Chartered Accountants  
Firm Regn. No. 130052W**

**(CA. ABHISHEK KUMAR)  
Proprietor  
M. No. 132305**

**ANNEXURE- “A” TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE OF  
OMKAR OVERSEAS LIMITED.**

**Referred to in paragraph-1 on “Report on Other Legal and Regulatory Requirements” of the Independent Auditor's Report of even date to the members of OMKAR OVERSEAS LIMITED on the Standalone Ind AS financial statements for the year ended 31 March 2019;**

1. In respect of its Fixed Assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) According to the information and explanations given to us, fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
  - (c) According to information and explanations given to us and on the basis of our examination of records of the company, the title deeds of immovable properties, if any, are held in the name of Company.
2. In respect of Inventory:
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
  - (b) According to the information and explanation given to us, no material discrepancies were noticed on physical verification of inventory as compared to the book records and such discrepancies, if any, have been properly dealt with in the books of accounts.
3. In our opinion, and according to the information and explanations given to us we report that the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability Partnerships or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) to (c) of the order are not applicable to the company and hence not commented upon.
4. In our Opinion, and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under the Section 185 of the Act. The Company has not given guarantees or provided security requiring compliance under section 185 or 186 of the Act, hence clause 4 of the order is not applicable to the Company.
5. In our opinion, the Company has not accepted any deposits from public 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.
6. As per the information & explanation given by the management, maintenance of cost records has not been prescribed by the central government under section 148(1) of the Act, for the year under review.
7. In respect of Statutory Dues:
  - (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Goods & Service Tax, cess and any other statutory dues with the appropriate authorities applicable to it.

According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2019 for a period of more than six months from the date on which they became payable.

- (b) According to the information and explanations given to us, there are no material dues of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks. As there are no debentures, the question of repayment does not arise.
  9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of Term Loans during the year.
  10. According to the information and explanation given to us, no material fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
  11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
  12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order and the Nidhi Rules, 2014 are not applicable to the Company.
  13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS financial statements, as required by the applicable accounting standards (AS)18, on Related Party Disclosures, as specified under section 133 of the Act, read with relevant of the Companies (Accounts) Rules, 2014.
  14. The Company has not made any preferential allotment or Private placement of shares or fully or partly convertible debentures during the year under review.
  15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

**As per our Report of Even Date For and on Behalf of**

**Place : Ahmedabad  
Date : 28/05/2019**

**For, Abhishek Kumar & Associates  
Chartered Accountants  
Firm Regn. No. 130052W**

**(CA. ABHISHEK KUMAR)  
Proprietor  
M. No. 132305**

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**Annexure “B” to the Independent Auditors' Report****Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **M/S.OMKAR OVERSEAS LIMITED** (“the Company”), as of 31st March, 2019, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

**Auditor's Responsibility**

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

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

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

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

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company,
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**As per our Report of Even Date For and on Behalf of**

**Place : Ahmedabad**  
**Date : 28/05/2019**

**For, Abhishek Kumar & Associates**  
**Chartered Accountants**  
**Firm Regn. No. 130052W**

**(CA. ABHISHEK KUMAR)**  
**Proprietor**  
**M. No. 132305**

**BALANCE SHEET AS AT MARCH 31, 2019**

(Amount in INR)

| Particulars                         | Note No. | As at March 31,2019  | As at March 31,2018  |
|-------------------------------------|----------|----------------------|----------------------|
| <b>ASSETS</b>                       |          |                      |                      |
| <b>Non-current assets</b>           |          |                      |                      |
| Property, Plant and Equipment       | 3        | 2,025,050.00         | 2,025,050.00         |
| <b>Total non-current assets</b>     |          | <b>2,025,050.00</b>  | <b>2,025,050.00</b>  |
| <b>Current assets</b>               |          |                      |                      |
| Inventories                         | 4        | -                    | -                    |
| Financial assets                    |          |                      |                      |
| (i) Trade receivables               | 5        | 11,190,321.00        | 11,910,652.00        |
| (ii) Cash and cash equivalents      | 6        | 504,369.00           | 40,332.00            |
| Other current assets                | 7        | 37,712,657.00        | 37,874,966.00        |
| <b>Total current assets</b>         |          | <b>49,407,347.00</b> | <b>49,825,950.00</b> |
| <b>TOTAL ASSETS</b>                 |          | <b>51,432,397.00</b> | <b>51,851,000.00</b> |
| <b>EQUITY AND LIABILITIES</b>       |          |                      |                      |
| <b>Equity</b>                       |          |                      |                      |
| Equity share capital                | 8        | 49,235,750.00        | 49,235,750.00        |
| Other equity                        | 9        | 525,100.00           | 180,351.00           |
| <b>Total equity</b>                 |          | <b>49,760,850.00</b> | <b>49,416,101.00</b> |
| <b>Current liabilities</b>          |          |                      |                      |
| Financial liabilities               |          |                      |                      |
| (i) Trade payables                  | 10       | 1,571,241.00         | 2,351,799.00         |
| Other current liabilities           | 11       | 10,306.00            | 13,100.00            |
| Current tax liabilities (Net)       |          | 90,000.00            | 70,000.00            |
| <b>Total current liabilities</b>    |          | <b>1,671,547.00</b>  | <b>2,434,899.00</b>  |
| <b>Total liabilities</b>            |          | <b>1,671,547.00</b>  | <b>2,434,899.00</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b> |          | <b>51,432,397.00</b> | <b>51,851,000.00</b> |

See accompanying Notes 1 to 35 forming part of financial statements

**In terms of our report attached**

**For Abhishek Kumar & Associates**  
Chartered Accountants  
Firm Regn. No. 130052W

**(CA. Abhishek Kumar)**  
Proprietor  
M.No.132305

Place: Ahmedabad  
Dated: 28-05-2019

**For and on behalf of the Board of Directors of**  
**OMKAR OVERSEAS LIMITED**

**Ramesh Deora**  
(Director & CEO)  
DIN-01135440

**Niranjan Agarwal**  
(Director & CFO)  
DIN-00413530

Place: Ahmedabad  
Dated: 28-05-2019

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**  
(Amount in INR)

