



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

MOL/
August 26, 2019

BSE Limited Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, MUMBAI - 400 001. Scrip Code: 521018	National Stock Exchange of India Limited Listing Department, Exchange Plaza, C-1, Block - G, Bandra-Kurla Complex, Bandra (East), MUMBAI - 400 051. Scrip Code: MARALOVER
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Sub : Submission of Annual Report for the FY 2018-19 alongwith the Notice of 30th Annual General Meeting(AGM) of the Company under Regulation 34(1) & 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

In terms of Regulation 34(1) & 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the FY 2018-19 alongwith the Notice of 30th Annual General Meeting (AGM) of the members of the Company, scheduled to be held on Thursday, September 19, 2019 at 11.00 a.m. at Registered Office of the Company at Maral Sarovar , V. & P.O. Khalbujurg, Teshil, Kasrawad, Distt Khargone-451660 (M.P.)

The Notice of Annual General Meeting along with the Annual Report is being sent to the shareholders of the Company separately through permitted mode.

The above is also uploaded on the website of the Company www.maraloverseas.com

Kindly take the same on record.

Thanking You,

Yours faithfully,
For **MARAL OVERSEAS LIMITED**


VIRENDRA KUMAR GARG
COMPANY SECRETARY
FCS-7321

Encl : A/a.

Maral Overseas Limited

Corporate Office :
Bhilwara Towers, A-12, Sector-1
Noida - 201 301 (NCR-Delhi), India
Tel. : +91-120-4390300 (EPABX)
Fax : +91-120-4277841
Website: www.maraloverseas.com
GSTIN: 09AACCM0230B1Z8

Regd. Office & Works :
Maral Sarovar, V. & P. O. Khalbujurg
Tehsil Khasrawad, Distt. Khargone - 451 660, (M.P.)
Phones : +91-7285-265401-265405
Fax : +91-7285-265406
Website: www.lnjbhilwara.com
GSTIN: 23AACCM0230B1Z1

Corporate Identification No: L17124MP1989PLC008255



Maral Overseas Limited



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ANNUAL REPORT 2018-19

CONTENTS

01 Corporate Information

02 Management Discussion & Analysis

06 Directors' Report

11 Annexures to the Directors' Report

31 Report on Corporate Governance

44 Additional Shareholders' Information

51 Independent Auditors' Report

56 Balance Sheet

57 Statement of Profit & Loss

58 Cash Flow Statement

61 Significant Accounting Policies

72 Notes to Financial Statements

111 Other Informations



CORPORATE INFORMATION

BOARD OF DIRECTORS

L. N. Jhunjhunwala

Ravi Jhunjhunwala
Shekhar Agarwal
Dharmendar Nath Davar (Upto 24 July 2019)
Dr. Kamal Gupta
Priya Shankar Dasgupta
Shantanu Agarwal
Archana Capoor

Chairman-Emeritus

Chairman
Managing Director
Director
Director
Director
Director

KEY EXECUTIVES

• Sarovar Unit

Dinesh Kumar Mittal President

• Noida Unit

Naveen Maheshwari Senior Vice President

KEY MANAGERIAL PERSONNEL

Shekhar Agarwal Managing Director & CEO
Atul Kumar Jain Chief Financial Officer
Virendra Kumar Garg Company Secretary

REGISTERED OFFICE

Maral Sarovar,
V. & P.O. Khalbujurg,
Tehsil Kasrawad,
Distt. Khargone - 451 660 (M.P.)

CORPORATE OFFICE

Bhilwara Towers,
A-12, Sector-1, Noida - 201 301 (U.P.)
Website: www.maraloverseas.com

WORKS :

• Sarovar Unit

Maral Sarovar, V. & P.O. Khalbujurg,
Tehsil Kasrawad, Distt. Khargone - 451 660 (M.P.)

• Noida Unit

A-11, Hosiery Complex, Phase - II (Extension),
Noida - 201 305 (U.P.)

C-126, Sector-63, Noida - 201 307 (U.P.)

AUDITORS

S.S. Kothari Mehta & Co., New Delhi
P. K. Deora & Co., New Delhi

BANKERS

Bank of Baroda
Canara Bank
Central Bank of India
Export-Import Bank of India
State Bank of India
Union Bank of India

MANAGEMENT DISCUSSION AND ANALYSIS

After a strong growth in 2017 and early 2018, global economic activity slowed, notably in the second half of last year, a reflection of multiple factors affecting major economies. China's growth declined following a combination of needed regulatory tightening to rein in shadow banking and an increase in trade tensions with the United States. The current forecast envisages that global growth is set to moderate in the near term, and then pick up modestly. The projected pickup in the second half of 2019 is predicted on an ongoing buildup of policy stimulus in China, recent improvements in global financial market sentiment, the waning of some temporary drag on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies, including Argentina and Turkey. Improved momentum for emerging market and developing economies is projected to continue into 2020, primarily reflecting developments in economies currently experiencing macroeconomic distress forecast subject to notable uncertainty.

Global growth is projected to be 3.3% in 2019, down from 3.6% in 2018 and 4% in 2017. The reduced growth rates are attributed to lower expansion in the second half of 2018 caused by U.S.-China trade tensions, macroeconomic stress in Turkey and Argentina, tighter credit policies in China and financial tightening plus normalisation of monetary policy in advanced economies. Global growth is expected to level out at 3.6% over the medium term beyond 2020.

Global economy is facing multiple risks, which could severely disrupt economic activity and inflict significant damage on longer-term development prospects. These risks include an escalation of trade disputes, an abrupt tightening of global financial conditions, and intensifying climate risks. Per capita incomes will stagnate or grow only marginally in 2019 in several parts of Africa, Western Asia, Latin America and the Caribbean. Even where per capita growth is strong, economic activity is often driven by core industrial and urban regions, leaving peripheral and rural areas behind. Eradicating poverty by 2030 will require both double-digit growth in Africa and steep reductions in income inequality. The U.S. economy represents about 20% of total global output, and is still larger than that of China. The U.S. economy is a highly-developed and technologically-advanced services sector, which accounts for about 80% of its output, dominated by services-oriented companies in areas such as technology, financial services, healthcare and retail. The Chinese economy experienced astonishing growth in the last few decades that catapulted the country to become the world's second largest economy.

Government initiatives in various fields have helped in boosting economic demand. The government provided fillip to manufacturing, took concrete measures for transport and power sectors and gave a push to infrastructure development by giving infrastructure status to affordable housing and focus on coastal connectivity. The Government also introduced comprehensive reforms in the Foreign Direct Investment policy and launched special package for textile industry. Economic growth is expected to be influenced by revival in investment activity as indicated from increase in capital goods production and increasing global demand, which would help improve exports and attracts fresh investments. The Indian economy is in a sweet spot between slow inflation and accelerated growth rate. Macroeconomic data indicates revival in industrial production, lowered retail inflation, growth in private consumption, revival in investments and reversion of growth rate to around 7% levels.

The Government of India has taken significant initiatives to strengthen the economic credentials of the country and make it one of the strongest economies in the world. India is fast becoming home to start-ups, focused on high growth areas such as mobility, e-commerce and

other vertical specific solutions - creating new markets and driving innovation. India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is expected to grow at 7.3 % in the fiscal year 2018-19 and expected to grow 7.5 % in 2019-20.

INDUSTRY SCENARIO

The global textile and apparel industry has seen a structural shift in terms of manufacturing locations, majorly to developing economies, like India, Bangladesh, Vietnam, Cambodia, East Africa etc.. However, with increasing labour wages, high import duties and other concerns in some Asian countries, the manufacturing base is expected to shift to other low-cost destinations. The apparel market globally is expected to cross the magical figure of \$ 850 billion in 2019. The compound growth rate of this huge market is expected to be around 4 % in the coming years also attributed to increase in number of potential consumers and increase in working population world over.

The Indian textile industry has a noteworthy presence in both the Indian economy and in the international textile economy. Its contribution to the Indian economy is corroborated in its contribution to industrial production, employment generation and foreign exchange earnings. Abundant availability of raw materials such as cotton, wool, silk, jute and man-made fibres as well as skilled workforce have made the country a major sourcing hub. It is the world's second largest producer of textiles and garments.

In FY19, growth in private consumption is expected to create strong domestic demand for textiles. Textile and apparel exports from India are expected to increase to US\$ 50 billion by 2021. Exports of textiles and apparels from India reached US\$ 36.70 billion in FY19. In the first nine months (9M) of financial year 2018-19 (FY19), India's overall textile and apparel sales increased by 9 %, according to the latest Wazir Textile Index (WTI).

Investment in Textile Industry

The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). Under the Union Budget 2018-19, ₹ 2,300 (US\$ 355.27 million) crore have been allocated for TUFS and ₹ 30 crore (US\$ 4.63 million) for the Scheme for Integrated Textile Parks, under which there are 47 ongoing projects. In May 2018, textiles sector recorded investments worth ₹ 27,000 crore (US\$ 4.19 billion) since June 2017. The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunities and attract investments worth ₹ 800.00 billion (US\$ 11.93 billion) during 2018-2020. The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), which is estimated to create employment for 35 lakh people and enable investments worth ₹ 95,000 crore (US\$ 14.17 billion) by 2022. During the year the Government of India has raised the basic custom duty to 20 % from 10 % on 501 textile products, to boost Make in India and indigenous production. The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) and Rebate of State Levies for two subsectors of Textiles Industry - Readymade garments and Made ups.

Opportunities & Threats

The modern textile industry offers a broad range of career opportunities from raw materials processing to the designing and manufacturing of apparel and furnishings. Historically, the textile sector has been a major employer of unskilled labor. These jobs have migrated from the



industrialized countries to developing nations where labor costs are low. The fundamental strength of Indian textile industry is its strong production base with wide range of fibers/yarns.

The growth of Indian E-Commerce companies provides opportunities for the Indian textile industry in the domestic as well as international market. Amazon, Flipkart, Jabong and Myntra are the major players in the Indian E-Commerce Industry. India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 % of total exports. The textile industry is also labor intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of yarn, fabrics, apparel and made ups which apply modern machinery and techniques. 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 decentralized 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.

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY18 stood at US\$ 39.2 billion. The size of India's textile market as of November 2017 was around US\$ 150 billion, which is expected to touch US\$ 223 billion market by 2021, growing at a CAGR of 12.2% between 2009-21. The Indian textile industry is highly fragmented and is being dominated by the unorganized sector and small and medium industries. The changing government policies at the state and central government levels are posing major challenges to the textile industry. The tax structure GST (Goods and Service Tax) makes the garments expensive. Another important threat is rising interest rates and labor wages cost. There is a high level of attrition in the garment industry. The Indian textile industry has its own limitations such as accesses to latest technology and failures to meet global standards in the highly competitive export market. There is fierce competition from China, Bangladesh, Vietnam and Sri Lanka in the low price garment market. The environmental and social issues like child labor and personal safety norms are also some of the challenges for the textile industry in India.

Business

Maral Overseas Limited (MOL) is one of India's largest vertically integrated manufacturing company producing yarns, knitted fabrics and knitted garments and is a part of the highly diversified LNJ Bhilwara Group. The Company offers to its customers the finest quality yarn, fabrics and fashionable garments. The Company is focused on creating innovative products which are environment friendly, socially compliant, fashionable and have an aesthetic value added in the final product. It is expected that demand of textile products will increase with the gradual revival of the world economy. During the year, the Company started a Pilot Sampling Plant for Blended Yarns to enhance product mix which helped the company to get orders with higher contribution. However, domestic & international market conditions impacted the profitability of the Company.

Company achieved a higher Turnover at ₹ 757.14 Crore for the year ended 31st March, 2019 against ₹ 640.77 Crore recorded in the

previous year ended 31st March, 2018. Further the operational profit of the Company was also higher at ₹ 50.65 Crore as against ₹ 37.68 Crore achieved in the previous year. The Net profit of the Company also higher at ₹ 8.13 Crore against ₹ 0.99 Crore in the previous year.

During the year under review, the Company's exports (FOB value) were to the tune of ₹ 374.70 Crore and accounted for 49.49 % of MOL's turnover. The yarn business accounted for 56.61% (Previous year 64.24%) while knitted fabric and garment business accounted for 29.78% (24.17%) and 13.62% (13.59%) respectively.

The Company tries to satisfy its customer in the best possible manner. During the year under review, the Company, in order to ensure smooth operations of its activities, has undertaken a modernization programme comprising printing (Digital), Fabric dyeing, Knitting, Spinning, Yarn Dyeing, Engineering which are likely to be completed during the current financial year. During the year under review, the Company had also proposed a capital expenditure of ₹ 55 Crore to expand its product portfolio by introducing printing, technological upgradation in Spinning and replacement of few machines in Fabric Processing and Garment Division. The Company also proposes to setup a green field project for Garment manufacturing at Industrial Area, Smart Industrial Park near NATRIP, Indore in Fiscal 2019-20, for expanding the business of the Company.

Significant changes i.e. change of 25% or more in the key financial ratios

In accordance with the amendments notified by SEBI in Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May, 2018, the details of significant changes i.e. change of 25% or more in key financial ratios as compared to the immediately previous financial year, along with detailed explanations are reported hereunder :-

Particulars	Period Ended 31.03.2019	Period Ended 31.03.2018	% change	Remarks
Stability Ratios				
Debt Equity Ratio (Total Loans)	2.46	2.28	7.89	-
Debt Service Coverage Ratio (DSCR)	1.16	0.56	107.14	Higher profitability by 620 % than last year.
Interest Coverage Ratio	5.52	2.94	87.75	Higher profitability by 620 % than last year
Liquidity Ratios				
Current Ratio (Incl. CPTL)	0.92	0.93	-1.07	-
Current Ratio (Excl. CPTL)	1.00	1.05	-4.76	-
Debtors Turnover Ratio (no. of days)	46.30	47.12	1.74	-
Inventory Turnover Ratio (no. of days)	29.14	38.78	-24.85	-
Profitability Ratios				
Operating Profit Margin	6.70	5.88	13.95	-
Net Profit Margin	1.08	0.15	620.00	Very low profitability in the last year due to implementation of GST and other matters which has now been streamlined.

Change in Return on Net Worth in comparison to the previous year

During the Financial Year ended 31st March, 2019 the return in, net worth of the Company was ₹ 100.57 Crore (8.09%) as compared to the net worth in Financial Year ended 31st March, 2018 which was at ₹ 92.53 Crores (1.07%). The change was due to increase in the profit during the financial year 2018-19.

Disclosure of Accounting Treatment

The Company has followed the same Accounting treatment as prescribed in the relevant Accounting Standards while preparing the Financial Statements.

Risk Management

Currency Risk

The volatility in the currency market is a natural outcome of the floating exchange rate system which leaves an impact on the industry at large. The exchange rate of one currency versus the other is influenced by numerous fundamental and technical factors. These include relative supply and demand of the two currencies, economic performance, outlook for inflation, interest rate differentials, capital flows, technical support and resistance levels, and so on. As these factors are generally in a state of perpetual flux, currency values fluctuate from one moment to the next. Each time a New Year dawns, the outlook for global currency markets brings new foreign exchange concerns to light amid projections of looming geopolitical, economic, and social events.

While most liquid currencies, primarily the majors, have naturally seen marginal volatility, their emerging market counterparts have had a bumpy year. The fall in value of the Turkish lira (TRY) against the U.S. dollar (USD) sent tremors across global currency markets, with a domino effect hitting the South African Rand, Indian Rupee, and Argentinian Peso among other currencies. The other big development spooking the currency market in 2018 has been the escalating trade war playing out mainly between the U.S. and China, and its adverse impact on countries caught in the crossfire, such as those whose economies rely heavily on trade with the latter, including Australia, Malaysia, and Singapore.

Global headwinds placed India's balance of payments under pressure in H1:2018-19. While the impact of sharp rise in oil prices was discernible in widening of the current account deficit (CAD), policy tightening by the US Federal Reserve and strengthening of the US dollar led to massive FPI outflows. As the CAD exceeded net financial flows, there was a drawdown of reserves. Estimates suggest that CAD in H1:2018-19 was higher than the sustainable level. The Indian rupee, too, came under pressure and depreciated in both nominal and real effective terms. Indian rupee lost 8.3 per cent between April and October against the greenback ranking as Asia's worst performing currency. The local unit later recouped some of its losses ending the year with 2.12 per cent fall. Retail inflation plunged to a 17-month low in November to 2.33 per cent, mainly on account of decline in prices. However, the rupee weakening against the dollar is expected to be positive for the textile and clothing sector. Apparel, exports, which were almost stagnant for the last couple of years, is expected to do better. It will give the garment producers cushion against increasing raw material prices. The Centre is expected to reimburse embedded taxes and raise Reimbursement of State Levies, thus giving garment exports a push.

Your Company keeps a continuous eyewatch on the global policies to overcome and reduce the risk involved by taking the necessary corrective actions as per the companies' forex risk policy.

Regulatory Risk

The regulatory framework for labour with multiplicity of laws and reporting requirements with onerous transaction costs is one of the major reasons for the inability of the textile sector to expand and acquire global scale. This is specifically true for the labour intensive segments of the value chain. GST has also played a prominent role in boosting the Indian economy and it is mostly believed that introduction of GST will help attract foreign and domestic investments across new locations. The first half of 2018-19 (i.e., April-September or H1) was marked by significant shifts in the global economic environment. An impulse of global growth peaked and appears to be weakening across several geographies.

The outlay for textile sector has reduced from revised estimate of ₹ 6943.26 crores to 5831.48 crores. The budget allocation under TUFS has been steeply decreased from ₹ 2300 crores to ₹ 700 crores. Last year, only about 30% of the budget could be used due to low disbursements. However, to clear the carried forward obligations, a much higher allocation would be needed. The budget for RoSL has also been reduced significantly which is a cause of great worry to the industry as this could lead to working capital blockages and delay in RoSL receipts. Procurement of Cotton by CCI under Price Support Scheme has increased from ₹ 924 crores to ₹ 2018 crores. This move of the government to double the income of the farmers is well appreciated by the industry.

The Union Cabinet had approved a scheme for rebate of all state and central embedded levies for apparel and made-up textile segments, which would make shipments zero-rated, thereby boosting the country's competitiveness in export markets. The RoSL have been revised upwards for garments and made-ups and centrally embedded levies outside the ambit of GST have been added to the scheme.

Market Risk

India's inflexible labor laws have been a hindrance to investments in this segment. Unlike in home textiles, garment capacities are highly fragmented and leading Indian textile companies have been slow to ramp up their apparel capacities, despite strong order flows from overseas buyers who are trying to diversify out of China. Despite some pick-up in demand from both global and domestic markets, most new capacities in the apparel and home textile segments are not operating at full capacities.

It won't come as any surprise that uncertainty, complexity and volatility in the global economy, US-China trade and Brexit, along with rapidly changing consumption patterns, are pushing the global apparel industry and its supply chain into uncharted territory in the year ahead. Disruptions also present huge opportunities for retailers and brands to rethink their business models and explore new ways of working – especially when it comes to using new technologies and data. In 2019, there are three significant challenges worth considering. First, how to reach an evolving customer; second, how to maximise sustainability initiatives to meet business objectives; and third, how to adapt to a rapidly changing sourcing environment.

The textiles industry has made a major contribution to the national economy in terms of net foreign exchange earnings and contribution to the GDP. The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players in the Indian market.

The Government had increased the rate from 3 % to 5 % of interest subvention in respect of exports of textile and apparel products by



the Micro, Small & Medium Enterprises (MSME) sector manufacturers under the Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit. The extension of the interest equalisation scheme is set to benefit nearly 40 % of textile and apparel exporters in India.

The fall in cotton yarn and fabric exports is impacting the entire value chain from farmers to spinners, weavers and knitters. There is considerable exportable surplus but we are not able to overcome the tariff disadvantage despite being competitive in both spinning and weaving.

Your Company is making continuous efforts by providing world's most comprehensive range of products and exploring new markets and identifying value added products to achieve overall growth.

Internal control system and their adequacy

Internal Control System means all the policies and procedures (internal controls) adopted by the management to assist in achieving management's objective of ensuring, as far as practicable, the orderly and efficient conduct of its business, including adherence to management policies.

The Company's resilience and focus is driven to a large extent by its strong internal control systems for financial reporting. Keeping in mind the nature, size and complexity of business operations, the well formulated control framework covers various aspects of governance, compliance, audit, control and reporting. Stringent procedures ensure high accuracy in recording and providing reliable financial & operational information, meeting statutory compliances. The Company's internal team and Audit Committee keep a close eye on business operations and any deviations are promptly brought to the notice of the leadership. These findings provide input for risk identification and assessment. Timely and adequate measures are undertaken to ensure undisrupted functioning of the business. A host of strategies are devised as a follow-up measure to safeguard the Company.

The Company has engaged an independent Chartered Accountant firm with vast experience and knowledge in order to monitor internal controls. The internal control system are aligned to provide the Internal Audit reports periodically reviewed by the management and the Audit Committee of the Board and necessary improvements are undertaken, if required. Further, the Company works with a robust and comprehensive internal control system with strict adherence to policies which are reviewed in line with the changing business practices. The Audit Committee also reviewed the adequacy of internal control system.

Human Resources

The Company believes that human resources are the most critical element responsible for growth. We strive towards attracting, retaining, and developing the best talent required for the business to grow. The employees are regularly provided with training and development programmes to enhance their skills and focus on career progression. We nurture a work culture that leads to employee satisfaction, unflagging motivation, and high retention rate. Our HR policies ensure working together with the employees for their personal and professional development and at the same time aligning their goals with those of the Company to create a win-win situation. Our focus on ensuring transparent, safe, healthy, progressive and engaging work environment is aimed at creating leaders of the future. Employees have a sense of belongingness and feel empowered in driving business profitability. The well-disciplined workforce which has served the company for twenty nine years lies at the very

foundation of the company's major achievements. The focus is on adopting best practices to ensure better work life balance for all the employees of the Company. The Company had 2573 employees as on 31st March, 2019.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is core to our business as it is a responsibility towards the society. Your Company aims at perpetuating and promoting norms that reflect the commitment of the Company to ensure Human Rights for all stakeholders. The Company is committed to grow its business in a socially responsible manner. It is a continuous business process that helps in maintaining ethical business relations and helping people to become self-dependent. The Company aims to increase its operations without any adverse impact on the environment but which in turn will increase its positive social impact. As a part of CSR program, the focus of initiatives was on girl child education and upgradation of infrastructure at school running in the vicinity of its plant which in turn will help in bringing out the best in all students from all sections of the society. The aim of the Company is to create a difference to the life of the community we serve viz. **Employees:** participation and sharing of expertise so that the Company as well as the society as a whole can get benefitted with the new ideas, thoughts, innovations etc. and to inculcate the sense of commitment towards the society. To make them capable enough to survive in all business conditions without being compromised with health, family and education. To inculcate a sense of belonging by rewarding at every achievements made towards the Company and the society; **Shareholders:** to present the true and fair picture of the Company which in turn will help them to review the position of the Company and to resolve their complaints on preference basis; **Customers:** satisfaction of the customers is the key to success of any business. Company aims to provide timely and quality products to its customers and ensure quick response to the changing market conditions. To aim at providing the products at reasonable rates to all sections of the society; **Government:** make representations before the Government for the benefit of the industry, to abide by all the rules and regulations, making timely payment of all dues; **Stakeholders:** maintaining a trustworthy relationship by making timely payments, disclosing of all the information, maintaining proper records so as to provide timely and relevant information's; **Competitors:** indulge in healthy competition for the betterment of the society, business meetings to maintain cordial relations; **Society:** plan the growth of business in line with the welfare of the society, to undertake various programmes which will create awareness in the society and create job opportunities; **Environment:** to undertake steps under green initiatives i.e. requesting shareholders to communicate paperless, ensure purchase of environment friendly supplies, to comply with all environment regulations, adopting the mantra of reuse and recycle.

Cautionary Statement

Statements in this document/discussion relating to future status, events, or circumstances, including but not limited to statements describing the Company's objectives, projections, estimates and expectations maybe 'forward looking statements' within the meaning of applicable laws and regulations. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those either expressed or implied in the statements. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the market in which the company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

DIRECTORS' REPORT

DIRECTORS' REPORT

Your Directors are pleased to present the Thirtieth Annual Report of your Company on business and operations along with the audited financial statements and the auditor's report for the financial year ended 31st March, 2019.

Financial Results

	₹ In Crore	
	2018-19	2017-18
Revenue from Operation	757.14	640.77
Profit before Interest & Depreciation	50.65	37.68
Less: Finance Cost	16.98	18.68
Profit before Depreciation & Amortisation	33.67	19.00
Less: Depreciation & Amortisation	20.32	18.40
Profit/(Loss) before Tax	13.35	0.60
Less:		
a) Current Tax	2.34	0.00
b) Deferred Tax	2.69	0.18
c) Taxes adjustment for earlier years	0.19	(0.57)
Profit/(Loss) after Tax	8.13	0.99
Add: Opening Balance	(29.08)	(30.16)
Add: Transfer from Equity Component	4.10	0.00
Add: Other Comprehensive Income	(0.64)	0.10
Balance at the end of the year	(17.48)	(29.08)

Number of Meetings of the Board

Particulars of the meetings held during the year along with details regarding the meetings attended by the Directors form part of the Corporate Governance Report.

The composition of the Board and its Committees has also been given in detail in the Report on Corporate Governance.

Dividend

In view of the accumulated losses, your Directors do not propose any dividend for the financial year ended 31st March, 2019.

The carry forward losses are not yet fully set off in the year under review, your Directors in compliance with Companies Act 2013 and rule made thereunder do not recommend the payment of dividend on Cumulative Redeemable Preference Shares (CRPS) issued by the Company and the same has been already informed by the Directors in their previous reports.

Your Company would be able to wipe out the carried over losses in coming years and shall be able to meet its obligations including arrears of dividend on CRPS.

Operations

Your Directors inform the members that during the year under review despite difficult market condition, both domestic and international, the operations of the Company showed marked improvement. Your Company geared itself to face the challenges and made all efforts to continue its operations with full efficiency.

Due to above your Company achieved a higher Turnover at ₹ 757.14 Crore for the year ended 31st March, 2019 against ₹ 640.77 Crore recorded in the previous year ended 31st March, 2018. Further the operational profit of the Company was also higher at ₹ 50.65 Crore as against ₹ 37.68 Crore achieved in the previous year. The Net profit of the Company is also higher at ₹ 8.13 Crore against ₹ 0.99 Crore in the previous year.

During the period under review, your Company has been able to achieve production of 18749.09 MT of grey yarn (19093 MT), 2668 MT of dyed yarn (2433 MT), 4680 MT of grey knitted fabric (4317 MT), 6121 MT of processed fabric (4742 MT) and 36.12 Lakh pieces of garments (39.46 Lakh pieces), without any expansion in capacity.

The fabric division of your company reported good performance and increased its profitability significantly during the year. The Yarn division also recorded marginally higher volume and profit. The Garment segment continued to remain sluggish due to domestic and international market conditions and reported losses inspite of increase in turnover and production.

Your Company took various steps to overcome the situation which included rationalisation, modernisation and capex programme on need based priority.

Your Directors are hopeful that with the completion of the ongoing modernization programme, your Company would improve its performance and profitability. The Company is making all possible efforts to improve margins.

Industry Scenario

The Indian textile industry has a noteworthy presence in both the Indian economy and in the international textile economy. Its contribution to the Indian economy is corroborated by its contribution to industrial production, employment generation and foreign exchange earnings. The Textile & Garments industry in India is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool and silk products to the organized textile industry. The organized textile industry is characterized by the use of capital-intensive technology for mass production of textile products and includes spinning, weaving, processing, apparel, and garment. The Indian textiles industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, and 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 fundamental strength of Indian textile industry is its strong production base with wide range of fibers/yarns. These are natural fibres as well as synthetic/man-made fibres. These materials find application for manufacturing a broad range of conventional as well as advanced finished goods used for bedding, kitchen, upholstery, construction, transportation, handbags, protective, medical, fashion, apparel, and clothing accessories.

The CAI has estimated cotton crop for 2018-19 at 321 lakh bales of 170 kgs each which is lower by 7 lakh bales than its previous estimate of 328 lakh bales made during February, 2019. The main reason for reduction in cotton crop during this year is the scarcity of water in some states. The CAI has estimated domestic consumption of 316 lakh bales and exports for the season 2018-19 at 47 lakh bales which are lower by 22 lakh bales compared to the export of 69 lakh bales estimated during last year.



The CAI has also projected yearly Balance Sheet for the cotton season 2018-19 wherein total cotton supply till end of the cotton season i.e. upto September 2019 has been estimated at 376 lakh bales of 170 kgs each consisting of the Opening Stock of 28 lakh bales at the beginning of the cotton season, cotton crop for the season estimated at 321 lakh bales and imports estimated at 27 lakh bales, which are higher by 12 lakh bales compared to the previous year's import estimated at 15 lakh bales.

The Government has taken various initiatives for the development of textile industry. The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth ₹ 95,000 crore (US\$ 14.17 billion) by 2022. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). Under the Union Budget 2018-19, ₹ 2,300 (US\$ 355.27 million) crore have been allocated for TUFS and ₹ 30 crore (US\$ 4.63 million) for the Scheme for Integrated Textile Parks, under which there are 47 on-going projects. During the year the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on 501 textile products, to boost Make in India and indigenous production. The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

Modernization and Expansion

Your Directors in their previous report mentioned about modernization programme at a capital outlay of ₹ 80 Crore in spinning, yarn dying and processing division as well as installation of Printing (Digital), Fabric dying, Knitting and Enterprise Resource Planning and other capex.

Your Directors feel pleasure in informing the members that the above modernization and installation of capacities is nearing completion and your Company is expected to reap the full benefits of the above plans in the current financial year.

During the year, your Directors have further approved a capital expenditure of ₹ 55 Crore to expand its product portfolio by introducing Printing, technological upgradation in Spinning and replacement of few machines in Fabric Processing and Garment division. Your Directors have also approved to set up a green field project for Garment manufacturing at Industrial Area, Smart Industrial Park near NATRIP, Indore, M. P.

Your Directors are hopeful that with the implementation of the above programs, your company shall be able to realize the full benefits of value addition and shall be able to offer wide range of products.

Corporate Social Responsibility

Education is a social vehicle, which must march ahead and be a source of new ideas. Thus, MOL endeavours to provide the right opportunities and environment for the development of the student

by giving education and also conserving the cultural heritage of the country.

It has always been the endeavour of the Company to be at the forefront with regard to Social and Environmental responsibility. As a responsible corporate citizen, we aim to contribute to social and environmental causes on a regular basis. For us Corporate Social Responsibility (CSR) is an added opportunity to bring value to our stakeholders' lives and in a small possible way bring about a difference that we all want to see and be. We have been contributing to society since various years.

Education represents the stepping stone to improve the quality of life, especially for the poor and the vulnerable. Access to quality education is fundamental to the growth of India. The ideology behind the top corporate social responsibility initiatives in education this year is to transform lives through the continuous enhancement of knowledge and empowerment.

In line with this commitment, the Company is continuing with its flagship project of providing education to the girl child in rural areas nearby its factory location in the state of Madhya Pradesh by mobilizing and motivating non-school going girls from economically and socially backward and poor and weaker families. Your Company fulfils the dreams of underprivileged girl child who are living with the hope that someday someone would reach out to them to fulfil their dreams and aspirations. During the year, your Company continued to provide education to nearby 900 girls' through the medium of 30 learning centres.

The composition and terms of reference of the CSR Committee are given in the Corporate Governance Report.

The detail of the amount spent on the CSR activities by the Company is enclosed as **Annexure - I** forming part of this report.

Annual Return

The extract of annual return as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company and attached as **Annexure –II**

Directors and Key Managerial Personnel

Your Directors inform the members that, Shri Shantanu Agarwal, Director retires by rotation and being eligible offers himself for re-appointment.

Your Directors further inform the members that first term of Dr. Kamal Gupta and Shri Priya Shankar Dasgupta as Independent Director is due for completion on 25th September, 2019. Your Directors, upon commendation of Nomination and Remuneration Committee, propose to re-appoint Dr. Kamal Gupta and Shri Priya Shankar Dasgupta for the second term of 5 years w.e.f 26th September, 2019. The proposal for confirmation of re-appointment of Dr. Kamal Gupta and Shri Priya Shankar Dasgupta as Independent Director(s) for another term of 5 years shall be put up before the ensuing Annual General Meeting.

Your Directors further inform the members that pursuant to the provisions of Section 149(7) of the Companies Act, 2013 the declaration has been received from Independent Directors at the beginning of the financial year stating that they meet the criteria of independence as specified under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

During the year, Shri Shekhar Agarwal, Managing Director & CEO, Shri Atul Kumar Jain, Chief Financial Officer and Shri Virendra Kumar Garg, Company Secretary acted as Key Managerial Personnel of the Company.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. Further, none of Directors of the Company are not debarred from holding the office of Director pursuant to any SEBI order or any such authority. The Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013.

