Godavari Biorefineries Ltd

65th

Annual Report

2019 - 2020

Our Mission

- To be a world-class global organization.
- To be the leading integrated biorefinery.
- To continuously add value to every part of sugarcane and any other biomass that the company processes.
- To visualise, understand and meet customer needs and expectations.
- To provide superior returns to shareholders through efficient management, innovation and teamwork.
- To participate in, and contribute to the all-round development of the community in which the company operates.
- To be a place where individuals aspire to and can make a difference, where good performance is applauded and of which people are proud to be a part of.

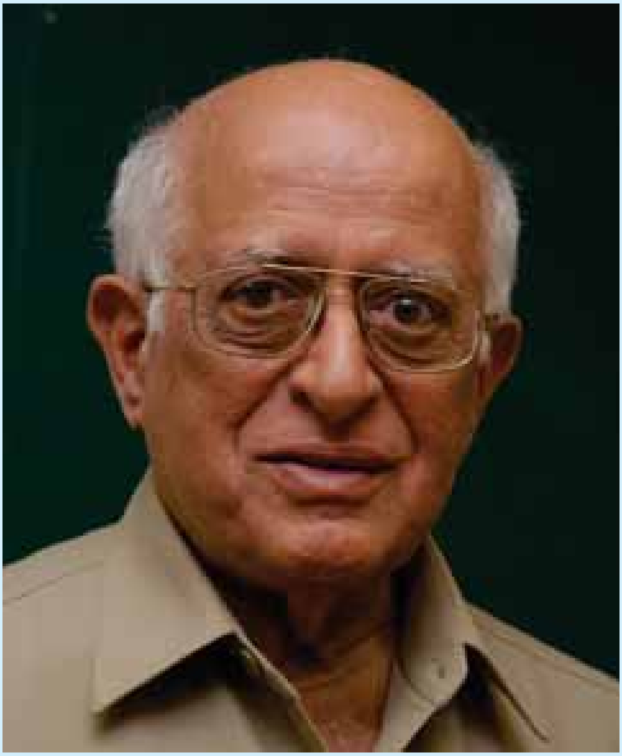
Ethanol Plant

Sameerwadi, Karnataka

Our Founder

Our Founder
Padmabhushan Late Shri K. J. Somaiya
1902-1999

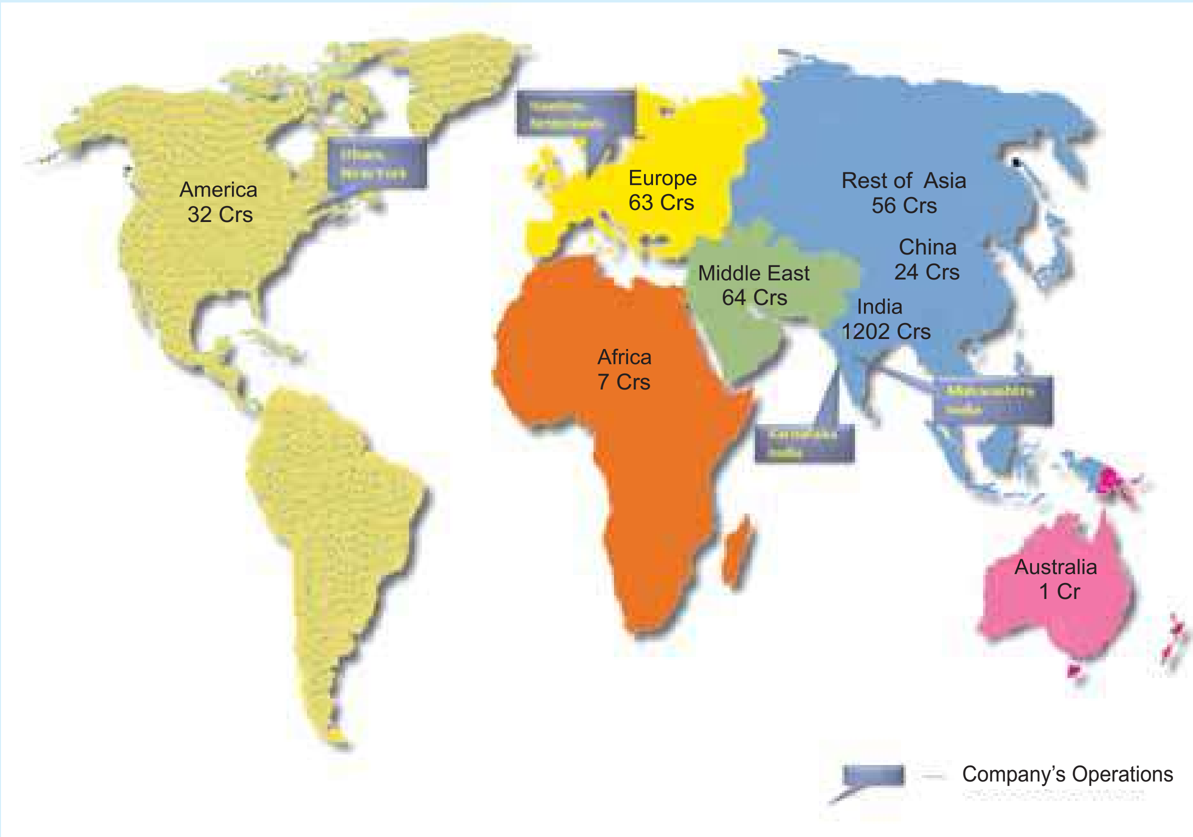
Our Mentor



Late Dr. Shantilal K. Somaiya

1927 - 2010

Godavari Biorefineries Ltd's Global Presence



Locations

Overseas Location
Godavari Biorefineries BV, Netherland
Cayuga Investment BV, Netherland
Godavari Biorefineries Inc, USA

Office Loacations

Industry Loacations

Our New Launches

Godavari Biorefineries Limited Launches PAAVAN™ -
Ethanol Based Hand Sanitizer

Purity in Food. Purity in living

Awards

Mr. Vinay V. Joshi, Executive Director, Mr. Suhas Godage,
General Manager (Distillery) and distillery team being awarded with "India Green Energy Award-2019"
from the hands of Shri Nitin Gadkari, Minister for Road Transport and Highways, Government of India

Mr. Suhas Godage, General Manager (Distillery)

Awards

GBL Team
Receiving EnvoSafe
Platinum Award -
First Prize 2019

Export Excellence Award in Bengaluru in Hands of
Hon'ble Chief Minister Shri Yeddiyurappa and Shri Sadanand Gouda,
Hon'ble Minister for Chemicals and Fertilizers, Govt of India

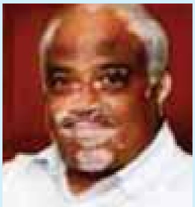
Greeting Shri Govind Karjol, Hon'ble MLA and Dy Chief Minister,
Govt of Karnataka and Shri Siddu Savad, MLA and
Chairman Nekar Abhivruddi Nigam, Govt of Karnataka

Board of Directors

Mr. Samir S. Somaiya
Chairman and Managing Director

Mr. Vinay V. Joshi
Executive Director

Dr. Sangeeta Srivastava
Executive Director



Mr. Mohan Samanathan
Director - Works
(Sakarwadi Unit, Maharashtra)

Mr. Bhalachandra R. Bakshi
Director - Works
(Sameerwadi Unit, Karnataka)

Mr. Jayendra Shah
Independent
Non Executive Director

Mr. Kailash Pershad
Independent
Non Executive Director

Prof. M. Lakshmi M Kantam
Independent
Non Executive Director

Mr. Hemant Luthra
Independent, Non Executive
Additional Director

Mr. Sanjay Puri
Independent
Non Executive Additional Director

Dr. Preeti Rawat
Non - Executive Director

Mr. Uday Garg
Investor Nominee Director

Board of Directors

Chairman & Managing Director

Mr. Samir S. Somaiya

Executive Director

Mr. Vinay V. Joshi (upto 30th September, 2020)

Dr. Sangeeta Srivastava (from 1st August, 2020)

Non - Executive Director

Dr. Preeti Singh Rawat

Independent Directors

Prof. Mannepalli Lakshmi Kantam

Mr. Kailash Pershad

Mr. Jayendra Shah

Mr. Hemant Luthra (from 27th September, 2019)

Mr. Sanjay Puri (from 1st August, 2020)

Director - Works

Mr. Bhalachandra R. Bakshi (Sameerwadi Unit, Karnataka)

Mr. Mohan Somanathan (Sakarwadi Unit, Maharashtra)

Investor Nominee Director

Mr. Uday Garg

Chief Financial Officer

Mr. Naresh Khetan

Company Secretary

Ms. Swarna S. Gunware

Board of Directors

CORPORATE IDENTITY NUMBER
U67120MH1956PLC009707

REGISTERED OFFICE
Somaiya Bhavan,
45/47, Mahatma Gandhi Road,
Fort, Mumbai - 400 001. INDIA.
Tel +91 -22 -2204 8272 / +91-22-61702100
Fax + 91-22-22047297

FACTORIES

Sameerwadi
(Via Mahalingpur),
Taluka Mudhol,
Dist. Bagalkot,
Karnataka - 587316.

Sakarwadi
(Stn Kanhegaon),
Dist Ahmednagar,
Maharashtra - 413708.

AUDITORS
Verma Mehta & Associates
(Chartered Accountants)

COST AUDITORS
B J D Nanabhoy & Co.
(Cost Accountants)

