



USHER[®]
AGRO LIMITED

22nd Annual Report 2017-2018

USHER AGRO LIMITED

(Company under Corporate Insolvency Resolution Process w.e.f. 21st March, 2018)

CORPORATE INFORMATION**BOARD OF DIRECTORS****Promoter & Executive Directors**

Dr. Vinod Kumar Chaturvedi :

Managing Director & CFO

Non Executive Independent Directors

Mr. Ajay Prakash Arora

Mrs. Shikha Sethia Bhura

(Resigned w.e.f. 28.10.2017)

Mr. Vijay Ranchan

(Resigned w.e.f. 11.07.2017)

Mr. Shriprakash Arora

(Resigned w.e.f. 25.04.2017)

Mr. Prem Chand Tiwari

(Resigned w.e.f. 25.04.2017)

Mr. Ajay Sharma, Nominee Director

(IDBI Bank withdrawn his nomination
w.e.f. 22.08.2017)**STATUTORY AUDITORS**

M/s Jayesh Sanghrajka & Co. LLP

Chartered Accountants

RESOLUTION PROFESSIONAL

Krishna Chamadia

IP Reg.No. IBBI/PA-001/IP-P00694/2017-18/11220

DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd.

Asian Building, Ground Floor,

17, R. Kamani Marg, Ballard Estate,

Mumbai - 400 001.

SHARE LISTED AT

National Stock Exchange of India Limited (NSE)

PLANT LOCATIONS**Uttar Pradesh:****Chhata -****Unit 1** - 158, Gohari, Delhi-Agra Highway, (N-H II)
Chhata, Dist: Mathura,
(Uttar Pradesh) - 281 401**Unit 2** - 632-634, Duatana, Delhi-Agra Highway, (N-H II)
Chhata, Dist: Mathura
(Uttar Pradesh) - 281 401**REGISTRAR & SHARE TRANSFER AGENTS**

Bigshare Services Pvt. Ltd.

1st floor, Bharat Tin Works Building, Opp. Vasant Oasis,

Makwana Road, Marol, Andheri (E), Mumbai - 400 059

Tel: +91-022-62638204

Fax: +91-022-28475207

Email: info@bigshareonline.com

Website: www.bigshareonline.com

BANKERS/FINANCIAL INSTITUTION

Allahabad Bank

Axis Bank Limited

Bank of Baroda

Bank of Maharashtra

Dena Bank

Export-Import Bank of India

ICICI Bank Limited

IDBI Bank Limited

Kotak Mahindra Bank

Rabobank International (India)

Rabobank International (Singapore)

United Bank of India

Karur Vysya Bank Limited

Tamilnad Mercantile Bank Limited

State Bank of India

L & T Finance Limited

REGISTERED OFFICE.

212, Laxmi Plaza, Laxmi Industrial Estate,

New Link Road Andheri (West)

Mumbai - 400 053

Tel: 022-40144202

Fax: 022-39381123

Email: cs.mumbai@usheragro.com

Website: www.usheragro.com

Mathura:239, Maholi, Krishna Nagar
Off Delhi-Agra Highway, (N-H II)
Mathura, (Uttar Pradesh) - 281 004**Bihar:**Buxar - Plot no. 1898, Chaubeji ki Chhavani,
Jalilpur Thana, Rajpur, Dist -Buxar, (Bihar) - 802 114

NOTICE OF 22nd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF USHER AGRO LIMITED WILL BE HELD ON SATURDAY, THE 29TH DAY OF SEPTEMBER, 2018 AT 12:00 NOON AT ANMOL BANQUETS HALL, 2ND FLOOR, HARMONY MALL AT CARNIVAL CINEMAS, OPPOSITE ROYAL ENFIELD SHOWROOM, LINK ROAD, GOREGAON WEST, MUMBAI-400 104 TO TRANSACT THE FOLLOWING BUSINESS:

Usher Agro Limited is under Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code 2016 (IBC) in terms of order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench with effect from 21.03.2018. As per section 17 of the IBC, 2016, the powers of the Board of Directors stands suspended and such powers shall be vested with Krishna Chamadia (IBBI registration number IBBI/IPA-001/IP-P00694/2017-18/11220) appointed as the IRP with respect to the Company and continued as Resolution Professional by the Committee of Creditors in its first meeting held on April 18, 2018 under provisions of the code.

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss account for the year ended 31st March, 2018 and the Directors' and Auditors' Reports thereon.
2. To appoint Statutory Auditor and to fix their remuneration and in this connection, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139(8) and all other applicable provisions, if any, of the Companies Act, 2013 read with Company (Audit and Auditors) Rules, 2014 framed there under, as amended from time to time or any other law for the time being in force, M/s. Jayesh Sanghrajka & Co. LLP, (Firm Registration No.104184W/W100075), Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, and in this regard the Resolution Professional on directions of the Committee of Creditors ('CoC') be and are hereby authorized to decide and finalize the terms and conditions of their appointment and to fix their remuneration".

For Usher Agro Limited

(Company under Corporate Insolvency Resolution Process)

KRISHNA CHAMADIA

RESOLUTION PROFESSIONAL

IP Registration No. IBBI/IPA-001/IP-P00694/2017-18/11220

Place: Mumbai

Date : 30.05.2018

Notes:

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, is not annexed as there being no special business.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2018 to 29th September, 2018 (both days inclusive).
8. Under Section 205A of the erstwhile Companies Act, 1956, read with Rule 3 of the Investor Education and Protection fund (Uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rules, 2012 the amount of unpaid or unclaimed amounts for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 144,210/- unclaimed share application money pertaining to the IPO made in October, 2006 to the Investor Education and Protection Fund of the Central Government.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Big Share, for consolidation into a single folio.
10. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

11. As per the provisions of the Companies Act, 2013 facility for making nomination is available for the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Share Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Bigshare Services Pvt. Ltd.
13. In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made there under, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.
14. The company has designated an exclusive email ID viz. cs.mumbai@usheragro.com to enable investors to register their complaints/grievances, if any.
15. In compliance with provisions of the Companies Act 2013, the company is also offering the e-VOTING FACILITY to the members to enable them to cast their votes electronically. E-voting facility would remain open only from 26.09.2018 to 28.09.2018 (both days inclusive).

M/s SANDEEP DUBEY & ASSOCIATES, Practicing Company Secretary (M.No. 47940) B 204, Rajni Park, S V Road, Bhayander (East), Thane- 401105 (COP No. 17902) has been appointed as Scrutinizer for scrutinizing e-voting system in a fair and transparent manner and to give her report thereon.

E-VOTING INSTRUCTIONS

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26.09.2018 at 10.00 A.M. and ends on 28.09.2018 at 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xv) above to cast vote.
- (B) The voting period begins on 26.09.2018 at 10.00 A.M. and ends on 28.09.2018 at 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

For Usher Agro Limited

(Company under Corporate Insolvency Resolution Process)

**KRISHNA CHAMADIA
RESOLUTION PROFESSIONAL**

IP Registration No. IBBI/PA-001/IP-P00694/2017-18/11220

Place: Mumbai

Date : 30.05.2018

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Share Transfer Agent, Bigshare Services Pvt. Ltd. Email: shubhangi@bigshareonline.com

DIRECTORS' REPORT

To The Members of
Usher Agro Ltd.

Usher Agro Limited is undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 (IBC, 2016) pursuant to the order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench with effect from 21st March 2018. The true and certified copy of the order was received by the Resolution Professional on 28th March 2018

Pursuant to NCLT Order dated. 21.03.2018, Mr. Krishna Chamadia has been appointed as IRP and continued as Resolution Professional by the Committee of Creditors in its first meeting held on April 18, 2018 under provisions of the code. Under Section 17 of IBC Code, 2016, the power of Board of Directors stand suspended and shall be vested with Resolution Professional w.e.f. 21.03.2018.

Presentation on 22nd Annual Report on the business and operations of the Company and the financial accounts for the Year ended 31st March, 2018 is hereby submitted:

Financial Results

The financial performance of the Company, for the Financial Year ended 31st March, 2018 is summarised below:

(₹ in Lakhs)

Particulars	Figures as at the end of current reporting period 31/03/2018	Figures as at the end of previous year 31/03/2017
Sales & Other Income	8,080.64	43,727.18
Profit before Financial Charges & Depreciation	(79,274.87)	(35,244.78)
Less : Financial Charges	27,230.83	3,044.84
Cash Profit for the year	(1,06,505.70)	(38,289.62)
Less : Depreciation	3,323.01	3,457.33
Profit before Tax	(1,09,828.71)	(41,746.95)
Less : Provision for Tax including Fringe Benefit Tax	-	-
Less : Provision for Deferred tax	(988.59)	-
Less: Short Provision for tax of earlier years.	-	-
Profit after Tax	(1,08,840.12)	(41,746.95)
Balance brought forward from Previous Year	(41,746.95)	(14,281.06)
Balance available for Appropriation	(1,50,587.07)	(56,028.01)
Appropriations :	-	-
Proposed Dividend	-	-
Corporate Dividend Tax	-	-
Transferred to General Reserve	-	-
Debt Redemption Reserve	-	-
Debenture Redemption Reserve	-	-
Earning per Share (EPS)	(140.13)	-
Balance carried to Balance Sheet	(1,50,587.07)	(56,028.01)

Business operations & Results

During the year under review, the sales and other income of your Company have decreased to ₹ 8,080.64 lakh within the period of as compare to ₹ 43,727.15 lakh in the previous financial year. There is the loss in the financial year 2017-18. The loss after tax is ₹ 1,09,828.71 lakh against loss of ₹ 41,746.95 lakh in previous year.

Dividend

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2018.

Transfer to Reserves

The Company has not transferred any amounts in the General Reserves during the financial year under review in pursuance to the provisions of Companies Act, 2013.

SHARE CAPITAL

During the year under review, no changes were made in the Authorized Share Capital and Paid up Capital of the Company.

Issue of Debentures

The Company had issued 50,325 Rated, Listed, Redeemable, Subordinated Non-Convertible Debentures ("Debentures" Or "NCDs") of a Face Value of INR 10,000 each for Cash Aggregating to INR 503,250,000 (The Rupee Equivalent Of \$ 7,500,000) on 23rd December, 2015 to Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO), The Hague, The Netherlands. The Debenture Trustee is IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400001.

Debenture redemption Reserve

The Debenture redemption Reserve created for the FY 2017-18 is nil.

Consolidated Financial Statements

The Company is currently undergoing corporate insolvency resolution process under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) by an order of National Company Law Tribunal with effect from 21st March, 2018. As per section 17 of the IBC, 2016, the powers of the Board of Directors stands suspended, and such powers shall be vested with Mr. Krishna Chamadia (IP Registration no. IBBI/ IPA-001/IP-P00694/2017-18/11220) appointed as the IRP with respect to the Company. Further, the subsidiary data is yet to be received by the RP from the subsidiary companies and hence, the Company has not prepared the Consolidated Financial statement of the Company.

Subsidiary Companies

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16 (c) of SEBI (LODR) Regulations, 2015 of the Listing Agreement. The Policy, as approved by the Board, is uploaded on the Company's website at www.usheragro.com. The Company has two subsidiary i.e. Usher Eco Power Limited and one wholly owned subsidiary i.e. Usher Worldwide FZE.

Performance of the Subsidiaries

a) USHER ECO POWER LIMITED

Usher Eco Power Limited is into biomass-based power generation activity. The Company had commissioned the 16MW Rice husk based Co-generation Eco friendly power plant at Chhata Dist- Mathura, U.P. which used Rice husk as fuel. The Resolution Professional is yet to receive the statement of accounts for the subsidiary and is hence unable to comment on performance of the Company.

b) USHER WORLDWIDE FZE

Usher Worldwide FZE which is registered in a Free Zone Establishment (FZE) in the Sharjah Airport International Free Zone (SAIF Zone), United Arab Emirates. The Resolution Professional is yet to receive the statement of accounts for the subsidiary and is hence unable to comment on performance of the Company.

During the year under review, no Company has become or ceased to be a subsidiary of the Company. A statement containing the salient features of the financial position of the subsidiary companies in Form AOC.1 is annexed as **Annexure 2**.

BUSINESS EXPANSION

The company is currently undergoing CIRP under the provisions of the Insolvency and Bankruptcy Code, 2016, wherein a resolution plan can be submitted by a resolution applicant within the 180 day (or 270 day) period. Considering the above, the Company has no immediate plans for expansion.

DEPOSITS

The Company has not accepted any deposit from the public under section 73 and 74 of the Companies Act, 2013.

BOARD OF DIRECTORS

Prior to the appointment of the IRP pursuant to the NCLT order dated 21st March 2018, the composition of the Board of Directors had fallen below the minimum requirement as stipulated under the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. As on the date of the said financial year end, the Company had Two (2) Directors consisting of One (1) Managing Director and One (1) Independent Director on its Board.

During the year under review, Mrs. Shikha Bhura was appointed as Non Executive Independent Director (Woman Director) on the Board w.e.f. 30.05.2017

During the year under review, the following directors has resigned from the Board of Directors

1. Mr. Shri Prakash Arora w.e.f. 25.04.2017
2. Mr. Vijay Ranchan w.e.f. 11.07.2017
3. Mr. Prem Chand Tiwari w.e.f. 25.04.2017
4. Mr. Ajay Sharma (Nominee Director) w.e.f. 22.08.2017
5. Mrs. Shikha Bhura w.e.f. 28.10.2017

The company is currently undergoing corporate insolvency resolution process under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) by an order of National Company Law Tribunal with effect from 21st March, 2018. As per section 17 of the IBC, 2016, the powers of the Board of Directors stands suspended, and such powers shall be vested with Mr. Krishna Chamadia (IP Registration no. IBBI/ IPA-001/IP-P00694/2017-18/11220) appointed as the IRP with respect to the Company. The IRP further continued as Resolution

Professional by the Committee of Creditors in its first meeting of Committee of Creditors held on April 18, 2018 under provisions of the code.

Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013 and Reg.17 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a company shall have at least one Woman Director on the Board of the company. Your Company had Ms. Baljinder Kaur Mandal as Woman Director (Nominee Director IDBI Bank) on the Board of the Company since 29th June, 2013. IDBI Bank Limited had withdrawn her nomination w.e.f. 28.11.2016. Consequently, the Company appointed Mrs. Shikha Sethia Bhura as Independent Non Executive Woman Director w.e.f. 30.05.2017 in order to comply with the provisions of section 149 of the Companies Act, 2013. However, it is to be noted that Mrs. Shikha Bhura has resigned from the Board w.e.f. 28.10.2017 and since then there is no Woman Director on the Board of the Company.

Declaration by Independent Director under sub-section (6) of section 149

The Company has received Declaration that the Independent Director meets the criteria of Independence laid down in sub-section (6) of section 149 of the Companies Act 2013. The declaration in respect of the same is received at the first Board meeting of the Financial Year.

Annual Evaluation

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc, which is in compliance with applicable laws, regulations and guidelines. The Board carried out annual performance evaluation of the Board, Board Committees and Individual Directors and Chairperson. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees. The reports on performance evaluation of the Individual Directors were reviewed by the Chairman of the Board.

Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, and financial condition and compliance requirements. The Committee is also responsible for reviewing and vetting the CVs of potential candidate's vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

Directors Retiring by Rotation

None of the Directors are retiring by rotation

Number of Meetings of the Board

Four meetings were held viz. 30th May, 2017, 13th September, 2017, 14th December, 2017 and 14th February, 2018. Detailed information on the meetings of the Board is included in the report on Corporate Governance, which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report at **ANNEXURE – 3**

Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2017-18.

Corporate Governance

The Company is committed to achieve the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set by the Regulators/applicable laws. Accordingly, the Board functions as trustees of the shareholders and seeks to ensure that the long term economic value for its shareholders is achieved while balancing the interest of all the stakeholders. A separate section on Corporate Governance as stipulated under Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is enclosed as an Annexure to this report. The report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013.

Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review as stipulated under SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

Vigil Mechanism/ Whistle Blower Policy

The Company has implemented a Whistle Blower Policy pursuant to which Whistle Blowers can raise concerns such as breach of Code of Conduct, fraud, bribery, corruption, employee misconduct, etc. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance and also available on the website of the Company (www.usheragro.com).

Board diversity

The Company recognizes and embraces the importance of a diverse board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, www.usheragro.com.

Pursuant to the appointment of Resolution Professional, the powers of the Board of Directors stood suspended w.e.f. 21.03.2018.

Loans, Guarantees or Investments in Securities

There have been no loans / guarantees given or securities provided during the financial year 2017-18 under the provisions of Section 185 / 186 of the Companies Act, 2013. The details of investments covered under the provisions of Section 186 of the Act are given in notes to financial statements provided in this Annual Report.

Significant and Material Orders Passed By the Regulators or Courts or Tribunals and; Material Changes & Commitment Affecting the Financial Position of the Company

Usher Agro Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code 2016 in terms of order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench with effect from 21.03.2018.

Pursuant to the appointment of Resolution Professional, the powers of the Board of Directors stood suspended w.e.f. 21.03.2018. The Moratorium Period as stipulated under Section 14 of the IBC Code, 2016 is in force.

Remuneration Policy

The Company has in place a Nomination, Remuneration and Evaluation Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and SEBI (LODR) Regulations, 2015 same is uploaded on the website of the Company www.usheragro.com

Contracts or Arrangements with Related Parties

All transactions entered with related parties, if any, during the financial year 2017-18 were on arm's length basis and in ordinary course of business. Further, there were no material related party transactions during the year with the Promoters, Directors or Key Managerial Personnel. The Company has adopted a Related Party policy and procedure, which is available at company's website.

Internal Financial Control Systems and their Adequacy

The Company has laid down set of standard, process structures which enables to implement internal financial control across the organisation and ensure that the same are adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Jayesh Sanghrajka & Co.LLP, Chartered Accountants, Mumbai (Firm Registration No104184W/W100075) were the Statutory Auditors for the FY 2017-18. They have audited the Financial Statements for the Financial Year 2017-18 and submitted their report which forms part of this report. Notes to the Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further comments. There are qualification in the Auditors Report on the Financial Statements of the company.

With reference to the Auditors' qualified opinion, matter of emphasis and observations in the Auditors' Report, the explanation/comments are set out in **Annexure '1'** to this Report.

Secretarial Auditor

Pursuant to section 204 of the companies act, 2013 Company engaged Mr. Sandeep Dubey, Practising Company secretary, for conducting Secretarial Audit for the Financial Year 2017-18. M/s. Sandeep Dubey & Associates has issued Secretarial Audit Report. The report of the Secretarial Auditor for the FY 2017-18 in the prescribed form MR-3 is annexed to this report as **Annexure 4**

Cost audit/auditor

Pursuant to the provisions of section 148 of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014, the products manufactured by the Company were not covered for maintenance of cost records and therefore, the Company discontinued the cost audit and consequently, the Company has not appointed cost auditor for the financial year 2017-18.

Employee Remuneration

In view of the losses incurred by the Company, the Company has not paid remuneration to any Director of the Company and there was no increase in the managerial remuneration of Directors, KMP and Employees under Section 197 of the Companies Act, 2013. The percentage increase in the salaries of employees and so also of managerial personnel and KMP in the previous financial year and so also in the FY 2017-18 is Nil. There is no increment in the previous financial year and also in FY 2017-18. The number of permanent employees on the rolls of company – 70. The Company has in place remuneration policy and if any remuneration will be paid it will be as per the remuneration policy of the company.