Directors' Appointment and Remuneration Policy

Pursuant to the provision of Section 178 of the Companies Act, 2013 and Schedule II Part D, the role of the Nomination and Remuneration Committee, the Board of Directors on the recommendation of Nomination and Remuneration Committee has framed a policy for the appointment of Directors and Senior Management and their remuneration. The policy forms part of the Board Report as given in **Annexure III**.

Annual Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual evaluation has been done by the Board of its own performance, its Committees and the individual Directors. The manner of evaluation is mentioned in the Nomination and Remuneration policy which forms part of Board Report.

Further, every Independent Director of the Company is familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Particulars of Loans, Guarantees or Investments

Details of loans, Guarantees and Investments are given in the notes to the Financial Statements at appropriate places.

Particulars of Contracts or Arrangements with Related Parties

All contracts / arrangements / transaction entered into by the Company during the financial year with related parties are on arm's length basis and in the ordinary course of business. During the financial year, there was no material contract or arrangement entered into by the Company with any of the related parties. Your Directors draw attention of the members to note 40.2 to the financial statement which contain particulars with respect to related parties. The policy on dealing with the Related Party Transactions as approved by the Board of Directors is disclosed on the website of the Company under the following link: http://maraloverseas.com/pdf/Policy_on_Related_Party_Transaction.pdf

Further, prior omnibus approvals from the Audit Committee are obtained for the transactions which are repetitive and normal in nature and in accordance with the Related Party Transaction policy. The disclosures are made to the Audit Committee and the Board of Directors on a quarterly basis.

Maintenance of Cost Records

In terms of the provisions of Section 148(1) of the Companies Act,

2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Central Government has mandated certain class of Companies to maintain cost records. Being a textile Company, the Company falls under the prescribed class of Companies and maintains Cost Accounts and Records which are also subject to Audit conducted by a Cost Auditor.

Significant and Material Orders Passed by the Regulators or Courts.

There was no significant and material order passed by the regulators or courts during the year.

Auditors

Statutory Auditors

M/s. S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi (Firm Registration No. 000756N), and M/s. P. K. Deora & Co., Chartered Accountants, New Delhi (Firm Registration No. 004167N) were appointed as Joint Statutory Auditors of the Company at the 28th Annual General Meeting of the Company held on 22nd September, 2017 for a term of 5 years till the conclusion of 33rd AGM subject to ratification by members at every subsequent Annual General Meeting.

Your Directors inform the members that in accordance with the amendment notified by MCA on 7th May, 2018, the requirement of ratification of the appointment of Statutory Auditors at every Annual General Meeting has been omitted and is no longer required.

However, The Statutory Auditors have confirmed their eligibility under section 141 of the Companies Act, 2013 and rules framed thereunder.

During the year 2019, the Auditors had not reported any matter under Section 143 (12) of the Act; therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act. The observations of the Auditors, if any, are explained wherever necessary, in the appropriate notes to the accounts which are forms part of this Annual Report. The Auditors' Report does not contain qualification, reservation or adverse remark, disclaimer or emphasis of matter.

Internal Auditors

Pursuant to section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, the Company has appointed M/s BGJC & Associates, Chartered Accountants (LLP) and M/s. Sarat Jain & Co. as the Internal Auditors of the Company for the financial year 2018-19.

The role of internal auditors includes but is not limited to review of internal audit observations, but monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, reviewing of SOPs and there amendments if any.

Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. SGS Associates, Company Secretaries a practicing secretaries firm as the Secretarial Auditor of the Company for the financial year ending 31st March, 2019.

The Secretarial Audit Report does not contain qualification, reservation or adverse remark.

The Report of Secretarial Audit is annexed as **Annexure IV**.



Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, textile Companies are required to get their cost records audited. In this connection, the Board of Directors of the Company on the commendation of Audit Committee had approved the appointment of M/s K. G. Goyal & Co. as the Cost Auditor of the Company for the year ending 31st March, 2019.

Risk Management

The Company has identified various risks associated with the business. The Company has adopted a risk management policy which acts as an effective tool in mitigating the various risks to which the businesses are exposed. The risk management policies cover areas such as Environment, Health & Safety, Statutory Compliances and Returns, Energy, On Time Performance, Quality, Commodity Pricing, Outsourcing, Budgeting and Planning, Government Policies etc. The risks identified by the business are systematically addressed to the Board through mitigating actions on a continuous basis. Further, the policy aims at creating and protecting shareholders value by minimizing threats and weaknesses and identifying and maximizing opportunities. Pursuant to the policy, your Directors periodically review the risks associated with the business or which threaten the prospects of the Company.

Corporate Governance

Good Corporate Governance is more of a priority than a mere legal obligation. It involves the commitment to run the business in most ethical and transparent manner. It helps to build the confidence of the investors and to establish healthy relationship with all the stakeholders. Apart from mandatory practice, the Company adopts various voluntary practices to ensure transparency and accountability at highest level. The Company's vision of achieving its objectives is in line with its consideration for environment, safety and people.

Report on Corporate Governance along with the Certificate of Auditors, M/s. S.S. Kothari Mehta & Co. and M/s. P. K. Deora & Co., Chartered Accountants, confirming compliance of conditions of Corporate Governance as stipulated under Point E of Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, forms part of the Annual Report.

Whistle Blower Policy

The Company, in order to provide mechanism to disclose any unethical and improper practices or any other alleged wrongful conduct or matter of concern in area of accounts, finance, management, operations, employment or any other misconduct in the Company had laid down a Vigil Mechanism also known as Whistle Blower Policy to deal with the instance of fraud and mismanagement, if any.

The Company had appointed the nodal officer to whom the complaints can be made. In exceptional cases an opportunity is provided to the Whistle Blower to make a direct appeal to the Chairman of the Audit Committee.

The policy safeguards the whistle Blower from being victimized. The policy has been disclosed on the website of the Company, the link of which is given hereunder:

http://www.maraloverseas.com/pdf/Whistle_Blower_Policy.pdf

Management Discussion and Analysis Report

Management Discussion and Analysis Report, as required by Schedule V of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

Internal Control Systems

The Directors had laid down internal financial controls to be followed by your Company and such policies and procedures adopted by your Company for ensuring the orderly and efficient conduct of its business, including adherence to our 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.

The Audit Committee reviews the Executive summary on the internal audit findings along with the recommendations and management comments every quarter. Further, the Action Taken Report/ Compliances as discussed in the previous meeting is placed in the next meeting along with the detailed report. The Internal Auditors also ensure proper compliance of all policies and Standard Operating Procedures (SOPs) adopted by the Company. Internal Auditors report directly to the Audit Committee of the Board.

The Company's internal control systems comprise of audit and compliance by in-house staff supplemented by internal audit checks by the Internal Auditors.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rules, 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure – V** forming part of this Report.

Particulars of Employees

The information pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant statement is annexed as **Annexure – VI**

Further, disclosures pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement showing the name along with the particulars of top ten employees along with the employees drawing remuneration in excess of the limits is annexed as **Annexure – VII**.

Significant Material Changes after Balance Sheet Date Affecting Financial Position

There is no change or commitment which affects the financial position of the Company that may have occurred between the end of the financial year of the Company to which the financial statements relate i. e. 31.03.2019 and the date of report 7th May, 2019.

Subsidiaries, Joint Ventures and Associates Companies

The Company does not have any Joint Ventures, Subsidiaries and Associates Companies

Public Deposit

Your Company has not accepted any public deposit within the meaning of provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there is no outstanding deposit due for re-payment.

Disclosure under the Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee for reporting concerns related to sexual harassment at workplace.

Your Directors inform the members that during the year under review, the Internal Complaint Committee did not report any complaint with regard to sexual harassment under review.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors state that:

- a. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- b. appropriate Accounting Policies have been applied consistently and they have 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 on 31st March, 2017 and of the Profit and Loss of the Company for the year ended on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Annual Accounts have been prepared on a going concern basis.
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Indian Accounting Standards (IND AS):

The Company has followed the guidelines of Accounting Standards/IND-AS laid down by the Institute of Chartered Accountant of India in preparation of Financial Statement.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

- I. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- II. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- III. No amount has been transferred to General Reserves during the year.
- IV. There is no change in the nature of business of the Company.
- V. During the year there is no complaint(s) received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 under review.
- VI. There were no frauds found which have been reported to the Audit Committee / Board members as well as to the Central Government.

Cautionary Statement

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

Acknowledgements

Your Directors place on record their acknowledgement and sincere appreciation to all our clients, customers, vendors, dealers, bankers, investors, other business associates, Central and State Government for their continued support and encouragement during the year and their confidence towards the management. Your Directors would also like to thank employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board

Noida (U.P)
07th May, 2019

Ravi Jhunjunwala
Chairman
DIN -00060972



ANNEXURE - I TO DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to web-link to the CSR policy and projects or programmes.

The brief outline of the Company's CSR policy is as under:

The Company recognizes CSR as a vital part of corporate activity and is therefore committed to a course of social responsibility in accordance with its CSR Policy for the sustainable development of society and business.

Identify, in partnership with public/ private / local communities, social projects where Company can make a positive contribution and implement sustainable Community Development Programs for the underprivileged.

Endeavor to make a positive contribution to the local Communities towards improving their living conditions by utilization of resources towards development of a sustainable society that is in harmony with the environment and local customs.

To promote social contribution activities to realize a better society and also encourage our employees to serve communities by volunteering and sharing their skills and expertise.

To disclose information openly and transparently in order to maintain and develop a relationship of trust with the Communities and act responsibly towards them through various means of communication.

The overview of projects or programmes undertaken and proposed to be undertaken are as under:

EDUCATION – promoting literacy & education with special focus on girl child education, support schools for all by providing appropriate school building & infrastructure whether by renovating, repairing existing or construction of new infrastructure, improvement in teaching standards, better continuity resulting in sustained interest of the child in education.

LIVING ENVIRONMENT - improve local infrastructure and access to sustainable energy and water supplies.

HEALTH -personal and community health support,

EMPLOYMENT – promoting employment enhancing vocational training in technical courses and creating opportunities for skill development in tailoring, embroidery & crochet work, other skills, which facilitate the youth either to gain employment or be self employed and thereby make the community members self-reliant.

Setting up or maintaining orphanages for the underprivileged children in rural and semi-rural areas.

Promotion and development of traditional arts and handicrafts.

To perform the activity as mentioned in Schedule VII of the Act.

Web link:

http://www.maraloverseas.com/pdf/CSR_Policy.pdf

2. **The Composition of CSR Committee.**

Shri P.S. Dasgupta (Chairman)	-	Independent Director
Shri Shekhar Agarwal	-	Executive Director
Shri Shantanu Agarwal	-	Non Executive - Non Independent Director
Dr. Kamal Gupta	-	Independent Director

3. **Average net profit of the Company for last three financial years.**

Average net profit: ₹ 1352.27 Lakh

4. **Prescribed CSR Expenditure (two per cent of the amount mentioned in item 3 above)**

The Company is required to spend ₹ 27.05 Lakh towards CSR

5. **Details of CSR spent during the financial year;**

(a) Total amount to be spent for the financial year;

₹ 27.05 Lakh

(b) Amount unspent, if any;

₹ Nil

(c) Manner in which the amount spent during the financial year is detailed below.

₹ In Lakh

Sr. No.	CSR Project or activities identified	Sector	Locations	Amount Outlay (Budget) project or Program wise	Amount spent on the Project or Program	Cumulative Expenditure upto reporting period i.e. F.Y. 2018-19	Amount spent: Direct or through implementing agency
			District (State)				
1.	Promoting education with special focus on girl child education.	Literacy	Khargone (Madhya Pradesh)	28.50	28.50	28.50	IIMPACT, Charitable trust
2.	Promoting education to the poor and needy peoples	Literacy	Koyilandy (Kerala)	0.00	9.00	9.00	Ramakrishna Mission
3	Donation in Kerala floods	Prime Minister Relief Fund	Kerala	0.00	3.74	3.74	Direct
4	Construction shed for Gowshala	Animal Welfare	Gomatgiri, Indore	0.00	1.00	1.00	Direct
	Total			28.50	42.24	42.24	

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report.

During the financial year 2018-19, the Company was required to spend an amount of ₹ 27.05 Lakh. The Company also has an unspent amount of ₹ 26.31 Lakh pertaining to the previous years. The Company has spent an amount of ₹ 42.24 Lakh during the financial year 2018-19 on the CSR Activities. The Company shall be spending the unspent amount of ₹ 11.12 Lakh of the previous years in the coming years.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the company.

CSR Committee confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives of the Company which are being met with definitive and clear objectives and dialogue with the stakeholders and sharing of knowledge and building of trust.

Shekhar Agarwal
Managing Director and
Chief Executive Officer
DIN: 00066113

P. S. Dasgupta
Chairman, CSR Committee
DIN: 00012552

Dated: May 07, 2019
Place: Noida (U.P.)



ANNEXURE - II TO DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31 March, 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:

- i) CIN L17124MP1989PLC008255
- ii) Registration Date 27th January, 1989
- iii) Name of the Company MARAL OVERSEAS LIMITED
- iv) Category / Sub-Category of the Company Limited by shares/ Non-Government Company
- v) Address of the Registered office and contact details1 Maral Sarovar, V&P. O. Khalbujurg, Tehsil Kasrawad, Khargone, Madhya Pradesh-451660
Phone +91-07285-265401-405
Fax no.91-07285-265406
email : maral.investor@lnjbhilwara.com
- vi) Whether listed company Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi -110 020
Phone +91-11-41406149-52, Fax No. 011-41709881
E-mail : helpdeskdelhi@mcsregistrars.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company are given below :

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	COTTON YARN	5205	47.09
2	KNITTED FABRIC	6003	30.79
3	GARMENTS	6114	16.04

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S No	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
N.A.					

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 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% change during the Year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	Promoters									
1	Indian									
(a)	Individual / HUF	2817273	0	2817273	6.79	2817273	0	2817273	6.79	Nil
(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 Corporate	28291556	0	28291556	68.16	28291556	-	28291556	68.16	Nil
(e)	Banks / FI	0	0	0	0	0	0	0	0	0
(f)	Any Other	0	0	0	0	0	0	0	0	0
	Subtotal (A) (1)	31108829	0	31108829	74.95	31108829	-	31108829	74.95	Nil
2	Foreign									
(a)	NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b)	Other - Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	Nil
(d)	Banks / FI	0	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0	0
	Subtotal (A) (2)	0	0	0	0	0	0	0	0	Nil
	Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	31108829	-	31108829	74.95	31108829	-	31108829	74.95	Nil
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds	0	1000	1000	0.01	0	1000	1000	0.01	Nil
(b)	Banks / FI	1700	300	2000	0.00	1700	300	2000	0.00	Nil
(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	5800	5800	0.01	0	5800	5800	0.01	Nil
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i)	Others	0	0	0	0	0	0	0	0	0
	Sub-total (B) (1)	1700	7100	8800	0.02	1700	7100	8800	0.02	Nil
B 2	Non-institutions									
(a)	Bodies Corporate									
	i) Indian	1701307	2402	1703709	4.10	1631174	2300	1633474	3.94	0.16
	ii) Overseas	0	200	200	0.00	0	200	200	0.00	Nil
(b)	Individuals									
	i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	5153705	717508	5871213	14.15	5145634	652708	5798342	13.97	0.18
	ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh.	2734392	0	2734392	6.59	2902173	0	2902173	6.99	-0.40



Category of Shareholders		No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% change during the Year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(c)	Others									
	i) NRI	37018	800	37818	0.09	50289	800	51089	0.12	-0.03
	iii) Clearing Member	43039	0	43039	0.10	5093	0	5093	0.01	0.09
	Sub-total (B) (2)	9669461	720910	10390371	25.03	9734363	656008	10390371	25.03	Nil
(B)	Total Public Shareholding (B) = (B)(1) + (B)(2)	9671161	728010	10399171	25.05	9736063	663108	10399171	25.05	Nil
(C)	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A) + (B) + (C)	40779990	728010	41508000	100.00	40844892	663108	41508000	100.00	Nil

ii) *Shareholding of Promoters*

S. No	Shareholder's Name	Shareholding at the beginning of the year-01.04.2018			Shareholding at the end of the year-31.03.2019			% 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	Agarwal Trademart Pvt. Limited	19760000	47.61	33.21	19760000	47.61	33.21	0
2	Diplomat Leasing And Finance Pvt. Ltd	1135500	2.74	0.00	1135500	2.74	0.00	0
3	Agarwal Finestate Pvt. Ltd	7396056	17.82	0.00	7396056	17.82	0.00	0
4	Sh. Shekhar Agarwal	755573	1.82	1.82	755573	1.82	1.82	0
5	Smt. Shashi Agarwal	687600	1.66	0.00	1037600	2.50	0.00	0.84
6	Sh. Shantanu Agarwal	554500	1.34	0.00	554500	1.34	0.00	0
7	Smt. Shuchi Poddar	406100	0.98	0.00	56100	0.14	0.00	-0.84
8	Sh. Shekhar Agarwal- HUF	403800	0.97	0.97	403800	0.97	0.97	0
9	Sh. Shekhar Agarwal-Trust	2750	0.01	0.00	2750	0.01	0.00	0
10	Sh. Shantanu Agarwal- HUF	2750	0.01	0.00	2750	0.01	0.00	0
11	Smt. Alka Agarwal	4200	0.01	0.00	4200	0.01	0.00	0
	Total	31108829	74.95	36.00	31108829	74.95	36.00	0.00

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

S No		Shareholding at the beginning of the year-01.04.2018		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
	At the beginning of the year	31108829	74.95	31108829	74.95
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	#		#	
	At the end of the year	31108829	74.95	31108829	74.95

Transfer/Acquisition of Shares by the Promoters Group

Sl. No.	Shareholders Name	Shareholding at beginning 01-04-2018/ end of the year 31.03.2019			Shareholding at the end of the year as 31-03-2019			% of Total Shares of the Company
		No. of Shares	% of Total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No of Shares	
1.	Smt. Shuchi Poddar	406100	0.98	01.04.2018				
				09.10.2018	-350000	Inter se Transfer between Promoter Group		-0.84
		56100	0.14	31.03.2019			56100	0.14
2.	Smt. Shashi Agarwal	687600	1.66	01.04.2018				
				09.10.2018	350000	Inter se Transfer between Promoter Group	0	0.84
		1037600	2.50	31.03.2019			1037600	2.50

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

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No of Shares at the beginning (01-04-2018) / End of the Year (31.03.2019)	% of total shares of the company				No. of shares	% of total shares of the company
1	INTER GLOBE CAPITAL MARKET LTD.	485812	1.17	01.04.2018				
				15.02.2019	3000	TRANSFER	488812	1.18
				22.02.2019	340	TRANSFER	489152	1.18
		489152	1.18	31.03.2019			489152	1.18
2	JAGDISH PRASAD KASERA	300000	0.72	01.04.2018				
		300000	0.72	31.03.2019	0	NIL Movement during the year	300000	0.72
3	SANTOSH SITARAM GOENKA	291439	0.70	01.04.2018				
				25.01.2019	4500	TRANSFER	295939	0.71
				29.03.2019	6120	TRANSFER	302059	0.73
		302059	0.73	31.03.2019			302059	0.73
4	ARCH FINANCE LIMITED	220000	0.53	01.04.2018				
				23.11.2018	2432	TRANSFER	222432	0.54
				14.12.2018	7500	TRANSFER	229932	0.55
				21.12.2018	5000	TRANSFER	234932	0.57
				04.01.2019	10000	TRANSFER	244932	0.59
				08.03.2019	1079	TRANSFER	246011	0.59
	246011	0.59	31.03.2019			246011	0.59	
5	JDM FINANCIAL SERVICES LTD.	266038	0.50	01.04.2018				
		206638	0.50	31.03.2019	0	NIL Movement during the year	206638	0.50
6	KANCHAN SUNIL SINGHANIA	139350	0.34	01.04.2018				
		139350	0.34	31.03.2019	0		139350	0.34
7	ALKA ARUN JAIN	101000	0.24	01.04.2018				
		101000	0.24	31.03.2019	0	NIL Movement holding during the year	101000	0.24



S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No of Shares at the beginning (01-04-2018) / End of the Year (31.03.2019)	% of total shares of the company				No. of shares	% of total shares of the company
8	SANEHA LATA KASERA	100000	0.24	01.04.2018				
		100000	0.24	31.03.2019	0	NIL Movement holding during the year	100000	0.24
9	JAGDISH PRASHAD KASERA	100000	0.24	01.04.2018				
		100000	0.24	31.03.2019	0	NIL Movement holding during the year	100000	0.24
10	SUNITA SANTOSH GOENKA	87174	0.21	01.04.2018				
				12.10.2018	359	TRANSFER	87533	0.21
		87533	0.21	31.03.2019			87533	0.21

v) **Shareholding of Directors and Key Managerial Personnel**

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No of Shares at the beginning (01-04-2018)/ End of the Year (31.03.2019)	% of total shares of the company				No. of shares	% of total shares of the company
1.	Shri Ravi Jhunjunwala (Director) (Chairman)	0	0.00	01.04.2018		NIL movement during the year		
				31.03.2019	0		0	0.00
2	Shri Shekhar Agarwal (Managing Director & CEO) (KMP)	755573	1.82	01.04.2018		NIL movement during the year		
		755573	1.82	31.03.2019	0		755573	1.82
3	Shri Shantanu Agarwal (Director)	554500	1.34	01.04.2018		NIL movement during the year		
		554500	1.34	31.03.2019	0		554500	1.34
4	Shri D.N. Davar (Director)	1000	0.00	01.04.2018		NIL movement during the year		
		1000	0.00	31.03.2019	0		1000	0.00
5	Dr . Kamal Gupta (Director)	1000	0.00	01.04.2018		NIL movement during the year		
		1000	0.00	31.03.2019	0		1000	0.00
6	Sh. P.S. Dasgupta (Director)	0	0.00	01.04.2018		NIL movement holding during the year		
		0	0	31.03.2019	0		0	0.00
7	Smt. Archana Capoor (Director)	0	0.00	01.04.2018		NIL movement holding during the year		
		0	0	31.03.2019	0		0	0.00
8	Shri Atul Kumar Jain (Chief Financial Officer & KMP)	0	0.00	01.04.2018		NIL movement during the year		
		0	0.00	31.03.2019	0		0	0.00
9	Mr. Virendra Kumar Garg (Company Secretary & KMP)	0	0.00	01.04.2018		NIL movement/ holding during the year		
		0	0.00	31.03.2019	0		0	0.00

V. INDEBTEDNESS

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

(₹ In lakh)

S. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
A	Indebtedness at the beginning of the financial year				
i)	Principal Amount	20620.72	500		21120.72
ii)	Interest due but not paid				
iii)	Interest accrued but not due	41.19			41.19
	Total (i + ii + iii)	20661.91	500		21161.91
B	Change in Indebtedness during the financial year				
	* Addition	5910.19			5910.19
	* Reduction	2256.15			2256.15
	Net Change	3654.04			3654.04
C	Indebtedness at the end of the financial year				
i)	Principal Amount	24274.76	500		24774.76
ii)	Interest due but not paid				
iii)	Interest accrued but not due	42.28			42.28
	Total (i + ii + iii)	24317.04	500		24817.04

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In lakh)

S. No.	Particulars of remuneration	Shri Shekhar Agarwal (Managing Director & CEO)	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	192.92	192.92
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.31	3.31
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission#		
	- as % of profit	33.94	33.94
	- others		
5	Others, please specify		
	Total *(A)	230.17	230.17
	Ceiling as per the Act		

* Remuneration paid or payable to Managing Director is subject to the approval of the Company in general meeting, as required in terms of second proviso to Section 197(1) of the Companies Act, 2013 and Schedule V of the Companies Act 2013.

#includes ₹ 3.15 Lakh pertain to the FY 2017-18 paid in the FY 2018-19.



B. Remuneration to other Director:

(₹ In Lakh)

S. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Dr. Kamal Gupta	Shri D. N. Davar	Shri P.S. Dasgupta	Smt. Archana Capoor	Shri Ravi Jhunjunwala	Shri Shantanu Agarwal	
1.	Independent Directors							
	- Fee for attending Board/ Committee Meeting	6.50	4.60	3.50	2.50	0.00	0.00	17.10
	- Commission	0	0	0	0	0	0	0
	- Others, please Specify	0	0	0	0	0	0	0
	Total (1)	6.50	4.60	3.50	2.50	0.00	0.00	17.10
2.	Other Non-Executive Directors							
	- Fee for attending board/ committee meeting	0	0	0	0	2.00	5.80	7.80
	- Commission	0	0	0	0	0	0	0
	- Others, please Specify	0	0	0	0	0	0	0
	Total-(2)	0	0	0	0	2.00	5.80	7.80
	Total B=(1+2)	6.50	4.60	3.50	2.50	2.00	5.80	24.90
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per Act							

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

(₹ In lakh)

Sl. No	Particular of Remuneration	CEO	Company Secretary	CFO	Total
			Virendra Kumar Garg	Atul Kumar Jain	
1	Gross salary	N.A.			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		11.13	53.01	64.14
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others				
5	Others, please specify				
	Total (C)		11.13	53.01	64.14

VII. PENALTIES/ PUNISHMENTS / COMPOUNDING OF OFFENCES

	TYPE	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A.	Company					
	Penalty					
	Punishment					
	Compounding					
B.	Directors					
	Penalty					
	Punishment					
C.	Other Officers in Default					
	Penalty					
	Punishment					



ANNEXURE-III TO DIRECTORS' REPORT

NOMINATION & REMUNERATION POLICY

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time, every Listed Public Company is required to constitute a Nomination and Remuneration Committee with at least three or more non-executive Directors, out of which not less than one half shall be Independent Directors. The Company has already a Remuneration Committee with three Non-Executive Independent Directors. In order to align the same with the provisions of the Companies Act, 2013, and the Listing Regulation, 2015 as amended from time to time, the Board of Directors at their meeting held on the 22nd April, 2014, renamed the "Remuneration Committee" as "Nomination and Remuneration Committee".

The Nomination and Remuneration Committee and its Policy being in compliance with the provisions of Section 178 of the Companies Act, 2013, read with the applicable Rules so also, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applies to the Board of Directors, Key Managerial Personnel and the Senior Management Personnel of the Company.

"Key Managerial Personnel (KMP) means and comprise-

- Managing Director & Chief Executive officer;
- Whole-time Director;
- Company Secretary;
- Chief Financial Officer;
- Such other Officer as may be prescribed.

"Senior Management" shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the chief executive officer/managing Director/whole time Director/manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer and including functional heads.

Role and Objective of Committee:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down in the policy.
3. Recommend to the Board the appointment and removal of Directors and Senior Management.
4. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Committee itself or by an independent external agency and review its implementation and compliance.
5. Recommend to the Board a Policy, relating to the remuneration for the Directors, key managerial personnel and other employee .
6. To devise a policy on Board diversity
7. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run Company successfully.
8. To ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
9. To develop a Succession Plan for the Board and to review it regularly.
10. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
11. To perform such other functions as may be referred by the Board or be necessary in view of the Listing Regulation, 2015 and the provisions of the Companies Act, 2013 and Rules made thereunder.

Membership:

1. The Committee shall comprise of at least three (3) Directors, all of whom shall be non-executive Directors and at least half of them shall be Independent.
2. Minimum two (2) members or one third of the members, whichever is greater, including at least one (1) Independent Director in attendance shall constitute a Quorum for a Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman:

1. Chairman of the Committee shall be an Independent Director.
2. Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.

3. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
4. Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member of the committee to answer the shareholders' queries.

Frequency of Meetings:

The meeting of the Committee shall be held at such regular intervals as may be required. However, the Committee shall meet atleast once in a year.

Committee Member's Interests:

1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Voting:

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall, for all purposes, be deemed to be a decision of the Committee.
2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

Appointment of Directors/KMP/Senior Management:

While recommending a candidate for appointment, the Committee shall have regard to:

- Assessing the appointee against a range of criteria which includes but not limited to qualifications, skills, experience, background and other qualities required to operate successfully;
- The experience and knowledge that the appointee brings to the role of KMP/Senior Management, which, in turn, will enhance the skill sets and experience of the Board as a whole;
- The nature of existing positions held by the appointee including Directorship and such other relationship and the impact of the same on the Company's welfare.

Letter of Appointment:

Each Independent/KMP/Senior Management, Director is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

Policy on Board Diversity:

The Nomination and Remuneration Committee shall ensure that the Board of Directors has the combination of Directors from different areas/ fields or as may be considered appropriate in the best interests of the Company. The Board shall have atleast one Board member who has accounting/financial management expertise.

Remuneration of Directors, Key Managerial Personnel and Senior Management:

The salaries of Directors, Key Management Personnel and other Senior Management shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

1. Fixed Pay :

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The salary paid need to be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities to be usually reviewed on an annual basis;

2. Minimum Remuneration :

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. Provision for excess remuneration :

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it, unless permitted by the Central Government.

4. Increment :

Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the Shareholders in the case of Managerial Person.



Remuneration to Non-Executive/Independent Director:

1. Remuneration/Commission:

The remuneration/commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made there under for the time being in force.

2. Sitting Fees:

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee(s) thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Other Provisions:

- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its Directors, including Managing Director and Whole Time Director, and its Manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.
- The Company, with the approval of the Shareholders and Central Government, may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.
- The Company may, with the approval of the shareholders, authorise the payment of remuneration upto five percent of the net profits of the Company to its any one Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its Directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a Managing Director or Whole Time Director or Manager and three percent of the net profits in any other case.
- The Independent Directors shall not be entitled to any Stock Option.

Evaluation/ Assessment of Directors/ KMPs/Senior Management of the Company

The evaluation/assessment of the Directors, KMPs and the Senior Management of the Company is to be conducted on an annual basis and to satisfy the requirements of the Listing Regulation, 2015.

The following criteria may assist in determining how effective the performance of the Directors/KMPs/Senior Management has been:

- Leadership & stewardship abilities
- Assess policies, structures & procedures
- Regular monitoring of corporate results against projections
- Contributing to clearly define corporate objectives & plans
- Obtain adequate, relevant & timely information.
- Review achievement of strategic and operational plans, objectives, budgets
- Identify, monitor & mitigate significant corporate risks
- Directly monitor & evaluate KMPs, Senior Management
- Review management's Succession Plan
- Effective meetings
- Clearly defining role & monitoring activities of Committees
- Review of ethical conduct

Evaluation following the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors relative to the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

DEVIATIONS FROM THIS POLICY:

Deviations on elements of this policy, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

Approved by Board of Directors at its meeting held on 31st January, 2019.

ANNEXURE - IV TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

[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
MARAL OVERSEAS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S MARAL 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 my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings;
- (v) The Following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992.
 - (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 and 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**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 (Buy back of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**).

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 and the SEBI (Listing Obligations and Disclosure) 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, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (a) The Boilers Act, 1923 as amended by the Indian Boilers (Amendment) Act, 2007
- (b) The Water (Prevention and control of Pollution) Act, 1974
- (c) The Air (Prevention and control of Pollution) Act, 1981
- (d) The Environment (Protection) Act, 1986

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

**For SGS ASSOCIATES
Company Secretaries**

**Date: 7th May, 2019
Place: - New Delhi**

**D.P. Gupta
M.No. FCS 2411
COP No. 1509**

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this Report.

To,
The Members
MARAL OVERSEAS LIMITED

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 of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of the laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. 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 efficacy or effectiveness with which the management has conducted the affairs of the company.

For SGS ASSOCIATES
Company Secretaries

Date: 7th May, 2019
Place: - New Delhi

D.P. Gupta
M N FCS 2411
C P No. 1509



ANNEXURE – V TO DIRECTORS' REPORT

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014.

(A) Conservation of energy-

(i) The steps taken or impact on conservation of energy;

Sarovar Unit

1. We have continuously followed our policy of replacing old technology machines with latest technology high productive and energy efficient machines.
2. We have installed ecorized suction tube with inverter on Ring frame machine and achieved saving of 440 units per day.
3. We have optimized the Waste collection system and achieved a saving of 1500 units per day.
4. Successfully installed 10 TPH boiler. Saving of coal achieved by better evaporation ratio and stopping the old 4 TPH boiler.
5. PAT cycle scheme is a regulatory instrument to reduce specific energy consumption in energy intensive industries, with an associated market based mechanism to enhance the cost effectiveness through certification of excess energy saving which can be traded. MOL has been considered for PAT Cycle III for the period from 2017-18 to 2019-20.
6. Second surveillance audit have been successfully done for Energy Management System EnMs 50001 for energy efficient monitoring.
7. Continued system of conducting audit of air, steam and water to detect leakages and attend the same so as to minimize the losses on account of leakages.