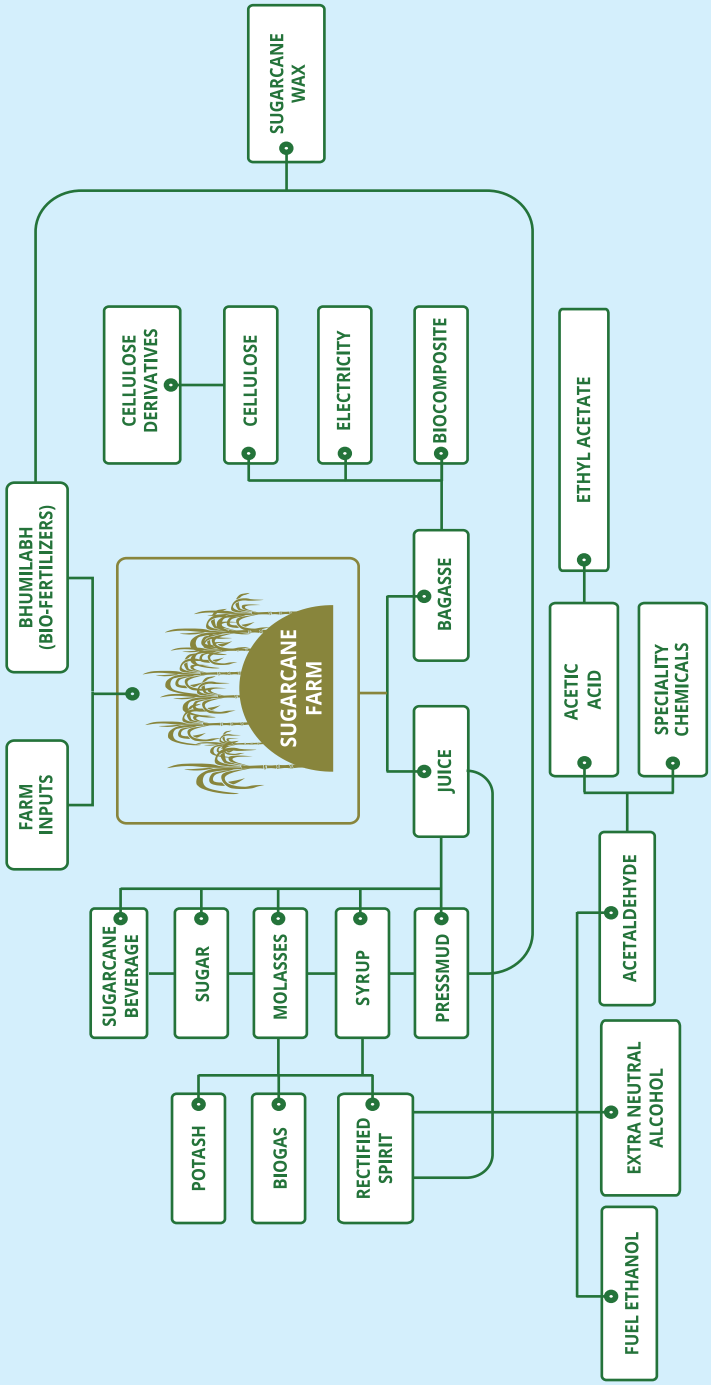
SOLICITORS & ADVOCATES
Economic Law Practice
Gagrats

REGISTRAR AND TRANSFER AGENT
Link Intime India Pvt. Ltd.
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai - 400083
Tel: +91 22 49186000
Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in

BANKS AND INSTITUTIONS
Andhra Bank
Bank of Baroda
Bank of India
Council for Scientific and Industrial Research
Syndicate Bank
IndusInd Bank Limited
Sugar Development Fund
Union Bank of India

Contents

GBL's Value Chain



Chairman's Outlook

Dear Shareholders,

The Coronavirus has dramatically affected lives and livelihoods. It would not be wrong to say that the world has changed around us, and there is great degree of uncertainty in what confronts us. The coronavirus has brought the world economy to its knees, and there is a demand fall. Some of our customers have signalled that their indications of purchases will not be met, and that the current uncertainty does not allow them to clearly know what the effect of this virus will be.

We have started making hand sanitizers at both of our locations. In Karnataka, we were the first distillery to get the permission to make the sanitizer. Similarly, in Maharashtra, we requested that we be allowed to use our imported ethanol for the purpose. We have started selling these under the name 'Paavan'. We have also started selling our ethanol to producers of sanitizers.

There are many global efforts underway to combat the pandemic. We do hope that this is soon behind us and life returns to some normality.

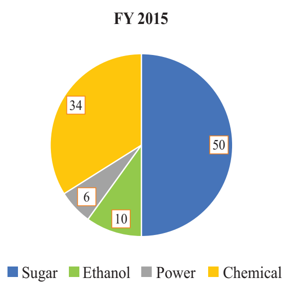
We are continuing on our journey of creating a world class cascading biorefinery. Our strategy is to add value to our feedstock, and its related biomass. To convert biomass into value added products, chemically, physically or biologically.

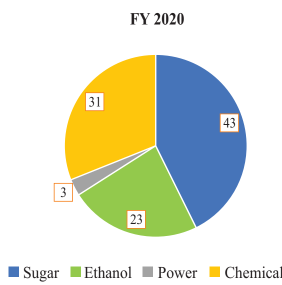
The Indian economy continues to produce more sugarcane and consequently, more sugar than it can consume. This past year, the Government further changed the policy to include the making of ethanol from sugarcane juice/syrup. Sugarcane as a feedstock and its conversion to ethanol as a biofuel mitigates climate change and helps India meet its climate security needs. To incentivize this, the Government announced a better price of about Rs. 59 per liter for ethanol made via this route. The Government continues to push for a larger ethanol blending programme. They had also earlier announced that ethanol prices will be linked to the FRP for cane.

Your company was one of the first companies in India to start the manufacture of sugarcane juice/syrup to make ethanol. The Government has also made it easier to get regulatory approval for expansion of ethanol capacity. Last year, we had increased our capacity of ethanol from 200,000 lpd to 320,000 lpd in the last season. In light of the new policy, we have got approvals and will be further expanding our ethanol capacity to 400,000 lpd in the coming season beginning November. This will be the largest ethanol capacity at one location in India at this time. We expect to divert over 40% of our sugar to make ethanol (up from 26% in the last season). This degree of optionality is only with Brazilian mills.

This has benefited your company by reducing the inventory. Your company has also brought in equity capital via a rights issue. The reduction in inventory and the capital raise have reduced the debt in the company..

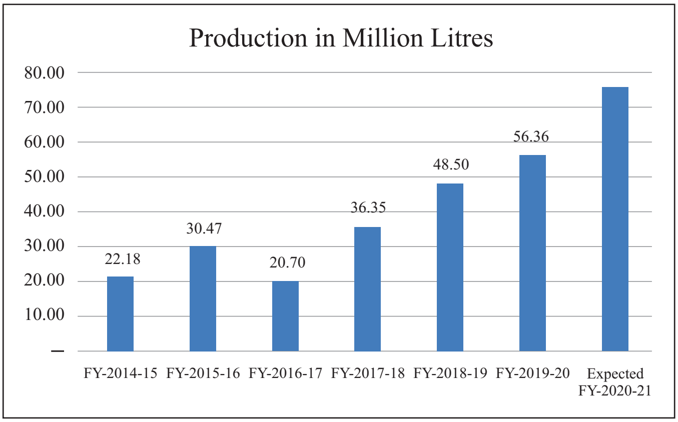
As a result of our efforts, sugar as a percentage of our business has reduced. The pie chart below shows the distribution of our business by product in 2015 and in 2020.





We are further exploring ways to further expand our production of ethanol.

The chart below shows our production of ethanol/ENA/RS every year for the last few years, and the expected production in the coming year.



Last season, we delivered 37.8 million litres of ethanol to the blending programme. In the coming season, we expect to deliver more than 70 million litres to the Oil marketing companies (OMC's). We hope that in the coming few years, we will cross 100 million litres of ethanol production.

The floods of the last monsoons have had a great impact on the cane availability of Maharashtra and Karnataka last year. Maharashtra lost over 40 % of the Sugar production compared to Season 2018-19, whereas Karnataka lost about 25 % . This adversely affected the sugarcane cane yield by 13% and lowered recovery for your Factory too. Farmers continued to support your company with cane as reflected in the degree of reduction of cane crushed when compared with the Karnataka and Maharashtra average. Rains in the current monsoons have been good, and we hope to have a better season this year.

(In lakh Tons)	2018-19 SS	2019-20 SS	% Reduction
Maharashtra(Sugar Production)	107	61	42
Karnataka (Sugar Production)	44	33	25
Combined	150	94	37
Godavari (Crushing)	17.27	15.26	13

* Source : ISMA

COVID has impacted the chemical division in different ways. Some chemicals have faced reduced demand and a fall in prices. Other chemicals are performing well and are backed by strong demand from customers.

Godavari Biorefineries has been a pioneer in the use of Sustainable and Renewable Resources to produce chemicals. Our close cooperation with many of the large companies to develop and produce products for them is helping us sustain and grow our pipeline for new products. Customers have expressed renewed and strong interest in sourcing products that are renewable, sustainable, and adhering to the 'green chemistry' principles. We are continuing our dialogue with them.

Your company has also received the prestigious **Bonsucro** certification. The Bonsucro certification is for good sustainability practices around sugarcane. We are one of seven Indian sugar companies that have been certified in this manner. Many of our global customers prefer that we have such a certification. We have also received the **Responsible Care** re-accreditation for our company from the Indian Chemical Council for a period of 3 years. We are one of only about a hundred chemical companies in India (out of more than a few thousand) who have this certification.

Your Company plans to implement the production of SOP (Sulphate of Potash) which is a valuable fertilizer to the farmer as it improves the quality and crop yields. SOP is considered a premium-quality potash makes plants more resilient to drought, frost, insects and even disease. It contains two key nutrients for growing crops: potassium and sulfur. Most often SOP is used on high-value crops like fruits, vegetables, nuts, tea, coffee and tobacco. The fertilizer works better on crops that are sensitive to chloride, which can be toxic to some fruit and vegetable plants. Our researchers working with a technology provider have been able to extract potash from the waste of the incinerator boiler. A successful commissioning of the same will result in a circular economy in Potash. Farm, process, extract, recycle and so on.

The making of SOP will add to the range of products that your company currently manufactures from sugarcane, and there are many more products in the pipeline.

We continue to work closely with the farmer. We are inextricably linked together. Our aim is to see that the farmer and the farm are healthy. To do this, we continue to work on introducing drip irrigation, intercropping, soil testing, subsequent supply of quality inputs, supply of tissue culture plantlets, and agronomic practices for achieving high yield. We collaborate with KIAAR, K J Somaiya Institute of Applied Agriculture Research, to demonstrate new techniques that would improve productivity, optimize resource use, and maintain soil fertility. Our experiments on using older and traditional techniques and modern science with KIAAR have shown good results.

I am delighted to say that your company won the FKCCI Award for Best Exporter Bagalkot District" for the year 2019, competing against all industries in the Bagalkot district. We have also received **"India Green Energy Award - 2019"** in the category of Outstanding Renewable Energy Generation - Biofuel by Indian Federation of Green Energy New Delhi. Godavari Biorefineries Ltd (GBL) Sakarwadi was awarded "The First Prize (PLATINUM AWARD) in ENVOSAFE EHS Excellence award" conducted by Dy. Director of Industrial Safety and Health, Ahmednagar, Maharashtra.

In closing, these are difficult times. We have created optionality by participating in the ethanol blending programme announced by the Government of India. This optionality allows us to better manage risk. We are also trying to add value by working on value added chemistry. Finally, we continue to be working on creating a circular and cascading biorefinery. Our proposed SOP project is a step in that direction. We hope that we set an example of creating a sustainable and innovative enterprise that adds value to all stakeholders.

Samir Somaiya
Chairman and Managing Director
(2019-2020)

Dear Shareholders,

Your Directors have pleasure in presenting the Sixty Fifth Annual Report on the business and operations of the Company and the audited financial accounts for the year ended 31st March, 2020.