Statutory Disclosures

The disclosures to be made under sub-section (3) (m) of Section 134 of the Companies Act 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014 by your Company are explained as under:

(A) Conservation of Energy**(i) the steps taken or impact on conservation of energy;**

The Company is aware about energy consumption and environmental issues related with it and continuously making sincere efforts towards conservation of energy. The maintenance of the Boiler and Electrical Equipment is carried out regularly with optimum care with the help of the technical professionals and modern equipment. The Company is in fact engaged in the continuous process of further energy conservation through improved operational and maintenance practices. Your Company is having a rice husk fired 1 MW co-generation captive power plant at Mathura, which helped to save the cost of power consumption and also generating power in eco friendly manner by supporting environment.

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

The company has already commissioned 1MW co-generation captive power plant at Mathura to use its rice husk which is waste product during the production of rice, the company has also installed 16MW biomass power plant in its subsidiary company M/s Usher Eco Power Ltd to generate the energy through renewal sources of energy.

(iii) the capital investment on energy conservation equipments - NIL**(B) Technology Absorption**

- i. The Company is using latest technology in rice and wheat milling which is well established the world over. The Company has installed new equipment with latest technology for the purpose of rice processing. The Company has carried out R&D in house so as to improve the quality of the Rice Bran, one of the bye-products of rice milling process (8% of the total output). The Company has evolved the process to reduce the content of Nakku (Broken Rice) in the Rice Bran.
- ii. The Benefit derived like product improvement, cost reduction, product development or import substitution.
- iii. In case of imported technology (The Company has not imported any technology during the last three financial years.)
- iv. Expenditure on research & development – the company has actively participated in research & development of new technology of Silica extraction with IISc Bangalore and has incurred around Rs. 36 Crore till now in establishing & commissioning its small plant at Chhata, Mathura

(C) Foreign Exchange Earnings and Outgo

During the year under review, the foreign exchange outgo was NIL (Prev. Yr. Rs. 195.17 lakh) and the foreign exchange earnings on exports on FOB Basis were NIL (Prev. Yr. Rs. 5.17 lakh).

Extracts of Annual Return

As per the amendments carried out by the Companies (Amendment) Act, 2017 in section 92(3), every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report. A copy of Annual Return of the Company is available on the website of the Company.

Directors' Responsibility Statement

In accordance with Section 134(5) of the Companies Act, 2013, your Board of Directors confirms that:

- a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed and that there is no material departure;

- b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year;
- c) proper and sufficient care has been taken for maintenance of adequate accounting records as provided in the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- d) The annual accounts of the Company have been prepared on a “going concern” basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

Pursuant to the appointment of Resolution Professional, the powers of the Board of Directors stood suspended w.e.f. 21.03.2018.

Acknowledgement

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

Vinod Kumar Chaturvedi
Managing Director
Din No. 00325197

Place: Mumbai
Date: 30.05.2018

ANNEXURE 1

RESPONSES TO THE OBSERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS IN AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**[Pursuant to Section 134(3)(f) of the Companies Act, 2013]**

1. The company is required to adopt Indian Accounting Standards from FY 2017-18 as per the Companies (Indian Accounting Standards) Rules, 2015. However, Standalone Financial Statements of the company are not prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Response: Due to time limitations and incomplete accounting in the pre CIRP period, the financial statements could not be prepared in accordance with Ind-AS.

2. The company has not appointed Internal Auditors as required by Section 138 of the Companies Act, 2013.

Response: Company is currently under CIRP process, this irregularity has been continuing before initiation of CIRP.

3. The system of internal Financial control over financial reporting with regard to the company were not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial control were operating effectively.

Response: Company is currently under CIRP process, these irregularities have been continuing before initiation of CIRP.

4. Though CIRP has been initiated and power of the Board has been suspended, composition of Board of directors has fallen below the limit prescribed under section 149 of Companies Act, 2013 and regulation 17 of SEBI (LODR) Regulations, 2015 due to resignation of a women director on 28th October, 2017.

Response: Company is currently under CIRP process, these irregularities have been continuing before initiation of CIRP.

5. Though CIRP has been initiated and power of the Board has been suspended, composition of Audit committee has fallen below the limits prescribed under section 177 of the Companies Act, 2013 and regulation 18 of SEBI (LODR) regulation, 2015 due to resignation of a Woman Director on 28th October, 2017.

Response: Company is currently under CIRP process, these irregularities have been continuing before initiation of CIRP.

6. Company Secretary of the Company has resigned from the company 7th October 2016, Company has not appointed full time Company Secretary required under section 203 (and Rule 8 and Rule 8A of companies' appointments & remuneration of Managerial Personnel Rule 2014) of the Companies Act, 2013.

Response: Company is currently under CIRP process, these irregularities have been continuing before initiation of CIRP.

7. The standalone financial statement indicates that the company has accumulated losses and its net worth is fully eroded. The Company has incurred net loss during the current year as well as previous years and Company's current liabilities exceeded its current assets as at the balance sheet date. However, the financial statements of the Company have been prepared on a going concern basis in spite of negative net-worth. The management informed to us that since the lenders have initiated CIR proceeding against the company on account of default in payment of their dues under the Insolvency and Bankruptcy Code, 2016 ("Code"), which was admitted by The Hon'ble National Company Law Tribunal, Mumbai ("NCLT"), the Corporate insolvency resolution process shall be completed within a period of one hundred and eighty days from the date of admission of application to initiate such process which can be maximum extended for another ninety days, falling which, the company will be liquidated. As informed to us, the Resolution Professional is in the process of inviting resolution plans, once a plan is submitted; it will be placed before CoC and thereafter to NCLT for approval. Currently, various initiatives have been taken to improve and continue the operations of the wheat division of company and increase its customer base. Hence the Financial statements of the company are prepared on the going concern basis.

Response: Under the current CIRP process, the resolution professional is in the process of inviting resolution plans, once a plan is submitted, it will be placed before CoC and thereafter to NCLT for approval. Currently, various initiatives have been taken to improve the continue and operations of the wheat division of company, increase its customer base, optimize plant utilization, improvising operational efficiencies, renegotiation of contracts and other cost control measures to improve the company's operating results and cash flows. Considering this, the financial statements of company are continued to be prepared on the going concern basis.

8. The company in the nine month ended on 31st December 2017, had not made provision of Interest on Cash credit/Term loan including penal interest & processing fee amounting to INR 9,821.36 Lakh approx. (for period from 01.04. 2017 to 31.12..2017) and INR 10,207.63 Lakh for the period from 13.05.2016 to 31.03.2017 in the view of invocation of Strategic Debt Restructuring (SDR) by the lenders. Some of these lenders had also not charged the same. However considering that the company is currently into CIRP, the company has made the provision of the entire interest for the period from 13.05. 2016 to 31.03. 2018 in the 4th Quarter ended 31st March 2018, on the basis of simple rate of interest as mentioned in Sanction Letter of these loans and not the actual amount as charged in the statement of these loans. The Company has not made provision for penal interest.

Response: The Company is currently under CIRP process, these irregularities have been continuing before initiation of CIRP. Claims has been received from financial creditors and are currently under reconciliation.

9. ICICI Bank Limited has given farmer finance loans of INR 25.00 crore to various parties on the basis of Corporate Guarantee given by the company. The bank has now invoked the said Corporate Guarantee. However, the company has not made any provision in the books of accounts.

Response: The Company is currently under CIRP process, these irregularities have been continuing before initiation of CIRP. Claims has been received from financial creditors and are currently under reconciliation.

10. Company has given corporate guarantees of INR 15610.10 Lakh for its subsidiary companies, namely Usher Eco Power Limited & Usher World Wide FZE, Sharjah, for loans taken from lenders. The normal business operations of the said companies have been discontinued. The liabilities of these corporate guarantees are not provided in the books of accounts.

Response: The Company is currently under CIRP process, these irregularities have been continuing before initiation of CIRP. Claims has been received from financial creditors and are currently under reconciliation.

11. The Company has, on the basis of their internal evaluation, valued inventories at INR 73.80 Lakh. In the view of current CIR process and in absence of valuation report, we are unable to comment on the realisability of the Inventories.

Response: The Company has valued inventories as per AS-2 on FIFO basis.

12. In case of few trade receivables, name of their companies have been strike off by concerned ROC, few are under liquidation and few have either denied to provide confirmation or not responded the communication. On the basis of the said circumstances, company has made provision of Bad & Doubt Full debts of INR 65415.12 Lakh.

Response: The Company has already circulated letters to debtors for confirmation the balance as well as release the outstanding balances at the end of year 31/03/2018, but company has not received any response from debtors, so company has made provisions for bad and doubtful debts

13. In respect of the advances to supplier, in view of pending Confirmation/ Reconciliation from the supplier to whom advances was given and also uncertainty about subsequent realisation of such amount, Company had made provision (advances to supplier) of INR 3223.88 Lakh.

Response: The Company is being communicating for the advances to suppliers for long but has not received any response, so company decided to make the provisions.

14. We have not received confirmations and bank statements for balances in current/credit facilities/FDR accounts amounting INR 448.19 Lakh as at March 31, 2018. In the absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and on the balance of cash and cash equivalent.

Response: The Company has called for balances in current/ credit facilities/ FDR accounts from respective banks which was not received.

15. In the view of pending Confirmations/ Reconciliation from the certain Banks, Lenders' liability, Trade payables, and other liabilities, we are unable to comment on the impact, if any, on the financial statement arising out of such pending confirmation / reconciliation.

Response: The Company has called for confirmations from Banks, Lenders, Trade payables which was not received.

16. The Company has made provision for gratuity and leave encashment for the year on estimated basis and not as per actuarial valuation. In the absence of actuarial valuation report, the impact on loss for the year on account of such valuation is not ascertainable and relevant disclosures have not been given. This is not in compliance with AS-15 Employee Benefits.

Response: Though it is self-explanatory, however, Company has made Provision of Gratuity & Leave encashment of Rs. 18.30 Lakh (previous year Rs. 19.26 Lakh based on estimated basis) which may not differ substantially from the figures based on Actuarial Valuation. The differences, if any, will be adjusted in the current year.

17. The Company has recoverable balance of INR 539.43 from the revenue authorities. In the absence of supporting evidence, we are unable to comment on the recoverability of the said amount.

Response: Company is regularly coordinating with respective revenue authority.

18. The company has not made provision of VAT liability of INR 15,197.03 Lakh (tax plus interest) as demanded by UP VAT authorities. Management has informed that they are going to appeal/reopening the VAT cases with competent VAT authorities.

Response: Appeal is in process of being filed.

19. The Company has not deposited statutory liabilities with Concerned Government authorities and failed to comply by filing necessary returns under various Acts before commencement of CIRP during the FY 2017-18. It has also not provided for interest / penalty for such default.

Response: Due to lack of funds company has not paid statutory liabilities

ANNEXURE 2

Form AOC-I

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

PART "A": SUBSIDIARIES

As per the NCLT order dated 21st March 2018, corporate insolvency resolution process (CIRP) period for the Company has commenced and Mr. Krishna Chamadia has been appointed as the IRP (subsequently as the RP) under the provisions of the Insolvency and Bankruptcy Code, 2016. W.e.f. 21st March 2018, the moratorium for the Company has commenced and the board of directors of the Company stand suspended and such powers shall vest with the IRP/RP. Subsequent to the commencement of CIRP, the financials for subsidiary companies are yet to be received by the RP from the subsidiaries and hence the data is unavailable.

ANNEXURE 3

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken

Usher has taken its obligation to the society and the people in need especially in under developed areas of the Mathura with special emphasis in the surrounding areas of the projects financed by Usher. While state have carrying out a number of development projects, Usher on its part likes to participate / contribute and makes its presence in social, economic, infrastructural, educational, cultural activities etc.

Your Company's focus areas under CSR

- Promotion of Education, Sports to children
- Ensure commitment at all levels of the Organization to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interest of all the stake holders
- Built a community where women and children, orphans, senior citizen and people with disabilities lead healthy and nourished life, adopt measure for reducing inequalities faced by socially and economically backward groups.
- Environment Protection and preservation.

Web-Link to the CSR Policy

<http://www.usheragro.com/investors-policies.html>

Composition of CSR Committee

Your Company has constituted Corporate Social Responsibility Committee to monitor the CSR activities. The composition of CSR committee has fallen below the minimum requirement as stipulated in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Members of the committee are

1. Mr. Vinod Kumar Chaturvedi
2. Mrs. Shikha Sethia Bhura, resigned w.e.f. 28.10.2017
3. Mr. Ajay Prakash Arora

Pursuant to the appointment of Resolution Professional, the powers of the Board of Directors stood suspended w.e.f. 21.03.2018. Consequently, the CSR committee also stands suspended

Details of expenditure of CSR for FY 2014-15

The Company has made provision for CSR of ₹ 128.40 lakh in the FY 2014-15 and in the FY 2015-16 the total expenditure incurred for CSR is ₹ 64.16 lakh.

The Company has not made any provision for the CSR in the Financial Year 2017-18 as the Company has incurred loss. However the provisions made in the financial year 2014-15 has not yet been fully Utilised.

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company.

Vinod Kumar Chaturvedi
Managing Director and CFO
DIN No. 00325197

Ajay Prakash Arora
Independent Director
DIN No. 01055020

ANNEXURE 4

FORM No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 201(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

**To,
The Members
USHER AGRO LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the corporate practices by USHER AGRO LIMITED (CIN No. L01100MH1996PLC100380) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 generally complied with the statutory provisions listed hereunder read with my letter of even date which is annexed as Appendix A and forms an integral part of this report and also that the Company generally followed proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

Usher Agro Limited is under Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code 2016 (IBC) in terms of order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench with effect from 21.03.2018. As per section 17 of the IBC, 2016, the powers of the Board of Directors stands suspended and such powers shall be vested with Krishna Chamadia (IBBI registration number IBBI/IPA-001/IP-P00694/2017-18/11220) appointed as the IRP with respect to the Company and continued as Resolution Professional by the Committee of Creditors in its first meeting held on April 18, 2018 under provisions of the code.

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the company for the financial year ended on **31st March, 2018** according to the provision of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under; **(Not applicable to the Company during the Audit Period)**
- (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; **(No FDI, ODI and ECB was taken by the company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 (SEBI Act) :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (Not applicable to the Company during the Audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit period)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) **OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**
 - i) Food Safety and Standards Act, 2006 and the Rules made there under.
 - ii) The Prevention of Foods Adulteration Act, 1954 and the Rules made there under.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and other laws which do not come under the purview of Secretarial Audit, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated laws.

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

- (i) Secretarial Standard for Board Meetings (SS-1) and for General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

During the audit period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Composition of the Board of Directors has fallen below the minimum requirement before initiation of CIRP as stipulated under the SEBI (LODR) Regulations, 2015 and Companies Act, 2016. As at the financial year ended on 31st March, 2018, the Company had Two (2) Directors consisting of One (1) Managing Director and One (1) Independent Director on its Board.
2. The Composition of the following Committees has also fallen below the minimum requirement before initiation of CIRP as stipulated under the SEBI (LODR) Regulations, 2015 and Companies Act, 2016.
 - Audit Committee
 - Finance Committee
 - Stakeholders Relationship Committee
 - Nomination and Remuneration Committee
 - Corporate Social Responsibility Committee
3. The Company Secretary of the company has resigned w.e.f. 07.10.2016. So far, the Company has not appointed full time Company Secretary.
4. Mrs. Shikha Bhura (Woman Director) has resigned from the Company w.e.f. 28.10.2017 and since then the Company has not appointed any Woman Director on its Board.
5. The Company has not filed its Balance Sheet and Profit & Loss Account in Form AOC-4 and Annual Return in Form MGT-7 for the FY 31.03.2017 with the Registrar of Companies and other forms concerning the same.
6. As required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (4) of SEBI (LODR) Regulation 2015, No separate meeting of Independent Directors was held during the FY 2017-18. The Company represented and clarified to me that on account of non availability of Independent Directors, no such meeting amongst the Independent Directors was held

I further report that:

The Board of Directors of the company is not 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 provision of the Act. The Composition of the Board of Directors and its various Committees as mentioned above has fallen below the minimum requirement as stipulated under the SEBI (LODR) Regulations, 2015 and Companies Act, 2016.

Under Section 17 of IBC, the powers of the Board of Directors have been suspended and such powers are vested with the Mr. Krishna Chamadia, Resolution Professional w.e.f. NCLT order date 21.03.2018. The Committee of Creditors has been constituted pursuant to the requirement of IBC Code, 2016.

As informed to me, adequate notice was given to the exchange, Directors and concerned ones at least seven days in advance and in shorter notice after complying with the laws to schedule the Board Meetings, Agenda and detailed notes of Agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meeting, as represented by the management, were taken on the basis of majority/unanimously. However, during audit, it has been observed that, before initiation of CIRP, in the meetings of the Audit Committee and Board held on 14th December, 2017 and 14th February, 2018, the Audit Committee and the Board has considered and approved the relevant Quarterly Financial Results and submitted the same with Stock Exchanges inspite of the fact that the Composition of the Audit Committee and Board had fallen below the limits as prescribed under section 149 & section 177 of the Companies Act, 2013 and Regulations 17 & 18 of SEBI (LODR) Regulations, 2015. The management has represented and clarified to me that in order to comply with the requirement of Regulation of 33 of SEBI (LODR) Regulations, 2015 the Audit Committee and the Board decided to approve the financial results for the quarter ended 30th September, 2017 and 31st December, 2017. And post initiation of CIRP all the decisions have now been taken by the Committee of Creditors.

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

For SANDEEP DUBEY & ASSOCIATES
(Practising Company Secretary)

Sandeep A Dubey
M. No. - 47940
C.P. No. -17902

Place : Mumbai
Date : 14th August, 2018

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

ANNEXURE - A

To,
The Members
USHER AGRO LIMITED

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

1. Maintenance of Secretarial Records is to be responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards, is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. I do not assure / confirm by virtue of this report that the company is in 100% compliance with the requirement of various statute/laws since we have carried out this out on test check basis.
7. 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 SANDEEP DUBEY & ASSOCIATES
(Practising Company Secretary)

Sandeep A Dubey
M. No. - 47940
C.P. No. -17902

Place : Mumbai
Date : 14th August, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

1. Industry structure and developments

The Indian food and grocery market is the world’s sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country’s total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India’s exports and six per cent of total industrial investment. Demand for processed staple food is expected to remain strong backed by large population and domestic food consumption trends.

2. Opportunities and Threats

Usher Agro Limited is undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 (IBC, 2016) pursuant to the order passed by the Hon’ble National Company Law Tribunal, Mumbai Bench with effect from 21st March 2018. The true and certified copy of the order was received by the Resolution Professional on 28th March 2018

Under the current CIRP period, the resolution professional is in the process of inviting resolution plans, once a plan is submitted, it will be placed before CoC and thereafter to NCLT for approval.

3. Segment-wise or product-wise performance

The Company is currently only operating the wheat division and has only recorded domestic sales for the year.

4. Outlook

As specified earlier, the resolution professional is in process of inviting resolution plans for the Company which shall be placed before the CoC and thereafter NCLT for approval.

5. Risk Analysis

Risk Factors	Risk Mitigants
Availability of Raw Materials:	The company is only operating the wheat unit in Mathura for which raw material is bought from the end customers of processed wheat products i.e. Maida/Aata etc. The Company has procurement network in place to source the remaining wheat from the market (mandis/stockers).
Demand Risk	The Company does not foresee any dramatic change in demand. Strong relationships with the customers further enable mitigation of demand risk.
Regulation Risk	The company does not foresee any significant regulatory risk as only the wheat plant in Mathura is operational.

6. Internal Control Systems and their Adequacy

The Company has implemented adequate internal control systems and procedures, commensurate with the nature of its business and size of its operations. It has implemented adequate internal control system that facilitates adequate and timely completion of the audit and compliance process.