| Particulars |  | Notes | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|-------------|--|-------|--------------------------------------|--------------------------------------|
| I           | Revenue from operations  | 12    | 10,657,449                           | 11,916,326                           |
| II          | Other income   | 13    | 511,153                              | 360,504                              |
| <b>III</b>  | <b>Total Income (I + II)</b>   |       | <b>11,168,602</b>                    | <b>12,276,830</b>                    |
|             | <b>Expenses:</b>   |       |                                      |                                      |
|             | Purchases of stock-in-trade  | 14    | 10,067,161                           | 11,363,967                           |
|             | Changes in inventories of finished goods<br>(including stock in trade) and work-in- progress | 15    | -                                    | -                                    |
|             | Employee benefits expense  | 16    | -                                    | -                                    |
|             | Finance costs  | 17    | 1,535                                | 637                                  |
|             | Other expenses   | 18    | 683,757                              | 669,298                              |
| <b>IV</b>   | <b>Total expenses</b>  |       | <b>10,752,453</b>                    | <b>12,033,902</b>                    |
| <b>V</b>    | <b>Profit before tax (III-IV)</b>  |       | <b>416,149</b>                       | <b>242,928</b>                       |
| VI          | Tax expense:   |       |                                      |                                      |
|             | a) Current tax   |       | 90,000                               | 70,000                               |
|             | b) Short provision for tax of earlier years  |       | (18,600)                             | 5,806                                |
|             | c) Deferred tax (credit)/charge  |       | -                                    | -                                    |
|             |  |       | <b>71,400</b>                        | <b>75,806</b>                        |
| <b>VII</b>  | <b>Profit after tax (V-VI)</b>   |       | <b>344,749</b>                       | <b>167,122</b>                       |
|             | Other Comprehensive Income   |       |                                      |                                      |
|             | A (i) Items that will not be reclassified to profit or loss                                  |       |                                      |                                      |
|             | Remeasurment of the defined benefit plans  |       | -                                    | -                                    |
|             | (ii) Income tax relating to items that will not<br>be reclassified to profit or loss         |       | -                                    | -                                    |
|             | B (i) Items that will be reclassified to profit or loss                                      |       | -                                    | -                                    |
|             | (ii) Income tax relating to items that will<br>be reclassified to profit or loss             |       | -                                    | -                                    |
| <b>VIII</b> | <b>Total Other Comprehensive Income (A +B)</b>   |       | <b>-</b>                             | <b>-</b>                             |
| <b>IX</b>   | <b>Total Comprehensive Income for the year (VII + VIII)</b>                                  |       | <b>344,749</b>                       | <b>167,122</b>                       |
| X           | Earnings per equity share  |       |                                      |                                      |
|             | Basic and Diluted (in Rs) (Face Value of Rs.10/-each)  | 19    | 0.07                                 | 0.03                                 |
|             | See accompanying Notes 1 to 35 forming part of<br>financial statements                       |       |                                      |                                      |

**In terms of our report attached**

**For Abhishek Kumar & Associates**  
Chartered Accountants  
Firm Regn. No. 130052W

**(CA. Abhishek Kumar)**  
Proprietor  
M.No.132305

**Place: Ahmedabad**  
**Dated: 28-05-2019**

**For and on behalf of the Board of Directors of**  
**OMKAR OVERSEAS LIMITED**

**Ramesh Deora**  
**(Director & CEO)**  
**DIN-01135440**

**Niranjan Agarwal**  
**(Director & CFO)**  
**DIN-00413530**

**Place: Ahmedabad**  
**Dated: 28-05-2019**



## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019

(Amount in INR)

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS</b>  | <b>416,149</b>                       | <b>242,928</b>                       |
| ADJUSTMENT FOR:  |                                      |                                      |
| DEPRECIATION   | -                                    | -                                    |
| INTEREST EXPENSES  | 1,535                                | 637                                  |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>   | <b>417,684</b>                       | <b>243,565</b>                       |
| TRADE AND OTHER RECEIVABLES  | 720,331                              | (262,863)                            |
| INVENTORIES  | -                                    | -                                    |
| OTHER CURRENT ASSETS   | 162,309                              | (24,966)                             |
| OTHER CURRENT FINANCIAL LAIBILITIES i.e. TRADE PAYABLES etc.   | (744,752)                            | 88,543                               |
| <b>CASH IN FLOW FROM OPERATIONS</b>  | <b>555,572</b>                       | <b>44,279</b>                        |
| DIRECT TAX PAID  | (90,000)                             | (70,000)                             |
| EXTRA ORDINARY ITEMS (PRIOR PERIOD ADJUSTMENT)   | -                                    | -                                    |
| <b>NET CASH IN FLOW FROM OPERATING ACTIVITIES</b>  | <b>465,572</b>                       | <b>(25,721)</b>                      |
| <b>B. CASH OUT FLOW FROM INVESTING ACTIVITIES</b>  |                                      |                                      |
| SALE OF FIXED ASSETS   | -                                    | -                                    |
| <b>NET CASH OUT FLOW FROM INVESTING ACTIVITIES</b>   | <b>-</b>                             | <b>-</b>                             |
| <b>C. CASH IN FLOW FROM FINANCING ACTIVITIES:</b>  |                                      |                                      |
| REPAYMENT OF LONG TERM BORROWING   | -                                    | -                                    |
| INTEREST PAID  | (1,535)                              | (637)                                |
| <b>NET CASH IN FLOW FROM FINANCING ACTIVITIES</b>  | <b>(1,535)</b>                       | <b>(637)</b>                         |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>  | <b>464,037</b>                       | <b>(26,358)</b>                      |
| <b>NET CASH AND CASH EQUIVALENT (OPENING CASH BALANCE)</b>   | <b>40,332</b>                        | <b>66,690</b>                        |
| <b>NET CASH AND CASH EQUIVALENT (CLOSING CASH BALANCE)</b>   | <b>504,369</b>                       | <b>40,332</b>                        |
| <b>AUDITORS REPORT</b>   |                                      |                                      |
| We have verified the attached Cash Flow Statement of OMKAR OVERSEAS LIMITED derived from the audited financial statements and the books of records maintained by the company for the year ended 31st March 2019 and found the same in agreement therewith. |                                      |                                      |

**In terms of our report attached**

**For Abhishek Kumar & Associates**  
Chartered Accountants  
Firm Regn. No. 130052W

**(CA. Abhishek Kumar)**  
Proprietor  
M.No.132305

**Place: Ahmedabad**  
Dated: 28-05-2019

**For and on behalf of the Board of Directors of**  
**OMKAR OVERSEAS LIMITED**

**Ramesh Deora**  
(Director & CEO)  
DIN-01135440

**Niranjan Agarwal**  
(Director & CFO)  
DIN-00413530

**Place: Ahmedabad**  
Dated: 28-05-2019

## Statement of changes in equity for the year ended March 31, 2019

## A. EQUITY SHARE CAPITAL

(Amount in INR)

| Particulars                                     | Total      |
|---|------------|
| Balance as at April 1, 2017                     | 49,235,750 |
| Changes in Equity Share Capital during the year | -          |
| Balance as at March 31, 2018                    | 49,235,750 |
| Changes in Equity Share Capital during the year | -          |
| Balance as at March 31, 2019                    | 49,235,750 |