FINANCIAL PERFORMANCE:

The financial results for the year ended 31st March, 2020 and the corresponding figures for the last year ended are as under:

₹ in Lakhs

Particulars	2019-20	2018-19
Sales	1,44,878	1,54,227
Profit / (Loss) before Depreciation, Interest and Tax	11,433	14,127
Finance costs	6,800	8,892
Profit / (Loss) after Interest but before Depreciation and Tax	4,633	5,235
Depreciation & Amortization	4,468	4,961
Profit / (Loss) Before Tax	165	274
Taxes (Income)/Expense	(88)	56
Profit / (Loss) After Tax	253	218

DIVISION WISE SALES TURNOVER:

₹ in Lakhs

DIVISIONS	2019-20	2018-19
Sugar	62,664	63,881
Cogeneration	4,147	3,356
Chemicals	45,418	60,920
Distillery	32,649	26,070
Total	**1,44,878**	**1,54,227**

REVIEW OF OPERATIONS

On a standalone basis, your Company has achieved sales turnover of ₹ 1,44,878 Lakh for the financial year 2019-20 as compared to the turnover of ₹ 1,54,227 Lakh in the previous year a decrease of 6 % over previous year. On consolidated basis, the turnover in current year was ₹ 1,45,915 Lakh.

Global slowdown in the chemical markets affected the turnover of the chemical division. Its impact was very severe during Q4 of the current Financial Year, due to the restrictions imposed by various countries to control the spread of COVID-19 pandemic.

On a standalone basis, your company has reported profit after tax of ₹ 253 Lakh as against the profit of ₹ 218 Lakh (As per IND AS) in the previous financial year 2018-19. On consolidated basis, profit was ₹ 406 Lakh for the current year.

TRANSFER TO RESERVES:

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account.

DIVIDEND:

To strengthen the financial position of the Company and to augment working capital, your Directors do not recommend any dividend to the shareholders for the financial year ended 31st March, 2020.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors' state that:

a) In the preparation of the annual accounts for the year ended 31st March, 2020 the applicable accounting standards have been followed with no material departures;

b) Have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit and loss of the company for that period;

c) Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a "going concern" basis;

e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

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.

INDIAN SUGAR INDUSTRY OUTLOOK

Sugar Season (SS) 2019-20 (October -September) started with All India Opening stock of 148 Lakh MT as on 1st October 2019. Production during SS 2019-20 is expected to be 275 Lakh MT. This sugar production is approximately 55 Lakh MT less than the previous sugar season of 2018-19. It was due to the drought like conditions in Maharashtra and Karnataka till July 2019 followed by floods in August and September in South Maharashtra and North Karnataka region.

Domestic sugar consumption is expected to be 255 Lakh MT and sugar exports about 57 Lakh MT. Thus the expected sugar stock as of September 2020 would be about 110 lakh MT.

Indian Sugar Production, Supply and Distribution (Figure in Lakh MT)

(In Lakh tons)

Sugar Balance Sheet for Sugar Season	2019-20(E)	2018-19
Opening stock as on 1st October	148	107
Production during the season	275	330
Imports	0	0
Total Availability	423	437
Off-take for		
i) Internal Consumption	255	260
ii) Exports	57	30
Total off-take	312	290
Closing stock as on 30th September	111	143

Source: Indian Sugar Mills Association (ISMA) (E) - Estimated

Closing sugar stock as % of off-take is estimated to be at about 35 %. Sugar industry is facing the cost of carrying staggering sugar stocks which put pressure on the domestic sugar prices. Moreover, this trend of increased sugarcane production and sugar production is expected to continue for next 2-3 years until additional ethanol capacity comes on stream, which would consume the excess sugar production over the domestic consumption of sugar.

Policy Initiatives by Government of India

Against this backdrop of huge surplus of sugar in the domestic market, Government of India has taken following policy initiatives to deal with mismatch between demand and supply of sugar:

1. Maximum Admissible Export Quantity (MAEQ) scheme in order to export 6 million MT of sugar during SS 2019-20.
2. Monthly sugar sales quota for the sugar factories.
3. Minimum selling price for sugar.
4. Announcing aggressive Ethanol Blending Program (EBP) policy whereby sugar factories are encouraged to convert B Heavy molasses and sugarcane juice/ syrup into Ethanol and take surplus sugar out of the market.
5. Financial assistance scheme for sugar factories for establishing new distilleries or expansion of existing distilleries to increase the ethanol production in line with the EBP of the government.
6. Export subsidy of ₹ 10448/MT of actual export during season 2018-19.
7. Buffer stock of 40 lakh Mt for SS 2019-20

These measures have helped the Indian sugar industry to reduce the financial stress caused by high sugarcane price and excess sugarcane and sugar production.

Performance of Sameerwadi sugar factory during SS 2019-20

Maharashtra and North Karnataka regions were severely affected due to drought like situation till July, 2019 followed by flash floods in August/ September of 2019 which damaged the standing sugarcane crop in these areas. This reduced the sugarcane and sugar production in these areas by over 30%. Sugarcane crushing in Sameerwadi sugar factory, came down from 17.27 Lakh MT in Sugar

Season(SS) 2018-19 to 15.26 Lakh MT in SS 2019-20. This reduction in crushing coupled with reduction in Sugar Recovery from 11.92% to 11.10% , due to water starved standing cane, affected the performance of sugar factory, power plant as well as distillery, all located in Sameerwadi.

While the sugar production in the states of Maharashtra and Karnataka were lower due to the above reasons, State of Uttar Pradesh continued to increase its production on the back of improved sugarcane variety and favourable agro-climatic conditions. In view of excess sugar availability in the country and possibility of carrying high sugar inventory, Government of India announced a preferential price for ethanol based on sugarcane juice/syrup and B-Heavy molasses to be supplied to Oil Marketing Companies under EBP. Your company decided to convert part of sugar in the form of sugarcane syrup and B Heavy molasses into ethanol. This policy helped us in converting about 35% of equivalent sugar into ethanol during SS 2019-20.

We could achieve this with the help of expansion of distillery capacity at Sameerwadi from 2 lakh litres per day to 3.20 lakh litres per day. Distillery expansion project was commissioned during SS 2019-20. Your Company was, in fact, one of the very few Indian sugar companies who successfully converted sugarcane syrup into ethanol last season. We were one of the largest suppliers of ethanol from syrup to ethanol to oil marketing companies for blending with petrol.

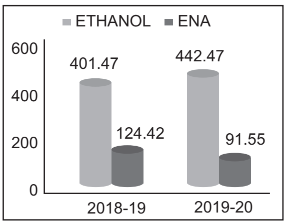
Apart from reducing net sugar production, it also helped in improving the cash flows due to higher sugar sales release orders and immediate ethanol sales based on sugar diverted for ethanol. This policy of ours has helped us in reducing our sugar inventory as on 31st March 2020. We are planning to continue with this policy in the SS 2019-20. In fact, we are implementing our ethanol expansion project, which will help us in further reducing the sugar inventory during the next year.

This policy would also help us in reducing the share of sugar in our total turnover and thus reduce the risks attached to the volatile sugar market.

In view of the above policy change, sugar sales reduced from ₹63,881 Lakh (FY 2019) to ₹ 62,664 Lakh (FY 2020). We met our sugar export obligation stipulated by Government under MIEQ Scheme for SS 2018-19 and MAEQ Scheme for SS 2019-20. Our sugar sales realisation per unit continued to be better in view of the wide acceptability of our sugar quality in different market segments including institutional customers, whole-sale trade, retail and Export market. We are planning to consolidate our position in these markets by adding new customers.

Jivana- Our Retail Brand:

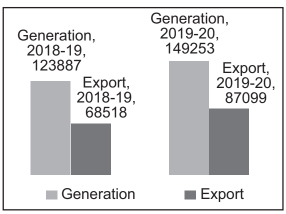
Company is selling sugar, brown sugar, jaggery, sugarcane concentrate, salt and turmeric under the brand name “Jivana”. We are aligning our marketing policies to help us to become more competitive.



DISTILLERY DIVISION:

Sameerwadi Distillery manufactures various grades of Ethanol. The distillery services requirement of various customers from Beverage industry, Fuel Ethanol industry, Pharmaceuticals and Flavour & Fragrance industry

The total sales of Distillery division for the year 2019-20 were ₹ 32,649 Lakh against last year's sale of ₹ 26,071 Lakh, an increase of 25% over previous year. This increase in sales was due to conversion of sugar into ethanol. Our distillery is one of the few Indian distilleries who successfully converted sugar syrup into ethanol and were the major suppliers to Oil Marketing Companies for blending with petrol. We plan to continue our policy of converting sugar into ethanol next year also. There would be an increase in production and turnover during the next financial year with an increase in distillery capacity from 320 KLPD to 400 KLPD.



COGENERATION/POWER DIVISION:

The total sales of Cogeneration division for the year 2019-20 were ₹ 4,147 Lakh against last year's sale of ₹ 3,356 Lakh i.e. an increase of 24% over previous year. The cogeneration division has generated 149253 Mwhr and Exported 87099 Mwhr in the current year as compared to the power Generation of 123887 and Exported 68518 Mwhr in the previous year.

Company sold its power to KPTCL under Power Purchase Agreement (PPA). Our bagasse savings was 1,38,365 MT in FY 2018-19 against 73,696 MT in FY 2019-20. Bagasse saving was lower due to additional steam supply to the distillery to run a new distillery of 120 KLPD.

CHEMICAL DIVISION:

Chemical division located at Sakarwadi in Maharashtra has recorded sales of ₹45,417 Lakhs for the FY 2019-20 against the previous year net sales of ₹ 60,920 Lakhs i.e. decrease in sales turnover of about 25%. This decrease is primarily on account of global slowdown and disruption during Quarter 4 (January- March) due to restrictions imposed by various countries to control the spread of COVID-19 pandemic. This affected the demand as well as movement of our products in international and domestic markets. We are also reviewing our strategy of marketing Ethyl Acetate, our main product, in view of the volatility in the international markets. This has reduced our exports of Ethyl Acetate. We expect the impact of COVID-19 related restrictions would continue to affect the business during the first six months of FY 2020-21.

However we remain optimistic about the long term view of Speciality chemicals identified for the growth of chemical division. We have applied for necessary Statutory Approvals which normally take 12-18 months. During the year under review, we have received the Terms of Reference (TOR) from Ministry of Environment and Forests (MOEF) for these chemicals at Sakarwadi and Sameerwadi sites in Karnataka. We have started taking effective steps as per TOR.

Sakarwadi site has been undertaking a bio-remediation program under guidance of Prof C. R. Babu, Professor Emeritus, Centre for Environment Management of Degraded Ecosystems (CEMDE), University of Delhi as per the directions of National Green Tribunal. The Chairman of CPCB (Central Pollution Control Board) had reviewed the progress made in the project and has acknowledged the progress made till date.