Plan for next year

1. Replacement of old 2000 CFM & 168 CFM compressor with 2200 CFM energy efficient compressor. This will give us saving of 1000 units per day.
2. Replacement of old inefficient motor with energy efficient motors. This will give us saving of 1000 units per day.
3. Replacement of old compressed air dryer with energy efficient dryer. This will give us saving of 176 units per day.
4. Installation of inverter for supply and return air fan at various humidification plants. This will give us saving of 850 units per day.
5. Installation of on line monitoring system is under way and this will help to enhance our performance in all production area.
6. Installation of inverter and energy efficient motor and timing belt system in place of variator pulley for main motor of Ring frame machine. This will give us saving of 400 units per day.

Noida Unit –

1. Replaced 1000 Kg. boiler with 500 Kg Boiler with low energy & Fuel consumption by at least 30 percent.
2. Replaced 5 Split Ac of 2 Ton each to duct one 5 Ton AC to reduce energy consumption.
3. Installed 117 new Sewing machine with energy efficient (Servo Motor) of Low Consumption.
4. Replaced 7 thread trimmer energy efficient machines.

Plan for next year

1. To Install 70 new sewing machines with energy efficient (Servo Motor) of low consumption of electricity.
2. To Install one fusing Machine with energy efficient of low consumption of electricity.

(ii) The steps taken by the company for utilizing alternate sources of energy

Sarovar Unit

1. We have switched our consumption from captive Thermal power plant to grid supply and achieved power cost of ₹ 5.10 / KWh. We are also using solar power generation of 1 MWp installed capacity on sustainable basis.

(iii) The capital investment on energy conservation equipment;

Sarovar Unit –

N.A.

Noida Unit –

N.A.

(B) Technology absorption-

(i) The efforts made towards technology absorption;

Sarovar Unit

We have installed the R O with MEE to maintain the zero discharge with our commitment towards environment protection on sustainable basis. Further to improve the performance of MEE we are proposing the ATFD which will further reduce impurities and help in environment protection by energy efficiency.

Noida Unit - N.A.

NONE

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

Sarovar Unit –

The company has a centralized product development team for yarn and Fabric which regularly do different trial, development of product which are in trend and demand. The product development team use to visit different customer's places, Trade and fashion fair to update themselves with the latest trends in fashion and various new products in market. This year the company has successfully produced in bulk 100% polyester and nylon fabric.

Noida Unit

There is a strong emphasis on product design & development for which a dedicated team of designers are constantly working on new trends fashion, fabrics in consultation with customers and also through research.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

No technology imported.

(a) The details of technology imported: N.A.

(b) The year of import: N.A.

(c) Whether the technology been fully absorbed: N.A .

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

(iv) The expenditure incurred on Research and Development.

Sarovar Unit –

NIL

Noida Unit

NIL

(C) Foreign exchange earnings and Outgo –

During the year, the Company has earned Foreign Exchange equivalent to ₹ 38072.85 Lakh at FOB Price against an Outgo of ₹ 5094.81 Lakh compared to the previous year's ₹ 30671.65 Lakh and Outgo of ₹ 4963.33 Lakh respectively.

**ANNEXURE - VI TO DIRECTORS' REPORT**

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) during the financial year 2018-19.

Sl. No.	Name of Director#/KMP and Designation	Remuneration of Director/KMP for the financial year 2018-19 (₹ in lakh)	% increase in remuneration in the financial year 2018-19
1	Shri Shekhar Agarwal, Managing Director and CEO	230.17 #	8.33
2	Shri Atul Kumar Jain, Chief Financial Officer	53.01	5.00
3	Shri Virendra Kumar Garg, Company Secretary	11.13	N.A.

Includes ₹ 3.15 lakh pertain to the financial year 2017-18 paid in the financial year 2018-19.

2. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company:** The ratio of remuneration of Shri Shekhar Agarwal, Managing Director and CEO to the median remuneration of the employees of the Company for the financial year 2018-19 is 83.15.
3. The percentage increase in the median remuneration of employees in the financial year is 8.66 %.
4. There were 2573 permanent employees on the rolls of the Company as on the 31st March, 2019.
5. Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year i.e 2018-19 was 7.47 % and increase in the managerial remuneration for the same financial year was 4.44%.
6. It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

ANNEXURE - VII TO DIRECTORS' REPORT

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Top ten employees in terms of remuneration drawn

S. No.	Name of Employee	Designation	Remuneration (In Lakh)	Qualification	Experience (Year)	Commencement of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed		
										Organisation	Post Held	Duration (Years)
1	Shri Shekhar Agarwal	Managing Director & CEO	230.17 #	B.Tech. (ME) M.Sc (Chicago)	41	27/1/1989	755573	Permanent	66	RSWM LTD.	Vice Chairman & Managing Director	25
2	Shri Dinesh Kumar Mittal	President	70.71	C.A.	28	16/7/2018	1100	Permanent	50	Trident Ltd.	Vice Chairman	5
3	Shri Y.P. Thakur	Vice President-Business Development	58.17	B.A.	48	1/4/2014	15	Permanent	66	RSWM LTD.	Vice President-Business Dev.	42
4	Shri Atul Kumar Jain	Chief Financial Officer	54.60	C.A.	22	1/6/2017	-	Permanent	44	Jindal Poly Films Ltd.	General Manager-F&A	4
5	Shri Naveen Maheshwari	Sr. Vice President - Garment	50.83	B. Com.	33	1/4/2002	-	Permanent	52	HEG Ltd.	Dy. General Manager-MIS	7
6	Shri Mohit Maheshwari	Vice President - Marketing	48.26	MBA	21	1/4/1999	-	Permanent	44	-	-	-
7	Shri Ramesh Jhunjhunwala	AVP - Finance & Accounts	41.29	M. Com.	44	1/10/2012	1100	Permanent	68	RSWM LTD.	General Manager-F&A	37

S. No.	Name of Employee	Designation	Remuneration (In Lakh)	Qualification	Experience (Year)	Commencement of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed		
										Organisation	Post Held	Duration (Years)
8	Shri Navjot Walia	AVP-Marketing	40.83	B.Tech Textile	27	7/3/2011	-	Permanent	49	Souza Designs Ltd	GM	1
9	Shri Ashok Akade	Vice President - Spinning	36.35	Dip. in Textile Technology	25	14/1/2009	-	Permanent	45	M/s. Priyadarshini Spg. Mills	D.G.M. (Technical & Services)	5
10	Shri Sunil Kumar Kara	Production Head	9.09	M. Sc.	23	14/1/2019	-	Permanent	51	Matrix Clothing	VP-Operation	12

Includes ₹ 3.15 lakh pertain to the financial year 2017-18 paid in the financial year 2018-19.

B. Persons employed throughout the financial year & paid ₹ 1 crore two lac P.A. or more.

S. No.	Name of Employee	Designation	Remuneration (In Lacs)	Qualification	Experience (Year)	Commencement of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed		
										Organisation	Post Held	Duration (Years)
1	Sh. Shekhar Agarwal	Managing Director	230.17 #	B.Tech.(ME) M.Sc (Chicago)	41	27/1/1989	755573	Contractual	66	RSWM LTD.	Vice Chairman & Managing Director	25

NOTES:

1. Shri Shekhar Agarwal, Managing Director is relative of Shri Shantanu Agarwal, Director.
2. None of the person was employed for the part of the year in receipt of remuneration aggregating to ₹ eight lakh fifty thousand or more per month.
3. None of the employees draw remuneration more than remuneration drawn by Managing Director and hold by themselves or along with their spouse and dependent children, not less than two per cent of the equity shares of the Company.



REPORT ON CORPORATE GOVERNANCE

In compliance with Corporate Governance requirements as prescribed in Regulation 34(3) read with Part C of Schedule V by SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015, the Company's Report on Corporate Governance for the year ended 31st March, 2019 is set out below for information to stakeholders and investors of the Company.

The Management of the Company believes that the great Companies are built on the foundation of good governance practices. Corporate Governance is all about effective management of relationship among constituents of the system, i.e. shareholders, management, employees, customers, vendors, regulatory authorities and the community at the large. Corporate governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices that ensure that a Company meets its obligations to optimize shareholders' value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society.

1. Company's Philosophy on Corporate Governance

Corporate Governance of the Company can be defined as an approach in which the company is managed in an ethical, accountable, transparent and fair way, with the blend of both legal and management practices, to imbed the same in the decision making process of a company, and to communicate the same accurately and timely, in such a way that both stakeholders expectations and legal standards are not only met, but the corporations try to exceed them. The demands of corporate governance requires professionals to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

The Company is committed to maximize the wealth of its shareholders, besides catering to the interests of its customers, employees and associates, with the highest standards of professionalism, integrity, accountability, fairness, following its values, transparency at all levels, social responsiveness and business ethics. The Company's governance practices go beyond the statutory and regulatory requirements as it tries its best endeavour to follow the spirit of good governance. The Company believes that Corporate Governance is the set of processes, customs, policies, rules, regulations and laws, by which companies are directed, controlled and administered by the management in the best interest of the stakeholders. It ensures fairness, transparency, accountability and integrity of the management. Corporate Governance is adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders including customers, employees and society at large.

The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and Independent Board. We consider ourselves as trustees of our shareholders and relentlessly attempt to maximize long-term shareholder value. Company has laid a strong foundation for making Corporate Governance a way of life by having a mix of persons of eminence and integrity at Board and leadership levels, including competent professionals across the organisation and putting in place best systems, processes and technology.

Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholders' value.

Your Company has complied with all the requirements stipulated under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") and the Companies Act, 2013 ("Act"), as applicable, with regard to Corporate Governance and listed below is the status with regard to same.

2. Board of Directors

Composition

The Board of Directors guide, direct and oversee the management and protect long term interests of stakeholders, employees and society at large. The Board also ensures compliance of the applicable provisions, code of ethical standards and accurate financial reporting. During the year, the Board had Seven Directors comprising a Chairman, One Executive Director, One Non-Independent – Non-Executive Director and Four Independent Directors (out of which one is Women Director) which were drawn from diverse fields / professions. The Directors have expertise in the field of strategy, human resource development, legal, management, finance, technology etc. The Board discharges its fiduciary relationships by providing the guidance and independent view to the Company's Management. The Board comprises of optimum combination of Executive and Non-Executive Directors with the Chairman of the Board as a Non-Executive Director. The Chairman, the Managing Director and Non-Independent – Non Executive Director are Promoter Directors. All the Directors except the Managing Director and Independent Directors are liable to retire by rotation.

The name and categories of Directors on the Board, their attendance at the Board Meetings held during the year along with the number of Directorships, Memberships and Chairmanships held in various Committees in other Companies during the financial year ended the 31st March, 2019, are given below:

Name Designation & Category of Directorship	No. of Meetings		No. of other Directorships and Committee Membership/Chairmanship		No. of other Directorship held in Listed Companies	
	Held	Attended	Directorships*	No. of Membership (s) / Chairmanship (s) of Board Committees in other Companies as on 31.03.2019#	Name of the Company	Category of Directorship
Shri Ravi Jhunjhunwala, Chairman Promoter– Non-Executive	4	4	8	5 (including 1 as Chairman)	RSWM Ltd	Director
					HEG Ltd.	Managing Director
					India Glycols Ltd	Director
					BSL Ltd.	Director
					JK Lakshmi Cement Ltd.	Director
Shri Shekhar Agarwal, Managing Director & CEO, Promoter Executive	4	4	4	3	RSWM Ltd.	Director
					HEG Ltd.	Director
					BSL Ltd.	Director
					Bhilwara Technical Textiles Ltd.	Managing Director
Shri Shantanu Agarwal Director, Promoter, Non-Executive	4	4	1	—	Bhilwara Technical Textiles Ltd.	Director
Shri D. N. Davar, Non- Executive, Independent Director	4	3	8	6 (including as 4 Chairman)	Odisha Cement Ltd.	Director
					RSWM Ltd.	Director
					HEG Ltd.	Director
					Titagarh Wagons Ltd.	Director
					OCL Ltd.	Director
Dr. Kamal Gupta, Non- Executive, Independent Director	4	4	6	8 (including 2 as Chairman)	RSWM Ltd.	Director
					HEG Ltd.	Director
					PNB Gilts Ltd.	Director
					RSWM Ltd.	Director
					Bhilwara Technical Textiles Ltd.	Director
Shri P.S. Dasgupta, Non- Executive, Independent Director	4	3	7	6 (including 2 as Chairman)	Ester Industries Ltd.	Director
					Cummins India Ltd.	Director
					Timken India Ltd.	Director
					RSWM Ltd.	Director
					Bhilwara Technical Textiles Ltd.	Director
Smt. Archana Capoor, Non- Executive, Independent Director	4	4	8	2(including 1 as Chairman)	RSWM Ltd.	Director
					S. Chand and Company Ltd.	Director
					Emco Ltd.	Director
					Birla Cable Ltd.	Director
					Sandhar Technologies Ltd.	Additional Director

Notes:

*Excludes Directorships held in Private Limited Companies, Foreign Companies, Section 8 Companies Membership of Management Committee of various Chambers / Bodies.

#Includes Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee of public limited Companies.



None of the Directors is a member of more than ten Board level committees and Chairman of five such committees across all the Public Companies in which he/she is a Director.

None of the Directors are related to each other except Shri Shekhar Agarwal, being father of Shri Shantanu Agarwal.

Number of Board Meetings

The Board of Directors meets regularly throughout the financial year. The Board had met four times during the year, with a maximum time gap of less than one hundred and twenty days between two meetings. The meetings of the Board of Directors during the financial year ended 31st March, 2019 were held on the 9th May, 2018, 3rd August, 2018, 2nd November, 2018 and the 31st January, 2019.

Agenda papers containing all the necessary information were sent well in advance to all the Directors of the Company so as to enable the Directors to become aware of all the facts on timely basis and to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The presentation are made on various business plans, budgets etc. The relevant decisions taken by the Board / Committee meetings are then communicated to the concerned departments / divisions.

The Annual General Meeting of the Company was held on 20th September, 2018 during the financial year ended 31st March, 2019 which was attended by Shri Shantanu Agarwal, Director and Member of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Company authorized by the Chairman of the respective Committee.

The Board reviews the declaration made by the Management regarding compliance with applicable laws on quarterly basis as well as steps taken by the Company to rectify instances of non-compliances, if any.

Matrix setting out the skills/expertise/competence of the Board of Directors:

Sl. No.	Name of Director	Skills/Expertise/Competence					
		Finance	Law	Management	Technical Operations	Marketing/ Sales	Administration
1	Ravi Jhunjhunwala- Chairman	√	-	√	√	√	√
2	Shekhar Agarwal- Managing Director	√	-	√	√	√	√
3	Shantanu Agarwal- Non Independent Director	√		√	√	√	√
4	Kamal Gupta- Independent Director	√	√	√	-	-	√
5	Dharmendar Nath Davar- Independent Director	√		√	-	√	√
6	Priya Shankar Dasgupta- Independent Director	-	√	-	-	-	√
7	Archana Capoor- Independent Director	√	-	√	-	√	√

Board Independence: - Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation /disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors other than the Shri Ravi Jhunjhunwala. Shri Shantanu Agarwal are Independent in terms of Regulation 16 of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. During the year under review, the Independent Directors were fulfill the conditions specified in the Listing Regulations and are independent of the management.

Directors with materially significant pecuniary relationship

All executive Directors receive salaries, allowances, perquisites and perks while non-executive Directors are paid sitting fees for attending the Board Meeting and other sub-committee meeting of the Board. There have been no materially significant pecuniary relationship or transactions between company and its Directors in the financial year under review.

Familiarization programme for Independent Directors

All new Independent Directors inducted to the Board attend a familiarization programme. The Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company. All new Independent Directors are provided with certain documents which help them to get an overview of the Company. The new Independent Director meets with the Board members and senior management. The presentation was made by Managing Director giving an overview of Annual Operating Plans and budgets of the Company. All Independent Directors met periodically with other Key Managerial Personnel, functional heads of the units, head of HR, IT department etc. to help them understand the service and product management and such other areas related to the Company. The details on the Company's Familiarisation Programme for Independent Directors can be accessed at: http://maraloverseas.com/familiarization_programme.html.

Equity Shares held by Non-Executive Directors as on the 31st March, 2019.

Name of Director	Category	Number of Shares held	Convertible Warrant
Shri Ravi Jhunjhunwala	Promoter- Non Executive	Nil	Nil
Shri Shantanu Agarwal	Promoter- Non Executive	5,54,500	Nil
Dr. Kamal Gupta	Independent- Non Executive	1,000	Nil
Shri D. N. Davar	Independent- Non Executive	1,000	Nil
Shri P.S. Dasgupta	Independent- Non Executive	Nil	Nil
Smt. Archana Capoor	Independent- Non Executive	Nil	Nil

The information placed before the Board includes:

The Board has complete access to all information about the Company. The following information is regularly provided to the Board:

- Annual operating plans & budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results for the Company and operating divisions and business segments.
- Minutes of the Meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which are not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer among others.
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996.
- Quarterly Compliance Report and Investor Grievance Reports.
- Certificate with respect to Regulation 7(3) and 40 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. With a view to have a better Corporate Governance and accountability, the Board has constituted following committee viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.



3. Audit Committee

The role of Audit Committee is as set out in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The members of the Audit Committee of the Board comprises of following Members as on 31st March, 2019:

- 1) Dr. Kamal Gupta : Independent Director
- 2) Shri D. N. Davar : Independent Director
- 3) Shri P. S. Dasgupta : Independent Director
- 4) Shri Shantanu Agarwal : Non-Independent Director

All the members of the Audit Committee are Non-Executive and majority of Independent Directors. Dr. Kamal Gupta is the Chairman of the Audit Committee. During the year under review, all the commendations made by the Audit Committee were accepted by the Board. Dr. Kamal Gupta, Chairman of the Audit Committee, possesses high degree of accounting and financial management expertise and all members of the Committee have sound accounting and financial knowledge.

Shri Virendra Kumar Garg, Company Secretary is also secretary to the Committee. Invitees to the Audit Committee include the Chief Coordinator- Internal Audit and the representative of the Statutory Auditors and Internal Auditors.

The roles of the Audit Committee include the following:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to Financial Statements.
 - f) Disclosure of any Related Party Transactions.
 - g) Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

MOL has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions, submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief internal auditor are reviewed by the Audit Committee.
- To review the information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable.
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice.

Pursuant to its terms of reference, the Audit Committee is empowered to:

- Investigate any activity within its terms of reference and to seek any information, it requires, from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant expertise, when considered necessary.

Internal Financial Control and its adequacy

The Company has laid down policies and procedures for ensuring the orderly and efficient conduct of its business including safeguarding of assets, prevention and detection of frauds and other irregularities, the accuracy and completeness of the accounting records and timely preparation and disclosure of financial information representing true and fair view and free from material misstatement. The Committee also reviews various policies of the Company to make it consistent with the current business practices and procedures.

The Audit Committee of the Company met four times during the financial year under review. The meetings were held on 9th May, 2018, 3rd August, 2018, 2nd November, 2018 and the 31st January, 2019. Details of attendance of Audit Committee are given below:

Name of the Member	Category	No. of meetings held during the year	No. of meetings attended
Dr. Kamal Gupta	Independent –Non Executive Director	4	4
Shri D. N. Davar	Independent- Non Executive Director	4	3
Shri P.S. Dasgupta	Independent- Non Executive Director	4	3
Shri Shantanu Agarwal	Non-Independent - Non Executive Director	4	4

The representative of statutory auditors and internal auditors regularly make presence in the Audit Committee Meeting. The auditors update the Audit Committee with the Audit findings along with their recommendations and Management comments on the same and the Action Taken Report on the same is presented in the next meeting. The auditors have attended all the Audit Committee Meetings held during the year.

4. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee comprised of following Members as on the 31st March, 2019:

- 1) Dr. Kamal Gupta - Independent Director
- 2) Shri D. N. Davar - Independent Director
- 3) Shri Shekhar Agarwal - Managing Director
- 4) Shri Shantanu Agarwal - Non- Independent Director



Dr. Kamal Gupta is the Chairman of this Committee. Majority of the members of the Committee including the Chairman are Independent Directors. Shri Virendra Kumar Garg, Company Secretary is the Compliance Officer of the Company.

The terms of reference of the Committee are as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Committee met four times during the year under review ended the 31st March, 2019 on the 9th May, 2018, 3rd August, 2018, 2nd November, 2018 and the 31st January, 2019.

Details of attendance of Stakeholders' Relationship Committee are given below:

Name of the Member	Category	No. of Meetings held during the year	No. of Meetings Attended
Dr. Kamal Gupta	Independent–Non Executive Director	4	4
Shri D. N. Davar	Independent- Non Executive Director	4	3
Shri Shekhar Agarwal	Promoter-Executive Director	4	4
Shri Shantanu Agarwal	Non- Independent - Non Executive Director	4	4

Investor Complaints

The Company had received two Complaints during the year ended the 31st March, 2019 and the same was redressed/ answered to the satisfaction of the shareholders. No Investor Grievance remained unattended /pending for more than 15 days. There were no complaints pending for disposal as on the 31st March, 2019. No request for Dematerialization/ Rematerialization of Equity Shares of the Company was pending for approval as at the 31st March, 2019.

Details of Shareholders'/Investors' Queries and Grievances received and attended by the Company during the year ended the 31st March, 2019.

Sl. No.	Nature of Query/Complaint	Pending as on 1 st April, 2018	Received during the year	Addressed during the year	Pending as on 31 st March, 2019
1.	Non-receipt of Bonus/Transfer / Transmission / Issue of Duplicate Shares/ Others	Nil	2	2	Nil
2.	Non-receipt of Dividend, Non receipt of Refund Order & Non-receipt of Annual Report	Nil	Nil	Nil	Nil
3.	Dematerialization/ Rematerialization of shares	Nil	Nil	Nil	Nil

The Company also has a Share Transfer Committee to look after requests for transfer/ transmission of equity shares, issue of duplicate share certificates, consolidation/split/ replacement of share certificates and for re-materialisation of shares. The Share Transfer Committee presently comprises of:

- Shri Shekhar Agarwal
- Dr. Kamal Gupta

The Share Transfer Committee of the Company meets as often as required under the chairmanship of Shri Shekhar Agarwal, Managing Director. All valid requests for share transfer received during the year have been acted upon by the Company within the stipulated time limit.

The Board of Directors has also delegated the authority to approve the share transfers to Shri Shekhar Agarwal, Managing Director and Shri Atul Kumar Jain, Chief Financial Officer who attend and approves the share transfer requests on a fortnightly basis.

Pursuant to Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate on half yearly basis, duly signed by the compliance officer and the authorized representative of the share transfer agent certifying that all activities in

relation to both physical and electronic share transfer facility are maintained with Registrar to an issue and share transfer agent registered with the Board.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate on half yearly basis, had been issued by a practicing Company Secretary for due compliance of share transfer formalities by the Company.

Reconciliation of Share Capital Audit

A qualified practicing Chartered Accountant carries out a Reconciliation of Share Capital Audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and places the report for the perusal of the Board. The report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Further the aforesaid reports were duly submitted with the Stock Exchanges in stipulated time as per Listing Regulation 2015.

5. Corporate Social Responsibility Committee

The Company had constituted the Corporate Social Responsibility Committee in line with the provisions of Section 135 of the Companies Act, 2013. Shri P.S. Dasgupta acting as the Chairman of the committee. The Committee comprised of the following Members as on 31 March, 2019.

1. Shri P.S. Dasgupta - Independent Director
2. Shri Shekhar Agarwal - Managing Director
3. Dr. Kamal Gupta - Independent Director
4. Shri Shantanu Agarwal - Non-Independent Director

The Corporate Social Responsibility Committee shall function as under:

- Formulate and recommend to the Board, the Corporate Social Responsibility policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities undertaken by the Company.
- Monitor the Corporate Social Responsibility policy from time to time.
- Carry out such other functions as are required or appropriate in discharging their duties.

The Committee is not only responsible for the philanthropy activities carried out by the Company but also ensure that the same is properly undertaken within the set time frame. Further, while considering the benefit of the shareholders, the Committee also considers the social and environment responsibilities to fulfill the expectations of the society at large.

The Committee met four times during the period under review. The meetings were held on the 9th May, 2018, 3rd August, 2018, 2nd November, 2018 and the 31st January, 2019.

Details of attendance CSR Committee are given below:

Name of the Member	Category	No of Meetings Held during the year	No of Meetings Attended
Shri P.S. Dasgupta	Independent- Non Executive Director	4	3
Shri Shekhar Agarwal	Promoter-Executive	4	4
Shri Shantanu Agarwal	Promoter-Non Executive/Non Independent	4	4
Dr. Kamal Gupta	Independent- Non Executive Director	4	4

The Company has formulated the CSR policy wherein the activities mentioned under Schedule VII are covered. The detail of amount spent on CSR by the Company is forming part of this report. The CSR policy is updated on the website of the Company link of which is given below:

http://www.maraloverseas.com/pdf/csr_policy.pdf

6. Nomination & Remuneration Committee

The constitution of Nomination and Remuneration Committee is in accordance with the provisions of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms and reference of the Nomination and Remuneration Committee inter-alia include the following:-



- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria and recommend to the Board their appointment and removal.
- Formulate the criteria for evaluation of performance of Independent Director's and board of directors
- Formulate the criteria for determining qualification, positive attributes and independence of a director.
- To devise a policy on Board diversity.
- To determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the Report of performance evaluation of Independent Directors.
- Recommend to the Board a policy relating to the remuneration for the Directors, KMP, Senior Management Personnel and other employees.
- Succession planning for the Board and Senior Management of the Company.
- Determining the appropriate size and composition of the Board.
- Recommendation to the Board, all remuneration, in whatever form, payable to the Senior Management.
- Carry out such other functions as are required or appropriate in discharging their duties.

Dr. Kamal Gupta is the Chairman of this Committee. The Nomination and Remuneration Committee comprised of following Members as on the 31st March, 2019:

- 1) Dr. Kamal Gupta : Independent Director
- 2) Shri D.N. Davar : Independent Director
- 3) Shri P.S. Dasgupta : Independent Director
- 4) Shri Shantanu Agarwal : Non-Independent Director

The Committee met two times during the period under review. The meetings were held on the 3rd August, 2018 and the 31st January, 2019. As on 31st March, 2019 the attendance of Nomination and Remuneration Committee are given below:

Name of the Member	Category	No. of Meetings held during the year	No. of Meetings Attended
Dr. Kamal Gupta	Independent-Non Executive Director	2	2
Shri D. N. Davar	Independent-Non Executive Director	2	1
Shri P.S. Dasgupta	Independent-Non Executive Director	2	1
Shri Shantanu Agarwal	Non Independent- Non-Executive Director	2	2

Nomination and Remuneration Policy

The Company has framed a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management which is reviewed and approved by the Board of Directors on the commendation of the Nomination and Remuneration Committee in line with the amendments notified by SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The policy is in consonance with the existing industry practice and form part of Directors Report.

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes determination of salary, perquisites, commission to be paid to the Company's Managing Director(s), along with the retirement benefits. The compensation terms of Executive Directors are approved by the Board of Directors upon recommendation of the Nomination and Remuneration Committee and subsequently approved by the Shareholders in the General Meeting. The Nomination and Remuneration Committee recommends the remuneration based on the criteria such as responsibilities given, past track record of performance, industry standards and various other factors. The non-executive Directors are paid sitting fees for attending the Board meetings as well as other Committee Meetings.

The Board has carried out the performance evaluation of its own performance, committees and individual directors. An evaluation is done taking into consideration person's leadership, coordinating and steering skills, frequency for attending the meetings, initiatives, contribution, integrity etc.

The performance evaluation of Independent Directors is done by the entire Board of Directors, excluding the Director being evaluated. The criteria for evaluation are as per the Nomination and Remuneration Policy of the Company. Evaluation is also conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

Remuneration of Executive Directors, Key Managerial Personnel and Senior Management:

The remuneration of Executive Directors, Key Managerial Personnel and Senior Management is paid on monthly basis as approved by the Board on the recommendation of the Nomination and Remuneration committee and subject to the approval of the shareholders in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

Remuneration of Non-Executive/ Independent Director:

Non-Executive/Independent Director was paid sitting fees for attending the Board and Committee Meetings.

Remuneration Paid or Payable to Directors as on 31st March, 2019

(₹ In Lakh)

Name of Director	Category	Sitting Fee	Salary	Benefits, perquisites and allowances#	Commission	Total
Shri Ravi Jhunjhunwala	Promoter- Non Executive	2.00	-	-	-	2.00
Shri Shekhar Agarwal\$	Promoter- Executive	-	192.92	3.31	33.94*	230.17
Shri Shantanu Agarwal	Promoter- Non Executive	5.80	-	-	-	5.80
Dr. Kamal Gupta	Independent- Non Executive	6.50	-	-	-	6.50
Shri D. N. Davar	Independent- Non Executive	4.60	-	-	-	4.60
Shri P.S. Dasgupta	Independent- Non Executive	3.50	-	-	-	3.50
Smt. Archana Capoor	Independent- Non Executive	2.50	-	-	-	2.50

includes retirement benefits excluding leave encashment & gratuity.

\$ Shri Shekhar Agarwal, Managing Director holds 1.82 % of Equity Shares as on the 31st March, 2019 in the Company.

* Includes ₹ 3.15 Lakh pertain to the FY 2017-18 paid in the FY 2018-19.

Shri Shekhar Agarwal, Managing Director & CEO is employee of the Company and is subject to service conditions as per the policies of the Company at the relevant point in time.

During the year ended the 31st March, 2019, the Company did not advance any loans to any of its Directors. Further, during the year the Company does not give any Stock Option and Bonus Scheme.

The Non-Executive Directors are paid sitting fee for attending the Board meetings as well as Committee meetings. There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-a vis the Company.

7. Independent Directors Meeting

Pursuant to the Code of Independent Directors and Regulation 25(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the meeting of the Independent Directors held on 31st January, 2019 without the attendance of Non-Independent Directors and members of management to inter-alia:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Letter of Appointment:

At the time of appointment, the Independent Director is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment. The terms and conditions of the appointment of the Independent Directors are available on the Company's website i.e. http://maraloverseas.com/pdf/Letter_of_Appointment_Independent_Director.pdf.

Performance evaluation of Independent Directors

Pursuant to the Code of Independent Directors and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of Independent Directors is to be done by the entire Board of Directors except the Director who is being evaluated. The criteria for the evaluation of performance are laid down in the Nomination and Remuneration policy. The evaluation of the performance is being done on an annual basis. As on 31st March, 2019, the Company has the following Independent Directors: Dr. Kamal Gupta, Shri D. N. Davar, Shri P.S. Dasgupta and Smt. Archana Capoor. The Directors expressed their satisfaction with the outcome of the evaluation process.



8. Management Discussion and Analysis

The Management Discussion and Analysis Report forms part of the Annual Report. During the financial year ended the 31st March, 2019, there were no material financial or commercial transactions by the Company with its Promoters, Directors, Management or relatives, etc. that may have potential conflict with the interests of the Company at large.

As required by Accounting Standards (Ind-AS)-24, the details of related party transactions are given in Note 40.2 to the Financial Statements.

9. General Body Meetings

The details of the location and time of the Annual General Meetings held during the preceding 3 years are as follows:

ANNUAL GENERAL MEETINGS (AGM)

Date of AGM	Relevant Financial Year	Time of Meeting	Venue/Location where held	Special Resolution passed
29 th September, 2016	2015-2016	11.00 A.M.	Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone, Madhya Pradesh – 451660	2
22 nd September, 2017	2016-2017	11.00 A.M.	Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone, Madhya Pradesh – 451660	3
20 th September, 2018	2017-2018	11.00.A.M.	Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone, Madhya Pradesh – 451660	3

The following special resolutions were taken up in the last three annual General Meetings, and were passed with requisite majority:-

2015-16

- I. Approval for the reappointment and fix the remuneration of Shri Shekhar Agarwal as Managing Director of the Company for a period of three years starting form 1st April, 2016 to 31st March, 2019.
- II. Approval for creation of mortgage(s) and charges as per the provisions of Section 180(1)(a) of the Companies Act, 2013 in addition to the existing mortgage(s), charge(s) and hypothecation(s) created by the Company.