7. Financial Performance

The Company’s revenue has declined from INR 437 Crores in FY 17 to INR 81 Crores in FY 18 with loss increasing to 1,088 Crores. The Company has made provisions amounting to INR 783 Crores towards debtors, investments, loans/ advances and other assets. However, the cash increased from INR 0.8 Crores in FY 17 to INR 2.7 Crores in FY 18. Currently, various initiatives have been taken to improve the continue and operations of the wheat division of company, increase its customer base, optimize plant utilization, improvising operational efficiencies, renegotiation of contracts and other cost control measures to improve the company’s operating results and cash flows.

8. Human Resource Development & Industrial Relations

Efforts have been made to retain the key employees of the Mathura wheat operations. However, as the Chhata rice plants have shut, there has been attrition in Rice division.

REPORT ON CORPORATE GOVERNANCE

Usher Agro Limited is currently undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 (IBC, 2016) pursuant to the order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench with effect from 21st March 2018. The true and certified copy of the order was received by the Resolution Professional on 28th March 2018.

Under Section 17 of IBC 2016 the powers of the Board are suspended and the same are vested on the Resolution Professional, Mr Krishna Chamadia, appointed as Interim Resolution Professional (IRP), and continued as Resolution Professional (RP) by the Committee of Creditors in its first meeting held on April 18, 2018 under provisions of the code.

Company's Philosophy on Corporate Governance

Usher Agro recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in overall interest of the Company and its stakeholders.

CORPORATE GOVERNANCE

The business of the Company was managed by the Board of Directors. However, pursuant initiation of CIRP, the powers of the Board of Directors stood suspended w.e.f. 21.03.2018 and such powers are vested with Resolution Professional.

A) Composition of the Board

Prior to initiation of CIRP and appointment of the IRP pursuant to the NCLT order dated 21st March 2018, the composition of the Board of Directors had fallen below the minimum requirement in FY 2017-18, as stipulated under the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. As on the date of the said financial year end, the Company had Two (2) Directors consisting of One (1) Managing Director and One (1) Independent Director on its Board.

During the year under review, Mrs. Shikha Bhura was appointed as Non-Executive Independent Director (Woman Director) on the Board w.e.f. 30.05.2017 and the following directors has resigned from the Board of Directors

1. Mr. Shri Prakash Arora w.e.f. 25.04.2017
2. Mr. Vijay Ranchan w.e.f. 11.07.2017
3. Mr. Prem Chand Tiwari w.e.f. 25.04.2017
4. Mr. Ajay Sharma (Nominee Director) w.e.f. 22.08.2017
5. Mrs. Shikha Bhuraw.e.f. 28.10.2017

Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013 and Reg.17 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a company shall have at least one Woman Director on the Board of the company. Your Company had Ms. Baljinder Kaur Mandal as Woman Director (Nominee Director IDBI Bank) on the Board of the Company since 29th June, 2013. IDBI Bank Limited had withdrawn her nomination w.e.f. 28.11.2016. Consequently, the Company appointed Mrs. Shikha Sethia Bhura as Independent Non-Executive Woman Director w.e.f. 30.05.2017 in order to comply with the provisions of section 149 of the Companies Act, 2013. However, it is to be noted that Mrs. Shikha Bhura has resigned from the Board w.e.f. 28.10.2017 and since then there is no Woman Director on the Board of the Company.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of the Listing Regulations), across all the Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

None of the Directors holds office in more than 20 companies and in more than 10 public companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25 (1) of the SEBI LODR 2015.

The required information, including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the SEBI SEBI LODR 2015 Regulations is made available to the Board of Directors during FY 2017-18, for discussions and consideration at the Board Meetings. The Board reviewed the declaration made by the Managing Director & CFO regarding compliance with all applicable laws on a quarterly basis as also steps taken to remediate instances of non-compliance, if any. Pursuant to Regulation 27(2) of the SEBI LODR 2015 Regulations, the Company also submits a quarterly compliance report on Corporate Governance to the Indian Stock Exchanges.

Further, Independent Directors do not have any material pecuniary relationship or transactions with the Company, its promoters, its management or its associates, which in the judgment of the Board may affect independence of judgment of the Director, apart from the sitting fees and commission received by them for attending the meetings of the Board.

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in public limited Companies are given below:

Sr. No	Directors	No. of Board Meetings Attended	Whether last AGM Attended	*No. of Directorship Held including this Company			No. of Committee Membership			No. of shares held in Usher Agro Limited
				Chairman	Member	Total	Chairman	Member	Total	
1	Mr. Vinod Kumar Chaturvedi Managing Director Din No: 00325197	4/4	No	-	5	5	-	1	1	4567470
2	Mr. Vijay Ranchan Independent Director Din No: 01602023 Resigned w.e.f. 11.07.2017	1/4	N/A	-	3	3	-	4	4	Nil
3	Mr. Ajay Prakash Arora Independent Director Din No: 01055020	4/4	Yes	-	2	2	-	4	4	Nil
4	Mr. Shriprakash Arora Independent Director Din No:01872519 Resigned w.e.f. 25.04.2017	0/4	N/A	-	1	1	-	-	-	Nil
5	Mr. Prem Chand Tiwari Independent Director Din No:05182634 Resigned w.e.f. 25.04.2017	0/4	N/A	-	-	-	-	-	-	Nil
6	Mr. Ajay Sharma IDBI Bank Limited Nominee Director Din No:06417150 Resigned w.e.f. 22.08.2017	1/4	N/A	-	-	-	-	1	1	Nil
7	Mrs. Shikha Sethia Bhura Independent Woman Director Din No: 07799537 Resigned w.e.f. 28.10.2017	1/4	N/A	-	-	-	-	4	4	Nil

Bodies and Companies registered under Section 8 of the Companies Act, 2013. Only Audit Committee and Stakeholders Relationship Committee of Indian Public Companies have been considered for committee positions.

Four Board Meetings were held during the Financial Year 2017-18, and the gap between two meetings did not exceed One Hundred and Twenty Days. The Board of Directors met on the following dates:

Date of the Meeting	No of Directors Present
30th May, 2017	4
13th September, 2017	3
14th December, 2017	2
14th February, 2018	2

Board Procedure

The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board to arrive at appropriate decisions. The information as required under Part A of Schedule II to the Listing Regulations is made available to the Board. The Board also reviews the declarations made by the Managing Director and Chief Financial Officer regarding compliance with all applicable laws, on a quarterly basis

Code of Conduct

All Board members and senior management personnel as per Regulation 26 (3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by the Managing Director & CEO forms part of this Report.

Apart from receiving remuneration that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its subsidiaries and associates. None of the Directors are inter-se related to each other.

The Directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

Separate Meeting of Independent Directors

No separate meeting of Independent Directors was held during the FY 2017-18 due to non-availability of Independent Directors.

Board and Director Evaluation and criteria for evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include

inter alia, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning. Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director & CFO. Criteria for evaluation of the Committees of the Board include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The procedure followed for the performance evaluation of the Board, Committees and Directors is detailed in the Directors' Report.

Familiarization Programme for Independent Directors

The Company familiarizes its Independent Directors 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. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The Familiarisation programme for Independent Directors is disclosed on the Company's website at the following website: www.usheragro.com

Whistle Blower Policy

Pursuant to section 177 (9) of Companies Act, 2013 the Board of Directors at its meeting held on 28th August, 2014, adopted the Whistle Blower Policy.

The Whistle Blower Policy/Vigil mechanism provides a mechanism for the director/employee to report violations without fear of victimization of any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organization's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee. The said policy is placed on the Company's website www.usheragro.com.

Policy on dealing with Related Party Transactions

During the financial year, the Company entered into transactions with Related Parties defined under the Companies Act, 2013 were done on arm's length basis and in the ordinary course of business as per the Related Party Transaction Policy (RTP) of the Company, which was amended from time to time to align with the applicable laws/ regulations. The policy that is adopted in relation to RPT is given below and is available on the Company's website www.usheragro.com.

Prohibition of Insider Trading Policy

The Securities and Exchange Board of India vide notification dated January 15, 2015 notified The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which shall be effective from May 15, 2015. The Company has amended its Insider Trading Prohibition Policy accordingly. The Company Secretary is the Compliance Officer. The Company has instituted a comprehensive code of conduct for its directors, management and officers and the other connected persons with the Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, guidelines and procedures to be made while dealing with shares of the Company including the consequences of violations if any. The code clearly specifies, among other matters, that the Directors and specified employees of the Company can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and material events, etc. as per the Code. Disclosure of shareholding is taken from all the directors and Designated Employees and other connected persons of the Company

BOARD COMMITTEES

The Board has Five Committees, Audit Committee, Stakeholder's Relationship, Nomination & Remuneration Committee, Finance Committee and Corporate Social Responsibility Committee. However, it must be noted that pursuant to NCLT Order dated. 21.03.2018, the Board and its committees stood suspended w.e.f. 21.03.2018.

A. Audit Committee

Terms of reference

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee are as follows:

The terms of reference of Audit Committee are as under:

1. To review the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. To Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. To Approval of payment to statutory auditors for any other services rendered by the statutory Auditors;
4. To Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section 2(AA) of Companies Act, 1956 and clause (c) of sub section 3 of section 134 of the Companies Act, 2013
 - ii. Changes, if any, in accounting policies and practices and reasons for the same
 - iii. Major accounting entries involving estimates based on the exercise of judgment by the management

- iv. Significant adjustments made in the financial statements arising out of audit findings
 - v. Compliance with listing and other legal requirements relating to financial statements
 - vi. Disclosure of any related party transactions
 - vii. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. 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 reports 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;
 7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, the performance of statutory and internal auditors adequacy of the internal control systems;
 13. 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;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. 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;
 16. 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;
 17. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. And, generally, all items listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Companies Act, 2013.

Composition and Attendance during the year

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of SEBI (LODR) 2015 and the provisions of Section 177 of the Companies Act, 2013. All members of the Committee are financially literate, with Mr. Ajay Prakash Arora, Chairman of the Committee, having the relevant accounting and financial management expertise. The composition of the Audit Committee during the year has fallen below the minimum requirement as prescribed under the Companies Act, 2013 and SEBI LODR Regulations, 2015 and the details of Meetings attended by the Directors during the year are given below:

Sr. No.	Name of the Members	Status at the committee	Category	No. of Meeting attended during 2017-18
1	Mr. Ajay Prakash Arora	Chairman	Independent, Non-Executive	4
2	Mr. Vijay Ranchan Resigned w.e.f. 11.07.2017	Member	Independent, Non-Executive	1
3	Shikha Bhura Resigned w.e.f. 28.10.2017	Member	Independent, Non-Executive	2

Meetings of the Audit Committee held during FY 2017-18

During the financial year, four meetings of the Audit Committee were held: 30th May, 2017, 13th September, 2017, 14th December, 2017 and 14th February, 2018. Necessary quorum was present for all the meetings except meetings held on 14th December, 2017 and 14th February, 2018. In order to comply with the requirement of SEBI LODR Regulations, 2015, the Audit Committee in its meetings held on 14th December, 2017 and 14th February, 2018 approved the quarterly financial results.

The meetings of the Audit Committee are usually attended by the Managing Director & CFO, the Head of Internal Audit, the Company Secretary and a representative of the Statutory Auditors. The Company Secretary and Compliance Officer acts as Secretary of the Committee. The Chairman of the Committee was present at the Annual General Meeting held on 29th September, 2017. There was no full time Company Secretary during FY 2017-18.

Subsidiary Companies

Independent Directors viz. Mr. Vijay Ranchan (Resigned w.e.f. 11.07.2017) and Mr. Ajay Prakash Arora are the Directors on the boards of the non-listed Indian Subsidiary Company Usher Eco Power Limited. The financial statements and the minutes of the board meetings of the subsidiary companies are considered at the meetings of the Board of Directors of the Company.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's Internal Control and Financial Reporting Process. The terms of reference of the Audit Committee are in accordance with all the items listed in Companies Act, 2013 and SEBI LODR Regulations, 2015.

B. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In terms of Section 178 (5) of the Companies Act, 2013, the Shareholders'/ Investors' Grievance Committee was renamed as Stakeholders Relationship Committee with effect from 28th August, 2014. Following are the terms of reference of the Stakeholders Relationship Committee:

- Investor relations and redressal of shareholders grievances in general and relating to non-receipt of dividends, interest, non- receipt of balance sheet etc.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- To approve request received for transfer, transmission, demat etc. of securities of the Company.

The Company has adopted the Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with the shares of the Company. The Compliance Officer is looking after the implementation of and overseeing compliance with the Regulations and the Code across the Company.

The Company has also adopted the Code of Corporate Disclosure Practices for ensuring timely and adequate disclosure of Price Sensitive Information, as required under the Regulations. The Managing Director & CFO is the Public Spokesperson for this purpose of shares, non receipt of annual report, non receipt of declared dividends, etc.

During the year no meeting held of Stakeholders Relationship Committee.

The composition of the Stakeholders Relationship Committee has fallen below the minimum requirement as at the financial year ended 31.03.2018 and the details of the Meetings attended by the Directors during the year are given below: All the members of the Stakeholder relationship committee is Non executive independent Director.

Sr. No.	Name of the Members	Status	Category	No. of Meeting attended
1	Mr. Shri Prakash Arora Resigned w.e.f. 25.04.2017	Chairman	Independent, Non-Executive	0
2	Mr. Ajay Prakash Arora	Member	Independent, Non-Executive	0
3	Mr. Vijay Ranchan Resigned w.e.f. 11.07.2017	Member	Independent, Non-Executive	0
4	Mrs. Shikha Bhura Resigned w.e.f. 28.10.2017	Member	Independent, Non-Executive	0

C. Nomination and Remuneration Committee:

During the year, the composition of the Remuneration Committee has fallen below the minimum requirement as stipulated under Companies Act, 2013 and SEBI LODR Regulations, 2015. All the members of the Committee were independent Directors composition during the year is as follows

During the year meeting was held on 30th May, 2017 of Nomination & Remuneration committee Meeting.

Sr. No.	Name of the Members	Status at the committee	Nature of directorship
1	Mr. Shri Prakash Arora Resigned w.e.f. 25.04.2017	Chairman	Independent Director
2	Mr. Ajay Prakash Arora	Member	Independent Director
3	Mr. Vijay Ranchan Resigned w.e.f. 11.07.2017	Member	Independent Director
4	Mrs. Shikha Bhura Resigned w.e.f. 28.10.2017	Member	Independent Director
5	Vinod Kumar Chaturvedi	Member	Managing Director

Remuneration Committee has been renamed as Nomination and Remuneration Committee and its terms of reference were modified by the Board to comply with Section 178 of Companies Act 2013.

Terms of reference:

- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

- (2) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (3) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- (4) Formulation of criteria for evaluation of Independent Directors and the Board;
- (5) Devising a policy on Board diversity;
- (6) Identifying persons who are qualified to become directors and who may be appointed in senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- (7) To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s)/Executive Director(s) based on their performance and defined assessment criteria.
- (8) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- (9) The Nomination and Remuneration Committee shall, while formulating the policy ensure that
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

Remuneration Policy:

The Company's philosophy for remuneration of Directors, key managerial personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Nomination Remuneration & Evaluation policy for appointment of Directors, Key Managerial Personnel and Senior Management and also the criteria for determining the independence of a Director. The objective of the policy is:

- To formulate the criteria for determining qualifications, positive attributes required for appointment of Directors, Key Managerial Personnel and Senior Management and also the criteria for determining the independence of a Director.
- To provide the framework for tenure, removal/retirement of Directors, Key Managerial Personnel and Senior Management.
- To provide the framework for determining remuneration (fixed and performance linked) payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide the framework for evaluation of the performance of the Board and its constituents

Non-Executive Directors:

Independent Directors ('ID') and non-independent non-executive Directors ('NED') may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be members, and commission within regulatory limits, as recommended by the Nomination and Remuneration Committee ('NRC') and approved by the Board. In terms of shareholders' approval obtained at the Annual General Meeting held on 21st December, 2012, the commission can be paid at a rate not exceeding 1% per annum of net profit of the Company. The sitting fees for the Directors have been increase to 30,000 per Board & Audit Committee meeting and Rs. 15000 for the committee meeting with effect from 14th February, 2015. There were no other pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company.

The details of sitting fees paid to Independent Directors during the financial year 2017-18 is as Under:

Name of Directors	Sitting Fees				Commission	Total
	Board Meeting	Audit Committee	Stake holders relationship Committee	Nomination and Remuneration Committee		
Mr. Vijay Ranchan	-	-	-	-	-	NIL
Mr. Ajay Prakash Arora	-	-	-	-	-	NIL
Mr. Shri Prakash Arora	-	-	-	-	-	NIL
Mrs. Shikha Bhura	-	-	-	-	-	NIL
Mr. Prem Chand Tiwari	-	-	-	-	-	NIL
Mr. Ajay Sharma (Nominee Director of IDBI Bank)	-	-	-	-	-	NIL

Remuneration for Managing Director ('MD')/ Executive Directors ('ED')/ Key Managerial Personnel ('KMP')/ rest of the Employees.

The Board of Directors in consultation with the Nomination and Remuneration Committee decides on the remuneration payable to the Managing Director / Executive Director as approved by the Board of Directors and approved by the members, within the ceilings prescribed under the Companies Act.

Remuneration to Executive Director

The terms of remuneration of executive directors has been fixed by board of directors and approved by shareholders. The remuneration of executive directors during the financial year 2017- 2018 are as under:

The details of remuneration paid/ payable to the Directors during the financial year 2017-18 are as under.

Particular	Remu- neration including Perquisite	Perqui- sites and allow- ances	Com- mission	Period of Agreement	Notice Period	Stock Options	Commission for the financial year 2016-17, paid during 2017-18	Severance fees
Mr. Vinodkumar Chaturvedi (Managing Director)	NIL	NIL	NIL	5 Year	Ninety Days	NIL	NIL	NIL

At present the Company does not have any Employee Stock Option Scheme (ESOS).

Details of shares held by Managing Director of the Company as on 31st March, 2018.

Sr. No.	Name	No of Shares
1	Mr. Vinod Kumar Chaturvedi	4567470

D. Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. During the year, the composition of the Remuneration Committee has fallen below the minimum requirement as stipulated under Companies Act, 2013 and SEBI LODR Regulations, 2015

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. The Company has incurred loss hence; no provision has been made for the CSR for the FY 2017-18.

Composition of the Committee:

Sr. No.	Name	Designation
1	Mr. Shriprakash Arora Resigned w.e.f. 25.04.2017	Chairman
2	Mr. Vinod Kumar Chaturvedi	Member
3	Mrs. Shikha Bhura Resigned w.e.f. 28.10.2017	Member

Mr. Manoj Pathak, Whole Time Director & member of the CSR Committee had resigned from the Board of Directors of the Company w.e.f. 07/12/2016 and after completion of F.Y. 2016-17 Mr. Shri Prakash Arora, Independent Directors have resigned from the Board of Directors of the Company w.e.f. 25.04.2017, and Mr. Vinod Kumar Chaturvedi was appointed as CSR Committee member w.e.f. 30.05.2017, Mrs. Shikha Sethia Bhura was appointed as Independent Non Executive Woman Director on the Board of the company and CSR Committee w.e.f. 30.05.2017. She resigned w.e.f. 28.10.2017.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of "Corporate Social Responsibility Policy", observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013. No meeting held during the financial year.

Terms of reference of the Committee, inter alia, includes the following:

1. Committee's prime responsibility will be to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of "Corporate Social Responsibility Policy", observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.
2. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under;
3. To recommend the amount of expenditure to be incurred on the CSR activities.
4. To monitor the implementation of framework of CSR Policy.
5. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

E. Finance Committee

The Finance committee of the Company was reconstituted on 7th November, 2015 and comprised of following members. No meeting held in the financial year 2017-18. The finance committee comprising of following Directors in order to have convenience in expediting day to day matters relating to finance. the composition of the Remuneration Committee has fallen below the minimum requirement as stipulated under Companies Act, 2013 and SEBI LODR Regulations, 2015.