## B. OTHER EQUITY

(Amount in INR)

| Particulars  | Reserves and Surplus       |                 |                 |                     | Item of Other Comprehensive income         | Total          |
|--|----------------------------|-----------------|-----------------|---------------------|--|----------------|
|  | Securities premium reserve | Capital Reserve | General reserve | Retained earnings   | Remeasurement of net defined benefit plans |                |
| Balance as at April 1, 2017                                | 56,943,000                 | -               | -               | (56,929,771)        | -  | 13,229         |
| Profit for the year  | -                          | -               | -               | 167,122             | -  | 167,122        |
| Other comprehensive income for the year, net of income tax | -                          | -               | -               | -                   | -  | -              |
| <b>Total comprehensive income for the year</b>             | -                          | -               | -               | <b>167,122</b>      | -  | <b>167,122</b> |
| Addition during the year                                   | -                          | -               | -               | -                   | -  | -              |
| Balance as at March 31, 2018                               | <b>56,943,000</b>          | -               | -               | <b>(56,762,649)</b> | -  | <b>180,351</b> |
| Profit for the year  | -                          | -               | -               | 344,749             | -  | 344,749        |
| Other comprehensive income for the year, net of income tax | -                          | -               | -               | -                   | -  | -              |
| <b>Total comprehensive income/(loss) for the year</b>      | -                          | -               | -               | <b>344,749</b>      | -  | <b>344,749</b> |
| Transfer to reserves                                       | -                          | -               | -               | -                   | -  | -              |
| Balance as at March 31, 2019                               | <b>56,943,000</b>          | -               | -               | <b>(56,417,900)</b> | -  | <b>525,100</b> |

In terms of our report attached

For Abhishek Kumar & Associates  
Chartered Accountants  
Firm Regn. No. 130052W

(CA. Abhishek Kumar)  
Proprietor  
M.No.132305

Place: Ahmedabad  
Dated: 28-05-2019

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

Ramesh Deora  
(Director & CEO)  
DIN-01135440

Niranjan Agarwal  
(Director & CFO)  
DIN-00413530

Place: Ahmedabad  
Dated: 28-05-2019

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019****1. General Information**

OMKAR OVERSEAS LIMITED (“the Company”) incorporated in 1994 in India. The principal activity of the Company is to be in the business of textile. The Company is generally dealing/trading in the in textile items in India.

**2. Significant Accounting policies****I. Statement of compliance**

The financial statements have been prepared in accordance with Ind AS specified under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016.

Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

**II. Basis of preparation and presentation**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**III. Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for the estimated customer returns, rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable.

Export sales includes export benefits received as per the schemes notified under the Import and Export Policy in respect of exports are recognised when there is reasonable assurance that the entity will comply with the conditions attached to them and that the benefit is received.

Sale of services

Income from service rendered is recognised on accrual basis based on the terms of agreements and when services are rendered.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**IV. Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessor

Amount due from the lessees under finance leases are recognised as receivables at the amount

of the Company's net investment in the leases. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

#### The Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless either:

- a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

#### **V. Foreign currency translations**

The functional currency of the Company has been determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when

they are regarded as an adjustment to interest costs on those foreign currency borrowings;

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

## **VI. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

## **VII. Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized

## **VIII. Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax

assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets on non-depreciable assets the carrying amounts of such properties are presumed to be recovered entirely through sale.

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

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### **IX. Property, plant and equipment**

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment retired from active use are stated at the lower of their net book value and net realisable value and are disclosed separately. Freehold land is not depreciated.

#### **X. Depreciation and amortisation**

All fixed assets, except capital work in progress, are depreciated on a written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

#### **XI. Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

##### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### **XII. Impairment of assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not



possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### **XIII. Inventories**

Inventories are measured at lower of cost and net realizable value. Cost of raw materials, stores & spares parts are ascertained on FIFO basis. Cost of finished goods and process stock is ascertained on full absorption cost basis. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing in them to their present location & condition.

### **XIV. Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## **XV. Financial Instruments**

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in Statement of Profit and Loss.

### **A. Financial assets**

#### **a) Recognition and initial measurement**

- i) The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

#### **b) Classification**

On initial recognition, a financial asset is classified as measured at; amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 9. A debt instrument is classified as FVOCI only if it meets both the of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces the accounting mismatch that would otherwise arise.

### **c) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **d) Impairment**

##### Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- I) Trade receivables or contract revenue receivables; and
- II) All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- i) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- ii) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- iii) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

**e) Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective

interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

## **B. Financial liabilities and equity instruments**

### **a) Classification as debt or equity**

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **b) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### **c) Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the [Statement of comprehensive income/Statement of Profit and Loss].

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

### **d) Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business

model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised classification | Accounting treatment   |
|-------------------------|------------------------|--|
| Amortised cost          | FVTPL                  | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.   |
| FVTPL                   | Amortised Cost         | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.   |
| Amortised cost          | FVTOCI                 | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.   |
| FVTOCI                  | Amortised cost         | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL                   | FVTOCI                 | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.  |
| FVTOCI                  | FVTPL                  | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.  |

## XVI. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

## XVII. Earnings per share

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares.

## XVIII. First time adoption mandatory exceptions, optional exemptions

### a. Overall principle

The Company has prepared the balance sheet as per Ind AS as on the transition date by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by

reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exception and certain optional exemptions availed by the Company as detailed below.

b. Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

c. Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

d. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

e. Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

f. Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

## **2A. Critical Judgements in applying accounting policies and key sources of estimation uncertainty**

### **2A.1 Critical judgements in applying accounting policies**

In the course of applying the policies outlined in all notes under section 2 above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

## **2A.2 Key sources of estimation uncertainty**

### **i) Useful lives and residual value of property, plant and equipment**

Company reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly useful lives are reviewed annually using the best information available to the Management.

### **ii) Fair value measurements and valuation process**

Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied. Other financial instruments are valued using a discounted cash flow method based on assumptions supported, where possible, by observable market prices or rates. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 36.