2016-17

- I. Adoption of New Article of Association pursuant the Provision of Section 14 and all other applicable provisions of the Companies Act, 2013 read with rules made there under.
- II. Approval for creation of mortgage(s) and charges as per the provisions of Section 180(1)(a) of the Companies Act, 2013 in addition to the existing mortgage(s), charge(s) and hypothecation(s) created by the Company
- III. To authorised the Board of Directors of the Company to create mortgage and/ or charge on the assets of the Company up to the borrowing limits of ₹ 500 crore as per the provision of Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013

2017-18

- I. Approval of the remuneration payable to Shri Shekhar Agarwal (DIN 00066113) Managing Director of the Company for the financial year 2017-18 and for his remaining tenure upto 31st March, 2019.
- II. Approval for continuation of Shri Dharmendar Nath Davar an Independent Director from 1st April, 2019 till the present term expiring on 25th September, 2019.
- III. Approval for partial extension of period of Redemption of 12,00,000 3 % Cumulative Redeemable Preference Shares of ₹ 100 each issued to the Promoters which is due for redemption on 31st March, 2019 i.e. 50% proportionately in two tranches in the year 31st March, 2019 and 31st March, 2020 respectively.

Postal Ballot

During the year ended 31st March 2019, no resolution was required to be passed through Postal Ballot. Further, no resolution has been proposed to be conducted through postal ballot.

10. Disclosures:

(i) Basis of Related Party Transactions:

- During the period under review, there is no materially significant related party transaction with any of the related parties.
- The disclosure of transactions as required pursuant to the Ind-AS -24 has been made part of the Annual Report.
- The related party transactions are being done on an arm's length basis and in the ordinary course of business.

The policy for dealing with the Related Party Transactions as approved and amended by the Board of Directors is disclosed on the website of the Company under the following link:

http://maraloverseas.com/pdf/policy_on_related_party_transaction.pdf

(ii) Non Compliance by the Company in previous years:

No penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or Board or any statutory authority relating to capital markets during the last three years.

(iii) Whistle Blower Policy:

The Company with the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the identity of the complainant is not disclosed. During the year under review, no person was denied access to the Audit Committee.

(iv) Disclosure of Accounting Treatment in preparation of Financial Statements:

The Company has followed the guidelines of Accounting Standards/IND-AS laid down by the Institute of Chartered Accountant of India in preparation of Financial Statement.

(v) Board Disclosures – Risk Management:

The Company has a well-defined risk management framework in place. Under this framework, the Management identifies and monitors business risks on a continuous basis and initiates appropriate risk mitigation steps as and when deemed necessary. The Company has established procedures to periodically place before the Board the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate those risks through a properly defined framework.

(vi) Material Subsidiary

The Company doesn't have any subsidiary. However, the policy of the same as approved by the Board of Directors is disclosed on the website of the Company under the following link: http://maraloverseas.com/pdf/Material_subsidary.pdf

11. Discretionary Requirements

The Company has duly fulfilled the following discretionary requirements as prescribed in schedule II part E of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Shri Ravi Jhunjhunwala is the Chairman of the Company and Shri Shekhar Agarwal is the Managing Director & CEO of the Company. The Company is having separate persons to the post of Chairman and Managing Director/CEO. The executive summary along with the internal audit report and action taken report of all units is placed in every quarter in the Audit Committee.

12. Compliance with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

During the year under review, the Company has complied with the condition of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Compliance Certificate from M/s. S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi (Firm Registration No. 000756N), and M/s. P. K. Deora & Co., Chartered Accountants, New Delhi (Firm Registration No. 004167N) Statutory Auditors of the Company regarding compliance of the condition of Corporate Governance from part of this Annual Report. The observations of the Auditors, if any, are explained wherever necessary, in the appropriate notes to the accounts. The Auditors' Report does not contain qualification, reservation or adverse remark.

Pursuant to Regulation 34(3) and Schedule V para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri D. P. Gupta, a Company Secretary in Practice vide his certificate dated 7th May, 2019 had confirmed that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. A copy the certificate is form part of this Annual Report.

13. Initiatives on Prevention of Insider Trading Practices

The Company has a policy prohibiting Insider Trading in conformity with applicable regulations of the Securities and Exchange Board of India (SEBI). The objective of this policy is to prevent purchase and sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Necessary procedures have been laid down for directors, officers and designated employees, for trading in the securities of the Company. To deal in securities, beyond specified limit, permission of compliance officer is required. The policy and the procedures are periodically communicated to the employees who are considered as insiders of the Company. Trading Window closure, are intimated to all the directors, designated employees and insiders, in advance, whenever required.



In line with the amendments notified by SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018, the Revised Code of Conduct for prevention of Insider Trading had been approved and adopted by the Board and implemented with effect from 01st April, 2019.

14. Code of Conduct

The Company Board has laid down a Code of Conduct, evolved in line with the industry a practice was adopted by the Board. The Company is committed to conduct its business in accordance with the pertinent laws, rules and regulations and with the highest standards of business ethics. A copy of code of conduct, as amended from time to time, has been placed on the Company’s website www.maraloverseas.com. All members of the Board and Senior Management Personnel have confirmed compliance with the code of conduct for the year under review and a declaration to that effect, signed by CEO & CFO forms part of Annual Report.

15. CEO/CFO Certification

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification of CEO/CFO on the financial statements for the year form part of this Annual Report.

16. Means of Communication

The effective communication of information is considered very essential component of Corporate Governance. The Company interacts with their shareholders through various means of communication i.e print media, Company website, annual report etc.

The quarterly, half yearly and annual audited results are sent immediately to the Stock Exchanges after they are approved by the Board of Directors. The same are also displayed on Company’s website at www.maraloverseas.com. The Company publishes its results in at least one prominent national and regional newspaper. The Company has a designated an email-id maral.investor@lnjbhilwara.com.

17. Shareholders

Re-appointment of Non Independent Directors

Two Non Independent Directors of your Company are liable to retire by rotation. Of these Directors, at least one-third retires every year and if eligible, propose themselves for the re-appointment. This year, Shri Shantanu Agarwal, is retiring by rotation and being eligible, offer himself for re-appointment in the Annual General Meeting.

Shri Shantanu Agarwal- (33)

Shri Shantanu Agarwal is a Non-Executive Promoter Director of the Company. He holds a degree in B.S. in Electrical and Computer Engineering Carnegie Mellon University, USA: MBA from Wharton School of Business (University of Pennsylvania), USA. He joined the Board of the company on 22nd April, 2014. He is an industrialist with diversified business experience.

Details of Directorships Held in Other Companies

Directors Name	Name of the Company in which Directorship held *	Committee Chairmanship	Committee Membership
Shri Shantanu Agarwal	Bhilwara Technical Textiles Limited	–	–

**Excludes Directorships held in Private Limited Companies, Foreign Companies, Membership of Management Committee of various chambers/Bodies/ Section 8 Companies.*

- 18. SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system.
- 19. Uploading on BSE and NSE:** The quarterly and annually results, quarterly and annually compliances and all other corporate communications to the Stock Exchanges are filed electronically on BSE (BSE Limited) and NSE (National Stock Exchange Limited.)
- 20. Disclosure on Website:** - The Company’s website www.maraloverseas.com has separate section “Investor” where the information for the shareholders is available. Annual Report, financial result, shareholding pattern, Corporate Governance Report etc. are also available on the website of the company in user friendly manner. The Company ensures that the relevant provision of Regulation 46 of the Listing Regulation, 2015 are complied with.
- 21. Presentation made to Institutional Investor or to the analysts:** - Any presentations and disclosures which are required to be disseminated on the Company’s website under the Listing Regulations have been uploaded on the website of the Company. The Company has a dedicated investor email id maral.investor@lnjbhilwara.com.
- 22. Compliance Confirmation:** - It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 of the Listing Regulations 2015.

ADDITIONAL SHAREHOLDERS' INFORMATION

ADDITIONAL SHAREHOLDERS' INFORMATION

1. Annual General Meeting

Date	:	19 th September, 2019
Day	:	Thursday
Time	:	11.00 A.M.
Venue	:	Maral Sarovar, V. & P. O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone - 451660, Madhya Pradesh

2. Financial Calendar

Financial year	:	1 st April, 2018 to 31 st March, 2019
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For the year ended 31st March, 2019, results were announced on:

- 3rd August, 2018 : First quarter
- 2nd November, 2018 : Second quarter and Half year
- 31st January, 2019 : Third quarter and Nine months
- 7th May, 2019 : Fourth quarter and Annual.

For the year ending 31st March, 2019, quarterly results will be announced within 45 days from the end of each quarter except the fourth quarter when the audited annual results will be published within 60 days.

3. Dates of Book Closure	:	Friday, the 13 th September, 2019 to Thursday, the 19 th September, 2019
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4. Equity Dividend Payment Date	:	N.A.
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5. Listing of Equity Shares on Stock Exchange:-

- i. BSE Ltd (BSE Ltd.)- Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
 - ii. National Stock Exchange of India Ltd. (NSE)- Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
- Listing fee as prescribed has been paid to BSE Ltd. and the National Stock Exchange of India Limited upto 31st March, 2020.*

6. Stock Code:

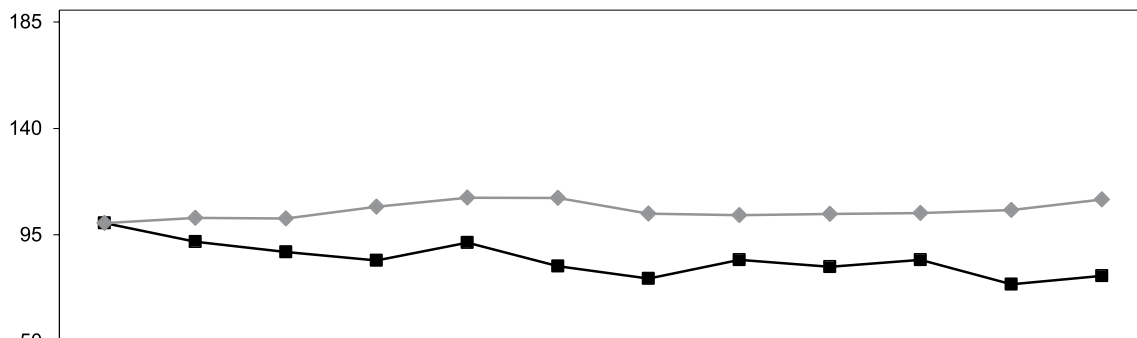
BSE Ltd. (BSE)	:	521018
National Stock Exchange of India Ltd. (NSE)	:	MARALOVER

7. Stock Market Data: Share Price in ₹ of Maral Overseas Limited at BSE /NSE in 2018-19

Months	BSE Ltd.			National Stock Exchange of India Ltd		
	High	Low	Volume	High	Low	Volume
Apr-18	37.90	31.50	76231	37.90	31.00	321738
May-18	34.90	28.00	48560	35.60	27.35	267336
June-18	33.25	25.70	56890	33.00	25.95	198224
July-18	31.90	25.05	48786	31.35	25.10	210957
Aug-18	34.75	27.90	119436	35.00	27.70	371517
Sep-18	31.00	25.70	58992	30.80	25.20	291165
Oct-18	29.00	22.10	31369	29.85	23.10	118951
Nov-18	32.00	27.25	76485	31.90	27.10	293233
Dec-18	30.90	25.00	40695	30.00	25.75	188944
Jan-19	32.00	25.55	47721	31.00	26.50	235152
Feb-19	28.10	23.10	16452	27.90	23.30	86366
Mar-19	29.45	25.00	47151	29.50	24.55	159275



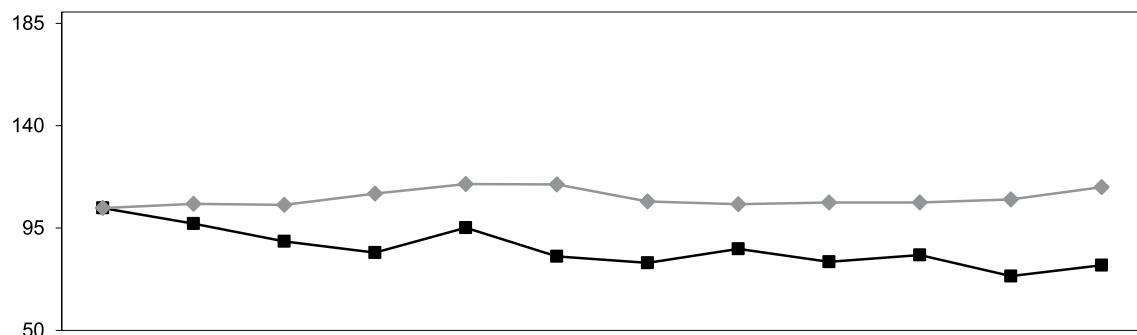
Performance in comparison with BSE Sensex (Both series indexed to 100 as on April, 2018)



	Apr/18	May/18	Jun/18	Jul/18	Aug/18	Sep/18	Oct/18	Nov/18	Dec/18	Jan/19	Feb/19	Mar/19
—■— MOL (High)	100.00	92.08	87.73	84.17	91.69	81.79	76.52	84.43	81.53	84.43	74.14	77.70
—◆— Sensex (High)	100.00	102.22	101.89	106.90	110.72	110.57	103.99	103.34	103.81	104.22	105.56	110.04

Source: BSE Ltd.

Performance in comparison with NIFTY (Both series indexed to 100 as on April, 2018)



	Apr/18	May/18	Jun/18	Jul/18	Aug/18	Sep/18	Oct/18	Nov/18	Dec/18	Jan/19	Feb/19	Mar/19
—■— MOL (High)	100.00	93.93	87.07	82.72	92.35	81.27	78.76	84.17	79.16	81.79	73.61	77.84
—◆— Nifty (High)	100.00	101.58	101.25	105.64	109.31	109.23	102.57	101.52	102.10	102.12	103.34	108.10

Source: National Stock Exchange of India Ltd.

8. Registrar and Transfer Agents:

M/s MCS Share Transfer Agent Limited is the Registrar & Share Transfer Agent of the Company. The Shareholders may contact M/s MCS Share Transfer Agent Limited for matters related to Share Transfers etc. at the following address:

MCS Share Transfer Agent Limited
 F-65, Okhla Industrial Area, Phase I, 1st Floor, New Delhi – 110 020
 Phone No. (s) : 011-41406149-52, Fax No : 011-41709881,
 E- Mail : admin@mcsregistras.com

9. Share Transfer System:

The matters related to Share Transfer and Transmission etc. are attended by the delegated authorities on fortnightly basis. Share transfers are registered and returned within 15 days from the date of receipt, if the documents are in order in all respects. The total numbers of shares transferred during the financial year ended the 31st March, 2019 were 9,100 shares. As per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained half-yearly certificates from Practicing Company Secretary for due compliance of share transfer formalities.

10. Distribution of Shareholding as on the 31st March, 2019.

No. of Equity shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	13704	86.11	20,29,768	4.89
501-1000	1021	6.41	8,72,667	2.10
1001-10000	1080	6.79	32,24,306	7.77
10001 and above	110	0.69	3,53,81,259	85.24
Total	15915	100.00	4,15,08,000	100.00

11. Shareholding Pattern as on the 31st March, 2019

Category		No. of Shares held	Percentage of Shareholding
A	Promoters & Promoter Group	3,11,08,829	74.95
B.	Public Shareholding		
	I Banks	2,000	0.00
	II Financial Institutions and Insurance Companies, Mutual Funds & UTI	1,000	0.00
	III Foreign Institutional Investors	5,800	0.02
	IV NRIs	51,089	0.12
	V Bodies Corporate	16,33,474	3.94
	VI Foreign Bodies Corporate	200	0.00
	VII Individuals	87,00,515	20.96
	VIII Clearing Members	5,093	0.01
	Total	4,15,08,000	100.00

12. Dematerialisation of Shares and Liquidity**A. Equity Shares as on the 31st March, 2019**

Sl. No.	Description	No. of Share holders	No. of Shares	% of Equity
1.	Central Depository Services India Limited (CDSL)	3779	2,48,07,345	59.76
2.	National Securities Depository Limited (NSDL)	6897	1,60,37,547	38.64
3.	Physical	5239	6,63,108	1.60
	Total	15915	4,15,08,000	100.00

The ISIN number for Equity Shares of the Company in NSDL and CDSL is **INE882A01013**. 4,08,44,892 equity shares were dematerialized till 31st March, 2019 which is 98.40 % of the total paid-up equity share capital of the Company. Trading in Shares of the Company is permitted in dematerialized form only.

B. Cumulative Redeemable Preference Shares (CRPS)

The ISIN numbers for 4,71,350 8% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100/- each of the Company in NSDL and CDSL is **INE882A04041**. During the Financial Year 2018-19, in the fourth and final tranche of 471,350 8% CRPS were redeemed as approved by the Board of Directors in their meeting held on 31st January, 2019. The Company has also issued 12,00,000 3% Cumulative Redeemable Preference Shares of ₹ 100/- each, to the persons falling under promoters and promoter group in physical form. During the Financial Year 2018-19, the first tranche of 6,00,000 3% Cumulative Redeemable Preference Shares (CRPS) were redeemed as approved by the Board of Directors in their meeting held on 31st January, 2019.

13. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments during the year under review.

14. Commodity price risk or foreign exchange risk and hedging activities.

- Foreign Exchange Risk And Hedging Activities**

The Company regulates its activities as laid down under forex hedging policy. The Company periodically reviews the forex exposure along with the hedging positions of the Company. The Company had been continuing with its existing policy of booking Vanilla



Forward Cover to the extent of orders in hand to hedge its exposure. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The Company regulates its activities as laid down under forex hedging policy and reviewed periodically. Also refer Management Discussion and Analysis for the same.

• **Commodity Price Risk And Commodity Hedging Activities**

The Company does not have any exposure hedged through commodity derivatives except the foreign hedging. In compliance with Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI LODR, 2015, the exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

A: - Total exposure of the listed entity to commodities in INR - **NIL**

B: - Exposure of the listed entity to various commodities

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
NIL							

15. Plant Locations

- 1) Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone-451660, Madhya Pradesh.
- 2) A-11, Hosiery Complex, Phase-II (Extension), Noida- 201 305 (U.P.)
- 3) C-126, Sector-63, Noida-201307 U.P.

16. Address for Correspondence

Investor correspondence should be addressed to:

<p>1. Registrar & Share Transfer Agent MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area, Phase I, New Delhi – 110 020 Phone No (s): 011-41406149-52, Fax No: 011-41709881 E -mail: helpdeskdelhi@mcsregistrars.com,</p>	<p>2. Company Secretary Maral Overseas Limited, Bhilwara Towers, A-12, Sector 1, Noida- 201301(U.P.) Phone No: 0120 -4390000, Fax No. : 0120-4277841 E-mail: maral.investor@lnjbhilwara.com</p>
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17. Credit Rating

During the period under review, M/s. CARE Ratings Limited (Rating Agency) has reaffirmed the ratings assigned to the bank facilities of the Company as under:

S. No.	Facilities	Reffirmed Ratings
1.	Long Term Bank Facilities	CARE BBB; Stable (Triple B; Outlook: Stable)
2.	Short Term Bank Facilities	CARE A3+ (A Three Plus)

18. Other information to the Shareholders

a. Green Initiative

As a responsible corporate citizen, the Company welcomes the Green Initiative, by sending the communications/documents including Notices for General Meeting and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to the Company or their Depository Participants (DP).

Shareholders who have not registered their e-mail addresses are requested to register/update their e-mail addresses in respect of equity shares held by them in Demat form with their respective DPs and in case of physical form with the Company.

b. Internal Complaints Committee (ICC)

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which came into effect from the 9th of December, 2013, the Company has formulated a Internal Complaints Committee that will ensure a work environment free of all forms of sexual harassment- verbal, written, physical, visual or otherwise.

The Committee is formed as per the statute, it is headed by a women employee, the committee comprises of more than half representation of women and it has adequate independent representation of women from the social and legal fields. It lays down the whole procedure of filling complaint, enquiry, redressal of grievance and taking action against those who are found guilty by the Committee in a fairly transparent manner.

The Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are tabulated hereunder:

No. of Complaints Filed during the year	No. of Complaints Disposed off during the year	No. of Complaints Pending as at the end of the year
Nil	Nil	Nil

c. Information pursuant to Regulation 34(3) read with part F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company transferred 5100 Equity Shares in respect of 43 shareholders in the name of “Maral Overseas Limited – Unclaimed Suspense Account” on the 7th August, 2012 and these shares were subsequently dematerialized. As on 1st April, 2015, 42 shareholders comprising of 5000 shares were lying in the unclaimed suspense accounts. During the Financial Year 2015-16, 1 shareholder comprising of 100 has approached for claiming the shares which was duly transferred in the name of shareholder. As on the 31st March, 2017, 41 shareholders bearing 4900 shares are still lying in the Unclaimed Suspense Account as on 31st March, 2019.

d. Unpaid / Unclaimed Dividends

There was no amount of unpaid/unclaimed dividend pending with the Company from last seven years because the company did not declare any dividend since the year 2002-2003. In view of the same, Company had neither transferred any dividend amount to Investor Education and Protection Fund (IEPF) nor the underlying shares in respect of such unclaimed dividend to the Demat account of IEPF Authority as per the provisions of Sections 124 and 125 of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules notified by the Ministry of Corporate Affairs.

- e. During the Financial Year 2018-19, the Company did not raise any funds through preferential allotment or qualified institutions placement.
- f. The total fees for all services paid by the Company on a consolidated basis to the Statutory Auditor are detailed in the notes to the Financial Statements.
- g. There were no recommendations of any committee requiring mandatory approval of the Board, which were not accepted by the Board.

Place: Noida (U.P.)
Dated: 7th May, 2019

Shekhar Agarwal
Managing Director & Chief Executive Officer
DIN-00066113

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY.

We, Shekhar Agarwal, Managing Director & Chief Executive Officer and Atul Kumar Jain, Chief Financial Officer, of Maral Overseas Limited, hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by Maral Overseas Limited during the year which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in Maral Overseas Limited and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system.

We affirm that we have not denied any personnel access to the Audit Committee of the company (in respect of matters involving alleged misconduct). We further declare that all Board members and designated senior management have affirmed compliance with the Code of Conduct for the current year.

Place : Noida (U.P.)
Dated: 7th May, 2019

Shekhar Agarwal
Managing Director &
Chief Executive Officer
DIN : 00066113

Atul Kumar Jain
Chief Financial Officer
FCA-094866



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To
The Members of
Maral Overseas Limited
(CIN: L17124MP1989PLC008255)
Maral Sarovar, V & P.O. Khalbujurg, Tehsil Kasrawad,
Khargone M.P. 451660

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Maral Overseas Limited having CIN L17124MP1989PLC008255 and having registered office at Maral Sarovar, V & P.O. Khalbujurg Tehsil Kasrawad, Khargone M.P. 451660 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Dharmendar Nath Davar	00002008	28.09.2004
2.	Mr. Priya Shankar Dasgupta	00012552	28.09.2004
3.	Dr. Kamal Gupta	00038490	13.07.1991
4.	Mr. Ravi Jhunjunwala	00060972	27.11.1996
5.	Mr. Shekhar Agarwal	00066113	27.01.1989
6.	Mrs. Archana Capoor	01204170	06.11.2015
7.	Mr. Shantanu Agarwal	02314304	22.04.2014

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

**For SGS Associates
Company Secretaries**

Place: New Delhi
Date: 7th May, 2019

D.P. Gupta
FCS No.: 2411
C P No.: 1509

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
Maral Overseas Limited

1. We S. S. Kothari Mehta & Co., Chartered Accountants, and P. K. Deora & Co the Statutory Auditor of Maral Overseas Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2019, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), to the extent relevant, the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2019.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For P K Deora & Co
Chartered Accountants
Firm's ICAI Registration No: 004167

For S S Kothari Mehta & Company
Chartered Accountants
Firm's ICAI Registration No.:000756N

Pawan Kumar Deora
Proprietor
(Membership No: 083308)
UDIN:19083308AAAAA6804

Neeraj Bansal
Partner
(Membership No: 095960)
UDIN:-19095960AAAACF2550

Date:-7th May, 2019
Place:-Noida U.P.



INDEPENDENT AUDITORS' REPORT

To The Members of Maral Overseas Limited Report On the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Maral Overseas Limited** ('the Company'), which comprise the Balance Sheet as at 31 March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31 March, 2019, the profit and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Report on Corporate Governance and Shareholder informations but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the records, information and explanation provided, we have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016

('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure – A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with rule 7 of the Companies (Account) Rules, 2014;
 - e. On the basis of written representations received from the Directors as on 31 March, 2019, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March, 2019, from being appointed as a Director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

As per the information and explanation given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided as specified by the provisions of section 197 read with Schedule V to the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements;
 - ii. The Company did not have long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For S. S. KOTHARI MEHTA & CO.
(Chartered Accountants)
Firm Registration No. 000756N

For P.K. DEORA & CO.
(Chartered Accountants)
Firm Registration No. 004167N

Neeraj Bansal
Partner
Membership No. 095960

Pawan Kumar Deora
Proprietor
Membership No. 083308

Place: Noida
Date: May 7, 2019



Annexure A to the Independent Auditor’s Report to the members of Maral Overseas Limited

Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1 of ‘Report on Other Legal and Regulatory Requirements’ section.

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has physically verified these fixed assets as per its program of physical verification that covers every item of fixed assets over a period of two years. According to information and explanation given to us, no material discrepancies were noticed on such verification;
- (c) According to information and explanation given to us and on the basis of our examination of the records of the Company, title deeds are in name of Company. However, for properties which are pledged as security with IFCL Limited for securing the facilities have been verified based on document received from IFCL.
- (ii) The physical verification of inventory except material lying with third parties, has been conducted at reasonable intervals by the management. No material discrepancies were noticed on such physical verification;
- (iii) According to the information and explanation given to us, the Company has not granted loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, sub clauses 3(iii) (a), (iii) (b) & (iii) (c) of the Order are not applicable.

- (iv) According to the information and explanation given to us, the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013, with respect to the loans, investment, guarantees, and security made;
- (v) As per information and explanation provided to us, the Company has not accepted any public deposits during the year. Further, we have not come across any such deposit(s) nor the management has reported any such deposit(s), therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable;
- (vi) We have broadly reviewed the books and records required to be maintained as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records are being maintained; We have not, however, made a detailed examination of same.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods & service tax, cess and any other statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) The particulars of dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute as under:

Name of the Statute	Nature of Dues	Related year	*Amount ₹ In lakh	Forum where the dispute is pending
Income Tax Act	Disallowance of deduction u/s 10B, 35D & 80HHC u/s 115JB	AY 2002-03	45.00	CIT (Appeals) & Dy CIT (For rectification)
		AY 2003-04	27.64	CIT (Appeals)
		AY 2009-10	320.00	CIT (Appeals)
Central Excise Act	Duty rate on De-bonded goods	FY 2005-06	272.49	Hon'ble Supreme Court
Custom Act	Duty on coal import	FY 2012	5.56	Comm (Appeals)
	Duty on coal import	FY 2012	28.48	CESTAT
State Sales Tax Act	Entry Tax	FY 2007-08	53.60	MP CT Appellate Board, Bhopal
	Entry Tax	FY 2008-09	9.34	MP CT Appellate Board, Bhopal

*This includes interest & penalty.

- (viii) The Company has not defaulted in repayment of loans or borrowing during the year to financial institution, bank or government. The Company has not issued any debentures;
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loans were applied for the purposes for which those are raised;
- (x) According to the information and explanations given to us and audit procedure followed, no fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year;
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid or provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act;
- (xii) The Company is not a Nidhi Company, hence clause (xii) of the Order is not applicable to the Company;
- (xiii) 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 financial statements as required by the applicable accounting standards;

- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.
- (xv) 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 non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable;
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;

For S. S. KOTHARI MEHTA & CO.
(Chartered Accountants)
Firm Registration No. 000756N

For P.K. DEORA & CO.
(Chartered Accountants)
Firm Registration No. 004167N

Neeraj Bansal
Partner
Membership No. 095960
Place: Noida
Date: May 7, 2019

Pawan Kumar Deora
Proprietor
Membership No. 083308



Annexure B to the Independent Auditor's Report to the members of Maral Overseas Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **Maral Overseas Limited** ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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:

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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".

For S. S. KOTHARI MEHTA & CO.

(Chartered Accountants)

Firm Registration No. 000756N

For P.K. DEORA & CO.

(Chartered Accountants)

Firm Registration No. 004167N

Neeraj Bansal

Partner

Membership No. 095960

Place: Noida

Date: May 7, 2019

Pawan Kumar Deora

Proprietor

Membership No. 083308

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Notes	As at 31 March, 2019 (₹ In Lakhs)	As at 31 March, 2018 (₹ In Lakhs)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	18,504.36	15,378.69
(b) Capital work - in - progress	3	303.63	1,328.49
(c) Other intangible assets	4	296.72	351.23
(d) Biological Assets other than bearer Plants	5	7.13	7.81
(e) Deferred tax assets (net)	6	(135.54)	69.97
(f) Financial assets			
(i) Loans	7	10.37	13.87
(ii) Other financial assets	8	4.89	5.85
(g) Other non-current assets	9	1,006.36	961.22
Total non-current assets		19,997.92	18,117.13
Current assets			
(a) Inventories	10	10,938.94	10,815.56
(b) Financial assets			
(i) Investments	11	48.70	49.70
(ii) Trade receivables	12	9,588.40	8,253.71
(iii) Cash and cash equivalents	13	425.01	171.86
(iv) Bank Balances other the (III) above	14	219.91	135.32
(v) Loans	7	52.84	35.25
(vi) Other financial assets	8	298.49	109.01
(d) Other current assets	9	3,831.16	2,694.74
(e) Assets classified as held for sale	16	-	0.70
Total current assets		25,403.45	22,265.85
Total assets		45,401.37	40,382.98
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	4,150.80	4,150.80
(b) Other equity	18	5,906.83	5,102.39
Total Equity		10,057.63	9,253.19
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	5,075.22	3,487.79
(ii) Other financial liabilities	20	19.76	60.66
(b) Provisions	21	266.88	266.19
(c) Other non-current liabilities	22	-	-
(d) Deferred government grant	23	26.03	31.38
Total non-current liabilities		5,387.89	3,846.02
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	17,405.47	14,354.47
(ii) Trade payables			
A. total outstanding dues of micro enterprises and small enterprises	24	172.16	97.82
B. total outstanding dues of creditors other than micro enterprises and small enterprises	24	5,655.48	4,211.73
(iii) Other financial liabilities	20	4,985.74	7,318.38
(b) Provisions	21	253.40	154.38
(c) Current tax liabilities	15	21.06	10.00
(d) Other current liabilities	22	1,462.54	1,136.99
Total current liabilities		29,955.85	27,283.77
Total liabilities		35,343.74	31,129.79
Total Equity and liabilities		45,401.37	40,382.98
See accompanying notes to the financial statements	1-47		

In terms of our report attached

For and on behalf of the Board of Directors of
Maral Overseas Limited

For S. S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No.000756N

Neeraj Bansal
Partner
Membership No.095960

Place: Noida (U.P.)
Date: 7th May, 2019

For P.K. Deora & Co.
Chartered Accountants
Firm Registration No.004167N

Pawan Kumar Deora
Proprietor
Membership No.083308

Ravi Jhunjhunwala
Chairman
DIN : 00060972

Atul Kumar Jain
Chief Financial Officer
FCA-094866

Shekhar Agarwal
Managing Director
DIN : 00066113

Virendra Kumar Garg
Company Secretary
FCS-7321

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Notes	Year Ended 31 March, 2019 (₹ In Lakhs)	Year ended 31 March, 2018 (₹ In Lakhs)
1. Revenue from operations	25	75,713.51	64,076.51
2. Other income	26	1,468.16	1,235.40
3. Total income (1 + 2)		77,181.67	65,311.91
4. Expenses			
a. Cost of materials consumed	27	49,550.79	42,901.80
b. Purchases of stock-in-trade (Yarn)		269.14	13.43
c. Changes in inventories of finished goods, stock - in - trade and work - in - progress	28	(784.18)	(3,062.13)
d. Employee benefit expenses	29	9,342.04	8,805.67
e. Finance costs	30	1,698.22	1,868.27
f. Depreciation and amortisation expense	31	2,032.06	1,840.45
g. Other expenses	32	13,738.99	12,884.67
Total expenses		75,847.06	65,252.16
5. Profit/Loss before tax (3-4)		1,334.61	59.75
6. Tax expense			
a. Current tax	33	287.97	10.00
b. Mat Credit Entitlement		(53.68)	(10.00)
c. Deferred tax		268.09	18.11
d. Taxes for earlier years (including MAT entitlement)		19.17	(57.05)
Total tax expense		521.55	(38.94)
7. Profit for the year (5-6)		813.06	98.69
8. Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of post-employment benefit plans		(97.58)	16.10
(ii) Income tax relating to items that will not be reclassified to profit or loss		34.10	(5.57)
(i) Items that will be reclassified to profit or loss			
- Cash flow hedge reserve		84.18	(202.66)
(ii) Income tax relating to items that will be reclassified to profit or loss		(29.32)	70.14
Total other comprehensive income		(8.62)	(121.99)
9. Total comprehensive income for the year (7 + 8)		804.44	(23.30)
Earnings per equity share	34		
(Face value ₹ 10 per share)			
- Basic (₹)		1.96	0.24
- Diluted (₹)		1.96	0.24

See accompanying notes to the financial statements

1-47

In terms of our report attached

For and on behalf of the Board of Directors of
Maral Overseas LimitedFor S. S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No.000756NFor P.K. Deora & Co.
Chartered Accountants
Firm Registration No.004167NRavi Jhunjunwala
Chairman
DIN : 00060972Shekhar Agarwal
Managing Director
DIN : 00066113Neeraj Bansal
Partner
Membership No.095960Pawan Kumar Deora
Proprietor
Membership No.083308Atul Kumar Jain
Chief Financial Officer
FCA-094866Virendra Kumar Garg
Company Secretary
FCS-7321Place: Noida (U.P.)
Date: 7th May, 2019

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

	Year Ended 31.03.2019 (₹ in Lakhs)	Year Ended 31.03.2018 (₹ in Lakhs)
A. Cash flow from operating activities		
Profit for the year before tax	1,334.61	59.75
Adjustments for:		
Re-measurement of defined benefit obligations	-	-
Finance costs recognised in P&L	1,490.86	1,595.66
Interest income recognised in P&L	(157.24)	(86.99)
Depreciation and amortisation expense	2,032.06	1,840.45
Loss/(Profit) on sale of property, plant & equipment	6.18	(12.52)
Unrealised Exchange (gain)/loss	(391.94)	(780.52)
Provision for doubtful trade receivables & advances	10.21	-
Dividend Income	-	(0.59)
Fair value of investment through profit & loss	(14.72)	4.67
Fair value of financial liability	98.41	201.07
	4,408.43	2,820.98
Movements in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(1,344.91)	(104.24)
Other financial assets	(101.11)	148.82
Other assets	(1,410.94)	(1,662.19)
Inventories	(123.38)	4,315.56
Loans	(14.09)	0.73
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	1,910.03	975.86
Other current liabilities	325.55	190.60
Other financial liabilities	(278.11)	192.28
Provisions/other items	2.13	(76.23)
Deferred government grant	(5.35)	(5.33)
Cash generated from operations	3,368.25	6,796.84
Income tax paid	(300.20)	(38.75)
Net cash generated by operating activities (A)	3,068.05	6,758.09
B. Cash flow from investing activities		
Capital expenditure on PPE and capital advances	(3,993.66)	(2,609.32)
Bank Balances not considered as cash & cash equivalents	(84.59)	(56.10)
Interest received	154.01	87.28
Dividend received	-	0.59
Assets classified as held for sale	0.70	0.01
Sale of investments	15.72	8.11
Net cash generated by/(used in) investing activities (B)	(3,907.82)	(2,569.43)

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

	Year Ended 31.03.2019 (₹ in Lakhs)	Year Ended 31.03.2018 (₹ in Lakhs)
C. Cash flow from financing activities (refer note 44)		
Redemption of preference shares	(1,071.35)	(471.35)
Repayment of term loan	(2,256.15)	(3,945.95)
Working/Term capital loan taken	5,910.19	1,924.98
Interest paid	(1,489.77)	(1,619.84)
Net cash generated by/(used in) financing activities (C)	1,092.92	(4,112.16)
Net Increase/decrease in Cash and cash equivalents (A + B + C)	253.15	76.50
Cash and cash equivalents at the beginning of the year	13	95.36
Cash and cash equivalents at the end of year end	13	425.01

Notes:**a Cash and Cash Equivalents**

Balances with banks		
- in current accounts	408.22	152.17
Cheques on hand	-	0.72
Cash on hand	16.79	18.97
	425.01	171.86

b. The above cash flows statement has been prepared under the "Indirect Method" as set out in Ind As 7 on cash flow statements.

c. Figures in bracket Indicate cash outgo/income.