Sr. No.	Name of Member	Status
1	Mr. Ajay Prakash Arora	Chairman
2	Mr. Vinod Kumar Chaturvedi	Member

Following are the terms of reference for the finance committee

- borrow and raise such sums of money from time to time as may be required for the purpose of the company's business, subject to the condition that such borrowing shall not exceed Rs.2000 crores and
- invest the surplus funds of the Company, subject to the provisions of section 186 of the Companies Act, 2013, in the purchase of shares, debentures, securities and stock certificates, etc. of any private or public limited company or in any securities floated by the Central Government or any State Government, however, to the condition that the funds so invested shall not exceed Rs. 250 crores.
- Investment Transaction, allotment of shares and/or debentures, borrowing and other routine matters.
- To open/close bank account and to authorize company's executives/ officers to operate bank account and to withdraw such authority from time to time.
- give authority to any members of the committee to discuss the terms and conditions with the lenders, sign all documents including agreements, certificates, statements, undertakings, declarations, receipts, deeds, instruments and to do all such acts and things as may be necessary on behalf of the Company to give effect to the above resolution."
- Give guarantees/issue letters of comfort/providing securities within the limits approved by the Board
- Other transactions or financial issues that the Board may desire to have them reviewed by the Finance Committee.

1. General Body Meetings

Year	Date	Venue	Time	Summary of Special Resolution Passed
2017	29.09.2017	Anmol Banquets Hall, 2nd Floor, Harmony Mall At Carnival Cinemas, Opposite Royal Enfield Showroom, Link Road, Goregaon (West), Mumbai-400104	11.30 a.m.	Appointment of Mrs. Shikha Sethia Bhura as an Independent Director (Woman Director)
2016	30.09.2016	Anmol Banquets Hall, 2nd Floor, Harmony Mall At Carnival Cinemas, Opposite Royal Enfield Showroom, Link Road, Goregaon (West), Mumbai-400104	11.30 a.m.	To create, offer and issue new equity shares on preferential basis to the lenders of the Company pursuant to invocation of SDR Scheme. Increase in authorized capital of the company and alteration of capital clause in the Memorandum of Association of the company. Alteration in Capital Clause of Articles of Association of the Company.
2016	20.07.2016	Anmol Banquets Hall, 2nd Floor, Harmony Mall At Carnival Cinemas, Opposite Royal Enfield Showroom, Link Road, Goregaon (West), Mumbai-400104	11.30 a.m.	Appointment of Statutory to fill casual vacancy caused by resignation of Auditor for the FY 2015-16
2015	28.09.2015	Nand kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai-400 058	11.30 a.m.	To offer or invite for subscription of Non convertible Debentures on private placement basis.

All resolutions moved at the last AGM/EGM were passed by means of electronic and physical voting, by the requisite majority of members attending the meeting. None of the businesses proposed to be transacted at the ensuing AGM require the passing of a special resolution by way of postal ballot. There were no resolutions passed by Postal Ballot by the Company during the year under review.

2. Other Disclosures

- a) During the year, there were no materially significant related party transactions, i.e. transactions of the Company of material nature with its promoters, their subsidiaries, the Directors or the management or relatives, etc. That may have potential conflict with the interests of the Company at large. The Company has adopted a Policy on Material Subsidiaries and the same is displayed on the Company's website www.usheragro.com.
- b) Members attention is drawn to the matter of emphasis and Statement on Contingent Liabilities, commitments in the notes forming part of the Financial Statement.
- c) The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.
- d) The Managing Director & Chief Financial Officer have certified to the Board in accordance with SEBI (LODR) Regulations, 2015 certification for the Financial Year ended 31st March, 2018.
- e) The Company has prepared the Financial Statements in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.
- f) The company is required to adopt Indian Accounting Standards from FY 2017-18 as per the Companies (Indian Accounting Standards) Rules, 2015. However, Standalone Financial Statements of the company are not prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Due to time limitations and incomplete accounting in the pre CIRP period, the financial statements could not be prepared in accordance with Ind-AS.
- g) The Company has complied with all the mandatory and non mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses (b) to (i) of Regulation 46 (2) relating to the dissemination of information on the website of the Company.

3. Means of Communication

The quarterly, Half Yearly and Yearly results are published in Financial Express All edition and Apla Mahanagar, Mumbai Edition. The financial results and investor update are displayed on the website of the company www.usheragro.com shortly after its submission to the Stock Exchange. Management Discussion and Analysis Report has been included in this Annual Report and forms the part of this Annual Report being sent to the shareholders of the Company.

4. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date	29th September, 2018
Time	12.00 Noon
Venue	Anmol Banquets Hall, 2nd Floor, Harmony Mall At Carnival Cinemas, Opposite Royal Enfield Showroom, Link Road, Goregaon (West), Mumbai-400104

- b) **The Book Closure:** The Register of Members and the Share Transfer Books of the Company will be closed from Wednesday, 26th September, 2018 to Saturday, 29th September, 2018 (both days inclusive).

Dividend

Board of Directors has not recommended Dividend for the FY 2017-18.

Financial Calendar for the year April 1, 2018 to March 31, 2019:

During the Financial year 2018- 19, the financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
Quarterly Unaudited Results	
30th June, 2018	*On or before 14th September, 2018
September 30, 2018	*On or before 14th December, 2018
December 31, 2018	On or before 14th February, 2019
March 31, 2019	On or before May 2019
Annual Audited Results	
Year ending 31 March, 2019	Within 60 days from 31st March, 2019

c) Listing on Stock Exchange

The Shares of the Company is Listed with Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

Bombay Stock Exchange Ltd. (BSE) P. J. Towers, Dalal Street, Mumbai 400 001	Stock Code: 532765
National Stock Exchange of India Ltd (NSE) Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai 400 051	Stock Code: USHERAGRO
ISIN for Depositories (NSDL and CDSL)	INE235G01011
CIN No.	L01100MH1996PLC100380
ISIN for NCD (Non Convertible Debentures)	INE235G08016

Listing fees

Listing fees paid to Bombay stock exchange (BSE) and National Stock Exchange of India Limited (NSE) for the financial year 2017-18.

Payment of depository Fees

Annual Custody / Issuer fees for the year 2017-18 has been paid by the Company to Nation Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

Electronic connectivity:

National Security Depository of Ltd. & Central Depository Services (India) Ltd.

d) Registration with SEBI SCORE

As per SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011 the Company got registered with SEBI for redressing of Complaints of Shareholders by SEBI Complaints redress System (SCORE).

e) Registered office & corporate office

212, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (w), Mumbai - 400 053 India

Tel. No.: +91 22 40144202, Fax No.: +91 22 39381123; Email: usherinvestors@usheragro.com

Website: www.usheragro.com

f) Plant location:

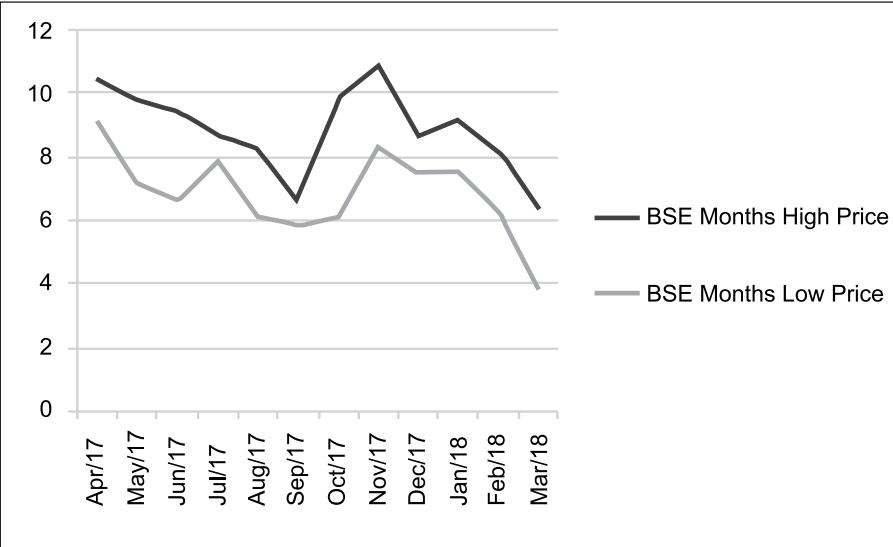
Mathura: 239, Maholi, Krishna Nagar, Off Delhi- Agra highway, Mathura Dist- Mathura (U.P.)	Buxar: Plot no. 1898, Chaubeji ki Chhavani, Jalilpur Thana, rajpur, Dist Buxar (Bihar)	Chatta: 158, Gohari, Delhi- Agra Highway, Chatta, Dist Mathura (U.P.)
		632-634, Duatana, Delhi Agra Highway, Chhatta, Dist: Mathura (Uttar Pradesh)

g) Market price Data and Performance.

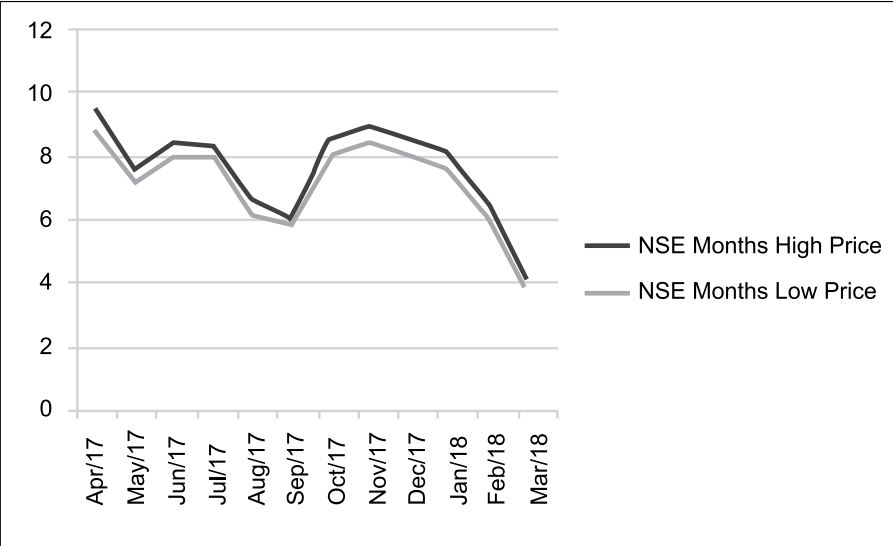
Monthly High and Low quotations of Shares traded at The National Stock Exchange of India Ltd. (NSE) and The Bombay Stock Exchange Ltd. (BSE) Share price data Monthly basis

Month	BSE		NSE	
	Months High Price	Monthly Low Price	Months High Price	Monthly Low Price
April, 2017	10.46	9.11	9.55	8.8
May, 2017	9.8	7.1	7.55	7.15
June, 2017	9.41	6.63	8.55	8.05
July, 2017	8.7	7.87	8.35	8
August, 2017	8.27	6.12	6.6	6.15
September, 2017	6.58	5.82	6.05	5.9
October, 2017	9.9	6.11	8.6	8
November, 2017	10.92	8.3	9	8.4
December, 2017	8.7	7.51	8.6	8.1
January, 2018	9.23	7.52	8.2	7.65
February, 2018	8.15	6.28	6.6	6.15
March, 2018	6.38	3.83	4.15	3.9

BSE



NSE



h) Investors’ correspondence may be addressed to:

Usher Agro Limited Compliance Department 212, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (w), Mumbai - 400 053 Tel N.: +91 22 40144202 Fax No : +91 2239381123 usherinvestors@usheragro.com	Registrar & Transfer Agents: Bigshare Services Pvt. Ltd. 1st Floor ,Bharat Tin Works Building , Opp.Vasant Oasis , Makwana Road, Marol, Andheri (E) Mumbai – 400059, Maharashtra. Tel N: +91 022 62638204, Email: shubhangi@bigshareonline.com
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i) Registrar and Share Transfer Agents

The Company has appointed M/s Bigshare Services Pvt. Ltd. as its Registrar and Transfer Agent.

Name	BIGSHARES SERVICES PVT. LTD.
Contact Person	Mrs. Shubhangi Wanivadekar
Address	1st Floor ,Bharat Tin Works Building , Opp.Vasant Oasis , Makwana Road Marol, Andheri (E) Mumbai – 400059, Maharashtra.
	Tel N: +91 022 62638204 Fax: +91-022-28475207 E mail shubhangi@bigshareonline.com

j) Dematerialization of shares and liquidity

The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar- Bigshare Services Pvt. Ltd. This has facilitated the shareholders to hold and trade their shares in 'electronic form'.

k) Share Transfer System

The Company has appointed Bigshare Services Pvt. Ltd. as the Registrar and Transfer Agent of the Company w.e.f 1st February, 2012.

The work related to share transfer in terms of both physical and electronic mode is being dealt at single point with Bigshare services Pvt. Ltd. After the completion of preliminary formalities of transfer/transmission by the Share Transfer Agent, the approval of transfer of shares in the physical form is given by the share Transfer Committee.

The Share transfer committee, constituted specifically for this purpose, meets periodically as the need arise to approve the Share Transfer etc.

The Company has complied with the provisions of the requisite guidelines issued by the regulatory authorities in respect of the transfer of shares and other related matters.

Bigshare services Pvt. Ltd has been appointed as Registrar & Share Transfer Agent for processing, transfer, sub-division, consolidation, splitting of shares and for rendering depository services such as dematerialization and re-materialization of the Company's shares.

The share transfers, which are received in physical form, are processed and the share certificates returned within 15 days of lodgment, subject to the documents being valid and complete in all respect.

Shareholders/investors are requested to forward share transfer documents, dematerialization requests and other related correspondence directly to Investor Bigshare services Pvt. Ltd at the above address for speedy response.

DETAILS OF UNCLAIMED SHARES APPLICATION IN THE SUSPENSE ACCOUNT

Pursuant to Regulation 34(3) of the Listing Regulations, details in respect of unclaimed bonus shares lying in dematerialized form in the 'Usher Agro Limited. - Unclaimed Suspense Account' as required under Schedule(V)(F) of the said Regulations are as follows

Sr. No	Particulars	No. of shareholders	Outstanding shares
1.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e.1st April, 2017	-	-
2.	No. of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	-	-
3.	No. of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	-	-
4.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. 31st March, 2018	-	-

Shareholding Pattern as on 31.03.2018

Sr. No	Category of Shareholders	No. of Share-holders	Total No. of Shareholders	% of total Shareholding
1.	Promoters and Promoter Group	6	11637370	14.98
2.	Government/ Other Public Financial Institutions and Insurance Companies	0	0	0
3.	Foreign Institutional Investors	0	0	0
4.	Non Resident Individuals	190	882085	1.14
5.	Bodies Corporate	181	3225325	4.15
6.	Indian Public/ Other	13929	61926731	79.73
	Total	14306	77671511	100.00

Secretarial Audit

M/s. Sandeep Dubey & Associates, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the financial year 2017-18. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the Rules made there under, Listing Agreements with the Stock Exchanges, Listing Regulations, applicable SEBI Regulations and other laws applicable to the Company subject to the following:

- The Composition of the Board of Directors has fallen below the minimum requirement before initiation of CIRP as stipulated under the SEBI (LODR) Regulations, 2015 and Companies Act, 2016. As at the financial year ended on 31st March, 2018, the Company had Two (2) Directors consisting of One (1) Managing Director and One (1) Independent Director on its Board.

2. The Composition of the following Committees has also fallen below the minimum requirement before initiation of CIRP as stipulated under the SEBI (LODR) Regulations, 2015 and Companies Act, 2016.
 - Audit Committee
 - Finance Committee
 - Stakeholders Relationship Committee
 - Nomination and Remuneration Committee
 - Corporate Social Responsibility Committee
3. The Company Secretary of the company has resigned w.e.f. 07.10.2016. So far, the Company has not appointed full time Company Secretary.
4. Mrs. Shikha Bhura (Woman Director) has resigned from the Company w.e.f. 28.10.2017 and since then the Company has not appointed any Woman Director on its Board.
5. The Company has not filed its Balance Sheet and Profit & Loss Account in Form AOC-4 and Annual Return in Form MGT-7 for the FY 31.03.2017 with the Registrar of Companies and other forms concerning the same.
6. As required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (4) of SEBI (LODR) Regulation 2015, No separate meeting of Independent Directors was held during the FY 2017-18. The Company represented and clarified to me that on account of non availability of Independent Directors, no such meeting amongst the Independent Directors was held.
7. During audit, it has been observed that, before initiation of CIRP, in the meetings of the Audit Committee and Board held on 14th December, 2017 and 14th February, 2018, the Audit Committee and the Board has considered and approved the relevant Quarterly Financial Results and submitted the same with Stock Exchanges inspite of the fact that the Composition of the Audit Committee and Board had fallen below the limits as prescribed under section 149 & section 177 of the Companies Act, 2013 and Regulations 17 & 18 of SEBI (LODR) Regulations, 2015. The management has represented and clarified to me that in order to comply with the requirement of Regulation of 33 of SEBI (LODR) Regulations, 2015 the Audit Committee and the Board decided to approve the financial results for the quarter ended 30th September, 2017 and 31st December, 2017. And post initiation of CIRP, all the decisions have now been taken by the Committee of Creditors.

The Secretarial Audit Report forms part of the Board's Report.

- Pursuant to Regulation 40 (9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Non- compliance by the Company, penalties, strictures imposed by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years

The Company has paid penalty under Reg. 33 (3) SEBI (LODR) Regulations, 2015 for Non submission of the Financial Results for the Quarter & year ended 31.03.2016 the Company has paid Rs. 86250 to BSE limited and Rs. 7,55,590 for National stock Exchange of India Limited.

Transfer to IEPF

During the year Nil amount transferred to IEPF

CFO Certification

Pursuant to initiation of CIRP process vide NCLT Order dated. 21.03.2018, the powers of the Board of Directors and KMP stood suspended w.e.f. 21.03.2018 and therefore the CFO certification is not provided.

Declaration

The Board members & senior management personnel have affirmed compliance with the code of conduct for the directors & senior management for the year ended 31st March, 2018

For and on Behalf of the Board

Place: Mumbai
Date: 14th August, 2018

Vinod Kumar Chaturvedi
Managing Director

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
USHER AGRO LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **USHER AGRO LIMITED**, ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, except with regard to the matters set out below in Basis of Qualified Opinion, where we have not been able to perform audit in conformity with relevant auditing standards in the absence of sufficient appropriate evidence. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained, except with regard to the matters set out below in Basis of Qualified Opinion, is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

1. The company is required to adopt Indian Accounting Standards from FY 2017-18 as per the Companies (Indian Accounting Standards) Rules, 2015. However, Standalone Financial Statements of the company are not prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
2. The company has not appointed Internal Auditors as required by Section 138 of the Companies Act, 2013.
3. The system of internal Financial control over financial reporting with regard to the company were not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial control were operating effectively.
4. Though CIRP has been initiated and power of the Board has been suspended, composition of Board of directors has fallen below the limit prescribed under section 149 of Companies Act, 2013 and regulation 17 of SEBI (LODR) Regulations, 2015 due to resignation of a women director on 28th October, 2017.
5. Though CIRP has been initiated and power of the Board has been suspended, composition of Audit committee has fallen below the limits prescribed under section 177 of the Companies Act, 2013 and regulation 18 of SEBI (LODR) regulation, 2015 due to resignation of a Woman Director on 28th October, 2017.
6. Company Secretary of the Company has resigned from the company 7th October 2016, Company has not appointed full time Company Secretary required under section 203 (and Rule 8 and Rule 8A of companies' appointments & remuneration of Managerial Personnel Rule 2014) of the Companies Act, 2013.
7. The standalone financial statement indicates that the company has accumulated losses and its net worth is fully eroded. The Company has incurred net loss during the current year as well as previous years and Company's current liabilities exceeded its current assets as at the balance sheet date. However, the financial statements of the Company have been prepared on a going concern basis in spite of negative net-worth. The management informed to us that since the lenders have initiated CIR proceeding against the company on

account of default in payment of their dues under the Insolvency and Bankruptcy Code, 2016 ("Code"), which was admitted by The Hon'ble National Company Law Tribunal, Mumbai ("NCLT"), the Corporate insolvency resolution process shall be completed within a period of one hundred and eighty days from the date of admission of application to initiate such process which can be maximum extended for another ninety days, falling which, the company will be liquidated. As informed to us, the Resolution Professional is in the process of inviting resolution plans, once a plan is submitted; it will be placed before CoC and thereafter to NCLT for approval. Currently, various initiatives have been taken to improve and continue the operations of the wheat division of company and increase its customer base. Hence the Financial statements of the company are prepared on the going concern basis.