Reduction in Debt:

Your Company has been working on strategies to reduce the Debt to make it's Balance Sheet lighter. We therefore revisited our strategies regarding Sugar, ethanol and chemicals which substantially reduced our working capital utilisation. We also retired the high cost debt by raising equity. These measures resulted in reducing our total debt. As a result our interest burden reduced from ₹ 89 crores in 2018-19 to ₹ 68 crores in 2019-20. We are continuing with these strategies to further reduce and restructure our debt and reduce the interest burden to make the company financially lean and efficient.

With these new strategies in operations of the company of reducing exposure to the volatile sugar market, increasing the ethanol production and driving the growth of chemical division through specialty chemicals we are confident of achieving substantial improvement in the financial performance of the Company.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the financial year under review.

SUBSIDIARIES & ASSOCIATE COMPANIES

As on 31st March 2020, your Company had four (direct and indirect) subsidiaries (one in India and three overseas), the Company does not have any joint ventures companies and associate company.

i. **Solar Magic Private Limited (CIN: U01100MH1998PTC113856)**

The subsidiary is engaged in manufacturing of farm products and provides services to the farmers by way of sale and supply of fertilizers, irrigation facilities and other agriculture inputs.

ii. **Cayuga Investments B.V. (KVK NO: 34319213)**

The Subsidiary is engaged in investment activities. Cayuga has two following subsidiaries which are the Step Down Subsidiaries of Godavari Biorefineries Limited:

a. ***Godavari Biorefineries B.V., Netherlands (KVK NO : 34325188)***

The Step Down Subsidiary of GBL act as intermediaries, consultants to provide support services, penetrate European markets.

b. ***Godavari Biorefineries Inc., USA (EIN : 30-0546856)***

The Company carried on the business as intermediaries, consultants to provide support services, penetrates USA markets during the year.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, forms part of the Annual Report and are reflected in the consolidated financial statements of the Company. In compliance with section 129 of the Companies Act, 2013 a statement containing requisite details including financial highlights of the operation of all the subsidiaries in Form AOC-1 is annexed to this report.

MATERIAL CHANGES & COMMITMENTS

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of the Company other than those disclosed in this report. Based on the internal financial control framework and compliance systems established in the Company, the work performed by Statutory, Internal, Secretarial Auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and working effectively during financial year 2019-20.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

IMPACT OF COVID:

The impact of covid on the Company has been part of operations of division wise as mentioned above.

BOARD MEETINGS

During the financial year under review, five meetings of the Board of Directors were held, in accordance with the provisions of the Companies Act, 2013 and rules made thereunder, on 30th May, 2019, 24th July, 2019, 29th July, 2019, 27th September, 2019 and 24th December, 2019. The Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time. The maximum gap between any two Board Meetings was less than one Hundred and Twenty days. Particulars of Directors, their attendance at the Board Meetings held during the Financial Year 2019-20 are as under:

Name of the Director	Category of the Director	Number of Board Meetings held during the FY 2019-20	Number of Board Meetings attended during the FY 2019-20
Mr. Samir S. Somaiya DIN - 00295458	Chairman & Managing Director	5	5
Mr.Vinay V. Joshi DIN - 00300227	Executive Director	5	5
Dr. Preeti Singh Rawat DIN - 07154417	Non-Independent, Non-Executive	5	5
Mr. Werner Wutscher DIN - 06456562	Non-Independent, Non-Executive (Resigned w.e.f. 21.06.2019)	5	1
Mr. Kailash Pershad DIN - 00503603	Independent, Non-Executive	5	5
Mr. Jayendra Shah DIN - 00084759	Independent, Non-Executive	5	1
Mr. Mohan Somanathan DIN - 03184356	Director – Works (Sakarwadi Unit)	5	4
Mr. Uday Garg DIN - 03285941	Nominee Director Non-Executive	5	2
Prof. Lakshmi Kantam Mannepalli DIN- 07831607	Independent, Non- Executive Director	5	5
Mr. Bhalachandra Bakshi DIN: 03538688	Director – Works (Sameerwadi Unit)	5	5
Mr. Hemant Luthra DIN: 00231420	Additional Independent Director (Appointed w.e.f. 27th September, 2019)	5	2

DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the 64th Annual General Meeting (AGM) held on 27th September, 2019, the shareholders of the Company approved the following:

1. Re-appointment of Mr. Kailash Pershad and Mr. Jayendra Shah as an Independent Directors of the Company for a further term of five years w.e.f. 64th Annual General Meeting upto 69th Annual General meeting of the Company.
2. Re-appointment of Mr. Vinay V. Joshi as a Whole Time Director, designated as Executive Director by the Board, for a period of two years with effect from 1st April 2019 to 31st March 2021.
3. Re-appointment of Mr. S Mohan as a Whole Time Director, designated as Director (Works) Sakarwadi by the Board, for a period of three years with effect from 1st April 2019 to 31st March 2022.

The Board at its meeting held on 27th September, 2019 appointed Mr. Hemant Luthra as an Additional Director (Non-Executive & Independent). Mr. Sanjay Puri was appointed as an Additional Director (Non-Executive & Independent) w.e.f. 1st August, 2020 by the Board in its meeting held on 16th June, 2020. In terms of provision of Section 161 of the Companies Act, 2013, Mr. Hemant Luthra and Mr. Sanjay Puri would hold office up to the date of this Annual General Meeting and are eligible to be appointed as an Independent Non-Executive Director for a term of five years. Further, Pursuant to Section 160 of the Companies Act, 2013, and on the basis of recommendation of Nomination and Remuneration Committee, your Directors recommend the appointment of Mr. Hemant Luthra and Mr. Sanjay Puri as an Independent Directors for a term upto five consecutive years with effect from 65th Annual General Meeting and their period of office will not be liable to determination by retirement of directors by rotation. The Board is of the opinion that Mr. Hemant Luthra and Mr. Sanjay Puri, Independent Directors possesses requisite qualification, experience, expertise and holds high standards of integrity. The Company has received a Declaration of Independence under Section 149(7) of the Companies Act, 2013.

Pursuant to Section 196, 197 read with Schedule V to the Companies Act, 2013, and on the basis of the recommendation of Nomination and Remuneration Committee, subject to approval of the members of the ensuing Annual General Meeting, Dr. Sangeeta Srivastava was appointed as a Whole-time Director designated as Executive Director w.e.f. 1st August, 2020 for a period of three years by the Board at its Meeting held on 16th June, 2020.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Bhalachandra, R. Bakshi will retire by rotation at the 65th AGM and being eligible, has offered himself for re-appointment.

Mr. V. V. Joshi has expressed his desire to retire from his services. He has provided his services for over 43 years to the Company. The Board has, at its meeting held on 16th June, 2020 took note of his retirement as the Executive Director with effect from the end of the day on 30th September, 2020. The Board places on record the immense contributions made by Mr. Vinay V. Joshi to the growth of your Company.

Currently your Board comprises of twelve (12) Directors including five (5) Independent Non-Executive Directors, five (5) Executive Directors and two (2) Non-Executive Directors. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013. The Company's policy on appointment and remuneration of directors is available on https://www.somaiya.com/our-company-investor.

In compliance with the section 203 of the Companies Act, 2013, Mr. Samir S. Somaiya, Chairman & Managing Director, Mr. Naresh Khetan, Chief Financial Officer and Ms. Swarna S. Gunware, Company Secretary of the Company continue as Key Managerial Personnel of the Company.

DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors, have submitted a declaration that each of them meet the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year. In the opinion of the Board, the Independent Directors possess appropriate balance of skills, experience and knowledge, as required.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and of individual directors. In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole, performance of the Committee(s) of the Board and performance of the Chairman was evaluated, taking into account the views of other directors. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

BOARD COMMITTEES

In compliance with the requirements of Companies Act, 2013 your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

Audit Committee:

Currently the Audit Committee of the Board comprises of six (6) Members including Mr. Kailash Pershad, as Chairman, Prof. Lakshmi Kantam Mannepalli, Mr. Jayendra Shah, Mr. Uday Garg, Mr. Samir S. Somaiya and Mr. Hemant Luthra as its Members.

During the financial year under review, five meetings of the members of Committee were held on 30th May, 2019, 24th July, 2019, 29th July, 2019, 27th September, 2019 and 24th December, 2019.

Nomination & Remuneration Committee:

The Nomination and Remuneration Committee comprises of Mr. Kailash Pershad as Chairman, Mr. Uday Garg, Mr. Hemant Luthra, Prof. Lakshmi Kantam Mannepalli and Mr. Jayendra Shah as its Members.

During the year under review the Committee met twice on 30th May, 2019 and 27th September, 2019.

Stakeholders Relationship Committee:

The Stakeholders Relationship Committee comprises of Mr. Jayendra Shah, Chairman, Mr. Vinay V. Joshi and Mr. Mohan Somanathan, as its Members. During the year under review, no meeting was held of SRC Committee.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Prof. M. Lakshmi Kantam, Independent Director as Chairman, Mr. Jayendra Shah and Mr. S Mohan as its Members. During the year under review, the Committee met on 30th May, 2019.

SECRETARIAL STANDARD

The Company is in compliance with Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

VIGIL MECHANISM

As per section 177, Rule 7 of the Companies Act, 2013 a comprehensive Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of Conduct or ethics policy. This Policy safeguards whistleblowers from reprisals or victimization, (copy of which is uploaded on the website of the Company, https://www.somaiya.com/our-company-investor).

SHARE CAPITAL

The Authorised Capital of your Company is ₹ 60 Crores divided into 4,20,00,000 (Four Crores Twenty Lakhs) Equity Shares of 10 each and 18,00,000 (Eighteen Lakh) Preference Shares of ₹. 100 each. On March 31, 2020, the issued, subscribed and paid up share capital of your Company stood at ₹ 41,94,30,230 (Rupees Forty One Crores Ninety Four Lakhs Thirty Thousand Two Hundred Thirty Only) comprising 4,19,43,023 (Four Crores Nineteen Lakhs Forty Three Thousand and Twenty Three only) Equity shares of ₹ 10 each.

Further issue of Share Capital

During the year under review, your Company has come out with the fresh Right Issue of 36,23,549 equity shares of the face value of ₹10 each at a premium of ₹ 170 per share aggregating to ₹ 65.22 Crores and allotted 35,67,115 Equity Shares on right basis aggregating to ₹ 64.20 Crores.

DEPOSITS

Pursuant to section 73 of the Companies Act, 2013 read with Rule 2 (e) of Companies (Acceptance of Deposits) Rules, 2014 your Company has obtained consent of the members to accept Public Deposits at its Annual General Meeting held on 30th September, 2016 and started accepting the deposits after due compliance of the provisions laid down in the Act.

Your company continues to receive/renew the fixed deposits in accordance with Section 73 of the Companies Act, 2013 read with Rule 2 (e) of Companies (Acceptance of Deposits) Rules, 2014 mainly from the Cultivators who supply cane to the company, re-imposing the faith they have in the company, a relationship built over more than three decades of sustained business and the mutual trust between the cultivators and the management of the company.