See accompanying notes to the financial statements

1-47

In terms of our report attached

For and on behalf of the Board of Directors of
Maral Overseas Limited

For S. S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No.000756N

Neeraj Bansal
Partner
Membership No.095960

Place: Noida (U.P.)
Date: 7th May, 2019

For P.K. Deora & Co.
Chartered Accountants
Firm Registration No.004167N

Pawan Kumar Deora
Proprietor
Membership No.083308

Ravi Jhunjunwala
Chairman
DIN : 00060972

Atul Kumar Jain
Chief Financial Officer
FCA-094866

Shekhar Agarwal
Managing Director
DIN : 00066113

Virendra Kumar Garg
Company Secretary
FCS-7321

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

a. Equity Share Capital

Particulars	Amount (₹/Lakhs)
Balance at 01.04.2017	4,150.80
Changes in equity share capital during the year	-
Balance at 31.03.2018	4,150.80
Changes in equity share capital during the year	-
Balance at 31.03.2019	4,150.80

b. Other equity

Particulars	Item of Other comprehensive income		Reserves and surplus				Equity component of compound financial instruments	Total other equity
	Cash Flow hedging reserve	Capital reserve	General Reserve	Securities premium	Preference Share Capital Redemption Reserve	Retained earnings*		
	(₹/Lakhs)	(₹/Lakhs)	(₹/Lakhs)	(₹/Lakhs)	(₹/Lakhs)	(₹/Lakhs)	(₹/Lakhs)	(₹/Lakhs)
Balance at 01.04.2017	113.46	113.47	1,972.86	2,590.07	2,942.70	(3,016.68)	409.82	5,125.69
Profit for the year	-	-	-	-	-	98.69	-	98.69
Other comprehensive income for the year, net of income tax	(132.52)	-	-	-	-	10.53	-	(121.99)
Total Comprehensive Income	(132.52)	-	-	-	-	109.22	-	(23.30)
Transfer to Preference Shares Capital Redemption Reserve	-	-	(471.35)	-	471.35	-	-	-
Balance at 31.03.2018	(19.06)	113.47	1,501.51	2,590.07	3,414.05	(2,907.46)	409.82	5,102.39
Profit for the year	-	-	-	-	-	813.06	-	813.06
Other comprehensive income for the year, net of income tax	54.86	-	-	-	-	(63.48)	-	(8.62)
Total Comprehensive Income	54.86	-	-	-	-	749.58	-	804.44
Transfer to Preference Shares Capital Redemption Reserve	-	-	(1,071.35)	-	1,071.35	409.82	(409.82)	-
Balance at 31.03.2019	35.80	113.47	430.16	2,590.07	4,485.40	(1,748.06)	-	5,906.83
See accompanying notes to the financial statements			1-47					

*Refer Note 44

Notes: Nature and Purpose of Reserves**Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

General Reserve

This represents appropriation of profit after tax by the company.

Retained Earnings

This comprise company's undistributed profit after taxes.

Cash flow hedge reserve

This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

Equity Component of Financial Instruments

The Reserve is created due to the fair valuation of preference share capital in accordance of Ind As.

Preference Share Capital Redemption Reserve

Preference Share Capital Redemption reserve is created against the redemption of cumulative preference shares.

In terms of our report attached

For and on behalf of the Board of Directors of
Maral Overseas LimitedFor S. S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No.000756NFor P.K. Deora & Co.
Chartered Accountants
Firm Registration No.004167NRavi Jhunjhunwala
Chairman
DIN : 00060972Shekhar Agarwal
Managing Director
DIN : 00066113Neeraj Bansal
Partner
Membership No.095960Pawan Kumar Deora
Proprietor
Membership No.083308Atul Kumar Jain
Chief Financial Officer
FCA-094866Virendra Kumar Garg
Company Secretary
FCS-7321Place: Noida (U.P.)
Date: 7th May, 2019



SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information

Maral Overseas Limited (the Company) is a limited company incorporated and domiciled in India having its registered office at Maral Sarovar, V&P.O. Khalbujurg Tehsil Khasrawad, District Khargone, Madhya Pradesh, India. The Company has its primary listing on the BSE Limited and National Stock Exchange India Limited in India.

The Company is one of India's largest vertically integrated textile companies, having multiple facilities to produce Grey Yarn, Dyed Yarn, Knitted Fabric and Garments. The manufacturing plants of the Company are located in India.

2. Significant Accounting Policies

2.1. Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013 ('the Act') (to the extent notified) read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and relevant amendment rules issued thereafter. These Ind AS had been adopted w.e.f. 1 April, 2017 as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015-

2.2. Basis of preparation and presentation

The Financial Statements are prepared on the historical cost basis except for following financial instruments that are measured at fair value:

- Defined benefit plan-plan assets measured at fair value,
- Asset held for sale- Nil (Previous year measured at the lower of its carrying amount and fair value less cost to sell),
- Certain financial assets and liabilities (including derivative instruments).

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

2.2.1. Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest Lakhs (INR 00,000) except when otherwise indicated.

2.2.2. Classification of Assets and Liabilities as Current and Non-Current

All assets & liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Assets are classified as current when any of following criteria are satisfied:

- i. it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- ii. it holds the asset primarily for the purpose of trading;
- iii. it expects to realise the asset within twelve months after the reporting period;
- iv. the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities are classified as current when any of following criteria are satisfied:

- i. expects to settle the liability in its normal operating cycle;
- ii. it holds the liability primarily for the purpose of trading;
- iii. the liability is due to be settled within twelve months after the reporting period; or
- iv. it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.3. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

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

Sale of goods

Sale of goods: Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates/claims etc. Sales exclude Value added tax/sales tax / Service Tax / Goods & Service Tax.

Revenue from Services

Revenue from job work charges is recognised as per term of the contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably.

Other Operating Income

Incentives on exports and other Government incentives related to operations are recognised in books after due consideration of certainty of utilization/receipt of such incentives. For Government grant refer Para 2.4.

Interest income

Interest income from a financial asset is recognised using effective interest rate (EIR) method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend Income

Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

2.4. Government Grant & Government Assistance

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grant are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognise as expenses the related costs for which the grants are intended to compensate.

The Capital Subsidy under Technology Up-gradation Fund Scheme (TUFS) from Government on specified machinery is recognized on a systematic and rational basis by adopting Deferred Income Approach. Such allocation to income is done prospectively over the remaining useful life of the respective assets and is adjusted against the depreciation in the Statement of Profit and Loss. Pending the utilization of the grant received, the same is presented as 'Deferred Income'.

2.5. Inventories

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

Raw materials, embellishment, stores & spares and packing material:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress:

Cost includes cost of direct materials (net of realizable value of waste / by product) and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs and selling expenses.

Traded goods:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Waste:

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



2.6. Property, Plant and Equipment (PPE)

Recognition and measurement

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, plant and equipment (PPE) comprises its purchase price including any import duties and non-refundable taxes and net of any trade discounts and rebates. It also includes any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

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

Items of stores and spares that meet the definition of property, plant & equipment are capitalised at cost and depreciated over the useful life of asset. Otherwise such items are classified as inventories.

Subsequent expenditure

Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and borrowing cost. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation

Depreciation is recognised for Property, Plant and Equipment (PPE) so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation on tangible assets is provided on straight line method except for vehicles which are depreciated on written down value method over the useful life of the assets.

For following class of assets, based on internal assessment and technical evaluation, the management has reassessed the useful lives as different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013. Management believes that the useful lives as given below, best represent the period over which these assets are expected to be used.

Asset Class	Useful Life
Building	5 to 60 years
Plant and Machinery (General)(Triple shift operation)	9 years 2 months
Plant and Machinery (Textile Made-ups) (Single shift operation)	9 years
Plant and Machinery (Power)	18 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Computers & Software	3 – 6 years
Vehicles	5 years

Residual value in respect of vehicles, furnitures, computers, provided under the company employee benefit scheme is considered in accordance with the said scheme and is higher than 5% of the original cost of the assets.

Depreciation commences when the assets are available for intended use and is being calculated on monthly basis instead of number of days put to use.

Free hold land is not depreciated.

Leasehold land is amortised for the period of lease. Leasehold improvements are amortised over the primary period of lease.

Biological Assets

Biological assets comprise of livestock.

Biological assets are measured at fair value less cost to sell. Changes in fair value of biological assets is recognised in the statement of profit and loss account.

Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Derecognition of PPE

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

2.7. Intangible assets

Recognition and measurement

An Intangible Assets is recognised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

The cost of a separately acquired intangible asset comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Goodwill acquired and/or arising upon business combinations initially recognized at cost and at subsequent period at cost less accumulated impairment loss, if any.

Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Impairment

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

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, are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in Statement of profit and loss when the asset is derecognised.

2.8. Leases

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

For arrangements entered into prior to the transition date, i.e. 1st April, 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

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.



(i) 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 standalone 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.

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases in which case lease expenses are charged to profit or loss on the basis of actual payments to the lessors.

(ii) As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.9. Foreign currencies

The Company's financial statements are presented in INR.

Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Exchange differences on translation of monetary items are recognised in profit or loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in OCI.

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 that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Derivative Financial Instruments and Hedge Accounting

The Company uses derivative instruments i.e. Forward contracts to hedge its foreign currency risks. The Company designated these forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The Company has designated forward instruments on spot to spot basis. The Company recognises the forward points in the statement of profit and loss accounts.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivatives recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously

recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of related forecasted transaction. If the forecasted transaction no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the statement of profit and loss.

2.10. Employee benefits

Short-term employee benefits

Short-term employee benefits obligation is measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan:

The Company makes defined contribution to employee's provident fund organization, pension fund, superannuation fund and Employees state insurance (ESI), which are accounted on accrual basis as expenses in the statement of Profit and Loss in the period during which the related services are rendered by employees.

Defined Benefit Plan:

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of company The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of change in equity and in the balance sheet.

Changes in the present value of defined benefit obligation resulting from plan amendments and curtailments are recognised immediately in profit and loss as service cost.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value and fair value of any related assets is deducted. The liability for other long-term employee benefits are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. Re-measurements are recognised in profit or loss in the period in which they arise.

If the benefits are not expected to be settled wholly within twelve months of the reporting date, then they are discounted to present value.

2.11. Taxation

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

Income Tax – Current & Deferred

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period. Income tax expense represents the sum of the tax currently payable and deferred tax.

2.12. Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised for present obligation (legal or constructive) of certain timing or amount arising as a result of past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

When it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably the obligation is disclosed as a contingent liability unless the possibility of outflow of resources embodying economic benefit is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or nonoccurrence of one or more uncertain future events, not wholly within the control of entity are also disclosed as contingent liabilities.

Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not recognised. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

2.13. Segment reporting

The Company's operating segments are established on the basis of those components of the group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. Segment performance is evaluated based on profit or loss and is measured consistently with the profit or loss in the financial statements.

The Operating Segments have been identified on the basis of the nature of products/services.

- a) Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment revenue.
- b) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment results. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- c) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- d) Segment result includes margin on inter segment sales which are reduced in arriving at the profit before tax of the Company.
- e) Segment assets & liabilities include those directly identifiable with the respective segments. Unallocable assets & liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis and are on an arm's length basis in a manner similar to transactions with third parties.

2.14. Earnings per share

Basic earnings per share are computed by dividing the net profit/(loss) after tax (Including the post-tax effect of extra ordinary items, if any) but before other comprehensive income, attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the net profit/(loss) after tax (Including the post-tax effect of extra ordinary items, if any) but before other comprehensive income adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

2.15. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.16. Borrowing

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised in Statement of Profit and Loss as finance 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 the assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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

2.17. Fair Value Measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.18. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

2.19. Non current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.



The Company treats sale/distribution of the asset or disposal group to be highly probable when:

- (i) The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- (ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- (iii) The assets or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- (iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- (v) Action required completing the plan indicated that is unlikely that significant change to plan will be made or that the plan will be withdrawn.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.20. Financial Instruments

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

A. Financial assets

Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent measurement

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

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it 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. Interest income for these financial assets is included in other income using the effective interest rate method.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Where the company decided to make an irrevocable election to present the fair value gain and loss (excluding dividend) on non-current equity investments in other comprehensive income, there is no subsequent reclassification of fair value gain and loss to profit and loss even on sale of investments. However, the group may transfer the cumulative gain or loss within equity. The group makes such election on an instrument-by-instrument basis.

The company elected to measure the investment in subsidiary, associate and joint venture at cost.

C. Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. 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 Expected Credit Loss (ECL) Note No.41.6 details how the group determines whether there has been significant increase in credit risk.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected life time losses to be recognised from initial recognition of receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

D. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

E. Derecognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

F. 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.

G. Offsetting of financial instruments

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

2.21. Use of estimates

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

2.22. Critical accounting judgements and key sources of estimation uncertainty

The Preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

2.22.1. Critical accounting judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognised in the consolidated financial statements.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer note 2.10)



Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. (Refer note 2.17)

Assets held for sale

Management judgement is required to identifying the assets which are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale is highly probable which could lead to significant judgement. (Refer note 2.19)

2.23. Key Source of estimation uncertainty

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

Useful lives and residual values of property, plant and equipment

Useful life and residual value of property, plant and equipment are based on management's estimate of the expected life and residual value of those assets. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years (Refer note no 2.6).

Impairment of Property Plant and Equipment

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use it is necessary to project the future cash flow of assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit or loss. (Refer note no 2.6).

Valuation of Deferred tax assets

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets (Refer note 2.11.).

Provisions and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

NOTES TO THE FINANCIAL STATEMENTS

3. Property, plant and equipment

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Nett Carrying Cost of :		
Property, Plant and Equipment		
Land Freehold	42.43	42.43
Land Leasehold	377.26	381.72
Buildings	3,361.95	3,494.80
Leasehold Improvement	1.12	2.35
Plant & equipment	14,317.01	11,063.29
Office equipment	63.87	72.56
Furniture and fixtures	117.50	125.12
Vehicles	223.22	196.42
	Sub-total (A)	18,504.36
Capital work-in-progress		
Plant & equipment	239.93	1,327.19
Buildings	63.70	1.30
	Sub-total (B)	303.63
	Total (A + B)	18,807.99

Particulars	(₹/Lakhs)								
	Land Freehold	Land Leasehold	Buildings	Leasehold Improvement	Plant & equipment	Office equipment and fixtures	Furniture and fixtures	Vehicles	Total
Gross Carrying Cost									
Balance at 1 April, 2017	42.43	390.64	3,822.89	4.55	13,281.85	120.04	148.36	219.17	18,029.93
Additions	-	-	34.41	-	1,297.55	16.99	7.57	98.38	1,454.90
Disposals	-	-	-	-	(2.98)	(1.16)	(0.52)	(41.14)	(45.80)
Balance at 31 March, 2018	42.43	390.64	3,857.30	4.55	14,576.42	135.87	155.41	276.41	19,439.03
Additions	-	-	54.45	-	4,979.73	23.92	11.44	83.37	5,152.91
Disposals	-	-	-	-	(44.46)	(0.75)	(0.49)	(18.56)	(64.26)
Balance at 31 March, 2019	42.43	390.64	3,911.75	4.55	19,511.69	159.04	166.36	341.22	24,527.68
Accumulated depreciation									
Balance at 1 April, 2017	-	4.46	178.40	1.10	1,982.60	31.55	13.82	40.75	2,252.68
Additions	-	4.46	184.10	1.10	1,531.16	32.37	16.53	44.82	1,814.54
Disposals	-	-	-	-	(0.63)	(0.61)	(0.06)	(5.58)	(6.88)
Balance at 31 March, 2018	-	8.92	362.50	2.20	3,513.13	63.31	30.29	79.99	4,060.34
Additions	-	4.46	187.30	1.23	1,682.52	32.12	18.64	38.52	1,964.79
Disposals	-	-	-	-	(0.97)	(0.26)	(0.07)	(0.51)	(1.81)
Balance at 31 March, 2019	-	13.38	549.80	3.43	5,194.68	95.17	48.86	118.00	6,023.32
Net Carrying cost									
At 31 March, 2018	42.43	381.72	3,494.80	2.35	11,063.29	72.56	125.12	196.42	15,378.69
At 31 March, 2019	42.43	377.26	3,361.95	1.12	14,317.01	63.87	117.50	223.22	18,504.36

Notes:

- Assets are mortgage against secured term loans from banks & financial institutions (refer note no. 19).
- Buildings include ₹ 0.02 Lakhs representing cost of unquoted fully paid shares held in co-operative housing society.
- Buildings include certain portion given on operating lease. It is not practicable to give separate disclosure of gross block, depreciation charge for the year, accumulated depreciation and net block in respect of the same.
- Borrowing Cost Capitalised during the year 211.91 Lac (Previous year 68.73).
- Refer Note No 38 for the contractual commitments for the acquisitions of the PPE.
- Refer Note No3 (A) for additional disclosure of assets.



A. Additional disclosure as per previous GAAP

3 (A) Property, plant and equipment

Particulars	31st March 2019			31st March 2018		
	Gross Block	Accumulated depreciation	Net Block	Gross Block	Accumulated depreciation	Net Block
Tangible Assets						
Land Freehold	42.43	-	42.43	42.43	-	42.43
Land Leasehold	404.51	27.24	377.27	404.51	22.78	381.73
Buildings	6863.89	3501.94	3361.95	6809.44	3314.65	3494.79
Leasehold Improvement	5.76	4.63	1.13	5.76	3.40	2.36
Plant and equipment	44335.85	30019.05	14316.80	40304.85	29241.81	11063.03
Office equipments	233.44	169.73	63.71	216.47	143.92	72.56
Furniture and fixtures	309.10	189.73	119.37	300.54	175.42	125.12
Vehicles	420.90	199.20	221.70	412.56	216.14	196.42
Total	52615.88	34111.53	18504.36	48496.56	33118.12	15378.44
Capital work-in-progress	303.63	-	303.63	1328.49	-	1328.49
Total	52919.51	34111.53	18807.98	49825.05	33118.12	16706.93

4. Intangible Assets

Particulars	(₹/Lakhs)	
	As at 31 Mar, 2019	As at 31 March, 2018
Nett Carrying Values of :		
Software	296.72	351.46
Total	296.72	351.46
Particulars		
Gross Carrying Cost		
Balance at 1 April, 2017	25.93	25.93
Additions	368.09	368.09
Disposals	-	-
Balance at 31 March, 2018	394.02	394.02
Additions	17.87	17.87
Disposals	-	-
Balance at 31 March, 2019	411.89	411.89
Accumulated Amortisation		
Balance at 1 April, 2017	11.31	11.31
Additions	31.25	31.25
Disposals	-	-
Balance at 31 March, 2018	42.56	42.56
Additions	72.61	72.61
Disposals	-	-
Balance at 31 March, 2019	115.17	115.17
Nett Carrying Cost		
At 31 March, 2018	351.46	351.46
At 31 March, 2019	296.72	296.72

Notes:

1 Assets are mortgage against secured term loans from banks & financial institutions (refer note no 19).

2 Refer Note No 4 (a) for additional disclosure of assets.

4 (a) Intangible Assets

Particulars	31st March 2019			31st March 2018		
	Gross Block	Accumulated depreciation	Net Block	Gross Block	Accumulated depreciation	Net Block
	(₹/ Lakhs)					
Intangible Assets						
Software	1061.14	764.42	296.72	1043.28	691.81	351.46
Total	1061.14	764.42	296.72	1043.28	691.81	351.46
Capital work-in-progress	-	-	-	-	-	-
Total	1061.14	764.42	296.72	1043.28	691.81	351.46

5. Biological Assets

Particulars	As at	
	31 March, 2019	31 March, 2018
Livestock	7.13	7.82
Total	7.13	7.82
Opening balance		
	7.82	9.30
Increase due to purchases	-	-
Livestock losses	(0.69)	(1.48)
Closing balance	7.13	7.82

6. Deferred Tax Assets /(Liabilities)

Particulars	As at	
	31 March, 2019	31 March, 2018
Deferred tax assets	484.54	429.75
Deferred tax liabilities	(1,541.64)	(1,204.37)
MAT Credit entitlement	921.56	844.59
Total	(135.54)	69.97

Movement in Deferred tax assets

FY 2018-19	As at			
	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to				
- Provision for employee benefits	145.55	36.25	34.10	215.90
- Others	96.86	7.42	-	104.28
- Carry forward Losses upto FY 2017-18	50.90	(50.90)	-	(0.00)
- Borrowings at amortised cost	(3.53)	3.53	-	(0.00)
- Redeemable cumulative preference share	139.97	24.39	-	164.36
Total	429.75	20.69	34.10	484.54



	(₹/Lakhs)			
FY 2017-18	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to				
- Provision for employee benefits	177.50	(26.38)	(5.57)	145.55
- Others	124.14	(27.28)	-	96.86
- Carry forward Losses upto FY 2017-18	-	50.90	-	50.90
- Borrowings at amortised cost	(6.73)	3.20	-	(3.53)
- Redeemable cumulative preference share capital	81.44	58.53	-	139.97
Total	376.35	58.98	(5.57)	429.75

Movement in Deferred tax liabilities

	(₹/Lakhs)			
FY 2018-19	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities in relation to				
- Property, Plant & Equipments	1,214.46	307.95	-	1,522.41
- Cash flow hedge	(10.09)	-	29.32	19.23
Total	1,204.37	307.95	29.32	1,541.64

	(₹/Lakhs)			
FY 2017-18	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities in relation to				
- Property, Plant & Equipments	973.37	241.09	-	1,214.46
- Cash flow hedge	60.05	-	(70.14)	(10.09)
Total	1,033.42	241.09	(70.14)	1,204.37

Movement in MAT credit entitlement

Particulars	(₹/Lakhs)
At April 1, 2017	786.01
(Charged)/Credited:	
- to profit & loss	58.58
- to other comprehensive income	-
At March 31, 2018	844.59
(Charged)/Credited:	
- to profit & loss	76.97
- to other comprehensive income	-
At March 31, 2019	921.56

(i) In respect of MAT credit entitlement, management, based on present profitability trend as well as future profit projections, is of the view that there is convincing evidence for utilization of MAT credit assets in future periods.

7. Loans

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Non- Current		
(a) Loans Receivables considered good - Secured	-	-
(b) Loans Receivables from Employees considered good - Unsecured	10.37	13.87
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables - Credit Impaired	-	-
	10.37	13.87
Current		
(a) Loans Receivables considered good - Secured	-	-
(b) Loans Receivables from Employees considered good - Unsecured	52.84	35.25
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables - Credit Impaired	-	-
	-	-
Total	52.84	35.25

8. Other financial assets

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Non- Current		
Other receivables	-	0.99
Deposits held under lien with Govt. Departments	0.67	0.64
Deposits held as Margin Money	4.22	4.22
	4.89	5.85
Current		
Forward Contract	195.83	57.16
Other receivables	102.66	51.85
Total	298.49	109.01

9. Other assets

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Non- Current		
Capital Advances	176.03	405.41
Security and earnest money deposits	625.96	307.78
Prepaid expenses	25.46	36.00
Income tax refundable (Refer Note Below)	178.91	212.03
Total	1,006.36	961.22
Current		
Balances with government authorities		
- Excise Duty & Service Tax Recoverable	3.11	80.45
- Cenvat Receivable	-	-
- VAT and Sales Tax Receivable	11.39	55.23
- GST receivable	2,559.31	1,681.35



Particulars	₹/Lakhs	
	As at 31 March, 2019	As at 31 March, 2018
Advance to vendors		
Unsecured, considered good	636.27	86.41
Unsecured, considered doubtful	-	-
Less: Provision for doubtful advances	(43.41)	(13.98)
Others		
Interest subsidy receivable (Under TUF's)	79.88	70.95
Interest subsidy receivable (Under State Subsidy)	74.86	-
Export Incentives Recoverable	373.81	607.53
Prepaid expenses	123.90	117.14
Advances-Employees	12.04	9.66
Total	3,831.16	2,694.74

Notes:-

- (i) Direct taxes refundable represent amounts recoverable from the Income Tax Department for various assessment years. In respect of disputed demands, company has filed appeals which are pending at various levels and for assessment years where the issues have been decided in favour of the company, company is in the process of reconciling / adjusting the same with the department. Necessary value adjustments shall be made on final settlement by the department.

10. Inventories

Particulars	₹/Lakhs	
	As at 31 March, 2019	As at 31 March, 2018
Inventories- valued at lower of cost and net realisable value		
Raw Materials	3,694.15	4,220.58
Stores & Spares	138.51	182.80
Work - in - progress	1,670.60	1,571.63
Finished goods	5,312.41	4,685.42
Waste	42.30	58.07
Fuel and Others	80.97	97.06
Total	10,938.94	10,815.56

11. Investments

Particulars	₹/Lakhs	
	As at 31 March, 2019	As at 31 March, 2018
Current		
Quoted Equity shares		
Investments in fully paid equity instruments at FVTPL		
BPL Engineering Limited	0.01	0.01
No of Shares 7,700 (31 March, 2018 : 7700 Nos)		
State Bank of India (Refer note (i) below)	48.69	49.69
No of Shares 15,180 (31 March, 2018 : 20180 Shares * (refer note (i) below))		
Total	48.70	49.70
Aggregate amount of Quoted investments	48.70	49.70
Aggregate market value of Quoted investments	48.70	49.70
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investment	-	-

Note

- (i) On April 1, 2017 shares of State Bank of Bikaner & Jaipur merged with State Bank of India, Company receive 2.8 shares of State Bank of India for 1 shares of State of Bikaner & Jaipur.

12. Trade Receivables

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
Current		
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured	9,588.40	8,253.70
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - Credit Impaired	-	-
(e) 'Unsecured, considered doubtful	10.21	8.46
(f) Less: Allowance for doubtful debts	(10.21)	(8.46)
Total	9,588.40	8,253.70

13. Cash and cash equivalents

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
Balances with banks		
- in current accounts	408.22	152.17
Cheques on hand	-	0.72
Cash on hand (Refer note (i) below)	16.79	18.97
Total	425.01	171.86

(i) Cash on hand include foreign currency notes also.

14. Bank balances

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
Current		
Deposit held as Margin Money	170.67	86.08
Deposits held under lien with Govt. Departments	49.24	49.24
Total	219.91	135.32

15. Current Tax Assets and liabilities

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
Current tax liabilities		
Provision for tax	287.97	61.00
Less : Advance Tax	(266.91)	(51.00)
Total	21.06	10.00

16. Asset classified as held for sale

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
Assets Held for disposal (refer note (i) below)	-	0.70
Total	-	0.70

(i) Fixed asset held for sale contains machinery which belong to garment segment of the company and during the year has been transferred to PPE at Net realisable value.



17. Share capital

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Authorised share capital		
4,40,00,000 (Previous year 4,40,00,000) Fully paid equity shares of ₹ 10 each	4,400.00	4,400.00
31,00,000 (Previous year 31,00,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	3,100.00	3,100.00
	7,500.00	7,500.00
Issued, subscribed and fully paid-up		
41,508,000 fully paid equity shares of ₹ 10 each (as at 31 Mar, 2019)	4,150.80	4,150.80
For Issue, subscribed and fully paid-up preference shares (Refer note no. 20)		
	4,150.80	4,150.80

(i) Reconciliation of number of shares outstanding at the beginning and end of the year

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	(₹/Lakhs)	Number of shares	(₹/Lakhs)
Shares outstanding at the beginning of the year	41,508,000	4,150.80	41,508,000	4,150.80
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	41,508,000	4,150.80	41,508,000	4,150.80

(ii) Rights, preferences and restriction attached to equity shares

Company has only one class of equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The holder of equity shares is entitled to receive dividend only after distribution of dividend to the holders of preference shares.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Rights, preferences and restriction attached to preference shares

For rights, preferences and restriction attached to both type of preference shares, classified as financial liability refer note no. 20.

(iv) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	% Holding	Number of shares	% Holding
Agarwal Trademart Private Limited	19,760,000	47.61%	19,760,000	47.61%
Agarwal Finestate Private Limited	7,396,056	17.81%	7,396,056	17.81%
	27,156,056	65.42%	27,156,056	65.42%

(v) The CDR package grants a right to the various banks and financial institutions to convert 20% of their debt outstanding beyond seven years from the date of CDR Letter i.e. March 26, 2009 into equity shares, as per SEBI guidelines / loan covenants, whichever is applicable.