8. The company in the nine month ended on 31st December 2017, had not made provision of Interest on Cash credit/Term loan including penal interest & processing fee amounting to INR 9,821.36 Lakh approx. (for period from 01.04. 2017 to 31.12..2017) and INR 10,207.63 Lakh for the period from 13.05.2016 to 31.03.2017 in the view of invocation of Strategic Debt Restructuring (SDR) by the lenders. Some of these lenders had also not charged the same. However considering that the company is currently into CIRP, the company has made the provision of the entire interest for the period from 13.05.2016 to 31.03.2018 in the 4th Quarter ended 31st March 2018, on the basis of simple rate of interest as mentioned in Sanction Letter of these loans and not the actual amount as charged in the statement of these loans. The Company has not made provision for penal interest.
9. ICICI Bank Limited has given farmer finance loans of INR 25.00 crore to various parties on the basis of Corporate Guarantee given by the company. The bank has now invoked the said Corporate Guarantee. However, the company has not made any provision in the books of accounts.
10. Company has given corporate guarantees of INR 15610.10 Lakh for its subsidiary companies, namely Usher Eco Power Limited & Usher World Wide FZE, Sharjah, for loans taken from lenders. The normal business operations of the said companies have been discontinued. The liabilities of these corporate guarantees are not provided in the books of accounts.
11. The Company has, on the basis of their internal evaluation, valued inventories at INR 73.80 Lakh. In the view of current CIR process and in absence of valuation report, we are unable to comment on the realisability of the Inventories.
12. In case of few trade receivables, name of their companies have been strike off by concerned ROC, few are under liquidation and few have either denied to provide confirmation or not responded the communication. On the basis of the said circumstances, company has made provision of Bad & Doubt Full debts of INR 65415.12 Lakh.
13. In Respect of the advances to supplier, in view of pending Confirmation/ Reconciliation from the supplier to whom advances was given and also uncertainty about subsequent realisation of such amount, Company had made provision (advances to supplier) of INR 3223.88 Lakh.
14. We have not received confirmations and bank statements for balances in current/credit facilities/FDR accounts amounting INR 448.19 Lakh as at March 31, 2018. In the absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and on the balance of cash and cash equivalent.
15. In the view of pending Confirmations/ Reconciliation from the certain Banks, Lenders' liability, Trade payables, and other liabilities, we are unable to comment on the impact, if any, on the financial statement arising out of such pending confirmation / reconciliation.
16. The Company has made provision for gratuity and leave encashment for the year on estimated basis and not as per actuarial valuation. In the absence of actuarial valuation report, the impact on loss for the year on account of such valuation is not ascertainable and relevant disclosures have not been given. This is not in compliance with AS-15 Employee Benefits.
17. The Company has recoverable balance of INR 539.43 from the revenue authorities. In the absence of supporting evidence, we are unable to comment on the recoverability of the said amount.
18. The company has not appointed Secretarial auditor for conducting Secretarial audit under section 204 (1) of the Companies Act, 2013 read with Companies rule 9 of the (Appointment and remuneration of managerial personnel) Rules, 2014
19. The company has not made provision of VAT liability of INR 15,197.03 Lakh (tax plus interest) as demanded by UP VAT authorities. Management has informed that they are going to appeal/reopening the VAT cases with competent VAT authorities.
20. The Company has not deposited statutory liabilities with Concerned Government authorities and failed to comply by filing necessary returns under various Acts before commencement of CIRP during the FY 2017-18. It has also not provided for interest / penalty for such default.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Paragraph No. 1 to 20 above, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2018 and its loss for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

21. Note No. 33 to the standalone Financial Statements, wherein it is stated that CIRP has been initiated in case of the Company vide an order of the Hon'ble National Company Law Tribunal, Mumbai ("NCLT") dated 21/03/2018 under the provisions of the Insolvency

and Bankruptcy Code, 2016 ("Code"). Pursuant to the order, the management of the affairs of the Company and powers of board of directors of the Company are now vested with the RP, who is appointed by CoC. These standalone financial statements have been prepared by the management of the Company and considered by RP.

22. Standalone Financial Statement, as per the Insolvency and Bankruptcy Code, 2016 ("Insolvency Code"), the RP has to receive, collect and admit all the claim submitted by the creditor (Operational and Financial), employee and workmen of the company. Such claim can be submitted to the RP during the CIRP, till the approval of a resolution plan by CoC. The RP is in the process of receiving, collating, and verifying such claim and shall subsequently admit verified claims as per the insolvency code. Therefore, the impact of such claim, if any, which may arise subsequently, has not been considered in the preparation of the Standalone Financial statements.
23. Small Industries Development Bank of India (SIDBI) had serve notice for attachment of Office No. 212 situated at Laxmi Plaza, Laxmi Industrial Estate, Andheri (West), Mumbai to the company on 13th February 2017 using power given under sub-section (4) of Section 13 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 54 of 2002 (the Act) read with Rule 8 of the Security Interest (Enforcement) Rules, 2002 on this 13th day of February, 2017 for their outstanding dues of INR 564.67 Lakh at that time.
24. In view of invocation of Strategic Debt Restructuring (SDR), the company has issued equity share to the Banks and Financial Institutions. Accordingly company had reduced respective credit facilities (Term Loan/working capital limits/unsecured loans etc.) of the respective banks and financial institutions to the extent of SDR amount, but we have not received confirmation from few of bank and Financial Institutions.
25. Company has made full provision against Investment made in subsidiaries i.e. Usher Eco Power Limited (UEPL), a subsidiary company, amounting to INR 2236.73 Lakh in equity shares and INR 6374.50 Lakh in preference shares as lenders of UEPL has filed application before NCLT under Insolvency and Bankruptcy Code, 2016 ("Code") and also made full provision against the investment in Usher Word Wide FZE, UAE, a wholly owned subsidiary, amounting to INR 22.71 Lakh in equity shares and investment made in associate namely Usher Infra Logic Limited INR 11.28 Lakh as the normal business operations of the said companies have been discontinued.
26. Due to liquidity crunch being faced by the Company, plant at Chhata is completely shut down.
27. Kotak Mahindra Bank Limited vide letter dated 25th October, 2017 has classified company and its directors as wilful defaulter. Management is in the process of taking appropriate measures against the alleged order passed and confirmed by the Review Committee of Kotak Mahindra Bank declaring company and its directors as wilful defaulter.

Our opinion is not qualified in respect of point no. 21 to 27.

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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of those books.
 - c. The Company does not have any branch; hence clause (c) of sub-section (3) of section 143 is not applicable.
 - d. The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e. except for the possible effects of the matters described in the Basis of Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
 - f. The matters described under the Basis for Qualified Opinion paragraph, Emphasis of Matter paragraph read further with para vii b and viii of our report in Annexure "B", may have an adverse effect on the functioning of the Company.
 - g. We did not get any written representations from the directors on qualification/disqualification as on 31st March, 2018, so we are unable to comment upon whether they are qualified or not from being appointed as a director in terms of Section 164 (2) of the Act. Further, CIRP proceedings have been started as per order of honorable NCLT w.e.f. 21/03/2018 and per provisions, all powers of present board has been suspended and now, RP has vested the power of board.
 - h. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure A".

- j. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditor's) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us:
- As detailed in Note No. 34 to the Standalone Financial Statements, the Company has disclosed the impact of pending litigations on its standalone financial position.
 - The Company has made provisions as required under the applicable law or accounting standards for material foreseeable losses if any, on long term contracts including derivative contracts.
 - There is a non-deposit of unclaimed dividend belong to Financial Year 2008-09 of INR 0.59 Lakh and interim dividend for the year 2009-10 of INR 1.65 Lakh required to be transferred, to the Investor Education and Protection Fund by the company.

For **Jayesh Sanghrajka & Co. LLP**
Chartered Accountants
ICAI Firm Regd. No.: 104184W/W100075

Place: Mumbai
Date: 30th May, 2018

CA Viraj Savla
Designated Partner
M. No.: 153525

Annexure "A" to the Independent Auditor's Report

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **USHER AGRO LIMITED** on the standalone financial statements for the year ended 31st March 2018]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls over financial reporting of USHER AGRO Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 conducted with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the company.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Disclaimer of Opinion

The system of internal Financial control over financial reporting with regard to the company were not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial control were operating effectively. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2018.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For **Jayesh Sanghrajka & Co. LLP**
Chartered Accountants
ICAI Firm Regd. No.: 104184W/W100075

CA Viraj Savla
Designated Partner
M. No.: 153525

Place: Mumbai

Date: 30th May, 2018

Annexure “B” to the Independent Auditor’s Report

The Annexure referred to in our report to the members of **USHER AGRO LIMITED** (‘The Company’) on the standalone financial statements for the year ended 31st March, 2018. We report that:

- i. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. As explained to us, all fixed assets have not been physically verified by the management during the year but there is a regular program of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. We are informed that no material discrepancies were noticed on such physical verification.
 - c. According to the information and explanations given to us and the records examined by us and based on the examination of the records maintained by company and intimation received from IDBI Trusteeship Services Limited provided, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except as reported in point no. 23 under Emphasis of Matters.
- ii. In respect of inventories,
 - a. According to the information and explanation given to us, the physical verification of inventory has been conducted at reasonable intervals by the management during the year. However, we could not observe inventory verification report in the absence of intimation from the management in this regard.
 - b. As per the information and explanation given to us, no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii. According to information and explanations given to us, the Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Companies Act, 2013. In respect of these loans;
 - a. In our opinion and as per information and explanation given to us, terms and conditions of grant of such loans are not prejudicial to the company’s interest.
 - b. The terms of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest are regular, and
 - c. In the absence of stipulated terms and conditions, we are unable to comment as to whether there is any overdue amount for more than ninety days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. According to the information and explanations given to us, the Company has not accepted deposits from the public. Hence provisions of clause (v) of paragraph 3 of the report are not applicable to the company.
- vi. According to the information and explanations given to us, we are of the opinion that maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Act.
- vii. In respect of statutory dues:
 - a. According to information and explanations given to us and on the basis of our examination on test check basis, the company is not regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues to the appropriate authorities before commencement of CIRP proceedings.

- b. According to the information and explanations given to us, undisputed amounts, which were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable are as follows:

Nature	Amount (INR in Lakhs)	Due Date
TDS	70.20	Various due dates from 7th May 2016 to 7th September 2017 – Annexure 1
Corporate Dividend Tax	38.74	12th October 2015
Self-Assessment Tax – AY 2013-14	328.47	28/04/2016
Self-Assessment Tax – Assessment Year 2015-16	393.64	30th November 2015
Provident Fund	36.97	Various due dates from 15th September 2016 to 15th May 2017
Service Tax	5.60	Various due dates from 6th July 2016 to 6th July 2017 – Annexure
Vikas Cess	0.94	1st April 2016
UP VAT	38.45	21st August 2015
UP VAT	1.12	2015-16
GST	0.24	20th August 2017

- c. According to the information and explanations given to us, dues that have not been deposited by the Company on account of disputes are as follows:

Nature of Dues	Amount (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
VAT & CST	29.17	A.Y. 2008-09	Appellate Tribunal, Agra
VAT	0.21	A.Y. 2009-10	Appeal/Reopening of case with competent authorities of UP VAT
VAT & CST	66.42	A.Y. 2010-11	Assessment Officer, Mathura
VAT & CST	97.12	A.Y. 2009-10	Appeal/Reopening of case with competent authorities of UP VAT
VAT & CST	2756.82	A.Y. 2010-11	Appellate Authority, Additional Commissioner Grade-II (Appeal) Mathura
VAT & CST	3701.25	A.Y. 2012-13	Appellate Authority, Additional Commissioner Grade-II (Appeal) Mathura
VAT	0.98	A.Y. 2011-12	Appeal/Reopening of case with competent authorities of UP VAT
UP Entry Tax – (VAT)	0.50	A.Y. 2014-15	Appeal/Reopening of case with competent authorities of UP VAT
CST	200.00	A.Y. 2014-15	Appeal/Reopening of case with competent authorities of UP VAT
CST	4169.30	A.Y. 2014-15	Appeal/Reopening of case with competent authorities of UP VAT
VAT	2.40	A.Y. 2014-15	Appeal/Reopening of case with competent authorities of UP VAT
VAT	4769.95	A.Y. 2013-14	Appeal/Reopening of case with competent authorities of UP VAT
VAT	400.00	A.Y. 2013-14	Appeal/Reopening of case with competent authorities of UP VAT
VAT	0.60	A.Y. 2013-14	Appeal/Reopening of case with competent authorities of UP VAT
VAT	5402.50	A.Y. 2015-16	Appeal/Reopening of case with competent authorities of UP VAT
VAT	84.65	A.Y. 2016-17	Appellate Authority, Additional Commissioner Grade-II (Appeal) Mathura
Mandi Shulk & Vikas Cess	86.03	F.Y. 2014-15	Secretary, Krishi Utpadan Mandi Samiti, Kosi-Kalan, Mathura

TDS	40.00	From FY 2007-08 to FY 2016-17	TDS Authority of Income Tax
Stamp Duty Liability pursuant to letter by Stamp Authority, Mathura, Case no 142/143/144	452.00	---	Chief Controlling Revenue Authority/Board of Revenue, Allahabad

viii. In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of following dues to the financial institutions and banks during the year:

S.no	Name of Bank/ FI	Amount (INR in Lakhs)	Due on	Paid on
1	Rabo Bank International Ltd	435.28	18th December 2015	178.54 Lakh paid on 4th January 2016, balance not paid
		609.39	18th June 2016	Not paid (equity shares allotted under SDR scheme of INR 154.37 Lakh but bank confirmation not received)
		696.44	18th December 2016	Not paid
2	Axis Bank Ltd.	244.00	30th June 2016	Not paid
		244.00	30th September 2016	Not paid
		244.00	31st December 2016	Not paid
		244.00	31st March 2017	Not paid
		244.00	31st March 2017	Not paid
		244.00	30th June 2017	Not paid
		244.00	30th September 2017	Not paid
		244.00	31st December 2017	Not paid
		244.00	31st March 2018	Not paid
3	Dena Bank	100.00	31st December 2015	Not paid
		100.00	31st March 2016	Not paid
		100.00	30th June 2016	Not paid
		100.00	30th September 2016	Not paid
		100.00	31st December 2016	Not paid
		100.00	31st March 2017	Not paid
		100.00	30th June 2017	Not paid
		100.00	30th September 2017	Not paid
		100.00	31st December 2017	Not paid
		100.00	31st March 2018	Not paid
4	EXIM Bank	300.00	31st December 2015	Not paid
		300.00	31st March 2016	Not paid
		300.00	30th June 2016	Not paid
		300.00	30th September 2016	Not paid
		300.00	31st December 2016	Not paid
		300.00	31st March 2017	Not paid
		300.00	30th June 2017	Not paid
		300.00	30th September 2017	Not paid
		300.00	31st December 2017	Not paid
		300.00	31st March 2018	Not paid
5	IDBI	83.33	30th September 2016	Not paid
		83.33	31st December 2016	Not paid
		83.33	31st March 2017	Not paid

		83.33	30th June 2017	Not paid
		83.33	30th September 2017	Not paid
		83.33	31st December 2017	Not paid
		83.33	31st March 2018	Not paid
6	IDBI	138.89	31st March 2016	Not paid
		138.89	30th June 2016	Not paid
		138.89	30th September 2016	Not paid
		138.89	31st December 2016	Not paid
		138.89	31st March 2017	Not paid
		138.89	30th June 2017	Not paid
		138.89	30th September 2017	Not paid
		138.89	31st December 2017	Not paid
		138.89	31st March 2018	Not paid
7	L & T Finance Ltd	175.00	31st December 2015	Rs. 28.50 Lakhs paid on various dates and balance not paid
		175.00	31st March 2016	Not paid
		175.00	30th June 2016	Not paid
		175.00	30th September 2016	Not Paid
		159.49	31st December 2016	Not paid
8	Bank of Maharashtra	62.50	31st December 2016	Not paid
		62.50	31st December 2016	Not paid
		62.50	31st March 2017	Not paid
		62.50	30th June 2017	Not paid
		62.50	30th September 2017	Not paid
		62.50	31st December 2017	Not paid
		62.50	31st March 2018	Not paid
9	ICICI Bank	842.31	30th June 2016	Not paid
		647.93	30th September 2016	Not paid
		931.40	31st March 2017	Not paid
		981.96	30th September 2017	Not paid
		1,168.61	31st March 2018	Not paid
10	BMW	-	FY 2017-18	Installments paid after due date except in March 2018.

*Note: Company allotted shares under SDR Scheme to consortium of bankers. Some bank adjusted proceeds against term loan and some adjusted against cash credit and interest. Confirmation for adjustment is not available in max cases.

- ix. According to the information and explanation given to us, the company has not raised monies by way of initial public offer or further public offer (including debt instrument). In our opinion and according to the information and explanation given to us and on the basis of our examination on test check basis, we are of the opinion that the term loans were applied for the purposes for which those were raised.
- x. According to the information and explanation given to us, no fraud by the company or 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, since company is in loss therefore, the company has not paid the managerial remuneration.
- xii. According to the information and explanation given to us, the company is not a Nidhi Company. Therefore, provisions of clause 3(xii) of the order are not applicable to the company.
- xiii. In our opinion and according to the information and explanation given to us, all transactions entered into by the company with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., 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 review. Accordingly clause (xiv) of Para 3 of Companies (Auditors Report) Order 2016 is not applicable
- xv. In our opinion and according to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with them during the year.
- xvi. In our opinion and according to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Jayesh Sanghrajka & Co. LLP**
Chartered Accountants
ICAI Firm Regd. No.: 104184W/W100075

CA Viraj Savla
Designated Partner
M. No.: 153525

Place: Mumbai
Date: 30th May, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Lakhs)

Sr. no.	Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
I	EQUITY AND LIABILITIES			
1	Shareholder's Fund			
a	Share Capital	3	7,767.15	7,767.15
b	Reserves and Surplus	4	(142,638.14)	(33,798.02)
			(134,870.99)	(26,030.87)
2	Non-Current Liabilities			
a	Long-Term Borrowings	5	9,688.29	14,658.29
b	Deferred Tax Liabilities (Net)	6	1,512.27	2,500.86
c	Other Long Term Liabilities	7	-	44.27
			11,200.56	17,203.42
3	Current Liabilities			
a	Short-Term Borrowings	8	88,778.73	91,075.30
b	Trade Payables	9	3,273.34	3,475.13
c	Other Current Liabilities	10	61,813.91	30,438.07
d	Short-Term Provisions	11	784.79	808.74
			154,650.78	125,797.24
	TOTAL		30,980.34	116,969.79
II	ASSETS			
1	Non-current Assets			
	Fixed assets			
a	i. Tangible Assets	12	25,077.72	28,243.77
	ii. Capital Work-In-Progress		4,233.90	4,232.49
			29,311.62	32,476.26
b	Non-Current Investments	13	-	8,645.22
c	Long-Term Loans And Advances	14	623.21	1,032.67
			623.21	9,677.89
2	Current Assets			
a	Inventories	15	73.80	1,596.81
b	Trade Receivables	16	140.57	68,012.47
c	Cash and Cash Equivalents	17	277.20	86.82
d	Short-Term Loans And Advances	18	0.39	993.63
e	Other Current Assets	19	553.56	4,125.91
			1,045.52	74,815.64
	TOTAL	1-51	30,980.34	116,969.79

Notes referred to above and notes attached there to form an integral part of Financial Statements.