The details of deposits covered under Chapter V of the Act are as under:

Balance at the beginning of the year	Deposit accepted during the year	Amount repaid during the year	Balance at the end of the year	Amount remaining with Company (Matured but Not Claimed)	Interest paid during the FY
31,04,00,000	13,44,30,000	8,15,65,000	36,32,65,000	1,70,95,000	3,89,43,056

There has been no default in repayment of deposits or payments of interest thereon during the year

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to conduct its business in a socially responsible, ethical and environmental friendly manner and to continuously work towards improving quality of life of the communities in its operational areas.

In compliance with the requirements of section 135 read with Schedule VII of the Companies Act 2013, the Board had constituted CSR Committee, which is responsible for fulfilling the CSR objectives of your Company comprising of Prof. M. Lakshmi Kantam, Independent Director as Chairman, Mr. Jayendra Shah and Mr. S Mohan as members.

A detailed note containing details of CSR activities carried out by Company is included in this Director Report.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. Details of contract/arrangement/transaction with related parties which are specified under the provisions of the Section 188(1) of the Companies Act, 2013 in form AOC-2 is annexed herewith as **Annexure I.**

For the details of all contracts/arrangements/transactions entered by the Company with related parties during the financial year, your Directors draw attention of the members to the notes to account which set out related party disclosures.

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

Information in accordance with the provisions of section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as Annexure II to this report.

RESEARCH AND DEVELOPMENT

Research & Development continues to be a strong backbone for the continuous innovation and business plans of your Company. It focuses on the key areas of:

i) New process development, exploring new value added products out of sugarcane biomass

ii) Continuous improvement in the existing processes for value creation and to achieve sustainable growth and

iii) Continuous improvement in the products quality as perceived by the customer

The detailed disclosure is annexed to this report as **Annexure II.**

AUDITORS' REPORT

The report of the Auditors read together with notes to accounts are self explanatory and hence do not call for any further information and explanation under section 134 of the Companies Act, 2013.

AUDITORS

Statutory Auditor: Pursuant to Section 139 of the Companies Act, 2013 and the rules made there under, the Company had appointed M/s Verma Mehta & Associates, Chartered Accountants, (Firm Registration No. 112118W) for a tenure of five years from the conclusion of 63rd Annual General Meeting till the conclusion of the 68th AGM, as Statutory Auditors of the Company at an Annual General Meeting held on 26th September, 2018. There has been no instance of fraud reported to the Audit Committee or Board by statutory auditors or secretarial auditor or cost auditor under section 143(12) during the financial year 2019-20.

Secretarial Auditor: During the year, Secretarial Audit was carried out by Mr. Tushar Shridharani, Practicing Company Secretary having Membership No. FCS 2690 and COP No. 2190 in compliance with section 204 of the Companies Act, 2013. The report of the Secretarial Audit is annexed to this report as Annexure III. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

Cost Auditors: As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has maintained required cost accounts and records and has been carrying out audit of cost records of the Company. In terms of the section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s. B.J.D Nanabhoy & Co., Cost Accountants as the Cost Auditors of the Company having Firm Registration No. 000011 to conduct the Cost Audit for the financial year 2020-21. The Cost Auditor has given a Certificate to the effect that the appointment, if made, will be within the prescribed limits specified under Section 141 of the Companies Act, 2013. Further the remuneration payable to the cost auditor is placed before the Members for their ratification. The Cost Audit Report for the financial year 2019-20 has been approved by the Board of Directors and no qualifications, reservations or adverse remarks made by the Cost Auditor in his report.

RISK MANAGEMENT

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by your Company. The Board has approved Risk Management Policy, which acts as an overarching statement of intent and establishes the guiding principles by which key risks are managed across the organization. The Board monitors and reviews the implementation of various aspects of the Risk Management Policy through a duly constituted Risk Management Committee (RMC).

Your Company's risk management policies are based on the philosophy of achieving substantial growth while mitigating and managing risks involved.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder including constitution of the Internal Committee. During the year under review no complaint on sexual harassment was received.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments by your Company to other bodies corporate or persons are given in notes to the financial statements.

PARTICULARS OF EMPLOYEES

The disclosures in terms of the provisions of section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with statement showing names and other particulars of the employees drawing remuneration in excess of the limits prescribed under the said rules is annexed to this report as Annexure IV.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT-9 as required under section 92(3) of the Act read with Companies (Management & Administration) Rules, 2014 is annexed to this report as Annexure V.

INTERNAL FINANCIAL CONTROLS & ITS ADEQUACY

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. Your Company has put in place an adequate system of internal financial control commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies. As a means to further strengthen the control environment, during the year, the processes were benchmarked with industry practices to identify the gaps, if any, and remedial measures were taken. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

The Audit Committee reviews adherence to internal control systems and internal audit reports.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the continued support and co-operation by the Government Authorities, Banks, Financial Institutions, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, the Stock Exchanges and Depositories, Sugarcane Growers, Suppliers, Customers, Investors and finally to all its members for the trust and confidence reposed on the Company.

The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their competence, dedication and contribution towards the operations of the Company.

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 10th September, 2020

Place: Mumbai

Godavari Biorefineries Ltd is doing activities for society on founder's philosophy "What we receive gives back multifold". These activities are carried out mainly in our area of operation in Karnataka and Maharashtra. The Company's CSR activities are focused on different sectors with main emphasis on promotion of education, health, gender equity and empowering women.

Promotion of Education:

<u>Help A Child To Study Project</u>: We started a project called "Help a child to Study" in 2001 through which we are extending scholarships and necessary assistance in form of laptops, text books, career guidance etc., to the needy and meritorious students. Most of the students provided with scholarship and other benefits are orphans, students with single parent, children of devadasi, children of alcoholic parents, children of daily wage labours etc. Few of our beneficiaries do not have even electricity and lives in huts. About 56% of our scholarship went to girl child. During the year we have sponsored 758 students and total scholarships provided from the year 2001 is 7800.

Scholarship Award Function:

Scholarship award ceremony for the beneficiary students was organized on 26th September, 2019 at Shri Shivalingeshwar Kalyanmantao, Sameerwadi. More than 500 students attended the event. They received the first installment scholarship cheque, text books and laptops for their projects / assignments.

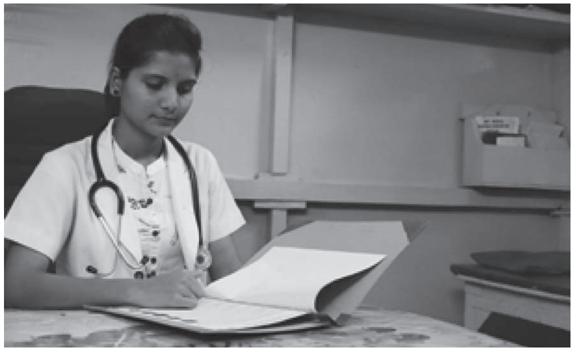
Mr. Ravi Chauhan handed over ₹1 lakh Scholarship cheque to one of the Medicine beneficiary student

Book Bank:

Help A Child provides more than 1000 text books of 11th and 12th Science, Arts, Commerce and CET books on returnable basis every year. Once the final exams are over, these books will be returned and again distributed to next batch students.

Ms. Sukhvinder Sircar awarding text books to one of the beneficiary student

Help A Child success story



Dr. Rekha Metri

Rekha is daughter of single parent. Her mother was a Devadasi and worked at a very less income as a daily wage labourer. Rekha has younger sister who is studying in second year B.Sc. and is also a beneficiary of help a child project. Till 10th grade, Rekha studied in Kannada medium school at her village and used to work with her mother and sister during holidays as daily wage labourers to support family and bore the school related expenses.

After getting a scholarship from Help A Child, Rekha completed her pre university course and Medicine in Ayurveda (B.A.M.S.).

Rekha now has emerged as a bright, confident and independent young lady who has risen above from the shackles of poverty and has educated herself to ensure that her family's future is also secured.

Flood relief kits

Few families of, help a child to study project beneficiary, were affected with 2019 floods caused due to river Krishna and Malaprabha in North Karnataka. These 36 families were provided with 20 different daily use materials such as rice,
Chili powder, Wheat flour, Turmeric powder, Sugar, Soya wadi, Kesarrava, Tea powder, Poha /Avalakki, Dettol soap, Edible oil, Detergent soap, Tur dal, Tooth paste, Groundnut, Tooth brush, Green gram, Hair oil, Salt, Sanitary pad, as required in the family.

Your Company supported flood affected victims of more than 68 villages located in Mudhol, Gokak and Jamakhandi taluks in North Karnataka with food grains, blankets and other assistance.

One of the flood affected beneficiary of the project receiving the kit

Carrier Counselling:

Workshops on personality development, resume writing, interview skills etc. were organized for final year degree students. These were organised to make the students aware about different job opportunities and courses available after degree as most of the students opting only few courses which is resulting into unemployment.

Supports to Somaiya Vidyavihar Schools:

Your Company supports 2 Marathi medium, 2 Kannada medium, 2 English medium and residential schools in Maharashtra and Karnataka. There are more than 4500 students in these schools, which are run by Somaiya Vidyavihar. Support is in the form of providing financial assistance for the basic facilities such as construction of new school buildings, libraries, science laboratories, indoor and outdoor playground developments, text books and computers to libraries, beautification with landscaping etc.

Library for rural Kannada schools

Early Childhood Education through Anganwadis (Pre-primary schools)

Early childhood education is an important step in rural development, as this gets young children, who know only local language being familiar with the language in which education is taught.

With a mission to provide nutritional value to under- privileged children in the age group of 0-6 years; we have joined hands with the State Government to support Anganwadi Project. We support Anganwadi Centers called SOMAIYA SHISUVIHAR in 14 different villages in Bagalkot and Belgaum districts of Karnataka for value based education to the kids of 3 to 5 years of age benefiting more than 400 and above kids every year. We provide teaching materials and toys, honorarium to volunteers, training to teachers as well as monitoring to ensure that classes are held regularly.

Students at Anganwadi centres (Pre-primary)

Women Empowerment/ Tailoring classes:

When women are empowered, it has a multiplying positive impact on the health and progress of their families and communities. We run tailoring centres in 18 different villages in Bagalkot and Belgaum Districts of Karnataka. Every year around 325 women in the age group of 15 to 30 learn the art of tailoring and get the opportunity to become self-employed and earn around ₹ 3000 per month. This allows them to take care of their children while supplementing the family income thus making a better life for them and their children.

Candidates at tailoring class

Annexure I

FORM NO. AOC 2

(Pursuant to clause (h) of subsection (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions not at Arm's length basis for the year ended 31st March, 2020.