## Notes forming part of the financial statements

**3 : Property, plant and equipment****(Amount in INR)**

| Particulars                                    | Land             | Total            |
|--|------------------|------------------|
| <b>Cost or deemed cost</b>                     |                  |                  |
| <b>Balance as at April 1, 2017</b>             | 2,025,050        | 2,025,050        |
| Additions                                      | -                | -                |
| Disposals                                      | -                | -                |
| <b>Balance as at March 31, 2018</b>            | <b>2,025,050</b> | <b>2,025,050</b> |
| Additions                                      | -                | -                |
| Disposals                                      | -                | -                |
| <b>Balance as at March 31, 2019</b>            | <b>2,025,050</b> | <b>2,025,050</b> |
| <b>Accumulated depreciation and impairment</b> |                  |                  |
| <b>Balance as at April 1, 2017</b>             | -                | -                |
| Depreciation charge for the year               | -                | -                |
| Disposals                                      | -                | -                |
| <b>Balance as at March 31, 2018</b>            | -                | -                |
| Depreciation charge for the year               | -                | -                |
| Disposals                                      | -                | -                |
| <b>Balance as at March 31, 2019</b>            | -                | -                |
| <b>Net book value</b>                          |                  |                  |
| <b>At April 1, 2016</b>                        | <b>2,025,050</b> | <b>2,025,050</b> |
| <b>At March 31, 2017</b>                       | <b>2,025,050</b> | <b>2,025,050</b> |
| <b>At March 31, 2018</b>                       | <b>2,025,050</b> | <b>2,025,050</b> |

**Notes:**

- (i) The Company evaluates impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired, the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows.

The Management has reviewed the recoverability of the assets and has concluded that no indication of impairment exists and hence, no impairment of asset is required.

**4 : Inventories (At lower of cost and net realisable value) (Amount in INR)**

| Particulars                 | As at March 31, 2019 | As at March 31, 2018 |
|-----------------------------|----------------------|----------------------|
| Finished Goods/Traded Goods | -                    | -                    |
| <b>Total</b>                | <b>-</b>             | <b>-</b>             |

**5 : Trade receivables (Amount in INR)**

| Particulars   | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------|----------------------|
| Unsecured, considered good  | 11,190,321           | 11,910,652           |
| Doubtful  | -                    | -                    |
| Allowance for doubtful debts (including expected credit allowance of Rs.Nil in 31st March, 2019 & Rs.Nil in 31st March, 2018. |                      |                      |
| <b>Total</b>  | <b>11,190,321</b>    | <b>11,910,652</b>    |

**Note 1**

The average credit period on sales of goods is 0 to 180 days. Credit Risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of the total balance of trade receivables.

**Age of receivables (Amount in INR)**

| Particulars  | As at March 31, 2019 | As at March 31, 2018 |
|--------------|----------------------|----------------------|
| < 180 days   | 11,190,321           | 11,910,652           |
| 180-365 days | -                    | -                    |
| <b>Total</b> | <b>11,190,321</b>    | <b>11,910,652</b>    |

**Movement in the expected credit loss allowance on trade receivable (Amount in INR)**

| Particulars  | Year ended March 31, 2018 | Year ended March 31, 2017 |
|--|---------------------------|---------------------------|
| Balance at beginning of the year                             | -                         | -                         |
| Loss allowance calculated at lifetime expected credit losses | -                         | -                         |
| <b>Balance at the end of the year</b>                        | <b>-</b>                  | <b>-</b>                  |

**6 : Cash and cash equivalents (Amount in INR)**

| Particulars             | As at March 31, 2019 | As at March 31, 2018 |
|-------------------------|----------------------|----------------------|
| (a) Cash on hand        | 26,809               | 35,309               |
| (b) Balances with banks | 477,560              | 5,023                |
| <b>Total</b>            | <b>504,369</b>       | <b>40,332</b>        |

**7 : Other current assets (Amount in INR)**

| Particulars  | As at March 31, 2019 | As at March 31, 2018 |
|--|----------------------|----------------------|
| <u>Unsecured, considered good, unless otherwise stated</u> |                      |                      |
| (a) Advances recoverable in cash or in kind                |                      |                      |
| Considered good  | -                    | -                    |
| Considered doubtful  | 37,625,000           | 37,850,000           |
| Less: Provision for doubtful advances                      | -                    | -                    |
|  | 37,625,000           | 37,850,000           |
| (b) Balances with government authorities                   | 87,657               | 24,966               |
| <b>Total</b>   | <b>37,712,657</b>    | <b>37,874,966</b>    |

**8 : Equity share capital****(Amount in INR)**

| Particulars   | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------|----------------------|
| <b>Authorised share capital</b>   |                      |                      |
| 60,00,000 (As at March 31, 2019: 60,00,000 ; as at March 31, 2018: 60,00,000) Equity Shares of ₹10/- each with voting rights  | 60,000,000           | 60,000,000           |
| <b>Total</b>  | <b>60,000,000</b>    | <b>60,000,000</b>    |
| <b>Issued capital</b>   |                      |                      |
| 50,00,000 (As at March 31, 2019: 50,00,000; as at March 31, 2018: 50,00,000) Equity Shares of ₹10/- each with voting rights   | 50,000,000           | 50,000,000           |
| <b>Total</b>  | <b>50,000,000</b>    | <b>50,000,000</b>    |
| <b>Subscribed and fully paid up</b>   |                      |                      |
| "50,00,000 (As at March 31, 2019: 50,00,000; as at March 31, 2018: 50,00,000) Equity Shares of ₹10/- each with voting rights<br>(Of the above share, 28,00,000 (As at March 31, 2019: 28,00,000; as at March 31, 2018: 28,00,000)) equity shares allotted as fully paid up, pursuant to an agreement without payment being received in cash)" | 50,000,000           | 50,000,000           |
| Less : Call unpaid  | 764,250              | 764,250              |
| <b>Total</b>  | <b>49,235,750</b>    | <b>49,235,750</b>    |

**Notes:-****(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting****(Amount in INR)**

| Particulars                                    | Opening Balance | Shares Issued During the Year | Closing Balance |
|--|-----------------|-------------------------------|-----------------|
| <b>Equity Shares</b>                           |                 |                               |                 |
| <b>Year ended March 31, 2019</b>               |                 |                               |                 |
| - Number of shares                             | 5,000,000       | -                             | 5,000,000       |
| - Amount (Amount in INR) (Net of Calls Unpaid) | 49,235,750      | -                             | 49,235,750      |
| <b>Year ended March 31, 2018</b>               |                 |                               |                 |
| - Number of shares                             | 5,000,000       | -                             | 5,000,000       |
| - Amount (Amount in INR) (Net of Calls Unpaid) | 49,235,750      | -                             | 49,235,750      |
| <b>Year ended April 1, 2017</b>                |                 |                               |                 |
| - Number of shares                             | 5,000,000       | -                             | 5,000,000       |
| - Amount (Amount in INR) (Net of Calls Unpaid) | 49,235,750      | -                             | 49,235,750      |

**(ii) Terms/ Rights attached to equity shares**

The company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing AGM.