As per our Report of even date attached.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Regd. No.: 104184W/W100075

For and on behalf of the Board

Usher Agro Limited

CA Viraj Savla

Designated Partner

M. No.: 153525

Krishna Chamadia

IP Registration no-

IBBI/IPA-001/IP-P00694/2017-18/11220

Resolution Professional

Date: 30th May, 2018

Place : Mumbai

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

(₹ in Lakhs)

Sr. no.	Particulars	Note	Year Ended 31st March, 2018	Year Ended 31st March, 2017
I	Revenue from Operations	20	8,037.35	43,624.63
II	Other Income	21	43.28	102.55
III	Total Revenue (I + II)		8,080.64	43,727.18
IV	Expenses:			
	Cost of Materials Consumed	22	7,599.80	58,933.89
	Changes in Inventories(Increase)/Decrease of Finished Goods	23	205.61	9,933.24
	Purchase of Stock in Trade		92.77	4,149.28
	Employee Benefits Expense	24	231.96	733.59
	Finance Costs	25	27,230.83	3,044.84
	Depreciation and Amortization Expense	26	3,323.01	3,457.33
	Other Expenses	27	79,225.36	5,221.96
	Total Expenses		117,909.35	85,474.13
V	Profit before exceptional and extraordinary items and tax (III-IV)		(109,828.71)	(41,746.95)
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		(109,828.71)	(41,746.95)
VIII	Extraordinary Items			
IX	Profit before tax (VII- VIII)		(109,828.71)	(41,746.95)
X	Tax Expense:			
	(1) Current Tax		-	-
	(2) Deferred Tax		(988.59)	-
	(3) Short /(Excess) Provision for Income Tax for Earlier Years		-	-
XI	Profit (Loss) for the period from continuing operations (IX-X)		(108,840.12)	(41,746.95)
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		(108,840.12)	(41,746.95)
XVI	Earnings per equity share: (In Rupees)			
	Basic		(140.13)	(53.75)
	Diluted		(140.13)	(8.28)
	Notes to Balance Sheet and Statement of profit & Loss	1-51		

Notes referred to above and notes attached there to form an integral part of Financial Statements.

As per our Report of even date attached.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Regd. No.: 104184W/W100075

For and on behalf of the Board

Usher Agro Limited

CA Viraj Savla

Designated Partner

M. No.: 153525

Krishna Chamadia

IP Registration no-

IBBI/IPA-001/IP-P00694/2017-18/11220

Resolution Professional

Date: 30th May, 2018

Place : Mumbai

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

(₹ in Lakhs)

Sr. no.	Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) before Tax	(108,840.12)	(41,746.95)
	Other Income	(43.28)	(102.55)
	Deferred tax	(988.59)	-
	Provision for bad & doubt full debts	65,415.12	-
	Provision for Short-Term loans and advances	951.05	-
	Provision for Other Current Assets	3,221.72	-
	Provision for Non-Current Investments	8,645.22	-
	Interest cost	27,230.83	3,044.84
	Depreciation/Amortisation	3,323.01	3,457.33
	Operating Profit/(Loss) before working capital changes	(1,085.06)	(35,347.33)
	Adjustments for movement in working capital:		
	Adjustment for Increase/ (Decrease) in operating Liabilities:		
	Trade Payables	78.48	(1,319.21)
	Other Current Liability	(74.24)	(613.35)
	Short term provision	(18.40)	34.80
	Adjustment for (Increase)/ Decrease in operating Assets:		
	Inventories	1,523.01	46,671.28
	Trade Receivables	340.47	(22,496.81)
	Short-term Loans & Advances	42.20	(473.07)
	Other Current Assets	(508.61)	7,257.25
	Cash from / (Used in) Operating Activities	297.85	(6,286.45)
	Other Income	17.16	8.94
	Income taxes (paid)/refund	(10.01)	352.32
	Net Cash from / (Used in) Operating Activities (A)	305.00	(5,925.19)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	(Purchase)/Sale of Fixed Assets (Including CWIP)	-	(1.22)
	Long Term Loan/Advances (include non current assets)	409.46	2,036.12
	Interest Income	26.13	93.61
	Cash from / (Used in) Investing Activities (B)	435.59	2,128.51

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 CONT.....

(₹ in Lakhs)

Sr. no.	Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds (Repayment) from/to Long Term Borrowings	(18.50)	1,024.86
	Proceeds (Repayment) from/to Short-Term Borrowings	(539.43)	977.46
	Interest Cost	7.73	(2,732.46)
	Proceeds from issuance of share capital at Premium	-	4,393.03
	Cash from / (Used in) Financing Activities (C)	(550.20)	3,662.89
D	Net Increase/ (Decrease) in Cash & Cash Equivalents (A) + (B) + (C)	190.38	(133.80)
	Add: Cash & Cash equivalent as at beginning of the year	80.41	214.22
	Less: Cash & Cash equivalent as at end of the year	270.79	80.41

Additional information:

- 1) Figures in brackets represent outflows.
- 2) Previous years figures have been restated where necessary.

As per our Report of even date attached.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Regd. No.: 104184W/W100075

For and on behalf of the Board

Usher Agro Limited

CA Viraj Savla

Designated Partner

M. No.: 153525

Krishna Chamadia

IP Registration no-

IBBI/IPA-001/IP-P00694/2017-18/11220

Resolution Professional

Date: 30th May, 2018

Place : Mumbai

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. Corporate Overview

- a. Usher Agro Limited is engaged in milling of rice, wheat & pulses. The company is having manufacturing facility in Chhata and Mathura in UP and Buxar in Bihar.

b. Corporate Insolvency Resolution Process

- i) On 27th December 2017, ICICI Bank Limited in its capacity of financial creditor had filed a petition under insolvency and Bankruptcy Code 2016 with National Company Law Tribunal (NCLT) against Usher Agro Limited. The case was admitted by NCLT and it had ordered for commencement of Corporate insolvency Resolution Process (CIRP) with effect from March 21, 2018 and had appointed Mr. Krishna Chamadia as Interim Resolution Professional for the company.

Under the IBC proceedings, the power of the Board were suspended with effect from 21 March, 2018.

The NCLT order also provided for a moratorium with effect from March 21, 2018 till the completion of the Corporate Insolvency Resolution process (CIRP) or until it approves the resolution plan under section 31(1) or passes an order for liquidation of the company under Section 33, whichever is earlier. Currently the company is under CIRP process.

Pursuant to NCLT order on the company a public announcement was made on March 31, 2017 and a committee of creditors was formed under section 21 of the act. The Committee of Creditors held their first meeting on April 18, 2018 and approved appointment of interim Resolution Professional, Mr. Krishna Chamadia as the Resolution Professional.

- ii) Under the current CIRP process, the resolution professional is in the process of inviting resolution plans, once a plan is submitted, it will be placed before CoC and thereafter to NCLT for approval. Currently, various initiatives have been taken to improve the continue and operations of the wheat division of company, increase its customer base, optimize plant utilization, improvising operational efficiencies, renegotiation of contracts and other cost control measures to improve the company's operating results and cash flows. Considering this the Financial statements of company are continued to be prepared on the going concern basis.
- iii) The financial for the year ended March 31, 2018 primarily pertain to a period before March 21, 2018 (i.e. insolvency commencement date) wherein the management of the company was responsible for the affairs and day to day functioning of the company. The financial have been approved by the RP solely on the basis of and on relying on the information and representations given by the management of the company. The RP has approved the said financials only to the limited extent of discharging the powers of the board of directors of the Company which have been conferred upon him inter alia in terms of provisions of Section 17 of the IBC, 2016 and do not make any representations or issue any statements in relation to the financial statements are true, complete and accurate in all respects. The RP is in the process of verifying the existence of assets and liabilities of the company.

2. Significant Accounting Policies

(a) Basis of preparation

- i. The stand alone financials are prepared on the basis of Previous Indian GAAP only.
- ii. The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy, if any, as discussed below in detail, are consistent with those used in the previous year.

(b) Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statement and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/ materialize.

(c) Current-non-current classification

Assets

An asset is classified as current when it satisfies any of the following criteria, in the opinion of the management:

- i. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realised within 12 months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria, in the opinion of the management:

- i. it is expected to be settled in the company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. 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.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

(d) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost (including pre-operative and trial & run expenses) of bringing the asset to its working condition for its intended use.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital work in progress.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till the period, such assets are ready to be put to use, the qualifying assets is one that take substantial period of time to get ready for its intended use or sale. Other borrowing cost not attributable to the acquisition of any capital assets are recognized as expenses in the period in which they are incurred. The cost of acquisition is further adjusted for exchange difference relating to non current foreign currency borrowing attributable to the acquisition of depreciable assets.

(e) 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 cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

(f) Depreciation

Depreciation is provided using the Straight Line Method as per the Schedule II to the Companies Act, 2013.

There is no change in method of depreciation during the period however by virtue of law the method of calculating rate of depreciation after estimating the balance useful life of the assets has been changed and is in accordance with schedule II of the Companies Act, 2013. Depreciation on addition/deletion to the assets during the period is provided on pro-rata basis.

(g) Impairment

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(h) Leases

Operating Lease Transaction :

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

(i) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018**(j) Inventories**

Raw materials, components, stores and spares	Lower of cost and net realizable value. However, 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. Cost is determined on FIFO basis.
Work-in-progress and finished goods	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

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

(k) Revenue recognition

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

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Income from Services

Revenues from Job work & stock processing of material are recognised as and when services are rendered.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(l) Deferred Revenue Expenditure

Any expense which is the nature of Preliminary expenses, has write off in the year which they have incurred from/against the Profit & Loss Account.

(m) Foreign currency translation**(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate at the end of the reporting period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India are capitalized as a part of fixed asset.

(n) Retirement and other employee benefits.

- Retirement benefits in the form of Provident Fund is a defined contribution scheme and contributions are charged to the Profit and Loss Account of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- Gratuity liability is defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial period.
- Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.
- The company has started from this period to make the provision for leave encashment on the basis of actuarial at the end of the financial period.

(o) Income taxes

Tax expense comprises of current tax and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(p) Segment Reporting Policies

Primary segment is identified based on the nature of products and services. Secondary segment is identified based on geography in which major operating division of the company operate.

For primary segment, the segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the group as a whole and are not allocable to segment on reasonable basis, have been included under 'Unallocated revenue/expenses/assets/liabilities'.

(q) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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

(r) Provisions and Contingent Liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Liabilities whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of Notes on Accounts.

3 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Authorised Share Capital		
8,00,00,000 (P.Y. 8,00,00,000) Equity Shares of Rs. 10/- each	8,000.00	8,000.00
TOTAL	8,000.00	8,000.00

Issued, Subscribed and Paid up share capital		
7,76,71,511 (P.Y. 7,76,71,511) Equity Shares of Rs. 10/- each	7,767.15	7,767.15
TOTAL	7,767.15	7,767.15

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Particulars	2017-18 No. of shares	2016-17 No. of shares
Equity Shares		
Equity shares at the beginning of the year	77,671,511	38,059,039
Add: shares issued during the year	-	39,612,472
Equity shares at the end of the year	77,671,511	77,671,511

b) The Company has only one class of equity shares having a par value of Rs. 10. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

c) Shares in the company held by each shareholders holding more than 5% shares, as on 31.03.2018

Name of the Shareholder	31.03.2018	
	No. of shares	Percentage (%)
IDBI Bank Limited	9,429,916	12.14
ICICI Bank Limited	8,448,921	10.88
AXIS Bank Limited	6,859,766	8.83

Shares in the company held by each shareholders holding more than 5% shares, as on 31.03.2017

Name of the Shareholder	31.03.2017	
	No. of shares	Percentage (%)
IDBI Bank Limited	9,429,916	12.14
ICICI Bank Limited	8,448,921	10.88
AXIS Bank Limited	6,859,766	8.83

d) There are nil number of shares (Previous year Nil) reserved for issue under option and contracts /commitment for the sale of shares/ disinvetments including the terms and amounts.

e) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No. of shares
Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	Nil
Aggregate number and class of shares bought back	Nil

f) There are no calls unpaid (P.Y. Nil) including calls unpaid by Directors and Officers as on balance sheet date

4 RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31.03.20108	As at 31.03.2017
General Reserve	-	-
Opening balance	2,252.00	2,252.00
Closing Balance	2,252.00	2,252.00
Securities Premium		
Opening balance	11,977.99	11,546.21
Add:during the year		431.78
Closing Balance	11,977.99	11,977.99
Debt Redemption Reserve		
Opening balance	8,000.00	8,000.00
Add:during the year		-
Closing Balance	8,000.00	8,000.00
Profit and Loss Account		
Opening balance	(56,028.01)	(14,281.06)
(+) Net Profit/(Net Loss) For the current year	(108,840.12)	(41,746.95)
Closing Balance	(164,868.13)	(56,028.01)
TOTAL	(142,638.14)	(33,798.02)

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018**5 LONG-TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31.03.20108	As at 31.03.2017
11% Non-Convertible Debenture	5,032.50	5,032.50
Term Loans(Secured)		
i) From Banks & Others		
In Foreign Currency	-	-
In Rupees	4,646.09	9,606.37
ii) From Financial Institutions In Rupees	9.70	19.41
TOTAL	9,688.29	14,658.29
1. Foreign Currency borrowings are secured by way of first pari passu charge on the entire immovable and movable fixed assets of the company and second pari passu charge on the entire current assets of the company present and future created in favour of respective Banks/Trustees along with the personal guarantees of Dr. Vinod K. Chaturvedi (Managing Director & CFO) and Mr. Manoj Pathak.		

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
Rabo Bank International Ltd	9	Half yearly	Dec, 2012
2. Rupee Term Loan are secured by way of first pari passu charge on the entire immovable and movable fixed assets of the company and second pari passu charge on the entire current assets of the company, both present and future created in favour of respective Banks/Trustees along with the personal guarantees of Dr. Vinod K. Chaturvedi (Managing Director & CFO) and Mr. Manoj Pathak.			

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
Axis Bank Ltd	20	Quarterly	Sept, 2014
Dena Bank	20	Quarterly	Sept, 2014
EXIM Bank of India	20	Quarterly	Sept, 2014
ICICI Bank (Vehicle Loan) ³	36	Monthly	Feb, 2014
ICICI Bank	8	Half yearly	June, 2016
IDBI Corporate Loan	18	Quarterly	March, 2015
L & T Finance Limited	13	Quarterly	Dec, 2013
Bank Of Maharashtra	16	Quarterly	Dec, 2016
IDBI Corporate Loan	18	Quarterly	Sep, 2016
3 Equipment and Vehicle loans are secured against the respective equipment/vehicles financed through the said loans.			

6 DEFERRED TAX LIABILITIES(NET)

(In respect of the timing differences) On account of Depreciation & Employee Benefits

(₹ in Lakhs)

Particulars	As at 31.03.20108	As at 31.03.2017
On account of Depreciation & Employee Benefits	1,512.27	2,500.86
TOTAL	1,512.27	2,500.86

7 OTHER LONG TERM LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.20108	As at 31.03.2017
Long term creditors for Capital Goods	-	41.21
Provision for Leave Encashment	-	3.06
TOTAL	-	44.27

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018**8 SHORT-TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Secured Short Term Borrowings*		
Loans Repayable on Demand- From Banks		
In Foreign Currency	-	-
In Rupees	85,358.31	87,653.88
Loans Repayable on Demand- From Other than Bank	1,082.40	1,083.40
Unsecured Short Term Borrowings		
Loans Repayable on Demand- From Banks	1,563.01	1,563.01
Loans Repayable on Demand- From Other Parties	775.00	775.00
TOTAL	88,778.73	91,075.30

* Cash credit /working capital credit facilities are secured by way of first pari passu charge over the entire current assets and second pari passu charge over the entire Immovable and moveable fixed assets of the company, both present and future created in favour of respective banks/trustees alongwith personal guarantees of Dr. Vinod K. Chaturvedi (Managing Director & CFO) and Mr. Manoj Pathak.

9 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Sundry Creditors- For Goods	2,518.64	2,649.78
Sundry Creditors- For Expenses	754.70	825.35
TOTAL	3,273.34	3,475.13

The Company has not received any information from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid/payable under the said Act have not been given.

10 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Current Maturities of Long-Term Debts	5,027.79	5,904.48
Other Current Liabilities Long Term Debts	14,536.11	9,261.31
Interest accrued but not due on Borrowings	-	810.19
Unclaimed Dividends	6.42	6.42
Security Deposits Payables	5.36	6.84
Advance received from Customers	6,453.03	6,632.34
Creditors for Capital Expenditure	462.68	466.36
Other Liabilities excluding Statutory Liabilities	175.70	183.60
Statutory Liabilities	130.63	69.85
Provision for CSR Activities	106.71	106.71
Interest accrued and due on borrowings	28,493.26	631.10
Book overdraft	185.22	112.99
Corporate Dividend Tax	38.74	38.74
Narayani Nivesh Nigam Pvt Ltd.	9.25	(24.01)
Usher Capitals Ltd	0.35	(9.01)
Business advances from related parties		
Usher World Wide FZE, UAE	3,045.01	3,116.21
Advance Received for supply of Husk	3,137.66	3,090.93
TOTAL	61,813.91	30,405.04

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

11 SHORT TERM PROVISIONS (₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Provision for employee benefits		
Provision for Gratuity	25.95	39.40
Leave Encashment Provision	2.65	12.15
Contribution to PF	33.85	25.04
ESIC	0.23	0.03
Other Provisions		
Income Tax (net of Tds)	722.11	732.12
TOTAL	784.79	808.74

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

12 FIXED ASSETS

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS ON 01.04.2017	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	TOTAL AS 31.03.2018	AS ON 01.04.2017	CHARGED FOR THE YEAR 2017-18	DEDUCTION FOR THE YEAR	AS ON 31.03.2018	AS ON 31.03.2017
Land	1,382.39	-	-	1,382.39	-	-	-	1,382.39	1,382.39
Office Building	255.73	-	-	255.73	33.13	4.04	-	218.56	222.59
Factory Building	5,733.08	-	-	5,733.08	1,201.28	176.71	-	1,377.99	4,531.80
Godown	3,793.43	-	-	3,793.43	398.89	120.49	-	519.39	3,394.54
Plant & Machinery	33,926.93	156.97*	-	34,083.90	15,485.91	2,948.79	-	18,434.70	18,441.02
Computer & Printers	97.11	-	-	97.11	70.96	12.84	-	83.79	26.15
Tube Well Water Tank & Piping	8.73	-	-	8.73	5.74	1.22	-	6.96	2.99
Furniture & Fixture	113.02	-	-	113.02	55.93	11.81	-	67.74	57.09
Vehicles	259.32	-	-	259.32	133.96	30.03	5.50**	158.49	125.36
Office Equipments	74.73	-	-	74.73	54.35	12.54	-	66.89	20.38
Laboratory & Storage Equipments	112.16	-	-	112.16	72.71	10.05	-	82.76	39.44
TOTAL	45,756.63	156.97	-	45,913.60	17,512.87	3,328.51	5.50	20,835.88	28,243.77

Note: * In C.Y. addition due to foreign exchange difference.