18. Other equity

Particulars	(₹/ Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Retained earnings	(1,748.07)	(2,907.47)
General reserve	430.16	1,501.51
Securities Premium	2,590.07	2,590.07
Preference Share Capital Redemption Reserve	4,485.40	3,414.05
Capital Reserve	113.47	113.47
Cash Flow hedging Reserve	35.80	(19.06)
Equity component of compound financial instruments	-	409.82
Total	5,906.83	5,102.39

18.1 Retained earnings

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Balance at the beginning of year	(2,907.47)	(3,016.68)
Profit for the year	813.06	98.69
Transfer from Equity component of compound financial instruments	409.82	-
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(63.48)	10.52
Balance at the end of the year	(1,748.07)	(2,907.47)

18.2 General Reserve

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Balance at the beginning of year	1,501.51	1,972.86
Transfer to Preference shares capital redemption reserve (Refer Note 18.4)	(1,071.35)	(471.35)
Balance at the end of year	430.16	1,501.51

18.3 Securities premium

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Balance at the beginning of year	2,590.07	2,590.07
Addition during the year	-	-
Balance at the end of year	2,590.07	2,590.07

18.4 Preference share capital redemption reserve

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Balance at the beginning of year	3,414.05	2,942.70
Transfer From General Reserve (Refer Note 18.2)	1,071.35	471.35
Balance at the end of year	4,485.40	3,414.05

**18.5 Capital reserve**

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Balance at the beginning of year	113.47	113.47
Addition during the year	-	-
Balance at the end of year	113.47	113.47

18.6 Cash flow hedging reserve

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Balance at the beginning of year	(19.06)	113.46
- Change in fair value (net off tax) Other comprehensive income	54.86	(132.52)
Balance at the end of year	35.80	(19.06)

18.7 Equity component of compound financial instruments

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Balance at the beginning of year	409.82	409.82
Less:- Transfer to Retain earning*	(409.82)	-
Balance at the end of year	-	409.82

* Equity component is created on the preference share issued and has been transferred to retained earnings on due date for redemption (Refer statement of change in Equity).

18.8 Nature and Purpose of Reserves**Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

General Reserve

This represents appropriation of profit after tax by the company.

Retained Earnings

This comprise company's undistributed profit after taxes.

Cash flow hedge reserve

This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

Equity Component of Financial Instruments

The Reserve is created due to the fair valuation of preference share capital in accordance of Ind As.

Preference Share Capital Redemption Reserve

Preference Share Capital Redemption reserve is created against the redemption of cumulative preference shares.

19. Borrowings

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Non-Current		
Secured		
Term loans from banks { Refer Note: 19 (i) and 19(ii) }	3,705.74	5,865.17
Term loans from financial institutions { Refer Note: 19 (i) and 19(ii) }	3,115.42	376.25
Vehicle Loan	48.14	24.85
Un secured		
From Related Party { Refer Note: 19 (v) }	480.54	489.80
	7,349.84	6,756.07
Less: Current maturities of Long term debt (Clubbed under other current financial liability refer note no 20	2,274.62	3,268.28
	5,075.22	3,487.79
Current		
Secured		
Working capital loan from banks repayable on demand { Refer Note: 19 (viii) }		
Cash Credit from banks	4,146.95	3,051.86
Export credit facilities from Bank (in Indian Rupees)	11,317.07	9,697.43
FBP Bill Discounting	1,941.45	1,605.18
	17,405.47	14,354.47

Summary of borrowing arrangements

- (i) Term loans from both banks & financial institutions are secured by first mortgage and charge created on all the present and future immovable & movable properties (other than current assets) of the Company, ranking pari-passu, and second pari-passu charge on current assets of the company.
- (ii) Working capital facilities from banks, are secured by pledge of stipulated promoter's equity shareholding, constituting 36% of the present equity capital, in favour of the lenders on pari-passu basis.
- (iii) Maturity Profiles & Interest rate of secured & unsecured loans

Lending institution	Maturity	Interest	(₹/Lakhs)	
			As at 31 March, 2019	As at 31 March, 2018
Term loans from banks				
Project term loans (1)	2018-2019	10.25%		285.25
Project term loans (2)	2022-2023	MCLR/ LTMLR+.80% to 1.50%	1,479.26	5,884.30
Term loans from financial institutions		10.10%		
Project term loans (1)	2025-2026		3,115.42	96.72
Unsecured Loan from related party	2020-21	8%	480.54	489.80

- (iv) All secured loans are repayable in quarterly installments.
- (v) Unsecured loan from related party, carries a fixed rate of interest of 8% and has been extended for repayment by two years on mutually agreed terms between both the parties, now repayable on 31st March, 2021 and accordingly classified as non-current from current.
- (vi) The Company's financial restructuring package was approved under the Corporate Debt Restructuring mechanism (CDR) by the CDR Empowered group vide their letter dated March 26, 2009 ('CDR letter') and subsequent approvals received from the various financial institutions and banks.



- (vii) Some of the lenders follow the practice to recover sue motto, payment of both principal as well as interest from the working capital facility advanced by them, where applicable, or from the current account under instructions from the Company. It is regarded as accepted practice that the due date for payment shall be the date next following the date when interest is charged. Any delay on part of the lender to recover payment, either in line with past practice or specific instructions given in this regard by the Company, is not attributable to default on part of the Company. Accordingly, there is no continuing default in repayment of the principal loan and interest amounts.
- (viii) Loans repayable on demand, comprise of working capital facilities from banks and are secured by way of hypothecation first charge, ranking pari-passu, on stocks of raw material, stock in process, finished goods, book debts / receivables and all current assets stored in the company's factory premises, at all plants and / or elsewhere including those in transit covered by documents of title thereto, local and export usance bills and second pari-passu charge on the entire movable and immovable assets of the Company (fixed assets), both present and future.

20. Other financial liabilities

Particulars	₹/Lakhs	
	As at 31 March, 2019	As at 31 March, 2018
Non-Current		
Preference Liability (refer note (i) below)	-	-
Security deposits-Employees	19.76	60.66
	19.76	60.66
Current		
Current maturities of long term debts (refer note 19)	2,274.62	3,268.28
Preference Liability (refer note (i) below)	1,199.54	2,163.21
Interest accrued but not due on borrowings	42.28	41.19
Other Liabilities for Expenses	103.95	418.34
Employee Related Liability	880.72	778.91
Security deposits-Employees	18.75	15.90
Security deposits-Others	40.90	85.07
Retention Money from Vendors/Suppliers	211.96	74.14
Payable on purchase of capital assets	108.77	247.95
Rebates & claims	78.38	124.57
Other payables	25.87	31.11
Forward Contracts	-	69.71
	4,985.74	7,318.38

Notes:

(i) Rights, preferences and restriction attached to preference shares

Company has only one class of cumulative redeemable preference shares (CRPS) having a par value of ₹100/-. There are two series of CRPS, carrying differential dividend coupon rates.

First series of preference shares carrying a dividend coupon rate of 8%, allotted to the various banks and financial institutions, pursuant to the Corporate Debt Restructuring ('CDR') Package, are redeemed in four equal annual instalments from 2016 to 2019. In terms of the Master Restructuring Agreement executed with the Company's bankers, premium of 5% on redemption is payable in case Company's cash flows permit.

Second series of preference shares carrying a dividend coupon rate of 3%, allotted to promoters, against infusion of funds by them, pursuant to the Corporate Debt Restructuring ('CDR') Package was redeemable on march 2019. The company has taken necessary approval from the board and shareholders for repayment of aforesaid preference shares in two equal annual instalments from 2019 to 2020. First instalments of Rs 600.00 Lakh has been redeemed during March 2019.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of preference shares is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to preference shares. The holders of

preference shares are entitled to a preferential right of repayment of capital on winding up vis-à-vis the holders of equity shares. The distribution will be in proportion to the number of shares held by the shareholders.

Each holder of preference shares is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to preference shares. Further, they shall have the right to vote on all resolutions placed before the Company if the dividend on such preference shares remain unpaid over a period of two years or more.

21. Provisions

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
Non-current		
Provision for employee benefits		
- Compensated absences	266.88	266.19
Total	266.88	266.19
Current		
Provision for employee benefits		
- Gratuity	139.92	30.66
- Compensated absences	59.92	62.91
- Superannuation	53.56	60.81
Total	253.40	154.38

22. Other liabilities

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
Non-Current		
Security Deposits under staff scheme for Property, Plant and Equipment	-	-
Current		
Statutory dues (contribution to PF, Withholding tax, Service Tax/GST etc.)	188.24	168.16
Contested demands	651.59	683.72
Advances received from customers	622.71	285.11
Total	1,462.54	1,136.99

23. Deffered Government grant

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
TUF Capital investment subsidy - Opening	31.38	36.71
Add: Addition during the year	-	-
Less: Apportioned to revenue	(5.35)	(5.33)
Total	26.03	31.38

24. Trade payables

Particulars	As at	
	31 March, 2019	31 March, 2018
(₹/ Lakhs)		
Total outstanding dues of micro enterprises and small enterprises (Refer Note. No. 24.1)	172.16	97.82
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,655.48	4,211.73
Total	5,827.64	4,309.55



- 24.1 Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2018-19, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

	(₹/Lakhs)	
(a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act).		
(i) Principal amount due to micro and small enterprise.	172.16	97.82
(ii) Interest due on above.	-	-
(b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.	-	-
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-
Due to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

25. Revenue from operations

Particulars	(₹/Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
A. Sale of Goods		
- Manufactured goods		
Yarn	34,711.09	31,892.77
Fabric	22,891.82	15,322.40
Garments/Made-ups	11,926.54	10,596.04
Cotton/Other waste	4,520.22	4,681.40
- Traded Goods		
Yarn	287.48	19.02
	(A) 74,337.15	62,511.63
B. Sale of Services		
Job charges	39.31	16.55
	(B) 39.31	16.55
C. Other operating revenue		
Sale of scrap	131.33	144.22
Export incentives	1,205.72	1,404.11
	(C) 1,337.05	1,548.33
	Total (A)+ (B)+ (C) 75,713.51	64,076.51

25.1. Revenue from contracts with customers disaggregated based on geography

Particulars	(₹/Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
India	37,671.06	33,411.31
Outside India	38,042.45	30,665.20
Total	75,713.51	64,076.51

26. Other income

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Interest income	157.24	86.99
Net gain or loss on foreign currency transaction & translation (Other than considered as finance cost)	391.94	780.50
Dividend on current investments	-	0.59
Net gain on sale of property, plant & equipment	9.29	13.32
Net gain on sale of investment	3.41	1.22
Provision/Liability no longer required written back	180.11	329.07
Interest subsidy under state subsidy scheme	590.24	-
Gain on Modification of 3% Cumulative Redeemable Preference Shares & Unsecured Loan	47.24	-
Miscellaneous income	77.38	29.59
Re-measurement of investment at FVTPL	11.31	(5.88)
Total	1,468.16	1,235.40

27. Cost of materials consumed

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2018	Year ended 31 March, 2018
A. Raw materials consumed		
Cotton	30,880.80	29,456.31
Other fibers	2,032.68	1,587.70
Dyes & Chemicals	3,262.96	2,625.13
Embellishments	932.83	955.86
	(A) 37,109.27	34,625.00
B. Purchases for consumption		
Yarn	7,940.89	4,960.48
Fabric	3,553.46	2,436.59
	(B) 11,494.35	7,397.07
C. Other materials consumed		
Packing materials	947.17	879.73
	(C) 947.17	879.73
	Total (A)+(B)+(C) 49,550.79	42,901.80

28. Change in inventories of finished goods, stock-in-trade & work-in-progress

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Inventories (At close)		
Finished Goods	5,312.41	4,611.43
Work-in-progress	1,670.60	1,571.63
Waste	42.30	58.07
	7,025.31	6,241.13
Inventories (At opening)		
Finished Goods	4,611.43	2,058.60
Work-in-progress	1,571.63	1,047.81
Waste	58.07	72.59
	6,241.13	3,179.00
	(784.18)	(3,062.13)

**29. Employee Benefits Expense**

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Salaries & wages and bonus	8,425.26	7,845.64
Contribution to provident and other funds	791.27	792.26
Workman and staff welfare	125.51	167.77
Total	9,342.04	8,805.67

30. Finance costs

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Interest including recompense expenses - refer note (i) & (ii) below	1,490.86	1,595.66
Interest on Unsecured Loan measured at amortised cost	10.20	9.26
Bank Charges	61.71	71.54
Dividend on redeemable preference shares (including DDT)	135.45	191.81
Total	1,698.22	1,868.27

Notes:

- (i) Interest expenses are net of interest subsidy under the Technology Upgradation Fund Scheme (TUFS) ₹ 104.68 Lakhs & under State subsidy Rs 106.71 Lacs for 31 Mar, 2019 (previous year under the Technology Upgradation Fund Scheme (TUFS) ₹ 154.40 Lakhs & under State subsidy ₹ Nil).
- (ii) Recompense Expenses - Refer note number -44 (2)

31. Depreciation and amortisation expense

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Depreciation of property, plant and equipment	1,964.79	1,814.55
Amortisation of Intangible assets	72.61	31.24
Less: allocation of government grants	(5.34)	(5.34)
Total	2,032.06	1,840.45

32. Other expenses

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Consumption of stores & spare parts	1,312.96	1,137.72
Job work costs	2,608.69	2,390.50
Power & fuel	4,998.32	4,841.09
Repairs & maintenance		
- Plant & Machinery	297.10	368.35
- Buildings	19.73	35.03
- Others	130.57	120.11
Insurance	99.63	113.11
Rent	264.04	270.16
Rates & Taxes	32.25	86.61
Prior Period Adjustments	0.26	0.27

	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Freight & Forwarding	1,377.83	1,152.76
Commission to selling agents	498.33	434.82
Selling expenses	602.08	486.25
Provision for doubtful advances	10.21	-
Loss on sale of property, plant & equipment	15.47	0.80
CSR expenditure (refer note (i) & (ii) below)	42.24	29.01
Payment to statutory auditors (refer note (iii) below)	25.26	25.22
Other expenses	1404.02	1,387.38
Excise duty	-	5.48
	13,738.99	12,884.67

Notes:

(i) The Company has contributed and expensed ₹ 42.24 Lakhs (31 March,2018 :29.01 Lakhs) against the total contributable amount of ₹ 27.56 Lakhs (31 March, 2018: 55.32 Lakhs) for the year ended 31 March, 2019 in accordance with section 135 of Companies Act, 2013 to various trusts and social organisation. The contributions have been made towards Educational activities.

(ii) Amount spent during the year for CSR Expenditure

	(₹/ Lakhs)	
Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Construction/acquisition of any asset (i)		
- In cash & cash equivalent	42.24	29.01
- Yet to be paid in cash	-	-
Total	42.24	29.01
On purpose other than (i) above		
- In cash & cash equivalent	-	-
- Yet to be paid in cash	-	-
Total	-	-

(iii) Payment to auditor comprise

	(₹/ Lakhs)	
Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
(i) Statutory audit Fee	21.00	21.00
(ii) Limited review	1.50	1.50
(iii) Tax audit Fees	-	-
(iv) Certificate and other fees	-	0.18
(v) Out of pocket expenses	2.76	2.54
Total	25.26	25.22

**33. Income Taxes****33.1 Income taxes recognised in profit and loss**

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Current tax		
In respect of the current year	287.97	10.00
In respect of the previous years	-	-
In respect of the prior years	19.17	(57.05)
	307.14	(47.05)
Deferred tax		
In respect of the current year	268.09	18.11
Mat Credit entitlement	(53.68)	(10.00)
	214.41	8.11
Total income tax expense recognised in the current year	521.55	(38.94)

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Profit before tax	1,334.61	59.75
Statutory Income tax rate	34.944%	34.608%
Tax at Indian statutory income tax rate	466.00	21.00
Less: Effect of items related to other comprehensive income	-	-
Less: Effect of brought forward losses	-	-
Effect of expenses that are not deductible in determining taxable profit	271.41	249.42
Effect of expenses that are deductible in determining taxable profit	(249.42)	(242.31)
Effect due to change in rate	68.07	-
Effect of income that is exempt from taxation-Ind AS	-	-
Effect of expenses that are not deductible in determining taxable profit-Ind AS	-	-
Effect of income that is exempt from taxation-Ind AS	-	-
Tax incentives	(53.68)	(10.00)
Adjustment recognised in the current year in relation to the current tax of prior years	19.17	(57.05)
Income tax expense recognised in profit or loss	521.55	(38.94)

The tax rate 34.944% used for the period ended 31 Mar, 2019 and 34.608% for the year end 31 March, 2018 in reconciliations above is the corporate tax rate payable by corporate entities in India on taxable profit under the Income tax law.

33.2 Income tax recognised in other comprehensive income

Particulars	(₹/ Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
Current tax		
Arising on Income and expenses recognised in other comprehensive income	-	-
Remeasurements of defined benefit obligation	-	-
Deferred Tax		
Remeasurements of defined benefit obligation	34.10	(5.57)
Effective portion of cash flow hedge reserve	(29.32)	70.14
Total income tax recognised in other comprehensive income	4.78	64.57

34. Earnings per share

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars	(₹/Lakhs)	
	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Profit after tax as per statement of Profit & Loss A/c	813.06	98.69
Net earning for computing basic earnings per share	813.06	98.69
Add: Interest (net of tax)	-	-
	813.06	98.69
Number of equity shares	41,508,000	41,508,000
Weighted average number of equity shares used in computing the basic earnings per share	41,508,000	41,508,000
Weighted average number of equity shares used in computing the basic earnings per share	41,508,000	41,508,000
Basic earnings per share of ₹ 10 each	1.96	0.24
Diluted earnings per share of ₹ 10 each	1.96	0.24
Face value per share (in ₹)	10	10

Potential equity options may arise in the event of default in payment due on loan funds. Potential options also exist in the form of right of CDR lenders to convert 20% of their debt outstanding beyond seven years from the date of CDR Letter into equity capital.

35. Segment Reporting

The Company is currently organized into three business operating segments: Yarn, Fabric and Textile Made-ups. The Company's business segments offer different products and require different technology and marketing strategies.

Identification of Segments

The Board of Directors of the Company has been identified as Chief Operation Decision Maker who monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Accounting policy in respect of segments is in conformity with accounting policy of the company as a whole.

Intersegment Transfer

Segment revenue resulting from transactions with other business segments is accounted for on basis of transfer price agreed between the segments. Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Segment Revenue & Results

The Revenue and Expenditures in relation to the respective segments have been identified and allocated to the extent possible. Other revenue and expenditures non allocable to specific segments are disclosed separately as unallocated and adjusted directly against total income of the Company.

Segment Assets & Liabilities

Segment Assets includes all operating assets used by the operating segment and mainly consisting property, plant & equipment, trade receivables, cash and cash equivalents and inventory etc. Segment Liabilities primarily include trade payables and other liabilities. Common assets & liabilities which can not be allocated to specific segments are shown as a part of unallocable assets/liabilities.



(₹/Lakhs)

Particulars	As at Mar 31, 2019				Total
	Yarn	Fabric	Textile Made-ups	Inter Segment and Unallocated Items	
Segment Revenue					
External customers	39,805.88	23,045.81	12,861.82		75,713.51
Inter-segment	13,669.54	5,083.69		(18,753.23)	
Total Revenue	53,475.42	28,129.50	12,861.82	(18,753.23)	75,713.51
Segment Expenses	51,174.39	26,784.08	13,149.79	(37,506.46)	91,108.26
Segment Results	2,301.03	1,345.42	(287.97)	3,358.48	3,358.48
Un-allocable Expenses					(329.06)
Other Income					3.41
Finance costs					(1,698.22)
Profit before Tax					1,334.61
Tax Expenses					(521.55)
Profit After Tax					813.06
Other Information:					
Depreciation, Amortization and Impairment					
Allocable	1,425.37	436.46	170.23	-	2,032.06
Un-allocable	-	-	-	-	-
Total	1,425.37	436.46	170.23	-	2,032.06
Capital Expenditures					
Allocable	1,679.73	3,348.33	142.72		5,170.78
Un-allocable	-	-	-	-	-
Total	1,679.73	3,348.33	142.72	-	5,170.78
Impairment loss	-	-	-	-	-
Segment Assets					
Allocable	26,706.36	13,368.03	5,234.90	-	45,309.29
Un-allocable	-	-	-	92.08	92.08
Total Assets	26,706.36	13,368.03	5,234.90	92.08	45,401.37
Segment Liabilities					
Allocable	21,148.15	11,307.77	1,186.69	-	33,642.61
Un-allocable	-	-	-	1,701.13	1,701.13
Total liabilities	21,148.15	11,307.77	1,186.69	1,701.13	35,343.74

(₹/Lakhs)

Particulars	As at March 31, 2018				Total
	Yarn	Fabric	Textile Made-ups	Inter Segment and Unallocated Items	
Segment Revenue					
External customers	37,041.42	15,578.44	11,456.65	-	64,076.51
Inter-segment	14,571.32	5,635.99		(20,207.31)	
Total Revenue	51,612.74	21,214.43	11,456.65	(20,207.31)	64,076.51
Segment Expenses	49,802.96	20,533.69	11,804.95	-	82,141.59
Segment Results	1,809.78	680.74	(348.30)	-	2,142.22
Un-allocable Expenses				(195.77)	(211.87)
Other Income				7.28	(2.33)
Finance costs				(1,667.21)	(1,868.27)
Profit before Tax					59.75
Tax Expenses				(89.37)	38.94
Profit After Tax					98.69
Other Information:					
Depreciation, Amortization and Impairment					
Allocable	1,325.05	363.97	151.43	-	1,840.46
Un-allocable	-	-	-	-	-
Total	1,325.05	363.97	151.43	-	1,840.46
Capital Expenditures					
Allocable	1,406.58	223.59	192.38	-	1,822.55
Un-allocable	-	-	-	-	-
Total	1,406.58	223.59	192.38	-	1,822.55
Impairment loss	-	-	-	-	-
Segment Assets					
Allocable	21,997.64	12,467.94	5,150.98	-	39,616.56
Un-allocable	-	-	-	766.42	766.42
Total Assets	21,997.64	12,467.94	5,150.98	766.42	40,382.98
Segment Liabilities					
Allocable	16,158.24	10,770.42	1,219.20	-	28,147.86
Un-allocable	-	-	-	2,981.93	2,981.93
Total liabilities	16,158.24	10,770.42	1,219.20	2,981.93	31,129.79

Geographical information

- a. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers in tabulated below:

Geography	(₹/Lakhs)	
	For the year ended 31 March, 2019	For the year ended 31 March, 2018
India	37,671.06	33,411.31
North America	4,264.57	2,917.11
Europe	8,605.77	7,932.19
Gulf & Middle east	248.09	1,742.22
Far East & South east Asia	22,977.19	16,931.09
Africa	1,644.61	1,060.48
Rest of the world	302.22	82.11
	75,713.51	64,076.51

**b. Information regarding geographical non-current assets is as follows:**

Geography	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
India	20,118.20	18,027.44
Outside India	-	-
	20,118.20	18,027.44

Information about major customers

There are no customer having 10% or more of total revenue.

Revenue for Products & Services

The detail of revenue from Products & Services are given below

Particulars	(₹/Lakhs)	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Sale of goods	74,337.15	62,511.63
Sale of services	39.31	16.55
	74,376.46	62,528.18

36. Operating lease

The Company has entered into operating lease arrangements for office space. The average lease term is 1 year. The minimum lease payment during non-cancellable period under foregoing arrangements in the aggregate for each of the following period as follows:

Particulars	(₹/Lakhs)	
	For the year ended 31 March, 2019 *	For the year ended 31 March, 2018
Future Non-Cancellable minimum lease commitments		
not later than one year	-	74.75
later than one year and not later than 5 years	-	-
later than five years	-	-
Expenses Recognised in the statement of profit and loss		
Minimum Lease Payments	-	89.70

*The Lease agreement has been renewed with future cancellable clause of not later then one year.

1. The lease contain options that permit renewals of lease for additional periods.

37. Contingent Liabilities

Particulars	(₹ / Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
i. Claims against the Company not acknowledged as debts	-	-
ii. Income tax matters in dispute	392.65	392.65
iii. Excise / customs / service tax matters in dispute	49.25	106.57
iv. Sales tax matters in dispute	9.34	9.34
v. Recall of certain DEPB benefits, in dispute	34.99	51.07
vi. Other pending litigations		
- Labour cases involving claims for reinstatement, back wages etc	163.54	154.60
- Civil cases for recoveries, counter claims etc	0.09	0.09

Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decisions in the company's favour in respect of all the items listed at (i) to (vi) above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

38. Commitments

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	569.30	2131.98
Export obligations under the Export Promotion Capital Goods Scheme, remaining to be fulfilled within the specified period	3089.85	1633.47

39. Employee Benefits**A Defined Contribution plans**

The Company makes contributions towards provident fund and superannuation fund, to defined contribution retirement benefit plans for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the Trustees of the 'Maral Overseas Limited Senior Executive Superannuation Fund'. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The amounts recognized as expense for defined contribution plans are as follows:

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Provident fund	449.25	429.03
Superannuation fund	54.48	55.66

B Defined Benefit plans

The Company makes annual contributions towards funding the defined benefit plans for qualifying employees and also contributes towards the insurance scheme of ICICI Prudential Life Insurance Co. Ltd. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary (last drawn salary) payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

- i. The principal assumptions used for the purpose of the actuarial valuation were as follows:

Assumptions	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Economic Assumptions		
Discount rate	7.75%	7.80%
Salary escalation	6.00%	5.50%
Demographic Assumptions		
Retirement Age	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)
Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
-Up to 30 Years	3%	3%
-From 31 to 44 years	2%	2%
-Above 44 years	1%	1%



			(₹/ Lakhs)	
ii. Movements in present value of the defined benefit obligation	As at 31 March, 2019	As at 31 March, 2018		
Present value of obligation as at the beginning of the period	1,259.96	1,161.28		
Acquisition adjustment Out	-	-		
Interest cost	98.29	85.35		
Current service cost	115.75	102.74		
Past Service Cost including curtailment Gains/Losses	-	44.53		
Benefit paid	(83.45)	(109.85)		
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	80.80	(63.47)		
Actuarial (Gain)/Loss on arising from Experience Adjustment	(67.79)	39.37		
Liability at the end of the year	1,403.56	1,259.95		
			(₹/ Lakhs)	
iii. Movements in the fair value of plan assets	As at 31 March, 2019	As at 31 March, 2018		
Fair Value of plan assets at the beginning of the period / year	1,229.31	1,054.27		
Contribution from the employer	30.66	107.02		
Actual return on plan assets	11.31	69.50		
Benefits paid	(7.64)	(1.48)		
Actuarial gain/loss for the year on asset	-	-		
Fair value of the plan assets at the end of the period / year	1,263.64	1,229.31		
			(₹/ Lakhs)	
iv. Amount recognized in the Balance Sheet	As at 31 March, 2019	As at March 31, 2018		
Present Value of the obligation at end	1,403.56	1,259.96		
Fair value of plan assets at the end of the period / year	1,263.64	1,229.30		
Unfunded Liabilities recognised in the Balance Sheet	(139.92)	(30.66)		
			(₹/ Lakhs)	
v. Expenses recognized in the Statement of Profit and Loss	As at 31 March, 2019	As at March 31, 2018		
Current service cost	115.75	200.37		
Net Interest cost	2.39	7.87		
Expense recognised in the Statement of Profit and Loss	118.14	208.24		
			(₹/ Lakhs)	
vi. Other Comprehensive Income	As at 31 March, 2019	As at March 31, 2018		
Net cumulative unrecognized actuarial gain/(loss) opening	-	-		
Actuarial gain / (loss) for the year on PBO	(13.01)	24.09		
Actuarial gain /(loss) for the year on Asset	(84.57)	(7.99)		
Unrecognized actuarial gain/(loss) at the end of the year	(97.58)	16.10		

		(₹/ Lakhs)	
vii. Description of plan assets:		As at	As at
		31 March, 2019	March 31, 2018
Major categories of plan assets			
Insurer managed fund		100%	100%
		(₹/ Lakhs)	
viii. Change in Net benefit Obligations		As at	As at
		31 March, 2019	March 31, 2018
Net defined benefit liability at the start of the period		30.66	107.02
Acquisition adjustment			
Total Service Cost		115.75	147.27
Net Interest cost (Income)		2.39	7.86
Re-measurements		97.58	(16.10)
Contribution paid to the Fund		(30.66)	(107.02)
Benefit paid directly by the enterprise		(75.81)	(108.37)
Net defined benefit liability at the end of the period		139.91	30.66
		(₹/ Lakhs)	
ix. Bifurcation of PBO at the end of year in current and non current.		As at	As at
		31 March, 2019	March 31, 2018
Current liability (Amount due within one year)		108.82	112.29
Non-Current liability (Amount due over one year)		1,294.73	1,147.68
Total PBO at the end of year		1,403.55	1,259.97
		(₹/ Lakhs)	
x. Sensitivity Analysis of the defined benefit obligation		As at	As at
		31 March, 2019	March 31, 2018
a) Impact of the change in discount rate			
- Impact due to increase of 0.50 %		(74.53)	(65.95)
- Impact due to decrease of 0.50 %		80.77	71.58
b) Impact of the change in salary increase			
- Impact due to increase of 0.50 %		80.73	66.36
- Impact due to decrease of 0.50 %		(75.07)	(66.60)
Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.			
Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.			
xi. The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the auditors.			
xii. The employer 's best estimate of contribution expected to be paid during the next year is ₹ 108.82 lakhs			
xiii. Maturity profile of Defined Benefit obligation		(₹/ Lakhs)	
Year		As at	As at
		31 March, 2019	March 31, 2018
0 to 1 Year		108.82	112.29
1 to 2 Year		23.65	41.92
2 to 3 Year		31.47	29.43
3 to 4 Year		56.33	52.06
4 to 5 Year		53.62	23.04
5 to 6 Year		40.46	28.18
6 Year onwards		1,089.21	973.05

**B.2. Defined Benefit plans- compensated absences**

- i. The principal assumptions used for the purpose of the actuarial valuation were as follows:

Assumptions	As at Mar 31, 2019	As at March 31, 2018
Economic Assumptions		
Discount rate	7.75%	7.80%
Salary escalation	6.00%	5.50%
Demographic Assumptions		
Retirement Age		
Leave Availment Rate		
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Up to 30 Years	3%	3%
- From 31 to 44 years	2%	2%
- Above 44 years	1%	1%

(₹/Lakhs)

ii. Movements in present value of the defined benefit obligation	As at 31 March, 2019	As at March 31, 2018
Present value of obligation as at the beginning of the period	306.60	313.51
Acquisition adjustment Out	-	-
Interest cost	23.92	23.04
Current service cost	54.32	48.56
Benefit paid	(101.81)	(81.71)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	22.25	6.26
Actuarial (Gain)/Loss on arising from Experience Adjustment	(8.37)	(3.06)
Liability at the end of the year	296.91	306.60

(₹/Lakhs)

iii. Amount recognized in the Balance Sheet	As at 31 March, 2019	As at March 31, 2018
Liability at the end of the period / year	296.91	306.60
Unfunded Liabilities recognised in the Balance Sheet	296.91	306.60

(₹/Lakhs)

iv. Expenses recognized in the Statement of Profit and Loss	As at 31 March, 2019	As at March 31, 2018
Current service cost	54.32	48.56
Net Interest cost	23.92	23.04
Actuarial (gain)/loss on obligations	13.89	3.20
Expense recognised in the Statement of Profit and Loss	92.12	74.80

(₹/ Lakhs)		
v. Change in Net benefit Obligations	As at 31 March, 2019	As at March 31, 2018
Net defined benefit liability at the start of the period	306.60	313.51
Acquisition adjustment		
Total Service Cost	54.32	48.56
Net Interest cost (Income)	23.92	23.04
Re-measurements	13.89	3.20
Contribution paid to the Fund	-	-
Benefit paid directly by the enterprise	(101.81)	(81.71)
Net defined benefit liability at the end of the period	296.91	306.60

(₹/ Lakhs)		
vi. Bifurcation of PBO at the end of year in current and non current.	As at 31 March, 2019	As at March 31, 2018
Current liability (Amount due within one year)	58.08	61.34
Non-Current liability (Amount due over one year)	238.83	245.26
Total PBO at the end of year	296.91	306.60

(₹/ Lakhs)		
vii. Sensitivity Analysis of the defined benefit obligation	As at 31 March, 2019	As at March 31, 2018
a) Impact of the change in discount rate		
- Impact due to increase of 0.50 %	(14.39)	(14.70)
- Impact due to decrease of 0.50 %	15.69	16.02
b) Impact of the change in salary increase		
- Impact due to increase of 0.50 %	15.88	16.31
- Impact due to decrease of 0.50 %	(14.68)	(15.07)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

viii. The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the auditors.

ix. The employer 's best estimate of contribution expected to be paid during the next year is ₹ 58.08 lakhs.

x. **Maturity profile of Defined Benefit obligation**

(₹/ Lakhs)		
Year	As at 31 March, 2019	As at March 31, 2018
0 to 1 Year	58.08	61.34
1 to 2 Year	5.59	10.02
2 to 3 Year	10.47	7.00
3 to 4 Year	4.41	10.09
4 to 5 Year	5.53	4.31
5 to 6 Year	10.67	6.13
6 Year onwards	202.16	207.71



These plans typically expose the Company to actuarial risks such as Investment risk, salary risk, discount rate risk, mortality risk, withdrawals risk.