(iv) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given

| Class of shares / Name of shareholder | As at March 31, 2019  |                                   | As at March 31, 2018  |                                   |
|---------------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|                                       | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| <b>Equity shares fully paid up</b>    |                       |                                   |                       |                                   |
| Premchand Madanchand HUF              | 291,003               | 5.82                              | 291,003               | 5.82                              |

As per records of the company, including its register of share holders/members and other declaration received from the share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

## 9 : Other equity

Refer Statement of Changes in Equity for detailed movement in Equity Balance

### A . Summary of Other Equity Balance (Amount in INR)

| Particulars  | As at March 31, 2019 | As at March 31, 2018 |
|--|----------------------|----------------------|
| <b>(a) Securities premium account</b>              |                      |                      |
| Opening Balance                                    | 56,943,000           | 56,943,000           |
| Add:-premium on issue of shares                    | -                    | -                    |
|  | 56,943,000           | 56,943,000           |
| <b>(b) Surplus in Statement of Profit and Loss</b> |                      |                      |
| Opening balance                                    | (56,762,649)         | (56,929,771)         |
| Add: Profit for the year                           | 344,749              | 167,122              |
|  | (56,417,900)         | (56,762,649)         |
|  |                      |                      |
| <b>Total</b>                                       | <b>525,100.00</b>    | <b>180,351.00</b>    |

### B Nature and purpose of reserves

#### (i) Securities premium

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

#### (ii) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

## 10 : Trade payables

(Amount in INR)

| Particulars    | As at March 31, 2019 | As at March 31, 2018 |
|----------------|----------------------|----------------------|
| Trade payables | 1,571,241            | 2,351,799            |
| <b>Total</b>   | <b>1,571,241</b>     | <b>2,351,799</b>     |

The average credit period on purchases of certain goods is 0 to 90 days. No interest is payable on the trade payables for the first 0 to 90 days from the date of invoice. Thereafter, the interest is paid at 18.5% per annum on the outstanding balance. The Company has financial risk management policies in process to ensure that all payables are paid within the pre-agreed credit terms.

### Dues payable to Micro and Small Enterprise

As per information given to us there were no amount overdue and remaining outstanding to small scale and /or ancillary Industrial suppliers on account of principal and /or interest as at the close of the year. Based on the information available with company, there are no dues outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 for more than 45 days as at March 31, 2019.

**A . Summary of Other Equity Balance (Amount in INR)**

| Particulars   | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---|-------------------------|-------------------------|
| Principal amount remaining unpaid to any supplier as at the year end  | -                       | -                       |
| Interest due on the above mentioned principal amount remaining unpaid to any supplier as at the year end                                  | -                       | -                       |
| Amount of the interest paid by the Company in terms of Section 16   | -                       | -                       |
| Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSM Act. | -                       | -                       |
| Amount of interest accrued and remaining unpaid at the end of the accounting year   | -                       | -                       |

**11 : Other current liabilities (Amount in INR)**

| Particulars           | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|-----------------------|-------------------------|-------------------------|
| Statutory remittances | 10,306                  | 13,100                  |
| <b>Total</b>          | <b>10,306</b>           | <b>13,100</b>           |

**12 : Revenue from operations (Amount in INR)**

| Particulars   | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Sale of products (Including Excise duty of ₹ Nil for the year ended March 31, 2019; for the year ended March 31, 2018: ₹ Nil) |                                      |                                      |
| Finished/Traded Goods (Net of Returns, Rebate & Discount)   | 10,657,449                           | 11,916,326                           |
| <b>Total</b>  | <b>10,657,449</b>                    | <b>11,916,326</b>                    |
| Less: Commission on sales   | -                                    | -                                    |
| <b>Total</b>  | <b>10,657,449</b>                    | <b>11,916,326</b>                    |

**13 : Other income (Amount in INR)**

| Particulars                    | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--------------------------------|--------------------------------------|--------------------------------------|
| Rebat, Discount & Claim Income | 511,153                              | 360,504                              |
| <b>Total</b>                   | <b>511,153</b>                       | <b>360,504</b>                       |

**14 : Purchases of stock-in-trade (Amount in INR)**

| Particulars                | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|----------------------------|--------------------------------------|--------------------------------------|
| Purchase of Stock In trade | 10,067,161                           | 11,363,967                           |
| <b>Total</b>               | <b>10,067,161</b>                    | <b>11,363,967</b>                    |

**15 : Changes in inventories of finished goods (including stock in trade) and Work-in-Progress****(Amount in INR)**

| Particulars                               | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Inventories at the end of the year:       |                                      |                                      |
| (a) Finished goods /Traded Goods          |                                      |                                      |
| <b>Total</b>                              | -                                    | -                                    |
| Inventories at the beginning of the year: |                                      |                                      |
| (a) Finished goods /Traded Goods          |                                      | -                                    |
| <b>Total</b>                              | -                                    | -                                    |
| <b>Net (increase) / decrease</b>          | -                                    | -                                    |

**16 : Employee benefit expenses****(Amount in INR)**

| Particulars           | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|-----------------------|--------------------------------------|--------------------------------------|
| Salary, Wages & Bonus | -                                    | -                                    |
| <b>Total</b>          | -                                    | -                                    |

**17 : Finance costs****(Amount in INR)**

| Particulars           | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|-----------------------|--------------------------------------|--------------------------------------|
| Other borrowing costs | 1,535                                | 637                                  |
| <b>Total</b>          | <b>1,535</b>                         | <b>637</b>                           |

**18 : Other expenses****(Amount in INR)**

| Particulars                    | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--------------------------------|--------------------------------------|--------------------------------------|
| Audit Fee                      | 100,000                              | 100,000                              |
| Postage & Courier Exps.        | 11,900                               | 12,352                               |
| Filing Fees Exp.               | -                                    | 4,842                                |
| Consultancy Fees               | 186,436                              | 170,906                              |
| Travelling Exp.                | -                                    | -                                    |
| Listing Expenses               | 250,000                              | 287,500                              |
| Membership & Subscription Fees | 8,860                                | 1,275                                |
| Legal & Professional Exps      | 108,059                              | 70,098                               |
| Printing & Stationery          | 17,500                               | 21,000                               |
| Advertisement Expenses         | -                                    | -                                    |
| Sundry Balance w/off           | 2                                    | 75                                   |
| General Expenses               | 1,000                                | 1,250                                |
| <b>Total</b>                   | <b>683,757</b>                       | <b>669,298</b>                       |
| <b>Payments to auditors:</b>   |                                      |                                      |
| (a) For auditor remuneration   | 100,000                              | 100,000                              |
| <b>Total</b>                   | <b>100,000</b>                       | <b>100,000</b>                       |