** Deduction for the year is towards Dep. adjustment.

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS ON 01.04.2016	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	TOTAL AS 31.03.2017	AS ON 01.04.2016	CHARGED FOR THE YEAR 2016-17	DEDUCTION FOR THE YEAR	AS ON 31.03.2017	AS ON 31.03.2016
Land	1,382.39	-	-	1,382.39	-	-	-	1,382.39	1,382.39
Building	255.73	-	-	255.73	29.10	4.04	33.13	222.59	226.63
Factory Building	5,733.08	-	-	5,733.08	1,024.57	176.71	1,201.28	4,531.80	4,708.51
Building & Godowns	3,793.43	-	-	3,793.43	278.40	120.49	398.89	3,394.54	3,515.03
Plant & Machinery	33,497.40	429.53	-	33,926.93	12,375.52	3,110.39	15,485.91	18,441.02	21,121.88
Computer & Printer	97.11	-	-	97.11	68.82	2.14	70.96	26.15	28.29
Tube Well, Water Tanks &	8.73	-	-	8.73	5.21	0.53	5.74	2.99	3.52
Furniture & Fixture	112.71	0.32	-	113.02	44.36	11.57	55.93	57.09	68.35
Vehicle	259.32	-	-	259.32	111.28	22.68	133.96	125.36	148.04
Office Equipment	73.82	0.90	-	74.73	55.46	(1.11)	54.35	20.38	18.36
Laboratory & Store Equipments	112.16	-	-	112.16	62.83	9.89	72.71	39.44	49.33
TOTAL	45,325.88	430.75	-	45,756.63	14,055.54	3,457.33	-	28,243.77	31,270.33

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

13 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Trade Investments- Unquoted		
In Subsidiary Company " Usher Eco Power Limited."	1,691.37	1,691.37
(1,69,13,731 (PY. 1,69,13,731) Equity Shares of Rs. 10 each fully paid)		
In Subsidiary Company " Usher Eco Power Limited."	5,032.50	5,032.50
(5,03,250 (PY. 5,03,250) 12 % Preference Shares of Rs. 1,000 each fully paid)		
In Subsidiary Company " Usher Eco Power Limited."	1,342.00	1,342.00
(1,30,000 (PY. 1,30,000) 0% Preference Shares of Rs. 1,000 each fully paid)		
In Wholly owned Subsidiary Company 'Usher World Wide FZE,UAE'	22.71	22.71
(1 No. (PY 1 No.) Equity shares of AED 150000 each fully paid)		
In Subsidiary Company " Usher Eco Power Limited."	545.36	545.36
(2,79,670 (P.Y. 2,79,670) Equity Shares of Rs. 10 each fully paid, Purchase Price 195)		
In Other related party		
Usher Infra Logic Limited	11.28	11.28
(11,275 (PY 11,275) Equity Shares of Rs.10 each fully paid up)		
Less: Provision for Non-Current Investments (Refer note no 45)	(8,645.22)	-
TOTAL	-	8,645.22

14 LONG-TERM LOANS AND ADVANCES

(₹ in Lakhs)

(Unsecured, Considered Good)

Particulars	As at 31.03.2018	As at 31.03.2017
Security Deposits	55.02	51.43
Fixed Deposits with Interest accrued		
(Includes FDs held as margin money/guarantee given)	568.19	981.24
TOTAL	623.21	1,032.67

15 INVENTORIES

(₹ in Lakhs)

(As valued and certified by the Management)

Particulars	As at 31.03.2018	As at 31.03.2017
Raw Materials & work in process	31.42	1,284.84
Finished goods	42.38	311.97
TOTAL	73.80	1,596.81

16 TRADE RECEIVABLES

(₹ in Lakhs)

(Unsecured, Considered Good)

Particulars	As at 31.03.2018	As at 31.03.2017
(a) Trade receivables (outstanding for a period less than six months)	140.57	5,376.93
(b) Trade receivables (outstanding for a period exceeding six months)	67,603.74	64,824.16
Less: Provision for bad & doubtful debts (Refer note no 45)	(67,603.74)	(2,188.62)
TOTAL	140.57	68,012.47

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

17 CASH & BANK BALANCE

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Cash & Cash Equivalents		
Cash on hand	5.23	21.74
Balance with Bank		
Balance with Scheduled Banks - In Current Accounts	265.56	58.67
Earmarked Balance - In Dividend Accounts	6.41	6.41
TOTAL	277.20	86.82

18 SHORT-TERM LOANS AND ADVANCES

(₹ in Lakhs)

(Unsecured, Considered Good)

Particulars	As at 31.03.2018	As at 31.03.2017
Business advances to related parties		
Vedika Finance Pvt Ltd	0.39	0.51
Usher Oils & Foods Ltd	94.67	94.02
Usher Infra Logic Limited	706.75	675.53
Usher World wide FZE,UAE	131.80	131.22
	933.61	901.28
Less: Provision for Short-Term loans and advances	(933.61)	-
(Refer note no 45) (A)	-	901.28
Other loans and advances		
Advance Recoverable in Cash or in kind	17.83	59.33
Less: Provision for Short-Term loans and advances	(17.44)	-
(Refer note no 45)		
(B)	0.39	59.33
TOTAL	0.39	960.61

19 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Advance to Creditors	3,114.67	3,458.65
Pre Paid Expenses	29.12	30.58
Staff Advance	38.41	35.58
Balance with Revenue Authorities	539.43	575.07
Advances for Capital Goods	53.65	26.02
Less: Provision for Other Current Assets (Refer note no 45)	(3,221.72)	-
TOTAL	553.56	4,125.91

20 INCOME FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Sale of Products-Domestic	8,037.35	43,114.76
Sale of Products-Exports	-	474.93
Other Operating Income	-	34.94
TOTAL	8,037.35	43,624.63

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

21 OTHER INCOME

(₹ in Lakhs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Interest Income	26.13	93.61
Other Non-operating Income	17.16	8.94
TOTAL	43.28	102.55

22 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Raw Materials consumed	7,599.80	58,933.89
TOTAL	7,599.80	58,933.89

23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Opening Stock of Finished Goods	227.99	10,161.23
Less: Closing Stock of Finished Goods	22.38	227.99
TOTAL	205.61	9,933.24

24 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Salaries and incentives	199.55	657.54
Contributions to -		
- Provident fund	12.15	25.86
- ESIC	3.68	1.41
- Staff Insurance premium	0.46	0.96
- Provision for Earned Leave	5.04	-
Gratuity fund contributions	1.15	18.30
Staff welfare expenses	9.93	29.53
TOTAL	231.96	733.59

25 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Bank Charges	6.91	566.40
Bank Interest	26,626.71	1,853.88
Other Interest	3.88	65.01
Intt. on 11% Non Convertible Debenture	553.58	550.96
Foreign Exchange Cost	39.77	8.59
TOTAL	27,230.83	3,044.84

26 DEPRECIATION & AMORTIZATION EXPENSE

(₹ in Lakhs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Depreciation	3,323.01	3,457.33
TOTAL	3,323.01	3,457.33

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018**27 OTHER EXPENSES**

(₹ in Lakhs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Power & Fuel	266.68	500.21
Freight & Cartage	73.58	1,341.94
Export Freight including Expenses	-	3.94
Stores & Spares Consumed	23.72	35.45
Travelling & Conveyance	17.03	75.30
Printing & Stationery	4.67	11.97
Director's Sitting Fee	0.30	13.35
Postage ,Courier & Telephone	10.66	21.99
Insurance	15.30	32.42
Rent	5.03	10.89
Warehousing Charges	25.96	143.98
Repairs & Maintenance - Plant & Machinery	5.25	31.78
Repairs & Maintenance - Building	0.49	1.44
Running & Maintenance - Vehicle	13.80	45.00
Repairs & Maintenance - Others	1.47	4.32
Subscriptions & Membership	8.01	25.31
Legal & Professional Fees	189.30	183.80
Office & Misc Expenses	59.14	111.86
Quality Control Expenses	4.01	12.38
Rebate & Discount	31.91	43.97
Filing fees /R.O.C fee	0.67	29.96
Provision for bad & doubt full debts	65,415.12	2,163.06
Provision for Short-Term loans and advances	951.05	-
Provision for Other Current Assets	3,221.72	-
Provision for Non-Current Investments	8,645.22	-
Brokerage & Commission	3.18	126.26
Advertisement & Business Promotion	7.74	19.88
Audit fees	5.00	9.20
Provision for Mark to Market(MTM) on Derivative Contract	-	(154.11)
Labour & Wages	190.67	338.88
Security Service charges	28.68	37.54
TOTAL	79,225.36	5,221.96

28 EARNING PER SHARE (EPS)

(₹ in Lakhs)

Particulars	2017-18	2016-17
i) Net Profit after tax as per profit and loss account	(108,840.12)	(41,746.95)
ii) Net Profit attributable to equity share holders	(108,840.12)	(41,746.95)
iii) Net Profit before exceptional and extraordinary items and Taxes	(109,828.71)	(41,746.95)
iv) Weighted Average number of equity shares used as denominator for calculation of Basic EPS	77,671,511	77,671,511
v) Weighted Average number of equity shares used as denominator for calculation of Diluted EPS	77,671,511	50,431,154

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

vi) Basic and Diluted EPS	- Basic	(140.13)	(53.75)
	- Diluted	(140.13)	(8.28)
vii) Face Values per equity share		10	10

29 CAPITAL WORK IN PROGRESS (₹ in Lakhs)

Particulars	2017-18	2016-17
Civil work of Construction & Land Development	1,024.39	1,024.39
Plant & Machinery under installation	2,255.45	2,247.33
Preoperative Expenses related to assets under construction	954.06	960.77
Total	4,233.90	4,232.49

30 BENEFITS TO EMPLOYEES :

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below :

The Company has made provision for gratuity Rs.1.15 Lakh (P.Y. Rs.18.30 Lakh) and leave encashment Rs. 5.04 Lakh (P.Y. Rs. Nil) for the year on estimated basis and not as per actuarial valuation. In the absence of actuarial valuation report, relevant disclosures have not been given.

31 SEGMENT INFORMATION (₹ in Lakhs)

Business Segments :

Geographical Segments :

Information about Secondary Segments

Particulars	Year Ended 31st March ,2018	Year Ended 31st March ,2017
Revenue By Geographical Market		
India	8,037.35	43,149.71
Outside India	-	474.93
Total	8,037.35	43,624.63
Addition To Fixed Assets And Intangible Assets (Include Capital work in progress)		
India	156.97	572.77
Outside India	-	-
Total	156.97	572.77
Carrying Amount Of Fixed Assets		
India	29,311.62	32,476.26
Outside India	-	-
Total	29,311.62	32,476.26

Notes:-

The geographical segments considered for disclosure are as follows :

Sales within India includes Sales to Customers located within India.

Sales Out side India includes Sales to customers located outside India including merchant exporters.

The carrying amount of segment assets in India and Outside India is based on geographical location of the respective assets.

32 AUDITORS REMUNERATION IS AS UNDER: (₹ in Lakhs)

Particulars	2017-18	2016-17
Statutory Audit Fees	5.00	6.00
Tax Audit Fees	-	2.00
Service Tax/GST	0.90	1.20
Total	5.90	9.20

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

- 33** On 27th December 2017, ICICI Bank Limited in its capacity of financial creditor had filed a petition under insolvency and Bankruptcy Code 2016 with National Company Law Tribunal (NCLT) against Usher Agro Limited.

The case was admitted by NCLT and it had ordered for commencement of Corporate Insolvency Resolution Process (CIRP) with effect from March 21, 2018 and had appointed Mr. Krishna Chamadia as Interim Resolution Professional for the company.

Under the IBC proceedings, the power of the Board were suspended with effect from 21 March, 2018. The NCLT order also provided for a Moratorium wef. March 21st, 2018 till the completion of Corporate Insolvency Resolution Process (CIRP) or until it approves the resolution Plan u/s 31(1) or passes an order for Liquidation of the Company u/s 33 whichever is earlier. Currently the company is under CIRP process.

Pursuant to NCLT order on the company a public announcement was made on March 31st, 2018 and a committee of creditors was formed under section 21 of the act. The Committee of Creditors held their first meeting on April 18th, 2018 and approved appointment of Interim Resolution Professional. Mr Krishna Chamadia as the Resolution Professional.

34 PROVISIONS AND CONTINGENCIES:

(₹ in Lakhs)

Contingent Liabilities not provided for	2017-18	2016-17
Letter of Credit issued by the Bankers of the Company for import of capital goods*. (Fixed deposits in the form of margin money including interest thereon of Rs.Nil (P.Y. Rs. Nil) have been kept with respective bankers for the said letter of credit) * Converted on the foreign exchange conversion rate prevailing on the date of Balance Sheet.	-	41.21
The bankers of the Company has issued Bank Guarantees for EPCG License to President of India & for Performance Guarantee to Indian Army (Fixed deposits of Rs. Nil Lakhs (P.Y. Rs. 35.25 lakhs) have been kept with respective Banks for the said bank guarantees)	-	71.74
VAT & CST Liability in respect of A.Y. 2008-09 for which company has filed appeal with Appellate Tribunal, Agra in 2013 the appeal still pending for hearing at same level.	29.17	29.17
VAT Liability in respect of A.Y. 2009-10 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura in the year 2012 the matter is returned by the Additional Commissioner to Assessing authority for re-assessment and same was dismissed by authority, now company will file appeal with Competent Appellate Authority.	0.21	0.21
VAT & CST Liability in respect of A.Y. 2010-11 for which company had gone into the appeal with the appropriate authority, now the appeal was decided partially in our favour and the Appellate Authority has reduced the demand of Rs.135.45 lakhs in our favour, for pending amount we have gone in IInd Appeal with Tribunal.	66.42	66.42
VAT & CST Liability in respect of A.Y. 2009-10 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura in the year 2016, Now said issue is pending before The Appellate Authority, Additional Commissioner Grade-II (Appeal) Mathura. and same was dismissed by authority, now company will file appeal with Competent Appellate Authority.	97.12	234.99
VAT & CST Liability in respect of A.Y. 2011-12 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura in the year 2016, Now said issue is pending before The Appellate Authority, Additional Commissioner Grade-II (Appeal) Mathura, also company has filled application u/s 32 of UP VAT Atc., for re-opening the case before Deputy Commissioner, Commercial Tax, Sector-03, Mathura	2,756.82	2,756.82
VAT & CST Liability in respect of A.Y. 2012-13 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura in the year 2016, Now said issue is pending before The Appellate Authority, Additional Commissioner Grade-II (Appeal) Mathura, also company has filled application u/s 32 of UP VAT Atc., for re-opening the case before Deputy Commissioner, Commercial Tax, Sector-03, Mathura	3,701.25	3,701.25
VAT Liability in respect of A.Y. 2011-12 due to penalty provision under section 48(5) order passed by assessing authority for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura, Now said issue is pending before The Appellate Authority, Additional Commissioner Grade-II (Appeal) Mathura, also company has filled application u/s 32 of UP VAT Atc., for re-opening the cases before Deputy Commissioner, Commercial Tax, Sector-03, Mathura same was dismissed by authority vide order no.16437910800005 dated 30.06.2016 now company will file appeal with Competent Appellate Authority.	0.98	0.98

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

UP Local Entry tax Liability in respect of A.Y. 2014-15 under section 9(4) of UP Local Entry tax, 2007 order passed by assessing authority Mathura Sector-3, DC, for which company will file appeal with Competent Appellate Authority.	0.50	-
CST Liability in respect of A.Y. 2014-15 under section 9(2) of CST Act, 1956, order passed by assessing authority Mathura Sector-3, DC, for which company will file appeal with Competent Appellate Authority.	200.00	-
CST Liability in respect of A.Y. 2014-15 under section 9(2) of CST Act, 1956, order passed by assessing authority Mathura Sector-3, DC, for which company will file appeal with Competent Appellate Authority.	4,169.30	-
VAT Liability in respect of A.Y. 2014-15 under section 54(1)(14) of VAT Act, 2008, order passed by assessing authority Mathura Sector-3, DC, for which company will file appeal with Competent Appellate Authority. * out of demand INR 2.40 Lakh, INR .90 Lakh is deposited with the department	2.40	-
VAT Liability in respect of A.Y. 2013-14 vide order no 17437910800008 dated 14/03/2018 against Ex-parte assessment passed by assessing authority Mathura Sector-3, DC, for which company will file appeal with Competent Appellate Authority.	4,769.95	-
VAT Liability in respect of A.Y. 2013-14 vide order no 17437910800050 dated 12/03/2018 against Ex-parte assessment passed by assessing authority Mathura Sector-3, DC, for which company will file appeal with Competent Appellate Authority.	400.00	-
VAT Liability in respect of A.Y. 2013-14 vide order no 17437910800006 dated 12/03/2018 against Ex-parte assessment passed by assessing authority Mathura Sector-3, DC, for which company will file appeal with Competent Appellate Authority.	0.60	-
VAT Liability in respect of A.Y. 2015-16 due to provisional assissment order passed by assessing authority for 12 months from April 2015 to March 2016 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura, Now said issue is pending before The Appealeat Authority, Addisional Commissioner Grade-II (Appeal) Mathura, also company has filled application u/s 32 of UP VAT Atc., for re-oeping the cases before Deputy Commissioner, Commercial Tax, Sector-03, Mathura and same was dismissed by authority, now company will file appeal with Competent Appellate Authority. CST 9(2) of CST Act, 1956 INR 200 Lakh + UP VAT 28(2)(ii) of UP VAT Act INR 5202.50 as per order passed by Deputy Commissioner, Commercial Tax, Sector-03, Mathura for which company will file appeal with Competent Appellate Authority.	5,402.50	383.28
VAT Liability in respect of A.Y. 2016-17 due to provisional assissment order passed by assessing authority for the month of April 2016, May 2016, December 2016 & January 2017, for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura, Now said issue is pending before The Appealeat Authority, Addisional Commissioner Grade-II (Appeal) Mathura, also company has filled application u/s 32 of UP VAT Atc., for re-oeping the cases before Deputy Commissioner, Commercial Tax, Sector-03, Mathura	84.65	84.65
Mandi Shulk & Vikash Cess Liability is respect of Mandi Exemption due to Export of Rice during the export year 2014-2015 by Mandi Secratory, Krishi Utpadan Mandi Samiti, Kosi-Kalan, Mathura, for which company has filled application for re-open the case before Secratory, Krishi Utpadan Mandi Samiti, Kosi-Kalan, Mathura	86.03	86.03
Traces site of TDS (Income Tax) showing outstanding TDS Liability on account of late filling of TDS returns/short TDS deduction. In the opinion of management, there is no such liability exists. The management is reconciling the differences as reported on traces site and same will be paid, if any liability arise.	40.00	40.00
StampDutyLiabilitypersuanttoletterbyStampAuthority, Mathura, Caseno 142/143/144 (The management has taken expert legal opinion on the said stamp duty matter and based on that opinion, the total liability in the subject matter may not exceed to Rs. 12.00 Lakhs and the matter has already been taken up with the appropriate authorities.)	452.00	452.00

Note: The Company has given Corporate Guarantee for Foreign Currency Loan (ECB) of USD 132.50 lakhs (equivalent to Rs. 8591.11 lakhs) (P.Y. USD 132.50 lakhs (equivalent to Rs.8789.11 lakhs)) taken by its Subsidiary Company i.e. Usher Eco Power Ltd from Axis Bank Limited. This guarantee was given for the intervening period till the stablisation of commercial power generation by the said subsidiary company. Company is in CIRP process and Axis Bank has invoked outstanding Corporate Guarantee incuding interest of Rs 5059.00 lakhs.