Salary risk Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment risk If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount rate risk Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality & disability risk Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

B.3. Defined Benefit plans- Leave Obligations (Compensated Expenses)

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision ₹ 1.83 lakhs of (31st March, 2018- ₹ 1.57 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

40. Related Party Disclosures

Related Party Disclosures as per the requirement of SEBI (LODR) Regulation 2019 on the consolidated Basis

40.1 List of Related Parties as per Ind As 24 & Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- for the Year Ended 31st March, 2019

S. No.	Name of Related Party	Nature of Relationship
A	(i) A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity.	
	Shri Shekhar Agarwal	Promoters having voting control
	Shri Shantanu Agarwal	Promoters having voting control
	(ii) A person or a close member of that person's family of a reporting entity has significant influence over the reporting entity.	
	Shri Shekhar Agarwal	
	Smt. Shashi Agarwal	
	Shri Shantanu Agarwal	
	Smt. Shuchi Poddar	
	(iii) A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.	
	Shri Ravi Jhunjhunwala	
	Shri Shekhar Agarwal	
	Shri Shantanu Agarwal	
	Dr. Kamal Gupta	
	Shri Dharmendar Nath Davar	
	Shri Priya Shankar Dasgupta	
	Mrs. Archana Capoor	Directors of the Company
B	(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).	
		N.A.
	(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).	
		N.A.

S. No.	Name of Related Party	Nature of Relationship
(iii)	Associated and other entities are joint ventures of the same third party.	
	N.A.	
(iv)	One Entity is a joint venture of a third party and the other entity is an associate of the third entity.	
	N.A.	
(v)	The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.	
	Maral Overseas Limited senior executive superannuation	Trust
	MOL Employees gratuity fund	Trust
(vi)	The entity is controlled or jointly controlled by a person identified in A.	
	Aadi Marketing Company Pvt. Ltd. Agarwal Finestate Pvt. Ltd. AKJ Apparels Pvt. Ltd. Apeksha Vyapar Pvt. Ltd. Bhilwara Technical Textiles Ltd. BMD Power Pvt. Ltd. BMD Pvt. Ltd. BMD Renewable Energy Pvt. Ltd. Bhilwara Energy Ltd. BSL Ltd. Captain Trade & Agencies Pvt. Ltd. Diplomat Leasing and Finance Pvt. Ltd. HEG Ltd. MG Marketing and Trading Pvt. Ltd. Pawanputra Trading Pvt. Ltd. RANDR Trustee Pvt. Ltd. RLJ Family Trusteeship Pvt. Ltd. RRJ Family Trustee Pvt. Ltd. RSWM Ltd. Sita Nirman Pvt. Ltd. SKLNJ Family Trusteeship Pvt. Ltd. SSSA Family Pvt. Ltd. Ultramarine Impex Pvt. Ltd. Zoongoo Commercial Co. Pvt. Ltd.	Holding more than 50 % of the Shareholding along with relatives in the Company and including KMPs.
(vii)	A person identified in A (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).	
1	Shri Shekhar Agarwal	
	Agarwal Finestate Pvt. Ltd. Bhilwara Technical Textiles Ltd. BMD Power Pvt. Ltd. BMD Pvt. Ltd. BMD Renewable Energy Pvt. Ltd. MG Marketing and Trading Pvt. Ltd. SSSA Family Pvt. Ltd. Ultramarine Impex Pvt. Ltd.	Holding more than 20 % of the Shareholding along with relatives in the Company .



S. No.	Name of Related Party	Nature of Relationship
2	Shri Shantanu Agarwal Agarwal Finestate Pvt. Ltd. Bhilwara Technical Textiles Ltd. BMD Power Pvt. Ltd. BMD Pvt. Ltd. BMD Renewable Energy Pvt. Ltd. MG Marketing and Trading Pvt. Ltd. SSSA Family Pvt. Ltd. Ultramarine Impex Pvt. Ltd.	Holding more than 20 % of the Shareholding along with relatives in the Company .
(viii) The Entity, or any member of a group of which it is part , provide key management personal service to the reporting entity of to the parent of reporting entity.		
N.A.		
(ix) Reporting entity being an associate of the other entity. Agarwal Trademart Private Limited		

40.2 Details of transactions with related parties

(₹/Lakhs)

Sr. No.	Transaction	Key Mangerial Personnel & Relatives		Reporting entity being an associate of other entity		A person and enterprises over which any person described other than A-(i-iii) and B-(ix) is able to exercise significant influence over the reporting enterprises.		Total	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	Sitting Fees	7.80	4.00	0	0	0	0	7.80	4.00
2	Remuneration - Mr. Shekhar Agarwal Managing Director								
a	Short term employees benefit	204.25	100.30	0	0	0	0	204.25	100.30
b	Post employment benefit	25.92	14.58	0	0	0	0	25.92	14.58
3	Rent	14.53	13.20	0	0	52.00	45.72	66.53	58.92
4	Reimbursement of Expenses recovered from	0	0	0	0	6.13	10.35	6.13	10.35
5	Reimbursement of Expenses paid to	0	0	0	0	71.66	59.68	71.66	59.68
6	Purchases of Material	0	0	0	0	215.49	77.55	215.49	77.55
7	Job Charges Payable	0	0	0	0		28.57	0.00	28.57
8	Sale of Material	0	0	0	0	614.27	609.07	614.27	609.07
9	Job Charges Received	0	0	0	0	0	0.02	0.00	0.02
10	Interest Paid	0	0	40.00	40.00	0	0	40.00	40.00
11	Redemption of Cumulative Redeemable Preference Shares (CRPS)	62.50		0	0	537.50	0	600.00	0.00
12	Dividend accrued on Cumulative Redeemable Preference Shares, including dividend distribution Tax	4.69	10.53	0	0	40.31	90.51	45.00	101.04
13	Payment received from trust towards gratuity	0	0	0	0	3.98	3.48	3.98	3.48
14	Payment made to trust towards gratuity	0	0	0	0	30.66	107.02	30.66	107.02
15	Payment made to trust towards superannuation	0	0	0	0	51.20	81.25	51.20	81.25
16	Unsecured Loan Due to	0	0	480.54	489.90	0.00	0.00	480.54	489.90
17	Outstanding Due to	0	0	0	0	0.48	12.97	0.48	12.97
18	Outstanding Receivable	0	0	0	0		6.06	0.00	6.06
19	Outstanding Cumulative Redeemable Preference Shares	59.61	120.15	0	0	512.61	1033.24	572.22	1153.39
20	Dividend payable on Cumulative Redeemable Preference Shares including dividend distribution Tax	18.06	13.53	0	0	155.43	116.45	173.49	129.98
TOTAL		397.36	276.29	520.54	529.90	2291.72	2281.94	3209.62	3088.13

Terms & Conditions

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances are unsecured and the settlement will be occurred in cash.

41. Financial Instruments

41.1 Capital Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

41.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Debt (See note 'i' below)	25,974.61	23,334.41
Cash and bank balances	(644.92)	(307.18)
Net debt	25,329.69	23,027.23
Total equity	10,057.63	9,253.19
Total equity and Net Debt	35,387.32	32,280.42
Gearing Ratio	0.72	0.71

Note:

- i. Debt is defined as long and short-term borrowings (excluding derivative, financial guarantee contracts), as described in notes 19 and 20.
- ii. In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current years and previous years.

41.2 FINANCIAL INSTRUMENTS- ACCOUNTING CLASSIFICATION AND FAIR VALUE MEASUREMENT

41.2.1 Financial Instrument by Category

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Financial assets		
- Measured at amortised cost		
Other financial assets (non current)	4.89	5.85
Trade receivables	9,588.40	8,253.71
Cash and cash equivalents	425.01	171.86
Bank Balances other than Cash and cash equivalents	219.91	135.32
Other financial assets (current)	102.66	51.85
Loans	63.21	49.12
- Measured at fair value through Profit & Loss		
Investments	48.70	49.70
Forward Contracts-Derivatives	195.83	57.16
Financial liabilities		
Measured at amortised cost		



Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Borrowings (non-current)	7,349.84	6,756.07
Borrowings (current)	17,405.47	14,354.47
Trade payables	5,827.64	4,309.55
Other financial liabilities (non-current)	19.76	60.66
Other financial liabilities (current)	2,711.12	4,050.10

41.3 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

41.3.1 The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2019:

Particular	As at March 31, 2019	Fair Value measurement at end of the reporting period/year using		
		(₹/Lakhs)		
		Level 1	Level 2	Level 3
Financial Assets Measured at FVTPL				
Investment in equity instruments-State Bank of India	48.69	48.69	-	-
Investment in equity instruments-BPL Engineering Limited	0.01	0.01	-	-
Derivative financial instruments - foreign currency forward	195.83	195.83	-	-
Financial Assets Measured at Amortised Cost				
Loans	4.89	-	4.89	-
Financial Liabilities Measured at Amortised Cost				
Borrowings	7,349.84	-	7,349.84	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2018:

Particulars	As at March 31, 2018	Fair Value measurement at end of the reporting period/year using		
		(₹/Lakhs)		
		Level 1	Level 2	Level 3
Investment in equity instruments-State Bank of India	49.69	49.69	-	-
Investment in equity instruments-BPL Engineering Limited	0.01	0.01	-	-
Derivative financial instruments - foreign currency forward	57.16	57.16	-	-
Financial Assets Measured at Amortised Cost				
Loans	5.85	-	5.85	-
Financial Liabilities Measured at Amortised Cost				
Borrowings	6,756.07	-	6,756.07	-

41.3.2 Valuation techniques used to determine Fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets and liabilities (security deposit taken/given and advance to employees) carried at amortized cost is approximately equal to fair value. Hence carrying value and fair value is taken same.
- 2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Company is considered to be insignificant in valuation.
- 3) The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity, and market parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

41.3.3 Fair Value Measurement Hierarchy

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Level 1: Quoted prices (unadjusted) in the active markets for identical assets or liabilities

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

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

41.4 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead.

41.5 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

41.5.1 Foreign currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate.

The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.

The Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate foreign exchange related risk exposures. Derivative financial instruments relating to a firm commitment or a highly probable forecast transaction, are marked to market at every reporting date.



In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Details in respect of the outstanding hedge accounting relationships relating to a firm commitment given below:

Particulars	(₹/Lakhs)					
	Year ended March 31, 2019			Year ended March 31, 2018		
	USD	EURO	CHF	USD	EURO	CHF
Trade Payables	-	-	-	226.24	364.20	83.00
Trade Receivables	2897.35	135.98	-	2800.43	255.51	-
Other exposure in Foreign Currency (specify)						
Less: Hedged Portion	2897.35	-	-	2800.43	-	-
Unhedged Exposure	-	135.98	-	226.24	619.71	83.00

Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate (USD & EURO) to the Indian Rupees wit all other variable held constant. The Impact on statement of profit & loss is given below:

Particulars	(₹/Lakhs)			
	Year ended March 31, 2019		Year ended March 31, 2018	
	Increase	Decrease	Increase	Decrease
USD Sensitivity				
INR/USD-increase/(decrease) by 1%	-	-	2.26	(2.26)
EURO Sensitivity				
INR/EURO-increase/(decrease) by 1%	1.36	(1.36)	6.20	(6.20)
CHF Sensitivity				
INR/CHF-increase/(decrease) by 1%	-	-	0.83	(0.83)

41.5.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

(i) The exposure of company borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	(₹/Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
Variable rate borrowings	6,869.30	5,859.45
Fixed rate borrowings	480.54	871.76
Total borrowings	7,349.84	6,731.21

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's: profit for the year ended 31 March, 2019 would decrease/increase by ₹ 21.84 lakhs (31 March, 2018: decrease/increase by ₹ 18.63 lakhs). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

41.5.3 Price risks

The company's exposure to price risk arises from the investment held by the company . To manage its price risk arising from investments in marketable securities, the company has very limited exposure and is done in accordancy with the company policy. The company's major investments are actively traded in markets and are held for short period of time. Therefore no sensitivity is provided for the same.

41.6 Credit Risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportable forward looking information such as:

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
- (iv) Significant increase in credit risk and other financial instruments of the same counterparty.
- (v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

The company's major exposure is from trade receivables, which are unsecured and derived from external customers. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted securities and certificates of deposit which are funds deposited at a bank for a specified time period. Other loans are majorly provided to the subsidiaries and employee which have very minimal risk of loss.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

Age Bracket	(₹/Lakhs)	
	As at 31 March, 2018	As at 31 March, 2017
0-180	9,573.84	8,191.39
181-365	8.58	51.95
Above 365	16.19	18.83
Total	9,598.61	8,262.17
Allowance for Bad and Doubtful Debts	10.21	8.46
Closing Balance	9,588.40	8,253.71

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables

- c) The following table summarises the change in the loss allowances measured using expected credit loss model (ECL):

Particulars	(₹/Lakhs)
	ECL for Trade Receivables
As at 01-04-2017	9.01
Provided/(Reversal) during the year	(0.55)
As at 31-03-2018	8.46
Provided/(Reversal) during the year	1.75
As at 31-03-2019	10.21

41.7 Liquidity risk

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 financial liabilities with agreed repayment periods. 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.

Particulars					₹/Lakhs	
	0-1 year	1-3 years	3-5 years	5+ years	Total	Carrying Amount
31 March, 2019						
Trade payables	5,827.64	-	-	-	5,827.64	5,827.64
Other financial liabilities	5,049.94	-	-	-	5,049.94	5,005.50
Borrowings	17,405.47	2,641.35	1,573.33	880.00	22,500.15	22,480.69
31 March, 2018						
Trade payables	4,309.55	-	-	-	4,309.55	4,309.55
Other financial liabilities	7,461.22	-	-	-	7,461.22	7,379.04
Borrowings	14,364.67	3,085.79	402.00	-	17,852.46	17,842.26

41.8 Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	₹/Lakhs	
	As at 31 March, 2019	As at 31 March, 2018
Cash Credit Facility	-	8.54
Term Loan Facility	1608.35	4444.24

41.9 Derivative financial Instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The objective of hedges is to minimize the volatility of INR cash flows of highly probable forecast transaction. The Company's risk management policy is to hedge around 70% to 90% of net exposure with forward exchange contract, having a maturity upto 12 months.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

Types of hedge and risks	Nominal value (Foreign Currency)				Carrying amount of hedging instruments (INR in Lakhs)	Maturity date	Hedge ratio	Weighted average strike price/rate	
	USD		EURO					USD	EURO
	No. of Outstanding Contracts	Amount (in Lakhs)	No. of Outstanding Contracts	Amount (in Lakhs)					
Cash flow hedge-sell	47.00	101.68	-	-	195.83	April 19-Sep 19	1:1	71.84	-
Cash flow hedge-Buy	-	-	-	-	-	-	-	-	-

Types of hedge and risks	Nominal value (Foreign Currency)		Carrying amount of hedging instruments (INR in Lakhs)	Maturity date	Hedge ratio	Weighted average strike price/rate	
	CHF					USD	EURO
	No. of Outstanding Contracts	Amount (in Lakhs)					
Cash flow hedge-Buy	-	-	-	-	-	-	-

As on March 31, 2018

Types of hedge and risks	Nominal value (Foreign Currency)				Carrying amount of hedging instruments (INR in Lakhs)	Maturity date	Hedge ratio	Weighted average strike price/rate	
	USD		EURO					USD	EURO
	No. of Outstanding Contracts	Amount (in Lakhs)	No. of Outstanding Contracts	Amount (in Lakhs)					
Cash flow hedge-sell	61.00	138.17	-	-	(12.87)	April 18-Sep18	1:1	65.67	-
Cash flow hedge-Buy	2.00	3.47	3.00	4.50	0.84	April 18-May 18	1:1	65.24	80.93

Types of hedge and risks	Nominal value (Foreign Currency)		Carrying amount of hedging instruments (INR in Lakhs)	Maturity date	Hedge ratio	Weighted average strike price/rate
	CHF					
	No. of Outstanding Contracts	Amount (in Lakhs)				
Cash flow hedge-Buy	1.00	1.20	(0.53)	April 18-May 18	1:1	69.17

Disclosure of effects of hedge accounting on financial performance

Cash Flow hedge	Changes in the value of the hedging instruments recognised in other Comprehensive Income	Hedge ineffectiveness recognised in profit & loss	Amount reclassified from cash flow hedging reserve to profit & loss	Line item affected in the statement of profit and loss because of reclassification	(₹/Lakhs)
31-Mar-19	84.18	-	-	-	
31-Mar-18	(202.66)	-	-	-	

The Movement in hedging reserve during the year ended March 31, 2019 for derivatives designated as cash flow hedge (refer note no. 18) is as follows:

Particulars	(₹/Lakhs)	
	Period ended March 31, 2019	Year ended March 31, 2018
Balance at the beginning of the year	(19.06)	113.46
Change in fair value of Effective portion of Cash Flow Hedge Recognised during the year	84.18	(202.66)
Amount Reclassified to Profit & Loss account during the period		
Tax impact on above	(29.32)	70.14
Closing Balance	35.80	(19.06)

Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate (USD & EURO) to the Indian Rupees with all other variable held constant. The Impact on the other component of Equity arises from foreign forward exchange contract designated as cash flow hedge reserve is given below:

Particulars	(₹/Lakhs)			
	Year ended Mar 31, 2019		Year ended March 31, 2018	
	Increase	Decrease	Increase	Decrease
USD Sensitivity				
INR/USD-increase/(decrease) by 1%-sell	73.05	(73.05)	70.92	(70.92)
INR/USD-increase/(decrease) by 1%-Buy	-	-	2.26	(2.26)
EURO Sensitivity				
INR/EURO-increase/(decrease) by 1%-sell	-	-	-	-
INR/EURO-increase/(decrease) by 1%-Buy	-	-	3.64	(3.64)
CHF Sensitivity				
INR/EURO-increase/(decrease) by 1%-Buy	-	-	0.83	(0.83)

42. Reconciliation between the opening & closing balances in the balance sheet for Financial liabilities

	(₹/Lakhs)			
	Long term borrowings	Short term borrowings	Current Maturities of long term debts	Preference Liability
Opening balance as at April 1, 2017	5,870.11	13,306.19	3,945.95	2,261.21
Cash flow	(2,391.58)	1,048.28	(677.67)	(289.81)
Fair value changes	9.26			191.81
Closing balance as at March 31, 2018	3,487.79	14,354.47	3,268.28	2,163.21
Cash flow	1,596.70	3,051.00	(993.66)	(1,071.35)
Fair value changes	(9.27)			107.68
Closing balance as at Mar 31, 2019	5,075.22	17,405.47	2,274.62	1,199.54



43. As on the date of transition to Ind AS being 1st April 2016, the Company inadvertently determined the liability component of CRPS as Rs 1414.05 lakhs instead of Rs 1595.59 lakhs. Had this amount been determined correctly, the amounts against the following line items as on 1st April 2017 & 31st March 2018 would have been as under:

As on 1st April-2017					(₹/Lakhs)
Nature of Financial Statement	Line Item	Sub line Item	Original amount	Restated Amount	Difference
Balance Sheet	Other Financial Liabilities	Preference Liability	2,261.21	2,442.75	181.54
Balance Sheet	Other Equity	Retained Earnings	2,887.34	3,016.68	129.34
Balance Sheet	Deferred Tax	Redeemable Cumulative Preference shares	39.15	91.35	52.20

As on and for the year ended 31st March-18					(₹/Lakhs)	
Nature of Financial Statement	Line Item	Sub line Item	Original amount	Restated Amount	Difference	Note No
Balance Sheet	Other Financial Liabilities	Preference Liability	1,981.67	2,163.21	181.54	} 20
Balance Sheet	Other Equity	Retained Earnings	2,778.12	2,907.46	129.34	
Balance Sheet	Deferred Tax	Redeemable Cumulative Preference shares	65.25	117.45	52.20	

44. 1 Premium of 5% on redeemed CRPS, in terms of the Master Restructuring Agreement executed with the Company bankers, is payable in case company's cash flows permit. Same has not been provided since Company do not have cash flow after considering committed liabilities as on 31st March 2019, subject to final determination mutually with the Company bankers.
- 2 Recompense Expenses- Further, in terms of the Master Restructuring Agreement, if, in the opinion of the Lenders, the profitability and cash flows of the Company so warrant, the Lenders shall be entitled to receive recompense for the reliefs and sacrifices extended by them within the CDR Parameters, with the approval of the CDR Empowered Group. The Company has provided recompense expenses liability in the financial year 2018-19 as per best estimate subject to final determination mutually with the Company bankers. It has been included in the finance cost. Refer - Note 30

45. Recent Accounting Pronouncements

Standards issued but not yet effective:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

I) Ind AS 116 Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the measurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The holding company intends to adopt these standards from 1 April 2019. The impact on adoption of Ind AS 116 on the financial statements is given below. Ind AS 116 also requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

Transition to Ind AS 116

The company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The company has elected certain available practical expedients on transition.

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to IND AS 12 - Income taxes

On March 30, 2019, Ministry of Corporate Affairs issues amendments to the guidance in IND As 12, "Income Tax", in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividend in profit and loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Amendment to IND AS 19 - plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issues amendments to IND As 19, 'Employee Benefits' in connection with accounting for plan amendments, curtailments or settlements.

The amendments require an entity :

- to recognise in profit and loss as part of past service cost, or A gain or loss on settlement, any reduction in A surplus, even if that surplus was not previously recognised because of the impact of the assets ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

'The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

46. Approval of Financial statements

The financial statements for the year ended 31st march, 2019 were approved by the Board of Directors and authorise for issue on 7th May, 2019

47. Previous year figures have been regrouped/restated wherever considered necessary, to make them comparable with the current year.

In terms of our report attached

For and on behalf of the Board of Directors of
Maral Overseas Limited

For S. S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No.000756N

For P.K. Deora & Co.
Chartered Accountants
Firm Registration No.004167N

Ravi Jhunjhunwala
Chairman
DIN : 00060972

Shekhar Agarwal
Managing Director
DIN : 00066113

Neeraj Bansal
Partner
Membership No.095960

Pawan Kumar Deora
Proprietor
Membership No.083308

Atul Kumar Jain
Chief Financial Officer
FCA-094866

Virendra Kumar Garg
Company Secretary
FCS-7321

Place: Noida (U.P.)
Date: 7th May, 2019



FINANCIAL INDICATORS

Rs in Lakh

SR. NO.	DESCRIPTION	2011-12	2012-2013	2013-2014	2014-15	2015-16	2016-17	2017-18	2018-19
1	Net Turnover	53,591.27	55889.23	65335.01	64842.95	61883.05	66,643.95	64,076.51	75,713.51
2	PBIDT	4,399.68	6573.81	8790.09	7221.41	5811.54	6,032.41	3,768.48	5,064.89
3	Interest								
	- Long Term	1,448.23	1267.14	1129.14	998.04	1224.37	850.37	990.66	574.73
	- Short Term	1,239.81	999.78	734.48	926.81	701.17	701.17	877.61	1,123.49
	- Total	2,688.04	2266.92	1863.62	1924.85	1925.53	1,551.54	1,868.27	1,698.22
4	Depreciation	1,906.95	1889.36	3810.85	3539.67	2526.47	2,259.43	1,840.45	2,032.06
5	PBT	(195.31)	2417.53	3115.62	1756.89	1359.54	2,221.44	59.75	1,334.61
6	Provision for Income Tax	-	-	168.54	87.03	338.90	726.26	(38.94)	521.55
7	PAT	(195.31)	2417.53	2947.08	1669.86	1020.64	1,495.18	98.69	813.06
8	EPS(Weighted Avg.)	(0.99)	5.30	6.57	3.48	1.92	3.17	0.24	1.96
9	Equity Capital	4,150.80	4150.80	4150.80	4150.80	4150.80	4,150.80	4,150.80	4,150.80
10	Preference Capital *	3,085.40	3085.40	3085.40	3085.40	2614.05	2,142.70	2,163.21	1,199.54
11	Return on Net Worth (%) (PAT/Net Worth)	(5.48)	42.20	33.93	16.84	9.65	12.85	1.07	8.08
12	Interest Cover (PBIDT-Tax)/ Interest	1.64	2.90	4.63	3.71	2.84	3.42	2.04	2.68
13	Debt - Equity	4.95	2.72	1.66	1.51	1.16	0.85	0.73	0.73
14	Return on Sales	(0.36)	4.33	4.51	2.58	1.65	2.24	0.15	1.07
1	Total Capital Employed	24,753.88	27348.68	32548.30	33412.27	35300.96	39,680.99	31,129.79	35,343.74
2	Net Worth	3,562.53	5729.36	8684.63	9915.19	10572.42	11,636.55	9,253.19	10,057.63
3	Total Debt	24,302.86	23340.74	21621.73	20084.32	21242.03	20,917.62	21,110.54	24,755.31
4	Term Debt	17,636.33	15592.46	14423.83	14992.98	12247.03	9,835.52	6,756.07	7,349.84
5	Gross Fixed Assets	43,606.08	43961.07	41759.44	45012.65	45320.13	47,865.00	49,547.66	53,684.16

Note

For 2017-18 Preference Capital includes Int. amt ₹ 310.32 And Net Preference Capital ₹ 1671.35

QUANTITATIVE DATA

YEAR	GREY YARN MT	DYED YARN MT	FABRIC MT	PROCESSED FABRIC MT	GARMENT LAC PCS
PRODUCTION					
2011-2012	16003.764	1107.807	3457.123	4084.656	45.443
2012-2013	16851.558	1299.676	3591.888	4103.126	43.647
2013-2014	17331.721	1406.668	3692.210	4737.416	53.350
2014-2015	17877.176	1525.998	3625.315	4804.931	49.427
2015-2016	18595.662	2401.506	3726.138	4806.993	31.214
2016-2017	18262.575	2531.368	4542.257	5610.538	43.592
2017-2018	19093.012	2432.571	4317.139	4741.746	39.459
2018-2019	18749.095	2667.874	4680.375	6120.658	36.123
SALES					
2011-2012	11909.532	835.711	84.789	3121.885	45.870
2012-2013	12615.569	975.669	64.087	3132.320	43.338
2013-2014	12601.935	941.737	57.616	3721.069	53.521
2014-2015	13560.337	1054.956	49.733	3991.634	49.905
2015-2016	13292.739	1867.547	47.408	4149.912	31.570
2016-2017	12569.649	1849.707	58.292	4741.377	43.307
2017-2018	13083.375	1871.959	53.966	3856.163	36.565
2018-2019	12719.475	2236.604	142.968	5403.764	36.112

FINANCIAL STATISTICS
REVENUE ACCOUNT

(Rs in Lacs)

YEAR	NET SALES	OPERATING COST			PBIDT	INTEREST	DEPRECIATION	PBT	TAX	PAT
		RAW MATERIAL	PACKING COST	VALUE ADDED						
2011-2012	53591.27	34428.97	646.83	18,515.47	4,399.68	2,688.04	1,906.95	(195.31)	-	(195.31)
2012-2013	55889.23	32480.13	718.61	22690.49	6573.81	2266.92	1889.36	2417.53	-	2417.53
2013-2014	65335.01	39112.15	767.07	25455.79	8790.09	1863.62	3810.85	3115.62	168.54	2947.08
2014-2015	64842.95	38536.45	818.20	25488.30	7221.41	1924.85	3539.67	1756.89	87.03	1669.86
2015-2016	61883.05	35036.23	864.16	25982.66	5811.54	1925.53	2526.47	1359.54	338.90	1020.64
2016-2017	66643.95	39799.32	817.67	26026.96	6032.41	1551.54	2259.43	2221.44	726.26	1495.18
2017-2018	64076.51	42035.50	879.73	21161.27	3768.48	1868.27	1840.45	59.75	(38.94)	98.69
2018-2019	75713.51	48,872.76	947.17	25893.58	5064.89	1698.22	2032.06	1334.61	521.55	813.06

CAPITAL ACCOUNT

(Rs in Lacs)

YEAR	CAPITAL	RESERVES	NETWORTH
2011-2012	7236.20	-3666.86	3,562.53
2012-2013	7236.20	-1503.43	5,729.36
2013-2014	7236.20	1448.43	8,684.63
2014-2015	7236.20	2678.99	9,915.19
2015-2016	6764.85	3807.57	10,572.42
2016-2017	6293.50	5343.05	11,636.55
2017-2018	4150.80	5102.39	9,253.19
2018-2019	4150.80	5906.83	10,057.63



MARAL OVERSEAS LIMITED

CIN: L17124MP1989PLC008255

Regd. Office: Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone - 451 660, Madhya Pradesh

Phone: +91-07285-265401-265405 Fax: +91-07285-265406

Corporate Office: Bhilwara Towers, A-12, Sector – 1, Noida – 201 301 (U.P)

Phone: +91-120-4390300 (EPABX), Fax: +91-120-4277841

E-mail: maral.investor@Injbhilwara.com, Website: www.maraloverseas.com

NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of the Company will be held on Thursday, the 19th September, 2019 at 11:00 A.M. at the Registered Office of the Company at Maral Sarovar, V. & P. O. Khalbujurg, Tehsil Kasrawad, District Khargone, Madhya Pradesh -451660 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended the 31st March, 2019 and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Shantanu Agarwal (DIN: 02314304) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

RESOLVED THAT:-

- a. pursuant to the provisions of Section 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act, pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 as amended time to time and subject to such approval as may be necessary, approval of the members be and is hereby accorded by a Special Resolution along with the statement containing additional information as required in Schedule V of the Companies Act, 2013 and such approvals as may be necessary to the re-appointment of Shri Shekhar Agarwal (DIN:00066113) as Managing Director of the Company for a period of three years commencing from the 1st April, 2019 on the terms and conditions and remuneration as set out in the Explanatory Statement annexed hereto.
- b. The Board of Directors of the Company be and is hereby also authorized to:
 - I. Agree to such increase or decrease or variations, modifications or amendments in the terms of remuneration set out in Explanatory Statement annexed hereto as considered reasonable by the Board and acceptable to Shri Shekhar Agarwal, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law."
 - II. Take all such steps and actions as may be considered necessary by the Board for the purpose of implementing this resolution".

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made there under, read with Schedule IV of the Companies Act, 2013, as amended from time to time, and pursuant to the provisions of Regulation 17 (1A) and other applicable provisions of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 as amended from time to time, consent of members be and is hereby accorded for re-appointment of Dr. Kamal Gupta, (DIN : 00038490), who was appointed as an Independent Director of the Company for first term of 5 consecutive years at the 25th Annual General Meeting of the Company held on 26th September, 2014 and who is eligible for re-appointment for second term and who will be attaining the age of seventy five years in the year 2021 and in respect of whom the Company has received notice in writing from a member of the Company under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five consecutive years commencing from 26th September, 2019 up to 25th September, 2024".

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made there under, read with Schedule IV of the Companies Act, 2013, as amended from time to time, and pursuant to the provisions of Regulation 17 (1A) and other applicable provisions of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 as amended from time to time, consent of members be and is hereby accorded for appointment of Shri Priya Shankar Dasgupta (DIN : 00012552), who was appointed as an Independent Director of the Company for first term of 5 consecutive years at the 25th Annual General Meeting of the Company held on 26th September, 2014 and who is eligible for re-appointment for second term and in respect of whom the Company has received notice in writing from a member of the Company under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five consecutive years commencing from 26th September, 2019 up to 25th September, 2024".

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

"RESOLVED that pursuant to Sections 48, 55 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the applicable provisions of the Articles of Association of the Company,

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, terms of issue of 3% Cumulative Redeemable Preference Shares (CRPS) and subject to such other approvals/ sanctions/consents as may be required and subject to such changes/ modifications as may be required as per the approvals/ sanctions/consents, the consent of the members of the Company be and is hereby accorded for variation to the terms of issue of CRPS, issued to the promoters, mentioned hereunder, by extension of their maturity period for a period of one year and be redeemed on 31st March, 2021 with an authority to the Board of Directors of the Company to redeem and repay the whole and/or a part of the whole amount of these CRPS, any time before or on the date of maturity, as it may deem fit in its sole discretion.

RESOLVED FURTHER THAT save as mentioned above, all other terms and conditions of the aforesaid CRPS, as amended up to the date of this notice, shall remain same.

RESOLVED FURTHER THAT the Board of Directors be and are hereby further authorised to vary any of the terms and conditions in respect of the aforesaid 3% Cumulative Redeemable Preference Shares, issued to the Promoters, as they may deem fit, in the best interests of the Company, taking into consideration, the circumstances prevailing on the respective date of redemption thereof, as aforesaid, without being required to seek further approval of the equity shareholders.