**19 : Basic and Diluted Earnings per share**

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

(Amount in INR)

| Particulars   | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Profit after tax (Amount in INR)  | 344,749                              | 167,122                              |
| Weighted average number of equity shares for the purposes of basic and diluted earnings per share | 4,923,575                            | 4,923,575                            |
| Basic and Diluted Earnings per share (Face value of ₹10 each)                                     | 0.07                                 | 0.03                                 |

**20 : Commitments & Contingent liabilities**

(Amount in INR)

| Particulars                          | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--------------------------------------|-------------------------|-------------------------|
| Commitments & Contingent liabilities | -                       | -                       |

**21: Contingent assets**

The are no contingent assets recognised as at March 31, 2019

**22:** Balance of Trade Payables, Receivables, Loans and advances, unsecured loans are subject to confirmation.

**23:** Break up of expenditure incurred on employess who were in receipt of remuneration aggregating ₹ 6000000/- or more for year or ₹ 500000/- or more, where employed for a part of the year. Nil (Previous Year Rs. Nil).

**24: SEGMENT INFORMATION****(a) Description of segment and principal activities**

The Managing Director/ Chief Executive Officer of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). Textile Business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

**(b) Information about geographical areas****(i) Revenue from External Customers**

| Particulars   | 2018-19           | 2017-18           |
|---------------|-------------------|-------------------|
| India         | 10,657,449        | 11,916,326        |
| Outside India | -                 | -                 |
| <b>Total</b>  | <b>10,657,449</b> | <b>11,916,326</b> |

Revenue from external customer is allocated based on the location of customers.

**(ii) Non - Current Assets**

| Particulars   | 2018-19          | 2017-18          |
|---------------|------------------|------------------|
| India         | 2,025,050        | 2,025,050        |
| Outside India | -                | -                |
| <b>Total</b>  | <b>2,025,050</b> | <b>2,025,050</b> |

Non-current assets include property, plant and equipment. It is allocated based on the geographic location of the respective assets.



**(c) Information about major customers**

There is no customer representing more than 10% of the total balance of trade receivables.

**25: Related Party Transactions****(a) List of Related Parties****Directors and their relatives:**

Shri Ramesh G. Deora , Director

**(b) Transactions with Related Parties**

No transactions with related parties during the year 2018-19 and 2017-18.

**26: Financial instruments****1. Capital management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

**1.1 Gearing ratio**

The gearing ratio at the end of the reporting period was as follows. **(Amount in INR)**

| Particulars                                    | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|
|  | (Amt. in ₹)             | (Amt. in ₹)             |
| Debt   | -                       | -                       |
| Cash and bank balances ( Refer Note 13 and 14) | (504,369)               | (40,332)                |
| <b>Net debt</b>                                | <b>(504,369)</b>        | <b>(40,332)</b>         |
| <b>Total equity</b>                            | <b>49,760,850</b>       | <b>49,416,101</b>       |
| <b>Net debt to equity ratio</b>                | <b>(0.01)</b>           | <b>(0.00)</b>           |

**2. Categories of financial instruments**

| Particulars   | As at March 31, 2019 |                   | As at March 31, 2018 |                   |
|---|----------------------|-------------------|----------------------|-------------------|
|   | Carrying<br>values   | Fair<br>values    | Carrying<br>values   | Fair<br>values    |
|   | (Amt. in ₹)          | (Amt. in ₹)       | (Amt. in ₹)          | (Amt. in ₹)       |
| <b>Financial assets</b>   |                      |                   |                      |                   |
| <b>Measured at amortised cost</b>   |                      |                   |                      |                   |
| Trade receivables   | 11,190,321           | 11,190,321        | 11,910,652           | 11,910,652        |
| Cash and cash equivalents   | 504,369              | 504,369           | 40,332               | 40,332            |
| <b>Total Financial Assets carried at<br/>amortised cost (A)</b>             | <b>11,694,690</b>    | <b>1,694,690</b>  | <b>11,950,984</b>    | <b>11,950,984</b> |
| <b>Measured at fair value through profit<br/>and loss</b>                   |                      |                   |                      |                   |
| Current investments in mutual funds   | -                    | -                 | -                    | -                 |
| <b>Total Financial Assets at fair value<br/>through profit and loss (B)</b> | <b>-</b>             | <b>-</b>          | <b>-</b>             | <b>-</b>          |
| <b>Total Financial Assets (A+B)</b>   | <b>11,694,690</b>    | <b>11,694,690</b> | <b>11,950,984</b>    | <b>11,950,984</b> |
| <b>Financial liabilities</b>  |                      |                   |                      |                   |
| <b>Measured at amortised cost</b>   |                      |                   |                      |                   |
| <b>Non-current liabilities</b>  |                      |                   |                      |                   |
| Non-current borrowings-   | -                    | -                 | -                    | -                 |
| <b>Current liabilities</b>  |                      |                   |                      |                   |
| Trade payables  | 1,571,241            | 1,571,241         | 2,351,799            | 2,351,799         |
| <b>Financial Liabilities measured at<br/>amortised cost</b>                 | <b>1,571,241</b>     | <b>1,571,241</b>  | <b>2,351,799</b>     | <b>2,351,799</b>  |
| <b>Total Financial Liabilities</b>  | <b>1,571,241</b>     | <b>1,571,241</b>  | <b>2,351,799</b>     | <b>2,351,799</b>  |

**3 Financial risk management objectives**

The Company's Corporate finance department provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

**4 Market risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates due to foreign currency borrowings and variable interest loans. The Company has entered into derivative contracts to manage part of its foreign currency risk. The Company does not enter into derivative contracts to manage risks related to anticipated sales and purchases.