The Company has given Corporate Guarantee for Foreign Currency Loan (ECB) of USD 280.00 lakhs (equivalent to Rs. 18154.80 lakhs) (P.Y. USD 280.00 lakhs (equivalent to Rs. 18631.50 lakhs)) taken by its Subsidiary Company i.e. Usher Eco Power Ltd from Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ("FMO") and DEG – Deutsche Investitions- und Entwicklungsgesellschaft

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

mbH ("DEG") in favour of IDBI Trusteeship Services Limited acting as the security trustee agent on behalf of FMO and DEG. Company is in CIRP process and Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V ("FMO") and DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH ("DEG") has invoked outstanding Corporate Guarantee including interest of Rs 5093.01 lakhs..

The Company has given Corporate Guarantee for Foreign Currency Advances of USD 60.00 lakhs (equivalent to Rs. 3890.32 lakhs) (P.Y. USD 60.0 lakhs (equivalent to Rs. 3979.97 lakhs)) taken by its wholly owned Subsidiary Company i.e. Usher World Wide FZE, Sharjah from Responsibility Fair Trade Fund. Company is in CIRP process and Responsibility Fair Trade Fund has invoked outstanding Corporate Guarantee including interest of Rs 4039.49 lakhs.

Note: The Company has given Corporate Guarantee in favour of ICICI for sanctioning and disbursing farmers finance loan of INR 2500.00 Lakh (P.Y. INR 2500.00 lakhs) taken by 5 farmers group. Company is in CIRP process and ICICI bank has invoked the above Corporate Guarantee.

35 NET DIVIDEND REMITTED IN FOREIGN CURRENCY

(All are in Rs. except nos.)

Particulars	2017-18	2016-17
Number of Non-resident shareholders	190	208
Number of Equity Shares held by them	882085	748513
Amount of dividend paid (Gross), TDS Rs. Nil (P.Y.Nil)	NIL	NIL
Year to which dividend relates	N.A.	N.A.

36 EXPENDITURE/REVENUE IN FOREIGN CURRENCY

Earnings in foreign currency (Cash/Accrual basis)		NIL
Export Sales on FOB Basis*		(P.Y. Rs. 5.17 lakhs)

(₹ in Lakhs)

Expenditure in foreign currency (Cash/Accrual basis)	2017-18	2016-17
Finance Charges	-	158.96
Travelling Expenses	-	2.57
Professional Fees & Subscription Charges (Excluding Prepaid Exp. of Rs.Nil , P.Y: Rs.Nil)	-	33.64
	-	195.17
* Export sales exclude sales to merchant exporter		

37 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE**Derivative Instruments:**

The Company has no transactions / exposure in derivatives in the current and previous year. The Company has no unhedged foreign currency exposure as on March 31, 2018 (March 31, 2017: Nil).

Particulars of Unhedged foreign currency exposure as at the Balance Sheet date:

Particulars	Amount
Creditors for Capital Goods	Rs. Nil (Usd Nil) (P.Y. Rs. 41.21 lakhs, JPY 7,080,000)
Foreign Currency Loan	Rs.1,569.74 lakhs (USD 2,409,925.90) {P.Y. Rs. 1,562.56 lakhs, (USD 2,409,925.90)}
Interest Accrued and due on Foreign currency Loan	Rs. 29.93 lakhs, (USD 46,140) {Rs. 29.93 lakhs, (USD 46,140)}
Advance from Customers	Rs. 6,430.05 lakhs (USD 9,871,642.99) {Rs. 6,400.64 lakhs (USD 9,871,642.99)}
Advance to Subsidiary	Rs. 131.80 lakhs, (AED 743,090) {Rs. 131.22 lakhs, (AED 743,090)}
Advance From Subsidiary	Rs. 3,045.01 lakhs, (USD 4,674,814.72) {Rs.3,031.08 lakhs, (USD 4,674,814.72)}
Investment in Foreign Subsidiary Company	Rs. 26.60 lakhs, (AED 150,000) {Rs. 26.49 lakhs, (AED 150,000)}
* Converted at the foreign exchange conversion rate prevailing on the date of Balance Sheet.	

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018**38 IMPAIRMENT OF ASSETS**

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is not less than the recoverable amount of those assets. Hence, in the opinion of the management, there is no provision for impairment loss on the assets of the Company required to be made under Accounting Standard-28 (Impairment of Assets) issued by the ICAI.

39 DEPRECIATION ON FIXED ASSETS

As per the Schedule II to the Companies Act, 2013, the company has charged the depreciation in line with the estimated useful lives of the assets as mentioned in said Act, except in the cases where the actual life of the assets found by management based on the independent technical expert's opinion vary from the life mentioned in the said Schedule. On the basis of evaluation of useful life of the assets by the technical expert, the company has considered useful life of computers of 5 years whereas the said Schedule recommends the useful life of 3 years and depreciation has been charged in the current financial year accordingly. Company is charging depreciation on straight line method basis

40 LEASES**In case of assets taken on lease****Finance Lease :**

There are no finance lease transactions in the reporting period hence no disclosure is required to be made under AS 19 – Accounting for Leases, issued by the ICAI

Operating Lease :

- (i) Office premises, godowns and warehouses are obtained on operating lease basis during the financial year in relation of business. The lease terms are normally for 11 months and renewable at the option of the Company. There are no restrictions imposed in lease arrangements.

Operating Lease (₹ in Lakhs)

Particulars	2017-18	2016-17
Lease payments for the year	31.00	154.86
Minimum Lease Payments :		
Not later than one year	-	60.21
Later than one year but not later than five years	-	4.40
Later than five years	-	-

- (ii) The Company has given office premises on operating lease basis for a period of 3 years: (₹ in Lakhs)

Particulars	2017-18	2016-17
Lease Income for the year	2.80	-
Minimum Lease Payments :		
Not later than one year	0.84	-
Later than one year but not later than five years	0.14	-
Later than five years	-	-

41 RELATED PARTIES

Names of related parties	
Names of related parties where control exists irrespective of whether transactions have occurred or not	Usher Eco Power Limited. (Subsidiary Company) Usher World Wide FZE (Wholly Owned Foreign Subsidiary Company from 4th July, 2012)
Key Management Personnel	Mr. V. K. Chaturvedi (Managing Director)
Relatives of key management personnel	Mrs. Samta Chaturvedi Mr. Manoj Pathak
Enterprises owned or significantly influenced by key management personnel or their relatives	Usher Capitals Limited. Vedika Finance Pvt. Limited Usher Oils & Foods Limited. Usher Infra Logic Limited. Narayani Nivesh Nigam Private Limited

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

Related Parties

(₹ in Lakhs)

Particulars	Subsidiary		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Loan/Business Advances Taken/repayment										
Usher Eco Power Ltd.	25.50	542.50							25.50	542.50
Loan/Business Advances Given/repaid										
Usher Eco Power Ltd.	-	1,318.00							-	1,318.00
Rent Income (Truck/office/Godown)										
Usher Infra Logic Ltd.							-	0.60	-	0.60
Rent Expenses (Trucks/Office)										
Usher Infra Logic Ltd.							26.18	634.60	26.18	634.60
Mrs. Shimla Pathak					-	1.80			-	1.80
Narayani Nivesh Nigam Pvt. Ltd.							(0.83)	4.80	-0.83	4.80
Payment of Rent (Trucks/office)										
Mrs. Shimla Pathak					-	1.30			-	1.30
Usher Infra Logic Ltd.							56.54	1,119.67	56.54	1,119.67
Narayani Nivesh Nigam Pvt. Ltd.							0.36	10.73	0.36	10.73
Sale of goods										
Usher Eco Power Ltd.	-	441.62							-	441.62
Purchase of Steam /Electricity										
Usher Eco Power Ltd.	37.29	305.71							37.29	305.71
Reimbursement Incurred by related party on our Behalf										
Usher Eco Power Ltd.	7.33	-							7.33	-
Usher Infra Logic Ltd.							-	-	-	-
Vedika Finance Private Ltd.							0.12	0.13	0.12	0.13
Usher Capitals Ltd.							10.23	2.20	10.23	2.20
Narayani Nivesh Nigam Pvt. Ltd.							17.02		17.02	-
Incurred for related party										
Usher Eco Power Ltd.	5.39	154.17							5.39	154.17
Usher Infra Logic Ltd.							-	-	-	-
Usher Oils & Foods Ltd.							0.65	6.17	0.65	6.17
Usher Capitals Ltd.							0.86	2.20	0.86	2.20

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

Vedika Finance Private Ltd.							-	0.13	-	0.13
Narayani Nivesh Nigam Pvt. Ltd.							(17.43)	0.62	(17.43)	0.62
Corporate Guarantee Given										
Usher Eco Power Ltd.	-	8,631.51							8,631.51	8,631.51
Outsatnding amount of Corporate Guarantee										
Usher Eco Power Ltd.	-	4,483.74							4,483.74	4,483.74
Balances Outstanding at the year end (Dr/(Cr))*										
Mr. V. K. Chaturvedi			(39.57)	(17.45)					(39.57)	(17.45)
Mr. Manoj Pathak			-	1.90					-	1.90
Mrs. Shimla Pathak					(0.19)	(0.19)			(0.19)	(0.19)
Usher Eco Power Ltd.	(3,137.66)	(3,107.34)							(3,137.66)	(3,107.34)
Usher Infra Logic Ltd.							-	675.53	-	675.53
Narayani Nivesh Nigam Pvt. Ltd.							(9.25)	24.01	(9.25)	24.01
Usher Capitals Ltd.							(0.35)	9.01	(0.35)	9.01
Usher Oils & Foods Ltd.							-	94.02	-	94.02
Usher World Wide FZE	(2,913.22)	(2,899.86)							(2,913.22)	(2,899.86)
Vedika Finance Private Ltd.							-	0.51	-	0.51
Total Balance Outstanding	(6,050.88)	(6,007.20)	(39.57)	(15.55)	(0.19)	(0.19)	(9.60)	803.09	(6,100.24)	(5,219.85)

All the transactions were held at Arm’s Length Price and in normal course of business

Note- 1. Company has made a provision against related party debit balance.

2. All related party transaction, were incurred before commencement of Corporate Insolvency Resolution Process ie wef 21st March, 2018.

42 RAW MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	2017-18	2016-17
Paddy & Dehusked Raw Rice	858.63	43,110.75
Wheat	6,610.22	15,077.84
Packing Material	130.95	486.70
Pulses-Raw	-	258.59
TOTAL	7,599.80	58,933.89

43 PURCHASE OF RAW MATERIAL

(₹ in Lakhs)

Particulars	2017-18	2016-17
Paddy & Dehusked Raw Rice	-	13,289.30
Wheat	6,131.45	8,621.52
Packing Material	150.95	201.05
Pulses-Raw	-	-
TOTAL	6,282.40	22,111.87

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

44 SALE OF RAW MATERIAL (₹ in Lakhs)

Particulars	2017-18	2016-17
Paddy & Dehusked Raw Rice	512.64	9,714.83
Wheat	1.09	643.45
TOTAL	513.73	10,358.27

45 VALUE OF SALES, CLOSING AND OPENING INVENTORY OF FINISHED GOODS & BY-PRODUCTS (₹ in Lakhs)

Particulars	2017-18	2016-17
Opening Stock		
Rice	110.09	4,576.41
Wheat Products	116.76	1,415.23
Pulses Finished	-	3,935.09
Others (By-Products)	1.14	234.50
TOTAL	227.99	10,161.23

SALES (₹ in Lakhs)

Particulars	2017-18	2016-17
Rice	58.95	15,021.27
Wheat Products	7,458.78	12,232.65
Pulses Finished	-	4,923.21
Others (By-Products)	-	1,054.28
TOTAL	7,517.72	33,231.41

CLOSING STOCKS (₹ in Lakhs)

Finished Rice	0.24	110.09
Wheat Product	22.14	116.76
Pulses Finished	-	-
Others (By-Products)	-	1.14
TOTAL	22.38	227.99

- 46 Copmany has made provision against non current investments, trade receivable, short term loan & advances and other current assets on the basis of internal judgement. Compnay is in CIRP process and has started reconciliation of all its recoverable current assets and current liabilities on the basis of available records and cliams received/filed.

47 CAPITAL COMMITMENTS (₹ in Lakhs)

Particulars	2017-18	2016-17
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
TOTAL	NIL	NIL

48 PROVISION FOR TAXATION

Provision for current tax has been made as per provisions of the Income Tax Act, 1961, after considering deduction/exemptions, if any, available to the Company under the said Act.

49 FOREIGN EXCHANGE FLUCTUATION

The Company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standard) Amendment Rules 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009. Accordingly the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to the depreciable capital assets. The total amount of foreign exchange fluctuation profit/ (loss) of ₹ 156.97 lakhs (PY. ₹ -348.77 lakhs) has been reduced/added from CWIP/pre operative expenses account/ fixed assets during the year.

- 50** The management has initiated the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. The company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
- 51** Previous Year figures has been regrouped/ reclassified, wherever necessary to correspond with the current period classification/ disclosure

As per our Report of even date attached.

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Regd. No.: 104184W/W100075

CA Viraj Savla
Designated Partner
M. No.: 153525

Date: 30th May, 2018
Place : Mumbai

For and on behalf of the Board
Usher Agro Limited

Krishna Chamadia
IP Registration no-
IBBI/IPA-001/IP-P00694/2017-18/11220
Resolution Professional

USHER AGRO LIMITED**CIN: L01100MH1996PLC100380****Regd. Office:** 212, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053.Email: usherinvestors@usheragro.com, website: www.usheragro.com,

Phone: : 022-40144202 F: +91 2239381123

GREEN INITIATIVE

Dear Members,

As you are aware that the Ministry of Corporate Affairs, Government of India has taken a 'Green Initiative in Corporate Governance' vide circulars Ref. nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively allowing serving of documents by a company to its members in electronic mode through e-mails. Further, in line with recent circular (vide circular ref. no. CIR/CFD/DIL/7/2011 dated October 5, 2011) issued by the Securities and Exchange Board of India (SEBI) and consequent changes in Clause 32 of the Equity Listing Agreement, Companies can send full Annual Reports in electronic mode to its members who have registered their e-mail addresses for the purpose.

With a view to lending strong support to this environment friendly initiative of the Government of India, we invite all the members of the Company to join us and register their e-mail address with us by filling up the form to receive all the communications from the Company in electronic mode.

We are sure, that as a responsible citizen you too would like to support this excellent initiative of the Government of India and will co-operate with the Company in implementing the same.

E-mail Registration Form		
Folio No :	DP – ID	: Client Id :
Name of the Registered Holder (1 st)		:
Name of the joint holder(s)		:
Registered Address		:
Mobile Nos. (to be registered)		:
E-mail Id (to be registered)		:

I/ We, the members of Usher Agro Limited (the “Company”) do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned above. Please register the above e-mail address / mobile number for sending communication through e-mail/ mobile.

USHER AGRO LIMITED

CIN: L01100MH1996PLC100380

Regd. Office: 212, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053.
Email: usherinvestors@usheragro.com, website: www.usheragro.com, phone: : 022-40144202 F: +91 2239381123

BALLOT FORM

1. Name : _____

Registered Address of the sole/first named Shareholder : _____

2. Name (s) of the Joint Shareholder (s) if any :
3. Registered Folio/DPID & Client ID No. :
4. No. of Shares held :

As on 31st August, 2018 being the cut-off date for Dispatch of Notice of AGM

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of **22nd Annual General Meeting** of the Company scheduled on **Saturday, 29th September, 2018**, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (P) mark at the appropriate box below.

Item No.	Description	Type of Resolution	No. of equity shares	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)	Abstain
	ORDINARY BUSINESS					
1.	The Audited Balance Sheet as at 31st March, 2018 and statement of Profit and Loss account for the year ended 31st March, 2018 and the Directors' and Auditors' Report thereon	Ordinary				
2.	To appoint Statutory Auditor and to fix their remuneration and in this connection, to pass, with or without modification(s),	Ordinary				

Date:

Signature of Shareholder

Place:

NOTE: Kindly read the instructions printed overleaf before filling the form. Valid Ballot Forms received by the Scrutinizer by 5.00 p.m. on 29th September, 2018 shall only be considered.

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutiniser, Mr. Sandeep Dubey, Practising Company Secretary, Usher Agro Limited C/o. Bigshare Services Pvt. Ltd. 1st floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059. Tel: + Tel: +91-022-62638204. Fax: +91-022-28475207 Email: shubhangi@bigshareonline.com, so as to reach by 5.00 p.m. on or before 28th September, 2017. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Bigshare Services Pvt. Ltd). Members are requested to keep the same updated.
7. The voting rights shall be reckoned on the basis of number of equity shares held by the members as on 21st September [cut-off date for the purpose as per rule 20 (4) (vii) of the Companies (Management and Administration) Rules, 2014, as amended].
8. There will be only one Ballot Form for every Folio/DP ID Client ID irrespective of the number of joint members.
9. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
10. Where the Ballot Form has been signed by an authorised representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorisation/Board resolution to vote should accompany the Ballot Form.
11. Instructions for e-voting procedure are available in the Notice of annual general meeting and are also placed on the website of the Company.

USHER AGRO LIMITED

CIN: L01100MH1996PLC100380

Regd. Office: 212, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053.
Email: usherinvestors@usheragro.com, website: www.usheragro.com, phone: : 022-40144202 F: +91 2239381123

PROXY FORM

Form No MGT- 11

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

Name of the member (s) : _____

Registered address : _____

E-mail ID : _____

Folio No/ Client ID/DP ID : _____

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

(1) Name : _____ Address : _____

E-mail Id : _____ Signature : _____ or failing him

(2) Name : _____ Address : _____

E-mail Id : _____ Signature : _____ or failing him

(3) Name : _____ Address : _____

E-mail Id : _____ Signature : _____

Resolu- tion No.	Resolutions
Ordinary Business	
1.	The Audited Balance Sheet as at 31st March, 2018 and statement of Profit and Loss account for the year ended 31st March, 2018 and the Directors' and Auditors' Report thereon
2.	To appoint Statutory Auditor and to fix their remuneration.

Signed this _____ day of September 2018

Affix
Revenue
stamp of
Re.1

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Notwithstanding the above, Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

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USHER AGRO LIMITED

CIN: L01100MH1996PLC100380

Regd. Office: 212, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053.
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ATTENDANCE SLIP

22nd ANNUAL GENERAL MEETING ON SATURDAY, 29th SEPTEMBER, 2018 AT 12.00 NOON

Registered Folio / DP ID and Client ID	
Name and Address of the Shareholder(s)	
Joint Holder 1	
Joint Holder 2	

I/ We hereby record my/ our presence at the **22nd ANNUAL GENERAL MEETING ON SATURDAY, 29th SEPTEMBER, 2018 AT 12:00 NOON** at Anmol Banquets Hall, 2nd Floor, Harmony Mall, At Carnival Cinemas, Opposite Royal Enfield Showroom, Link Road, and Goregaon (West), Mumbai-400104.

Member's Folio / DP ID- Client ID No.

Member's/ Proxy's name in Block Letters

Member's/ Proxy's Signature

NOTES:

1.

Only Member/ Proxy holder can attend the Meeting.
2.

Please complete the Folio/ DP ID-Client ID No. and name of the Member/ Proxy, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3.

Shareholder/ Proxy holder desiring to attend the Meeting should bring his/her copy of the Annual Report for reference at the Meeting.

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If undelivered please return to:



Regd. Office:

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Andheri (W), Mumbai- 400 053.

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