2. Details of material contracts or arrangements or transactions at Arm's Length Basis

Sr. No	Name of the Related Party	Nature of Transaction	Nature of Relationship	Duration of Contract	Salient terms of the Contract	Date of Approval by the Board	Advance paid/ received for the Contract
1.	Filmedia Communications System Pvt. Ltd	Property on Leave and License	Director is a member	1 year	Leave and License for the period of 1 year	29.07.2019	Nil
2.	Somaiya Properties & Investments Pvt. Ltd.	Property on Leave and License	Director of the Company is director and member	1 year	Leave and License for the period of 1 year	27.09.2019	Nil
3.	Arpit Limited	Property on Leave and License	Group Company	1 year	Leave and License for the period of 1 year	27.09.2019	Nil
4.	Godavari Biorefineries INC.	Commission paid for sale of goods/ Liaisoning fees	Step Down Subsidiary Company	1 year	2 - 3% on FOB value or $ 20 – 25 Per MT.	29-07-2019	Nil
5.	Godavari Biorefineries B. V.	Commission / Sales / License / Re-imbursement / Liaisoning fees	Step Down Subsidiary Company	1 year	N.A.	29-07-2019	Nil
6.	The Book Centre Ltd.	Printing & art work of stationary and reports etc.	Group Company	1 year	As per PO issued, for each transaction	27.09.2019	Nil
7.	Arpit Ltd.	Sale of goods	Group Company	1 year	As per Term Agreed, for each transaction	27.09.2019	Nil
8.	Mr. Samir S. Somaiya	Purchase of goods	Chairman & Managing Director	1 year	As per FRP declared by Government / Cane price paid to sugar farmers whichever is higher	27.09.2019	Nil
9.	Ms. Harinakshi Somaiya	Purchase of goods	Sister of Mr. Samir S. Somaiya, CMD	1 year	As per FRP declared by Government / Cane price paid to sugar farmers whichever is higher	27.09.2019	Nil
10.	K.J. Somaiya & Sons Pvt. Ltd.	Royalty paid for use of Trademark	Director of the Company is a member	1 year	If turnover is upto 1000 Cr Royalty @ 0.1% on Sales, Above 1000 Cr And upto 2500 Cr, 0.075% on Sales	27.09.2019	Nil
11.	Filmedia Communications System Pvt. Ltd	Service Charges paid for manpower services	Director of the Company is a member	1 year	NA	27.09.2019	Nil

Sr. No	Name of the Related Party	Nature of Transaction	Nature of Relationship	Duration of Contract	Salient terms of the Contract	Date of Approval by the Board	Advance paid/ received for the Contract
12.	Solar Magic Pvt. Ltd.	Unsecured Loans and Corporate Guarantee	Wholly owned Subsidiary Company	1 year	NA	29.07.2019	Nil
13.	Solar Magic Pvt. Ltd.	Purchase of goods	Wholly owned Subsidiary Company	1 year	As per PO issued, for each transaction	29.07.2019	Nil
14.	Solar Magic Pvt. Ltd.	Interest income Received	Wholly owned Subsidiary Company	1 year	Interest Received	29.07.2019	7-8% per annum
15.	Design Craft [Division of Somaiya Agencies Pvt. Ltd. (SAPL)]	Purchase of Gift Articles and Books	Director of the Company is a Director	1 year	As per Maximum Retail Price	27.09.2019	Nil
16.	Zenith Commercial Agency Pvt. Ltd. (Gayatri Salt Works)	Purchase of Salt	Director of the Company is a Member	1 year	As per PO issued, for each transaction	27.09.2019	Nil
17.	K. J. Somaiya Institute of Applied Agricultural Research	Purchase of Seeds etc.	Society	1 year	NA	29.07.2019	Nil
18.	K. J. Somaiya Institute of Applied Agricultural Research	Contribution/ Donation	Society	1 year	NA	29.07.2019	Nil
19.	Somaiya Vidyavihar / Somaiya Medical Trust	Donation/ Contribution part of CSR	Director of the Company is a Trustee	1 year	NA	27.09.2019	Nil
20.	Mr. Samir Somaiya	Sale of Goods	Chairman & Managing Director	1 year	NA	27.09.2019	Nil
21.	Somaiya Vidyavihar	Consultancy	Associate	N.A.	Nil	27.09.2019	Nil
22.	Arpit Ltd.	Purchases	Group Company	NA	Arm's Length Price	24.12.2019	Nil

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 10th September, 2020

Place: Mumbai

Annexure II

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under section 134(3)(m) of Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. Conservation of energy:

1. Steps taken for conservation of energy:

The Company has taken various steps towards energy conservation. The Company continues to give high priority to the conservation of energy on an ongoing basis. Some of the important measures taken are:

- Sugar & Distillery Division (Sameerwadi): Energy Conversation 2019-20

Sr. No.	Description of Energy conservation Implemented	Remarks/Result
1	**RJ/SJ/CJ VFD Implementation in BH-1:** • As previously, we were using star-delta starter in Raw juice(RJ)/Sulphur Juice(SJ)/Clear Juice(CJ) in BH-1 section to control the juice transfer • VFD to RJ, SJ each and two VFDs to CJ were installed	• Energy saving /day : 3360 kWh & 1,10,880 kWh in the Season
2	**VFD Installation in Conti mass pump & grain pump in BH-1:** • As previously, we were using dynodrive in Conti mass pump & grain pump in BH-1 section to control the power consumption. • VFDs are been installing to various pumps in phase wise	• Energy saving /day : 1008 kWh & 31,104 kWh in a year (360 days)
3	• Street Lights of conventional low efficiency Mercury Vapor Lamps - 24 Nos replaced with energy saving LED Lamps.	• Energy saving of 1008 kWh/day & 3,69,600 kWh in the Season
4	• Process Plant area Lightings of with low efficiency Sodium Lamps - 50 Nos replaced with energy saving LED Lamps.	• Energy saving of 78.8 kWh/day & 23,625 kWh in the Season

- The utilizing alternate source of energy for the Boiler:
  - ✓ Using distillery spent wash as fuel to Boiler to generate 52,000 MT Steam, which has generated the power of 5,200MW

- Chemical Division: Energy Conversation 2019-20

Sr. No.	Description of Energy conservation Implemented	Remarks/Result
1	• Conventional low efficiency lamps were replaced with energy saving LEDs	• Energy saving of 9,600 kWh /Year.
2	• Converting Solar energy by installing solar panels on the roof of DCS room of MPO Plant.	• Energy generated 10,965 kWh /Year.
3	• Solar panels installed at Administrative block	• **Energy generated 9,500 kWh /Year.**
4	• Old 400 TR VAM Chiller along with 100 TR Sanyo (high steam consumption) is replaced with new electrical driven energy efficient Chiller.	
5	• Replacement of Low efficient pump (10UP of EAP-140TPD) with New efficient pump.	

- The steps taken by the company for utilizing alternate source of energy:

✓ Converting Solar energy by installing solar on the roof of DCS room of MPO Plant & Administrative Block, which has generated 20,465 kWh/Year.

A. Technology Absorption:

1. Efforts made towards technology absorption:

Your Company is pursuing Research & Development (R&D) activities in the following broad areas:

1. Biomass based bio refining
2. Acetaldehyde chemistry
3. Fermentation of sugars
4. Polymers
5. Cane
6. Other value added products (Potash)
7. Operational excellence by increasing the throughput (Ethyl Lactate production).
8. A new area being explored by R&D is developing bio-composite from Sugar cane bagasse and natural resin.

Specific process developed during the period.

1. On biorefining - Hemicellulose purification was successfully achieved and process was finalized with fine-tuning of pre-treatment step. In addition, we have shown confidence to run successful demonstration at higher / pilot scale trials.
2. A Green Process was developed for the production of paraldehyde using heterogeneous catalyst is successfully implemented at commercial scale.
3. Biotransformation was done for the production of organic acids as well as various strains were identified to produce organic acids by fermentation.
4. After thorough screening of 55 molecules, three backup molecules namely SBGBL-09, SBGBL-34 and MSP008-22-35-01 were finally selected to take forward for initial pre-clinical and efficacy testing.
5. 11 number of New MSP derivatives produced and submitted for biological activity (Anticancer activity) with HPLC Purity more than 98%, process was optimized for scale-up of 3 number of MSP derivatives.
6. Process for extracting Potash from Boiler Fly Ash was evaluated and demonstrated on pilot scale.
7. Process development for recycle of polylactic acid in production of Ethyl Lactate, in which recycled polylactic acid is directly converts to Ethyl Lactate by alcoholysis (reaction of polylactic acid with ethanol) reaction.
8. Developed various bio-composite panels using different by-products of Sugar and Chemical Divisions, pilot plant was designed, erection and commissioning was for the plant was successfully completed.

Benefits derived as a result of above R&D:

1. Improved process for paraldehyde production was developed using heterogeneous catalyst in order to avoid the mineral acid as catalyst.
2. Developing many new molecules and analogues of its lead molecule that can extend life of cancer patients where current medications are insufficient.
3. New end applications for Biocomposite derived from renewable raw materials, are under development. Globally established market players are in touch with us exploring possible design permutation & combinations aligned to the Biocomposite properties.
4. Consumption norms of the raw-material improved during the production of ethyl lactate.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – NA

4. Expenditure incurred on Research and Development:

(₹ in Lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
A) Capital	172.88	32.11
b) Recurring	999.57	1,229.37
Total	**1172.45**	**1,261.48**

A. Foreign Exchange earnings and outgo:

(₹ in Lakhs)

For the year ended	Year ended March 31, 2020	Year ended March 31, 2019
Foreign exchange earned in terms of actual inflows	25,945.54	37,179.86
Foreign exchange outgo in terms of actual outflows	23,905.78	34,458.46

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 10th September, 2020

Place: Mumbai

Annexure III

Secretarial Audit Report

For the Financial Year ended on 31st March 2020

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

To

The Members -
Godavari Biorefineries Limited
Somaiya Bhavan, 45/47
Mahatma Gandhi Road, Fort
Mumbai – 400 001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godavari Biorefineries Limited **("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 period covering the financial year ended on 31st March, 2020 **("Audit Period")** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company to the extent applicable for the financial year ended on 31st March, 2020 according to the provisions of:

1. The Companies Act, 2013 **("the Act")** and the rules made thereunder;
2. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to the Foreign Direct Investment;
3. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2016 to the extent applicable to debt listing;
4. Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent applicable. Having regard to the compliance system prevailing, on examination of the relevant documents on a test check basis, explanations provided; I further report that the Company has complied with the following laws applicable specifically to the Company.