**5 Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

| Particulars  | As at March 31, 2019 |      |                     |                     | As at March 31, 2018 |      |                    |                    |
|--|----------------------|------|---------------------|---------------------|----------------------|------|--------------------|--------------------|
|  | (Amt. in ₹)          |      |                     |                     | (Amt. in ₹)          |      |                    |                    |
|  | USD                  | EURO | INR                 | TOTAL               | USD                  | EURO | INR                | TOTAL              |
| <b>Financial assets</b>  |                      |      |                     |                     |                      |      |                    |                    |
| <b>Non-current financial assets</b>                                    |                      |      |                     |                     |                      |      |                    |                    |
| Investments  | -                    | -    | -                   | -                   | -                    | -    | -                  | -                  |
| <b>Total non-current financial assets</b>                              | -                    | -    | -                   | (0)                 | -                    | -    | -                  | -                  |
| <b>Current financial assets</b>  |                      |      |                     |                     |                      |      |                    |                    |
| (i) Trade receivables  | -                    | -    | 11,190,321          | 11,190,321          | -                    | -    | 11,910,652         | 11,910,652         |
| (ii) Cash and cash equivalents   | -                    | -    | 504,369             | 504,369             | -                    | -    | 40,332             | 40,332             |
| <b>Total current financial assets</b>                                  | -                    | -    | <b>11,694,690</b>   | <b>11,694,690</b>   | -                    | -    | <b>11,950,984</b>  | <b>11,950,984</b>  |
| <b>Total financial assets</b>  | -                    | -    | <b>11,694,690</b>   | <b>11,694,690</b>   | -                    | -    | <b>11,950,984</b>  | <b>11,950,984</b>  |
| <b>Financial liabilities</b>   |                      |      |                     |                     |                      |      |                    |                    |
| <b>Non current financial liabilities</b>                               |                      |      |                     |                     |                      |      |                    |                    |
| Borrowings   | -                    | -    | -                   | -                   | -                    | -    | -                  | -                  |
| <b>Total non-current financial liabilities</b>                         | -                    | -    | -                   | -                   | -                    | -    | -                  | -                  |
| <b>Current financial liabilities</b>                                   |                      |      |                     |                     |                      |      |                    |                    |
| Trade payables   | -                    | -    | 1,571,241           | 1,571,241           | -                    | -    | 2,351,799          | 2,351,799          |
| <b>Total current financial liabilities</b>                             | -                    | -    | <b>1,571,241</b>    | <b>1,571,241</b>    | -                    | -    | <b>2,351,799</b>   | <b>2,351,799</b>   |
| <b>Total financial liabilities</b>                                     | -                    | -    | <b>1,571,241</b>    | <b>1,571,241</b>    | -                    | -    | <b>2,351,799</b>   | <b>2,351,799</b>   |
| <b>Excess of financial liabilities over financial assets</b>           | -                    | -    | <b>(10,123,449)</b> | <b>(10,123,449)</b> | -                    | -    | <b>(9,599,185)</b> | <b>(9,599,185)</b> |
| <b>Hedge foreign currency risk</b>                                     | -                    | -    |                     |                     | -                    | -    |                    |                    |
| <b>Unhedge foreign currency risk</b>                                   | -                    | -    | <b>(10,123,449)</b> | <b>(10,123,449)</b> | -                    | -    | <b>(9,599,185)</b> | <b>(9,599,185)</b> |
| <b>Sensitivity impact on Net liabilities/ (assets) exposure at 10%</b> | -                    | -    | <b>NA</b>           |                     | -                    | -    | <b>NA</b>          | -                  |

### 5.1 Foreign currency sensitivity analysis

The Company is not exposed to USD and EURO currency.

### 6 Interest rate risk management

The Company is not exposed to interest rate risk because borrowing is Nil.

### 7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse BAPL and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company did not exceed 10% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

**7.1 Collateral held as security and other credit enhancements**

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

**8 Liquidity risk management**

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

**8.1****(Amount in INR)**

| Particulars                                    | As at March 31, 2019 |           |           |                   | As at March 31, 2018 |           |           |                   |
|--|----------------------|-----------|-----------|-------------------|----------------------|-----------|-----------|-------------------|
|  | < 1year              | 1-5 years | > 5 years | TOTAL             | < 1year              | 1-5 years | > 5 years | TOTAL             |
| <b>Financial assets</b>                        |                      |           |           |                   |                      |           |           |                   |
| <b>Non-current</b>                             |                      |           |           |                   |                      |           |           |                   |
| Investments                                    | -                    | -         | -         | -                 | -                    | -         | -         | -                 |
| <b>Total non-current financial assets</b>      | -                    | -         | -         | -                 | -                    | -         | -         | -                 |
| <b>Current</b>                                 |                      |           |           |                   |                      |           |           |                   |
| Trade receivables                              | 11,190,321           | -         | -         | 11,190,321        | 11,910,652           | -         | -         | 11,910,652        |
| Cash and cash equivalents                      | 504,369              | -         | -         | 504,369           | 40,332               | -         | -         | 40,332            |
| <b>Total current financial assets</b>          | <b>11,694,690</b>    | -         | -         | <b>11,694,690</b> | <b>11,950,984</b>    | -         | -         | <b>11,950,984</b> |
| <b>Total financial assets</b>                  | <b>11,694,690</b>    | -         | -         | <b>11,694,690</b> | <b>11,950,984</b>    | -         | -         | <b>11,950,984</b> |
| <b>Financial liabilities</b>                   |                      |           |           |                   |                      |           |           |                   |
| <b>Non-current</b>                             |                      |           |           |                   |                      |           |           |                   |
| Borrowings                                     | -                    | -         | -         | -                 | -                    | -         | -         | -                 |
| <b>Total non-current financial liabilities</b> | -                    | -         | -         | -                 | -                    | -         | -         | -                 |
| <b>Current</b>                                 |                      |           |           |                   |                      |           |           |                   |
| Trade payables                                 | 1,571,241            | -         | -         | 1,571,241         | 2,351,799            | -         | -         | 2,351,799         |
| <b>Total current financial liabilities</b>     | <b>1,571,241</b>     | -         | -         | <b>1,571,241</b>  | <b>2,351,799</b>     | -         | -         | <b>2,351,799</b>  |
| <b>Total financial liabilities</b>             | <b>1,571,241</b>     | -         | -         | <b>1,571,241</b>  | <b>2,351,799</b>     | -         | -         | <b>2,351,799</b>  |

**27: Income Taxes****Income taxes recognised in statement of profit and loss****(Amount in INR)**

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>(i) Income tax recognised in the statement of profit and loss</b>       |                                      |                                      |
| <b>Current tax</b>   |                                      |                                      |
| In respect of the current year   | 90,000                               | 70,000                               |
| Short Provision for tax of earlier years                                   | (18,600)                             | 5,806                                |
| <b>Deferred tax</b>  |                                      |                                      |
| In respect of the current year   | -                                    | -                                    |
| MAT Credit Taken   | -                                    | -                                    |
| <b>Income tax expenses recognised in the statement of profit and loss</b>  | <b>71,400</b>                        | <b>75,806</b>                        |
| <b>(ii) Income tax recognised in other comprehensive income</b>            |                                      |                                      |
| Deferred Tax : -   |                                      |                                      |
| Deferred tax benefit on actuarial gain/(loss) on defined plan              | -                                    | -                                    |
| <b>Income tax expenses recognised in the in other comprehensive income</b> | <b>-</b>                             | <b>-</b>                             |