RESOLVED FURTHER THAT Board of Directors or Company Secretary of the Company be and is hereby authorized to take all such appropriate steps and to do all such acts, deeds and things to give effect to the above mentioned resolution."

7 To consider and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s K. G. Goyal & Co., Cost Accountants, (Firm Reg. No. 000017) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020, be paid the remuneration of ₹ 90,000/- (Rupees Ninety Thousand Only) plus applicable taxes and out of pocket expenses that may be incurred by them during the course of audit."

By order of the Board
For Maral Overseas Limited

Virendra Kumar Garg
Company Secretary
FCS:-7321

Place: Noida (U. P.)
Date: 6th August, 2019

NOTES:

- 1. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to Special Business to be transacted at the Meeting is annexed.**
- 2. The attention of the members is drawn that Shri Dharmendar Nath Davar whose re-appointment for second term as Independent Director for a term of five consecutive years effective from 26th September, 2019 was recommended by the Board of Directors, had resigned on 24th July, 2019 due to health reasons and accordingly the matter with respect to his re-appointment had been withdrawn.**
- 3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO**

BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING. A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company, a duly certified Board Resolution authorizing their said representative(s) to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 13th September, 2019 to Thursday the 19th September, 2019 (both days inclusive).
6. The relevant documents accompanying the Notice are open for inspection to the members at the Registered Office of the Company during the normal business hours of the Company up to the date of the Meeting.
7. Members are requested to bring their attendance slip with their copy of Annual Report to the meeting.
8. In case of Joint holders attending the meeting, only such joint holder whose name appears earlier in the order of names will be entitled to vote.
9. Members are requested to:
 - I. Quote their folio number/client ID in all correspondence with the Company.
 - II. Notify immediately to the Company all changes with respect to their bank details, mandate, nomination, Power of Attorney and Change of Address. Members holding shares in electronic form should send their requests regarding the same to their respective Depository Participants.
10. Members who are holding Company's shares in electronic form are required to bring details of their Depository Account such as Client ID and DP ID Numbers for identification.
11. Members seeking any information/clarification with regard to accounts and audit are requested to write to the Company in advance and their queries should reach the Registered Office of the Company at least seven days prior to the date of meeting, so as to enable the Management to keep the information/clarification ready.
12. Members holding shares in physical form are requested to furnish their email ID through e-mail at admin@mcsregistrars.com or maral.investor@lnjbhilwara.com and/or send letter to MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area, Phase I, New Delhi – 110 020 quoting their Folio No. and e-mail ID to enable us to serve any document, notice, communication, annual reports etc. through e-mail. For members who have not registered their email addresses, physical copies of the Annual Report 2019 are being sent by the permitted mode. Members holding shares in demat form may get their email ID updated with their respective Depository Participants. We request the members to continue to support the Green Initiative introduced by MCA and make it a success.
13. The Notice and Annual Report of the Company will also be available on the website of the Company i.e. www.maraloverseas.com.
14. Members holding shares in physical form are requested to dematerialize their holdings in their own interest. Attention of the members holding shares in physical form is also drawn towards the recent amendment

by SEBI which stipulates that except in the case of transmission and transposition of shares, requests for effecting transfer of shares shall not be processed after 31st March, 2019 unless the securities are held in dematerialized form.

15. Details under Regulation 36(3) and 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard-2 in respect of the Directors seeking re-appointment at the 30th Annual General Meeting, forms integral part of the notice as **Annexure-1**.

16. Route map of the Annual General Meeting Venue is annexed.

17. Voting through electronic means

I. Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.

III. Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their votes again.

IV. The remote e-voting period commences at 9.00 a.m. on Monday, the 16th September, 2019 and end at 5.00 p.m. on, Wednesday, the 18th September, 2019. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 12th September, 2019, may cast their vote by remote e-voting . Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. At the end of the remote e-voting period, the facility shall forthwith be blocked.

V. The details of the process and manner for remote e-voting are explained as under:

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

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

Step 1 : Details are mentioned below:

How to Log-in to NSDL e-Voting website?

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/>.

1. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
2. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
3. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/>

with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details will be as per details given below :

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

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii. If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
- b) “Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsd.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

General Guidelines for shareholders:

- I. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority Letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at services@pkacs.in, pranav@pkacs.in, with a copy marked to evoting@nsdl.co.in.
- II. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password? Option available on www.evoting.nsdl.com to reset the password.
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for Shareholders available at the Downloads Section of www.evoting.nsdl.com or call on toll free No.: 1800-222-990 or send a request at evoting@nsdl.co.in.
- IV. A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the

depositories as on the cut-off date i.e. 12th September, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.

- V. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date of 12th September, 2019. Members are eligible to cast vote only if they are holding shares as on the cut-off date and a person who is not a member as on the cut-off date should treat this notice for information purposes only.
- VI. Members, who acquire shares of the Company after dispatch of the notice and hold shares as on the cut-off date i.e. 12th September, 2019 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or admin@mcsregistrars.com or mcssta@rediffmail.com
- VII. Shri Pranav Kumar, Practicing Company Secretary (Membership No. FCS 5013) has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- VIII. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- IX. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than forty eight hours of the conclusion of the Annual General Meeting make a consolidated Scrutinizer’s Report a of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e 19th September, 2019.
- X. The results shall be declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.maraloverseas.com and on the website of NSDL <http://www.evoting.nsdl.com> immediately after the results is declared and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.
- XI. Members, who are not casting their vote electronically, may cast their vote at the Annual General Meeting by means of ballot.

By order of the Board
For Maral Overseas Limited

Virendra Kumar Garg
Company Secretary
FCS-7321

Place: Noida (U. P.)
Date: 6th August, 2019

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

The term of appointment of Shri Shekhar Agarwal, Managing Director expired on 31st March, 2019. The Board of Directors at their meeting held on 31st January, 2019 had, upon recommendation of Nomination and Remuneration Committee, re-appointed Shri Shekhar Agarwal as the Managing Director of the Company for a period of three years w.e.f. 1st

April, 2019 upto the 31st March, 2022 in accordance with the provisions of the Companies Act, 2013 read with Schedule V thereto and pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 as amended time to time. The terms of remuneration have also been approved by the Remuneration Committee of the Board of Directors. The terms and conditions of his appointment are as under:-

1. Salary : ₹ 7,00,000/-per month with an annual increment of ₹ 50,000/- per month.
2. Commission : Upto 2% of the net profits of the Company as computed in the manner laid down in applicable provisions of the Companies Act, 2013.
3. Perquisites : In addition to salary and commission, Shri Shekhar Agarwal shall be entitled to the following perquisites:

Category 'A'

- i) Housing :
 - a) The expenditure incurred by the Company on hiring unfurnished accommodation for him shall be subject to a ceiling, namely (for residence in Delhi/outside Delhi), 60% of the salary, over and above 10% payable by him, or
 - b) In case the accommodation is owned by the Company 10% of the salary shall be deducted by the Company, or
 - c) In case no accommodation is provided by the Company, house rent allowance subject to the ceiling laid down in (a) above shall be paid to him.

The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income Tax Rules, 1962 and will be subject to a ceiling of 10% of the salary.

- ii) Medical Reimbursement:

Expenditure incurred for the Managing Director and his family, subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
- iii) Leave Travel Concession:

For self and family once in a year incurred in accordance with the rules of the Company.
- iv) Club fees:

Fees for clubs subject to maximum of two clubs will be allowed. This will not include admission and life membership fees.
- v) Personal Accident Insurance:

Of an amount, the annual premium of which not to exceed ₹ 10,000/-.

For the purpose of this category "family" means the spouse, the dependent children and dependent parents.

Category 'B'

- i) Provident Fund:

Company's contribution to Provident Fund shall be as per the scheme of the Company
- ii) Superannuation/Annuity Funds:

Company's contribution to Superannuation/Annuity fund shall be in accordance with the scheme of the Company.
- iii) Gratuity:

As per the rules of the Company, Gratuity is payable in accordance with the approved fund at the rate of half a month's salary for each completed year of service.

Category C

- i) Car:

Provision of car for use on Company's business. Use of car for private purpose shall be billed by the Company.
- ii) Telephone:

Telephone at residence for Company's business. Personal long distance calls shall be billed by the Company.

In view of the inadequate profit of the Company for the financial year 2018-19, the remuneration payable to Shri Shekhar Agarwal would in accordance with the provisions of Para 1(A) of Section II of Part II of the Schedule V of the Companies Act, 2013.

The proposed remuneration payable to Shri Shekhar Agarwal falls within the limits prescribed in Regulation 17 (1) (e) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

MINIMUM REMUNERATION

Notwithstanding anything to the contrary hereinabove contained, where, in the financial year during the currency of the tenure of the Managing Director, the Company had no profits or had inadequate profits, the Company will pay remuneration to the Managing Director by way of salary, perquisites and allowances not exceeding the sum specified in Para 1(A) of Section II of Part II of the Schedule V of the Companies Act, 2013.

A copy of memorandum containing terms of remuneration of Shri Shekhar Agarwal, Managing Director of the Company shall be open for inspection by any member of the Company without payment of any fee at the Registered Office of the Company.

Information pursuant Para 1(A) of Section II of Part II of the Schedule V of the Companies Act, 2013 is detailed in Annexure-II. Shri Shekhar Agarwal functions as the Managing Director of the Company, his office shall not be liable to retirement by rotation.

The reappointment of Shri Shekhar Agarwal as Managing Director of the Company and payment of remuneration to him requires the approval by the Company in General Meeting by Special Resolution in accordance with the relevant provisions of the Companies Act, 2013 read with Para 1(A) of Section II of Part II of the Schedule V to the said Act. The Board commends the Special Resolution as set out in item No. 3 for approval of the members.

Shri Shekhar Agarwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given consent to act as the Managing Director of the Company for the second term.

Shri Shekhar Agarwal is not debarred from holding the office of Director pursuant to any SEBI Order or any other such authority.

The relevant details pertaining to Shri Shekhar Agarwal are provided in **Annexure-I** in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2").

Except Shri Shekhar Agarwal and Shri Shantanu Agarwal, and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the proposed resolution.

ITEM NO. 4 and 5

As the members are aware that Dr. Kamal Gupta (DIN:00038490) and Shri Priya Shankar Dasgupta (DIN:00012552) were appointed as an Independent Director at the 25th Annual General Meeting held on 26th September, 2014 by Ordinary Resolution for the first term of 5 years each i.e. 25th September, 2019 in accordance with the provisions of Section 149 and 152 of the Companies Act, 2013.

The Board of Directors of your Company now propose the second term for Dr. Kamal Gupta and Shri Priya Shankar Dasgupta as Independent Directors in accordance with the provisions of Section 149 and 152 of the Companies Act, 2013 and Regulation 17(1A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Board considered the feedback/views of the Nomination and Remuneration Committee and Independent Directors on the performance evaluation of Dr. Kamal Gupta and Shri Priya Shankar Dasgupta. The Board, thereafter, evaluated the performance of Dr. Kamal Gupta and Shri Priya Shankar Dasgupta on the basis of their professional ethics, integrity and values, practical wisdom, the skills, knowledge and expertise relevant to the Company's business and found his performance satisfactory. The Board taking into account the above proposed to re-commend their re-appointment for the 2nd (second) term of 5 years commencing from 26th September, 2019 upto 25th September, 2024.

Dr. Kamal Gupta, Independent Director of the Company born on 12th February, 1946, would be completing the 75 years of age on 11th February, 2021. Dr. Kamal Gupta is highly qualified and possesses the membership of Institute of Chartered Accountants of India, Institute of Cost and Works Accountant of India and Ph. D as well. Dr. Kamal Gupta is immensely contributing to the Board and the Company by his rich experience of over five decades in business and corporate advisory. Your Directors feel that it will be in the best interest of the Company to re-appoint him for his second term of 5 years commencing from 26th September, 2019 upto 25th September, 2024. Your Directors are of the view that his re-appointment for the second term is fully justified.

Further, Shri Priya Shankar Dasgupta, Independent Director of the Company is a renowned International Lawyer and the Company is benefitting immensely from his rich experience and International exposure. In view of his valuable contribution and rich experience, the Nomination and Remuneration Committee and the Board of Directors of the Company, feel that it will be in the best interest of the Company to continue his second term of 5 years commencing from 26th September, 2019 upto 25th September, 2024.

The relevant details pertaining to Dr. Kamal Gupta and Shri Priya Shankar Dasgupta are provided in **Annexure-I** in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2").

Dr. Kamal Gupta and Shri Priya Shankar Dasgupta are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as an Independent Director of the Company for the second term. The Company has also received declaration from Dr. Kamal Gupta and Shri Priya Shankar Dasgupta that they meet with the criteria of independence as prescribed both under sub-section(6) of Section 149 of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of provisions of Section 149 of the Companies Act, 2013, the re-appointment of Dr. Kamal Gupta and Shri Priya Shankar Dasgupta as an Independent Director of the Company requires the approval by the Company in General Meeting by Special Resolution.

Dr. Kamal Gupta and Shri Priya Shankar Dasgupta are not debarred from holding the office of Director pursuant to any SEBI Order or any other such authority.

Copy of draft letter of appointment of Dr. Kamal Gupta and Shri Priya Shankar Dasgupta setting out the terms and conditions of appointment is available for inspection by the members at the Registered Office and Corporate Office of the Company.

Your Directors recommend the Special Resolution set out at Item No. 4 and 5 of the Notice for approval of the members.

Except Dr. Kamal Gupta and Shri Priya Shankar Dasgupta and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, in the proposed Resolution.

ITEM No. 6

The Company, from time to time issued the 12,00,000/- 3% Cumulative Redeemable Preference Shares (CRPS) of Rs. 100/- each amounting of ₹ 12 Crore to the promoters of the Company with the approval of the shareholders in their meeting held on 23rd December, 2009 and as per the terms & conditions of the allotment, the aforesaid CRPS would be redeemed on 31st March, 2019.

Pursuant to the approval taken from the Board and Members of the Company in their respective meetings held on 3rd August, 2018 and 20th September 2018, the period of redemption of aforesaid CRPS was partly extended i.e. 6,00,000 3% CRPS were redeemed on due date i.e. 31st March, 2019 and remaining 6,00,000 3% CRPS were extended for a period of one year, which are to be redeemed on 31st March, 2020, other terms of issue remained unchanged.

Although, the Company's financial performance improved during the Financial Year 2018-19, but, still there are Cash Flow constraints. In view of the current scenario, the Company would not be able to redeem the aforesaid CRPS, issued to the Promoters, on due date i.e. 31st March, 2020.

The Board of Directors of the Company in their meeting held on 8th August, 2019 considered and approved the above matter and recommended the Special Resolution(s) under Item No. 6 of the notice for the approval of the members in the Annual General Meeting of the Company as per applicable provisions of Companies Act and rules made thereunder. The holders of the aforesaid Preference Shares have consented for extension of the period of redemption of the said CRPS for one year and such CRPS would be redeemed on 31st March, 2021. However, other terms and conditions of the above CRPS would remain unchanged.

Except Shri Shekhar Agarwal and Shri Shantanu Agarwal, and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the proposed resolution. The Board commends the Special Resolution as set out in item No. 6 for approval of the members.

ITEM No. 7

The Board of Directors of the Company had approved the appointment and remuneration of M/s K. G. Goyal & Co., Cost Accountants upon the recommendation of Audit Committee to conduct the Cost Audit of the Cost records of the Company for the financial year ending 31st March, 2020, in terms of rules framed in this regard by the Ministry of Corporate Affairs.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board commends the Ordinary Resolution as set out in Item No.7 for approval of members.

None of the Directors & Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested, financially or otherwise, in the said resolution.

By order of the Board
For Maral Overseas Limited

Virendra Kumar Garg
Company Secretary
FCS-7321

Place: Noida (U. P.)
Date: 6th August, 2019

**(In pursuance to Secretarial Standard on General Meeting (SS-2) and Regulation 36(3) of SEBI
(Listing Obligations and Disclosure Requirement) Regulations, 2015**

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT FORTHCOMING / FIXATION OF REMUNERATION ANNUAL GENERAL MEETING

Name of Director	Shri Shekhar Agarwal	Shri Shantanu Agarwal	Dr. Kamal Gupta	Shri Priya Shankar Dasgupta
DIN	00066113	02314304	00038490	00012552
Category	Managing Director & Chief Executive Officer	Promoter – Non-Executive	Independent - Non Executive Director	Independent - Non Executive Director
Intere relationship with other Directors	Father of Shri Shantanu Agarwal	Son of Shri Shekhar Agarwal	N.A.	N.A.
Date of Birth	09.10.1952	19.01.1986	12.02.1946	30.06.1955
Date of Appointment	27.01.1989	22.04.2014	13.07.1991	20.10.2003
Qualifications	B. Tech (Mech.)-IIT Kanpur, M.Sc. -(Chicago).	Graduate in B.S. in Electrical and Computer Engineering-USA, MBA from Wharton school of business (University of Pennsylvania).	FCA, FICWA, Ph. D	B.A. (Hons.), LLB, Post Graduate Diploma-Corporate Laws & Labour Laws.
Expertise in specific functional areas	Industrialist with rich experience of Textile Industry.	Industrialist with diversified business experience.	Consultant in the area of Finance, Accounting and Corporate Laws. Former Technical Director of the Institute of Chartered Accountants of India. He is renowned author of various books on Auditing and other subjects.	Renowned International Corporate Lawyer and represents a leading law firm in Delhi.
List of Other Public Companies in which Directorships held #	1. RSWM Ltd. 2. HEG Ltd. 3. Bhilwara Technical Textiles Ltd. 4. BSL Ltd.	Bhilwara Technical Textiles Ltd.	1. AD Hydro Power Ltd. 2. Bhilwara Energy Ltd. 3. HEG Ltd. 4. Malana Power Company Ltd. 5. RSWM Ltd.	1. Bhilwara Technical Textiles Ltd. 2. Cummins India Ltd. 3. Ester Industries Ltd. 4. Interstar Finance Services Ltd. 5. Otis Elevators Co. (India) Ltd. 6. RSWM Ltd. 7. Timken India Ltd.
Chairman / Member of the Committee of the Board of Directors of the Company	Stakeholders Relationship Committee	Nil	1. Audit Committee 2. Stakeholders Relationship Committee	Audit Committee
Chairmanship of the Committee of the Board of Directors of the others Company				
a	Audit Committee	Nil	Nil	RSWM Ltd. Timken India Ltd.
b	Stakeholders' Relationship Committee	Nil	Nil	RSWM Ltd. Bhilwara Technical Textiles Ltd.
Membership of the Committee of the Board of Directors of the others Company				
a	Audit Committee	1. HEG Ltd. 2. BSL Ltd	Nil	1. HEG Limited 2. AD Hydro Power Ltd. 3. Malana Power Company Ltd. 4. Bhilwara Energy Ltd.
b	Stakeholders' Relationship Committee	1. RSWM Ltd.	Nil	1. HEG Limited 1. Cummins India Ltd.
No. of Equity Shares held in the Company	755573	554500	1000	Nil
Terms & Condition of appointment or re-appointment along with detail of remuneration sought to be paid	AS mentioned in the Item no. 3 of Explanatory Statement of the Notice.	Non-executive Director liable to retire by rotation.	As mentioned in draft letter of appointment.	As mentioned in draft letter of appointment.
Last Remuneration Drawn	230.17 Lakh*	See note No. 1	See note No. 1	See note No. 1
No. of Board meeting attended during the year	4 out of 4	4 out of 4	4 out of 4	3 out of 4

Excludes Directorships in Private Limited Companies, Foreign Companies, Membership of Management Committee of various chambers/Bodies and Section 8 Companies and LLP.

Note no.-1 The Non-Executive Directors (including Independent Directors) are only paid sitting fee for attending meetings of Board of Directors, Independent Directors and various Committees of Board of Directors.

*(Include the Commission paid of ₹ 3.15 Lakh pertain to the F.Y. 2017-18.)

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013

I. General Information

Nature of Industry	The Company is in the business of manufacturing textiles; primarily it is in the business of Yarn, Knitted Fabrics and Garments.
Date or expected date of commercial production	Subsequent to the incorporation of the Company on the 27 th January 1989, the Company obtained certificate of commencement of business on the 1 st February 1992.
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

Financial performance based on given indicators:

₹ In Crore

Particulars	2018-19	2017-18	2016-17
Revenue from Operations (gross)	757.14	640.77	666.70
Profit / (loss) Before Tax	13.35	0.60	20.54
Profit / (loss) after Tax	8.13	0.99	13.83

Foreign investments or collaborators, if any: At present, the Company has not made any foreign investments and has not entered into any foreign collaboration.

II. Information about the appointee to whom the remuneration is payable (s):

Particulars	Shri Shekhar Agarwal
Background details	Shri Shekhar Agarwal aged 66 years holds a degree in B. Tech (Mech.) from IIT Kanpur and M. Sc. from Chicago. He is an industrialist with diversified business experience spanning over three decades and well-known name in Textile Industry. He was re-appointed as a Managing Director of the Company for a period of three years with effect from 1 st April, 2019. Since his appointment as Managing Director, he has overseen the operations of the Company, setting up of Thermal Plant, expansion of spinning facilities and up-gradation of production processes etc. Under his able leadership the Company has revived and registered encouraging financial performance. He is also Chairman and Managing Director of Bhilwara Technical Textiles Limited. He is also Vice Chairman (Non-executive Director) on the Boards of RSWM Limited, HEG Limited and Director on the Board of BSL Limited, LNJ Bhilwara Textile and Anusandhan Vikas Kendra besides other Private Companies. He is also member on Board's Committees of various Companies as well as he was member of the various Committees of Textiles Association and Bodies.
Past Remuneration for the Financial Year ended 31st March, 2019	230.17 Lakh*
Recognition or Awards	Shri Shekhar Agarwal has represented the Company in various Chambers of Commerce and Business Federations and has been executive member of federations. He was also the past President of Confederation of Indian Textile Industry.
Job profile and his suitability	Being Managing Director, he is looking after the affairs of the Company subject to superintendence, control and direction of the Board of Directors. Shri Shekhar Agarwal is also acting as Managing Director of Bhilwara Technical Textiles Limited. Shri Shekhar Agarwal has been in managerial position since last many years and has been contributing his role towards the achievement of the common object of the organization.
Remuneration proposed	As mentioned in Resolution No. 3
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details with reference to the country of his origin)	Taking into account Shri Shekhar Agarwal qualifications and prior experience, an industry comparison with similarly situated managerial personnel and the responsibilities placed on him as Managing Director of the Company, and in view of his contribution to the Company since his appointment, the Board considers it to be in the best interests of the Company. The Board is confident that Shri Shekhar Agarwal's management capabilities will enable the Company to progress further.
Pecuniary Relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Excepting the payment of remuneration for his services as Managing Director, as approved and detailed hereinabove, he has no other pecuniary relationship with the Company other than his shareholding in the Company. None of the Directors of the Company, except Shri Shekhar Agarwal, himself and Shri Shantanu Agarwal being relatives of him, are interested in the resolution.

*(Include the Commission paid of ₹ 3.15 Lakh pertain to the F.Y. 2017-18.)

III. Other Information:

1. Reasons for loss or inadequate profits

During the F.Y. 2018-19, the Company earned net profit of ₹ 8.13 Crore as compared to the net profit of ₹ 0.99 Crore for the F.Y. 2017-18.

The main reasons for the inadequacy of profit for the last past year profit margin of Cotton yarn spinning which eroded substantially in the current year due to over capacity and lower demand in the export market.

During the year the Sustainability of profit was also threatened by high cotton prices. During the year the digital printing project faced teething problems due to which consistency in quality could not be achieved as expected. High labour turnover and absenteeism were also a major challenge during the year. However, the Company has taken various steps to overcome the aforesaid and signs of recovery were now visible evidenced by its performance during the financial year 2018-19.

2. Steps taken or proposed to be taken for improvement:

The Company took up various steps to overcome the aforesaid situation. The Company has taken up various modernization and diversification programmes. The Company is focusing on the marketing and value addition to achieve the optimum benefits in its operations. At the same time the Company is aiming on cost reduction measures in order to reduce costs and improve profitability. The Company has initiated certain steps such as better product mix, and improving efficiency etc. The Company is making all possible efforts to improve the margins.

3. Expected increase in productivity and profits in measurable terms:

The Company has taken initiatives to improve the profitability of the Company and will continue in its endeavour to improve performance. Although certain constraints can be addressed only over a period of time, the management expects further improvement in operations in future years.

IV. Disclosure:

The terms of appointment and remuneration package proposed to be given to Shri Shekhar Agarwal is given in the respective resolutions. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.



MARAL OVERSEAS LIMITED

CIN : L17124MP1989PLC008255

Regd. Office: Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone (M.P.)

Phone: +91-07285-265401-265405 Fax: +91-07285-265406

Corp. Off: Bhilwara Towers, A-12, Sector-1, Noida-201301(U.P), Phone: 91-120-4390300, (EPABX) Fax: +91-120-4277841

E-mail : maral.investor@lnjbhilwara.com, Website : www.maraloverseas.com

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

DP Id*

Folio No.

Client Id*

No. of Share(s) held

Name and address of the Shareholders :

I/We, hereby record my/our presence at the 30th Annual General Meeting of the Company to be held on September 19, 2019 at 11:00 a.m. at the Registered Office of the Company at Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Khasrawad, Distt. Khargone (M.P.)-451660.

* Applicable for investors holding Shares in electronic form

** Strike out whichever is not applicable

Signature of the Shareholder/Proxy/Representative**

Notes:

- Members are requested to produce this attendance slip, duly signed in accordance with their specimen signatures registered with the Company, for admission to the meeting.



MARAL OVERSEAS LIMITED

CIN : L17124MP1989PLC008255

Regd. Office: Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone (M.P.)

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E-mail : maral.investor@lnjbhilwara.com, Website : www.maraloverseas.com

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): E mail id:

Registered Address:

Folio / DPID & Client ID No.:

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

1. Name : Address :

E-mail Id..... Signature, or failing him/her.

2. Name : Address :

E-mail Id..... Signature, or failing him/her.

3. Name : Address :

E-mail Id..... Signature, or failing him/her.

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the 30th Annual General Meeting of the Company, to be held on 19th September, 2019, at 11:00 a.m. at the Registered Office of the Company at Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated:

** I / We wish my/our above proxy to vote in the manner as indicated in the box below:

Resolutions Numbers	Resolutions	For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended the 31 st March, 2019 and the Report of Directors and Auditors thereon.		
2.	To appoint a Director in place of Shri Shantanu Agarwal (DIN: 02314304) who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
3.	Re-appointment of Shri Shekhar Agarwal (DIN: 00066113) as Managing Director of the Company for a period of three years w.e.f. 1 st April, 2019.		
4.	Re-appointment of Dr. Kamal Gupta, (DIN: 00038490) as an Independent Director of the Company for a second term of five consecutive years starting from 26 th September, 2019.		
5.	Re-appointment of Shri Priya Shankar Dasgupta, (DIN: 00012552) as an Independent Director of the Company for a second term of five consecutive years starting from 26 th September, 2019.		
6.	Approved of an extension of period of redemption of 6,00,000 3% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100/- issued to the promoters, which are due for redemption on 31 st March, 2020, for a period of one year i.e 31 st March, 2021.		
7.	Approval of the remuneration payable to M/s. K. G. Goyal & Co. (Firm Reg. No. 000017) Cost Auditor of the Company for the financial year ending 31 st March, 2020.		

Signed this _____ day of _____, 2019

Affix
Revenue
Stamp

Signature of Shareholders _____

Signature of Proxy holder(s) _____

Notes :

- The proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- ** it is optional to indicate your preference. If you leave the 'for' or 'against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 30th Annual General Meeting.

Nationwide Network

TEXTILES

Maral Overseas Ltd.

1. Maral Sarovar
2. Maral Sarovar
3. Noida

Cotton Spinning, Yarn Dyeing, Knitting, Dyeing & Finishing
Captive Thermal Power
Knitted Garments

RSWM Limited

4. Kharigram
5. Mayur Nagar, Banswara
6. Mandpam
7. Kanya Kheri
8. Rishabhdev
9. Ringas
10. LNJ Nagar, Mordi
11. LNJ Nagar, Mordi
12. LNJ Nagar, Mordi

Fibre Dyeing, Spinning Dyed & Grey Yarn
Spinning PV Blended, Cotton & Open End Grey Yarn
Melange Yarn, Fibre Dyed & Yarn Dyed
Melange Yarn, Fibre Dyed
Spinning PV Blended Grey Yarn
Fibre Dyeing & Spinning Dyed Yarn, Green Polyester Fibre
Spinning, Weaving, Processing & Finishing
Cotton Ring & Open End Spinning, Weaving & Rope, Dyeing,
Processing & Finishing Denim Fabric and Readymades
Thermal Power Generation

BSL Ltd.

13. Bhilwara
14. Jaisalmer

PV & Worsted Spinning, Weaving & Silk Fabric
Wind Power Generation

BMD Pvt. Ltd.

15. Himmatnagar
16. LNJ Nagar, Mordi

Automotive Furnishing Fabric, Dope Dyed Yarn
Automotive Furnishing Fabric, Flame Retardant
Fabric, Furnishing Fabric
Solar Power Generation
Wind Power Generation
Wind Power Generation
Wind Power Generation

Bhilwara Technical Textiles Ltd.

17. Bikaner
18. Jaisalmer
19. Satara
20. Sangli
21. LNJ Nagar, Mordi

Technical Textiles

GRAPHITE

HEG Ltd.

22. Mandideep
23. Mandideep
24. Tawa

Graphite Electrodes
Captive Thermal Power
Captive Hydro Electric Power

POWER

Bhilwara Energy Ltd.

25. Kolhapur (Maharashtra)

Wind Power Generation

Malana Power Company Ltd.

26. Malana (Kullu)

Hydro Electric Power Generation

AD Hydro Power Ltd.

27. Manali

Hydro Electric Power Generation

NJC Hydro Power Ltd.

28. Tawang

Hydro Electric Power Generation

BMD Power Private Limited

29. Vhaspeth (Maharashtra)

Wind Power Generation

Indo Canadian Consultancy Services Ltd.

30. Noida

Power Engineering Consultancy Services

Chango Yangthang Hydro Power Ltd.

31. Kinnaur

Hydro Electric Power Generation

BG Wind Power Ltd.

32. Noida (NCR-Delhi)

Wind Power Generation

INFORMATION TECHNOLOGY

Bhilwara Infotechnology Ltd.

33. Bhopal
34. Bengaluru

IT Services/Medical Transcription Services
IT Services/Medical Transcription Services

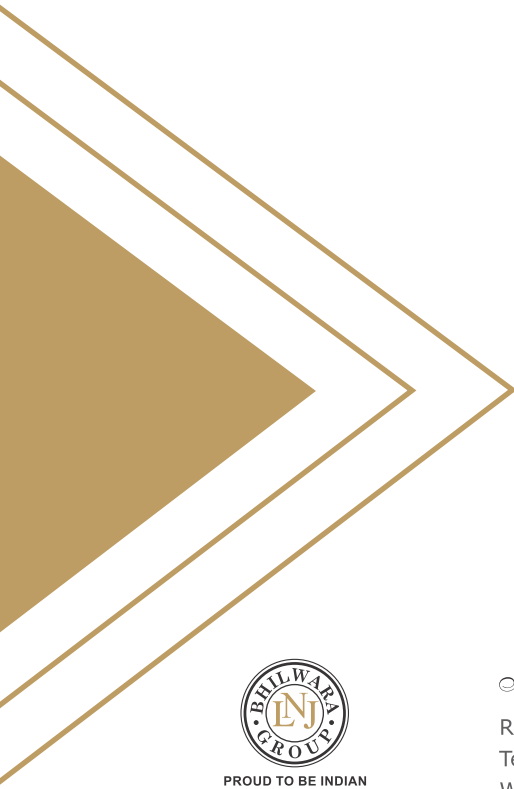
OFFICES

Corporate Office

35. Bhilwara Tower A-12, Sector-1, Noida-201301

Regional / Marketing :

- | | | | |
|---------------|---------------|------------------|---------------|
| 36. Mumbai | 39. New Delhi | 42. Ichalkaranji | 45. Tirupur |
| 37. Kolkata | 40. Ludhiana | 43. Indore | 46. Ahmedabad |
| 38. Bengaluru | 41. Bhilwara | 44. Kanpur | |



Maral Overseas Limited

Registered Office : Maral Sarovar, V. & P.O. Khalbujurg,
Tehsil Kasrawad, Distt. Khargone - 451 660, Madhya Pradesh
Website: www.maraloverseas.com/www.lnjbhilwara.com