1. Essential Commodities Act, 1955
2. Sugar (Control) Order, 1966
3. The Karnataka Sugarcane (Regulation of Purchase and Supply) Act, 2013
4. Sugarcane (Control) Order, 1966
5. Sugar (Packing and Marking) Order, 1970
6. Sugar Cess Act, 1982
7. Sugar Development Fund Act, 1982
8. The Karnataka Sugar (Regulation of Production) Order, 1975
9. Food Safety and Standard Act, 2006
10. Export (Quality Control and Inspection) Act, 1963
11. Agriculture and Processed Food Products Exports Act, 1986
12. Karnataka Land Reforms Act, 1974
13. Minimum Wages Act, 1948 as applicable to Sugar Industry
14. Indian Electricity Act, 1910
15. Indian Electricity Rules, 1956
16. The Electricity Regulatory Commission Act 1998
17. The Electricity Act, 2015
18. The Electricity Supply Act, 1948
19. The Electricity Tax Amendment Act, 1959
20. The Electricity Tax Amendment Act, 2013
21. Karnataka Excise (Distillery and Warehouse) Rules, 1967
22. Licensing related regulation of Petroleum and Explosives Safety Organisation as applicable for manufacturing and storing Ethyl Alcohol
23. Petroleum Act, 1934
24. Petroleum Rules, 2002
25. The Poisons Act, 1919

I report that during the Audit Period; the following Acts, Rules, Regulations etc.were not applicable to the Company.

(i) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

(ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as applicable to securities other than debt listing;

(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; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

I further report that:

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

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

During the Audit Period, all decisions, except a few, at Board Meetings and Committee Meetings of the Company were carried with unanimous consents and the fact of the dissent and the name of the Director who dissented from the Resolution or abstained from voting thereon have been noted in minutes of the meetings as and when decisions at such meetings were not unanimously taken.

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.

I further report that during the Audit Period the Company had no specific event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

(Tushar Shridharani)
Practicing Company Secretary
FCS: 2690 / COP: 2190

Place: Mumbai
Date: 26th August, 2020
UDIN: F002690B000607437

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

Annexure A

To,

The Members -
Godavari Biorefineries Limited
Somaiya Bhavan, 45/47
Mahatma Gandhi Road, Fort
Mumbai – 400 001

This letter is an integral part of the Secretarial Audit Report of even date for F.Y. 2019-20 submitted to the Godavari Biorefineries Limited **("the Company")** in pursuance of provisions of section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Members of the Company are informed as follow.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to the Company is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the present Secretarial Audit Report.
2. Maintenance of the secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the examination of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. I believe that the processes and practices that I followed, provide a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, I have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

(Tushar Shridharani)
Practicing Company Secretary
FCS: 2690 / COP: 2190
Place: Mumbai
Date: 26th August, 2020

Annexure IV

Particulars of Remuneration of Employees

(Pursuant to section 197 read with Rule 5 of Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014)

A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the FY 2019-20 as well as the percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary is as under:

Sr. No.	Name of the Director/ Key Managerial Personnel*	Remuneration (in ₹)	% increase in Remuneration	Ratio of Directors Remuneration to Median Remuneration
1.	Mr. Samir Somaiya (CMD)	2,30,42,100	10%	70.12
2.	Mr. Vinay Joshi (ED)	91,53,762	15%	27.86
3.	Mr. S.N. Bableshwar (WTD)	**5,44,839	-	1.38
4.	Mr. Mohan Somanathan (WTD)	46,78,847	12%	14.24
5.	Mr Bhalachandra Bakshi (WTD)	40,28,460	29%	10.22
6.	Mr. Naresh Khetan (CFO)	76,14,323	15%	23.17
7.	Ms. Swarna Gunware (CS)	10,26,782	12%	3.12

**Non – Executive Directors were paid sitting fees for attending meetings.*

*** Comprises of retirement benefits*

B. Percentage increase in the median remuneration of employees in the FY 2019-20: 1.11%

C. Number of permanent employees on the rolls of the Company as on 31st March, 2020: 1,475

D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration : NIL

E. Affirmation: It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

For on and behalf of the Board of Directors

Date: 10th September, 2020
Place: Mumbai

Samir S. Somaiya
Chairman and Managing Director
DIN-00295458

(A) EMPLOYED THROUGHOUT THE PERIOD AND RECEIPT OF REMUNERATION IN THE AGGREGATE OF NOT LESS THAN ₹102 LAKHS PER ANNUM.

(₹ in lakhs)

Name of the Employee	Designation and Nature of Duties	Remuneration Received (₹ in lacs)	Nature of the Employment whether contractual or otherwise	Qualifications and Experience of the Employee before joining	Date of Commencement of Employment of the Company	Age	Last Employment held by such Employee
Samir S. Somaiya	Chairman & Managing Director	230.42	Contractual	B.S. Chemical Engineering, Cornell M. Chemical Engineering, Cornell MBA, Cornell MPA, Harvard 23 years of experience.	29th September, 2009	52 years	Somaiya Organo Chemicals Limited, Director

(B) EMPLOYEES OF THE COMPANY WHO WERE EMPLOYED PART OF THE YEAR UNDER REVIEW AND WERE IN RECEIPT OF REMUNERATION FOR THAT YEAR IN THE AGGREGATE OF NOT LESS THAN ₹ 8.5 LAKH PER MONTH: NIL

NOTES : Remuneration received as shown in the statement includes Salary, Bonus, Commission, Leave Encashment, House Rent Allowance or value for perquisites for accommodation, motor car perquisite and other allowance like contribution to provident fund and superannuation Fund, Gratuity, Leave Travel Facility and Reimbursement of Medical Expenses as applicable

For on and behalf of the Board of Directors

Date: 10th September, 2020
Place: Mumbai

Samir S. Somaiya
Chairman and Managing Director
DIN-00295458

Annexure V

Extract of Annual Return

as on the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS:

i.	**CIN**	U67120MH1956PLC009707
ii.	**Registration date**	12th January, 1956
iii.	**Name of the Company**	Godavari Biorefineries Limited
iv.	**Category / Sub-Category of the Company**	Public Company/ Company Limited by Shares
v.	**Address of the Registered Office & Contact Details**	Somaiya Bhavan, 45/47, Mahatma Gandhi Road, Fort, Mumbai- 400001
vi.	**Whether listed or unlisted**	Unlisted
vii.	**Name, Address and Contact details of Registrar Transfer Agent**	Link Intime India Private Limited C – 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083 Tel: 022- 4918 6000 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Sugar	1072	41.15%
2.	Ethyl Acetate	20116	18.81 %

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

NAME & ADDRESS OF THE COMPANY	CIN	HOLDING / SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
Solar Magic Pvt. Ltd Somaiya Bhavan, 45/47, M. G. Road, Fort, Mumbai- 400001	U51900MH1998PTC113856	Subsidiary	100%	2(87)
Cayuga Investments B.V Hoofdweg 640, 2C-5, 2nd Floor, 2132 MK - Hoofddorp, The Netherlands.	KVK No 34319213	Subsidiary	100%	2(87)
Godavari Biorefineries B.V., Hoofdweg 640, 2C-5, 2nd Floor, 2132 MK - Hoofddorp, The Netherlands.	KVK No: 34325188	Step-Down Subsidiary of Cayuga Investments B.V.	100%	2(87)
Godavari Biorefineries Inc., 103 Carnegie Centre Dr, Suite 300, #369, Princeton, NJ 08540	EIN No. 30-0546856	Step-Down Subsidiary of Cayuga Investments B.V.	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the Beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	45,76,865	1,49,950	47,26,815	12.317	61,71,161	0	61,71,161	14.71	-2.40
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	2,06,96,529	43,95,920	2,50,92,449	65.386	2,74,55,643	0	2,74,55,643	65.46	-0.07
	Sub Total (A) (1)	**2,52,73,394**	**45,45,870**	**2,98,19,264**	**77.703**	**3,36,26,804**	**0**	**3,36,26,804**	**80.17**	**-2.47**
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Sub Total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**2,52,73,394**	**45,45,870**	**2,98,19,264**	**77.703**	**3,36,26,804**	**0**	**3,36,26,804**	**80.17**	**-2.47**
(B)	**Public Shareholding**									
[1]	**Institutions**									
(a)	Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(f)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(g)	Insurance Companies	0	0	0	0	0	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
[2]	**Central Government/ State Government(s)/ President of India**									
	Sub Total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Sr No	Category of Shareholders	Shareholding at the Beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[3]	**Non-Institutions**									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh.	3,210	23,01,026	23,04,236	6.00	1,24,806	21,80,258	23,05,064	5.50	0.51
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	11,45,925	11,45,925	2.99	4,71,677	4,16,100	8,87,777	2.12	0.87
(b)	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0.00
(e)	Any Other (Specify)									
	Foreign Companies	49,26,983	0	49,26,983	12.84	49,26,983	-	49,26,983	11.75	1.09
	Bodies Corporate	0	1,79,500	1,79,500	0.47	1,96,395	-	1,96,395	0.47	0.00
	Sub Total (B)(3)	**49,30,193**	**36,26,451**	**85,56,644**	**22**	**57,19,861**	**25,96,358**	**83,16,219**	**20**	**2**
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	**49,30,193**	**36,26,451**	**85,56,644**	**22.30**	**57,19,861**	**25,96,358**	**83,16,219**	**19.83**	**2.47**
	Total (A)+(B)	**3,02,03,587**	**81,72,321**	**3,83,75,908**	**100.00**	**3,93,46,665**	**25,96,358**	**4,19,43,023**	**100.00**	**0.00**
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0.00
	Total (A)+(B)+(C)	**3,02,03,587**	**81,72,321**	**3,83,75,908**	**100.00**	**3,93,46,665**	**25,96,358**	**4,19,43,023**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sr. No.	Shareholder’s Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Somaiya Properties and Investments Pvt. Ltd.	1,20,000	0.31	-	1,31,295	0.31	-	0.00
2	Sindhur Construction Pvt. Ltd.	26,81,120	6.99	-	29,33,461	6.99	-	0.01
3	Arpit Limited	86,000	0.22	-	86,000	0.21	-	-0.02
4	Filmedia Communication Systems Pvt. Ltd.	7,09,000	1.85	-	7,75,730	1.85	-	0.00
5	K.J. Somaiya and Sons Pvt. Ltd.	5,44,850	1.42	-	5,96,131	1.42	-	0.00
6	Karnataka Organic Chemicals Pvt. Ltd.	2,50,000	0.65	-	2,73,530	0.65	-	0.00
7	Somaiya Agencies Pvt. Ltd.	85,49,965	22.28	-	93,54,668	22.30	-	0.02
8	Somaiya Chemicals Industries Pvt. Ltd.	20,800	0.05	-	20,800	0.05	-	-0.00
9	Zenith Commercial Agencies Pvt. Ltd.	8,52,000	2.22	-	9,32,189	2.22	-	0.00
10	Lakshmiwadi Mines & Minerals Pvt. Ltd	52,30,762	13.63	-	57,20,717	13.64	-	0.01
11	Sakarwadi Trading Company Pvt. Ltd	54,85,552	14.29	-	60,15,790	14.34	-	0.05
12	Jasmine Trading Co. Pvt. Ltd.	5,62,400	1.47	-	6,15,332	1.47	-	0.00
13	Shri Samir S. Somaiya Karta of S K Somaiya HUF.	1,49,950	0.39	-	1,49,950	0.36	-	-0.03
14	Shri Samir Shantilal Somaiya	45,76,865	11.93	-	60,21,211	14.36	-	2.43
	Total	**2,98,19,264**	**77.70**	**-**	**3,36,26,804**	**80.17**	**-**	