**Reconciliation of Tax Expenses and the accounting profit for the year is as under:****(Amount in INR)**

| Particulars  | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>Income before taxes</b>   | 416,149.00                           | 242,928.00                           |
| Enacted tax rate in India  | 25.75%                               | 25.75%                               |
| Expected income tax benefit/(expense) at statutory tax rate                  | 107,158                              | 62,554                               |
| <b>Effect of:</b>  |                                      |                                      |
| Unrecognized of MAT Credit Entitlements                                      |                                      |                                      |
| Others   | -                                    | -                                    |
| Short Provision for tax of earlier years                                     | (18,600)                             | 5,806                                |
| <b>Income taxes credit/ (expenses) recognised in the statement of income</b> | <b>88,558</b>                        | <b>68,360</b>                        |

The tax rate used for the above reconciliation is the corporate tax rate of 25.75% payable by corporate entities in India on taxable profits under the Indian tax laws.

| Components of Deferred Tax (charge)/benefit for the year | For the year ended<br>March 31, 2019 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Others   | -                                    | -                                    |
| <b>Total deferred tax for the year</b>                   | <b>-</b>                             | <b>-</b>                             |

**Components of deferred tax assets and liabilities**

(Amount in INR)

| Particulars                           | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|---------------------------------------|-------------------------|-------------------------|
| <b>(a) Deferred tax liabilities</b>   |                         |                         |
| (ii) Others                           | -                       | -                       |
| <b>(b) Deferred tax assets</b>        |                         |                         |
| (i) Disallowances under Income Tax    | -                       | -                       |
|                                       | -                       | -                       |
| <b>Deferred tax Liabilities (Net)</b> | -                       | -                       |

**28: The Profit and Loss Statement includes:**

|                      | F.Y.2018-19 | F.Y.2017-18 |
|----------------------|-------------|-------------|
| Auditor Remuneration | 100,000.00  | 100,000.00  |

**29: Earning/Expenditure in foreign Currency during the year - Rs. Nil.**

**30: C.I.F. value of Imports during the year - Rs. Nil.**

**31: Balance of Sundry Debtors, Creditors, Loans & advances, unsecured loans are subject to Confirmation.**

**32: Figures have been rounded off to nearest rupee.**

**33: The Company has neither proposed nor declared any dividend for the financial year 2017-18 and 2018-19.**

**34. Previous year's figures have been regrouped/re-classified wherever necessary**

**35. Approval of financial statements**

The financial statements were approved for issue by the board of directors on 28th May, 2019.

**Signature to Notes Forming Part of the Financial Statement**

**For Abhishek Kumar & Associates**  
Chartered Accountants  
Firm Regn. No. 130052W

**(CA. Abhishek Kumar)**  
Proprietor  
M.No.132305

**Place: Ahmedabad**  
**Dated: 28-05-2019**

**For and on behalf of the Board of Directors of**  
**OMKAR OVERSEAS LIMITED**

**Ramesh Deora**  
**(Director & CEO)**  
**DIN-01135440**

**Niranjan Agarwal**  
**(Director & CFO)**  
**DIN-00413530**

**Place: Ahmedabad**  
**Dated: 28-05-2019**

OMKAR OVERSEAS LIMITED

Registered Office : 212, New Cloth Market, O/s. Raipur Gate, Raipur, Ahmedabad – 380 002

Phone No.: 91-79-22132078

Website : www.omkaroverseasltd.com CIN: L51909GJ1994PLC023680 E - mail: omkaroverseas212@gmail.com

Form No. MGT 11
PROXY FORM

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

Name of the member (s) :
Registered Address :
E-mail Id :
Folio No./Client Id :
DP ID :

I/We, being the member(s) of OMKAR OVERSEAS LIMITED, holding shares of the above named company, hereby appoint:

- (1) Name: Address:
E-mail Id: Signature: or failing him;
(2) Name: Address:
E-mail Id: Signature: or failing him;
(3) Name: Address:
E-mail Id: Signature: or failing him;

as my / our proxy to attend and vote (on a poll) for me / us and on my /our behalf at the 23rd Annual General Meeting to be held on Monday the 30th day of September 2019 at 04:00 P.M. at the 212, New Cloth Market, O/S. Raipur Gate, Ahmedabad 380002 of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Ordinary Business

- 1. To receive, consider and adopt the Financial Statements of the Company which includes Audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss including the statement of Other Comprehensive Income and Cash Flow of the Company as on that date together with the Auditors' Report thereon and Report of the Board of Directors.
2. To reappoint Mr. Ramesh Deora (DIN: 01135440), Director of the Company who retires by rotation and being eligible offers himself for reappointment.

Special Business

- 3. To re-appoint Mr. Shivbhagwan Bohra (DIN 00419134), as an Independent Director of the Company.

Signed this ..... day of ..... 2019

Signature of shareholder

Signature of Proxy holder(s)



Note:

This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company, not less than 48 hours before the commencement of the meeting

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**OMKAR OVERSEAS LIMITED****Registered Office** : 212, New Cloth Market, O/s. Raipur Gate, Raipur, Ahmedabad – 380 002**Phone No.:** 91-79-22132078**Website** : www.omkaroverseasltd.com **CIN:** L51909GJ1994PLC023680 **E - mail:** omkaroverseas212@gmail.com

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**ATTENDANCE SLIP**

Regd. Folio No. ....

\*\* DP ID .....

\*\* Client ID .....

**23rd Annual General Meeting - 30.09.2019**

I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 23rd Annual General Meeting of the Company held on Monday , the 30th September, 2019 at 04:00 P.M. at the 212, New Cloth Market, O/S. Raipur Gate, Ahmedabad 380 002.

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\*Member's/ Proxy's Name in Block Letter

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\*Member's/ Proxy Signature**Note:**

1. Member/ Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed, at the registration counter.
  2. The copy of the Notice may please be brought to the Meeting Hall.
- \* Strike out whichever is not applicable.
- \*\* Applicable only in case of investors holding shares in Electronic Form.
-



Registered Post / Courier

To,

If undelivered please return to :

**OMKAR OVERSEAS LIMITED**

212, New Cloth Market,

O/S. Raipur Gate,

Ahmedabad - 380 002.

**CIN:** L51909GJ1994PLC023680

**Website :** [www.omkaroverseasltd.com](http://www.omkaroverseasltd.com)

**Phone:** 91-79-22132078

**E-mail Id.:** [omkaroverseas212@gmail.com](mailto:omkaroverseas212@gmail.com)