(iii) Change in Promoters’ Shareholding

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No.of shares held	% of total shares of the company	Date of transaction	No. of shares	No. of shares held	% of total shares of the company
1	Somaiya Agencies Private Limited	85,49,965	22.28			85,49,965	22.28
	Allotment			29th July, 2019	8,04,703	93,54,668	22.94
	At the end of the year					93,54,668	22.30
2	Samir Shantilal Somaiya	45,76,865	11.93			45,76,865	10.9121
	Allotment			29th July, 2019	4,30,763	50,07,628	12.28
	Allotment			30th August, 2019	4,85,903	54,93,531	13.10
	Transmission			27th December 2019	5,27,680	60,21,211	14.36
	At the end of the year					60,21,211	14.36
3	Sakarwadi Trading Company Private Limited	54,85,552	14.29			54,85,552	13.0786
	Allotment			29th July, 2019	5,16,288	60,01,840	14.72
	Transfer			10th January 2020	7,400	60,09,240	14.33
	Transfer			24th January 2020	6,550	60,15,790	14.34
	At the end of the year					60,15,790	14.34
4	Lakshmiwadi Mines and Minerals Private Limited	52,30,762	13.63			52,05,762	12.4115
	Allotment			29th July, 2019	4,89,955	57,20,717	14.03
	At the end of the year					57,20,717	13.64
5	Sindhur Construction Pvt Ltd	26,81,120	6.99			0	0.0000
	Allotment			30th August, 2019	2,52,341	29,33,461	7.00
	At the end of the year					29,33,461	6.99
6	Zenith Commercial Agencies Pvt Ltd	8,52,000	2.22			0	0.0000
	Allotment			30th August, 2019	80,189	9,32,189	2.22
	At the end of the year					9,32,189	2.22
7	Filmedia Communication Systems Private Limited	7,09,000	1.85			0	0.0000
	Allotment			30th August, 2019	66,730	7,75,730	1.85
	At the end of the year					7,75,730	1.85
8	Jasmine Trading Company Private Limited	5,62,400	1.47			5,62,400	1.3409
	Allotment			29th July, 2019	52,932	6,15,332	1.51
	At the end of the year					6,15,332	1.47
9	K J Somaiya and Sons Private Limited	54,485	1.42			5,02,850	1.1989
	Allotment			29th July, 2019	47,328	5,92,178	1.45
	Allotment			30th August, 2019	3,953	5,96,131	1.42
	At the end of the year					5,96,131	1.42
10	Karnataka Organic Chemicals Pvt Ltd	2,50,000	0.65			2,50,000	0.5960
	Allotment			29th July, 2019	23,530	2,73,530	0.67
	At the end of the year					2,73,530	0.65
11	Somaiya Properties and Investments Private Limited	1,20,000	0.31			1,20,000	0.31
	Allotment			29th July, 2019	11,295	1,31,295	0.32
	At the end of the year					1,31,295	0.31
12	Arpit Limited	86,000	0.22			86,000	0.21
	At the end of the year					86,000	0.2050
13	Somaiya Chemical Industries Private Limited	20,800	0.05			20,800	0.05
	At the end of the year					20,800	0.05

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No.of shares held	% of total shares of the company	Date of transaction	No. of shares	No. of shares held	% of total shares of the company
14	Sindhur Construction Pvt.ltd.	26,81,120	6.99			26,81,120	6.99
	Allotment			30th August, 2019	2,52,341	29,33,461	7.00
	At the end of the year					29,33,461	6.99
15	Zenith Commercial Agencies Pvt. Ltd.	8,52,000	2.22			8,52,000	2.22
	Allotment			30th August, 2019	80,189	9,32,189	2.22
	At the end of the year					9,32,189	2.22
16	Filmedia Communication Systems Pvt. Ltd.	7,09,000	1.85	-	-	7,09,000	1.85
	Allotment					7,75,730	1.85
17	Shri Samir .S. Somaiya (Karta of HUF)	1,49,950	0.39	-	-	1,49,950	0.36
	At the end of the year					1,49,950	0.36
18	Arpit Limited	86,000	0.22			86,000	0.21
	At the end of the year					86,000	0.21
19	K. J. Somaiya & Sons Pvt. Ltd.	5,44,850	1.42			5,44,850	1.42
	Allotment			29th July, 2019	47,328	5,92,178	1.45
	Allotment			30th August, 2019	3,953	5,96,131	1.42
	At the end of the year					5,96,131	1.42
20	Lakshmiwadi Mines & Minerals Pvt. Ltd.	52,30,762	13.63			52,30,762	13.63
	Allotment			29th July, 2019	4,89,955	57,20,717	14.03
	At the end of the year					57,20,717	13.64
21	Somaiya Chemical Industries Pvt. Ltd.	20,800	0.05	-	-	20,800	0.05
	At the end of the year					20,800	0.05

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No.of shares held	% of total shares of the company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1	Mandala Capital AG Limited	49,26,983	12.84	-	-	0	0
	At the end of the year			-	-	49,26,983	11.75
2	Dr S K Somaiya(Harinakshi Somaiya Trust)	3,00,000	0.78	-	-	0	0
	At the end of the year			-	-	3,00,000	0.72
4	Pankajbhai Vitthalbhai Patel	23,510	0.06	-	-	23,510	0.06
	Allotment			29th July, 2019	2,213	25,723	0.06
	Allotment			30th August, 2019	1,19,287	1,45,010	0.35
	At the end of the year					1,45,010	0.35
5	Ankit Raj Organo Chemicals Ltd	1,12,500	0.29			1,12,500	0.29
	Allotment			29th July, 2019	10,589	1,23,089	0.29
	At the end of the year					1,23,089	0.29
6	Alkaben Vinubhai Patel	21,785	0.056			21,785	0.06
	Allotment			30th August, 2019	68,415	90,200	0.22
	At the end of the year					90,200	0.22
7	Upendra V. Mithani	68,750	0.18	-	-	68,750	0.18
	Allotment			29th July, 2019	6,471	75,221	0.18
	At the end of the year					75,221	0.18

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No.of shares held	% of total shares of the company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
8	The Book Centre Limited	67,000	0.17			67,000	0.17
	Allotment			30th August, 2019	6,306	73,306	0.17
	At the end of the year					73,306	0.17
9	Vijay V. Mithani	66,250	0.17			66,250	0.17
	Allotment			29th July, 2019	6,236	72,486	0.17
	At the end of the year					72,486	0.17
10	Mrunalini Murlidhar Khairnar	10	0.00	-	-	10	0.00
	Allotment			30th August, 2019	37,500	37,510	0.09
	At the end of the year					37,510	0.09

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 4,19,43,023 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase / Decrease in Promoters Shareholding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Shri. Samir Shantilal Somaiya	45,76,865	11.93	60,21,211	14.36	4,30,763 Equity Shares of ₹ 10 each were allotted on 29th July 2019 at a Premium of ₹ 170 per Equity Share. 4,85,903 Equity Shares of ₹ 10 each were allotted on 30th August 2019 at a Premium of ₹ 170 per Equity Share. 5,27,680 Equity Shares of ₹ 10 each were transmitted on 27th December, 2019	60,21,211	14.36
2	Shri B R Bakshi	60	0	60	0	-	60	0
3	Shri Naresh Khetan	300	0	350	0	50 Equity Shares of ₹ 10 each were allotted on 30th August 2019 at a Premium of ₹ 170 per Equity Share.	350	0
4	Dr. Sangeeta Srivastava	100	0	100	0	-	100	0

V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	40,440	34,432	3,109	77,980
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,575	1,342	28	3,944
Total (i+ii+iii)	**43,013**	**35,774**	**3,137**	**81,924**
Change in Indebtedness during the financial year				
Addition				
Principal Amount	21,900	4,100	1,344	27,344
Interest accrued but not due	392	2,849	187	3,428

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
· Reduction				
Principal Amount	(31,315)	(13,271)	(821)	(45,406)
Interest Paid	(2,133)	(3,836)	(150)	(6,118)
Net Change	**(11,156)**	**(10,158)**	**561**	**(20,752)**
Indebtedness at the end of the financial year				
i) Principal Amount	31,025	25,261	3,633	59,918
ii) Interest due but not paid				-
iii) Interest accrued but not due	834	355	66	1,255
Total (i+ii+iii)	**31,859**	**25,616**	**3,699**	**61,173**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration To Managing Director, Whole-Time Directors and / or Manager:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Chairman and Managing Director	Whole Time Director	Whole Time Director	Whole Time Director	Total Amount
		Shri S.S. Somaiya	Shri V.V. Joshi	Shri B.R Bakshi	Shri S. Mohan	
1	Gross salary					
	*(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,04,33,600	79,57,634	40,28,658	40,17,373	3,64,37,265
	**(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11,15,580	5,48,138	-	3,27,719	19,91,437
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- Others, specify...	-	-	-	-	-
5	Contribution to PF	15,32,520	7,37,580	21,600	3,33,755	26,25,455
	Total (A)	**2,30,81,700**	**92,43,352**	**40,50,258**	**46,78,847**	**4,10,54,157**
	Ceiling as per the Act	Ceiling as per section II of Part II of Schedule V of the Companies Act, 2013				

B. Remuneration To Other Directors:

(Amount in ₹)

Particulars of Remuneration	Name of the Director						
	Kailash Pershad	Jayendra Shah	Preeti Singh Rawat	Mandala Capital	Lakshmi Kantam	Werner Wutscher	Hemant Luthra
Fees for attending Board/Committee meetings	4,20,000	1,75,000	2,10,000	2,80,000	5,60,000	35,000	70,000
Commission	-	-	-	-	-	-	
Others, please specify	-	-	-	-	-	-	
TOTAL							
Overall Ceiling as per the Act	The Company may pay sitting fees to the Directors for attending Board / Committee meetings as may be decided by the Board of Director. The Board has fixed ₹ 35,000/- including Service Tax as sitting fees for Board/ Committee meetings.						

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
1	Gross salary			
	*(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,60,230	70,66,545	80,26,775
	**(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,768	2,18,784	2,40,552
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- Others, specify...	-	-	-
5	Contribution to PF	44,784	3,68,594	4,13,378
	Total (A)	**10,26,782**	**76,53,923**	**86,80,705**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 10th September, 2020
Place: Mumbai

Auditors' Report

To the Members of Godavari Biorefineries Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Godavari Biorefineries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

<table>
<tr><th>Sr. No.</th><th colspan="3">Key Audit Matters</th><th>How the matter was addressed in our audit</th></tr>
<tr><td rowspan="10">1.</td><td colspan="3">Assistance receivable from government (Refer note 43 of the Standalone Financial Statements)</td><td></td></tr>
<tr><td colspan="3">During the current financial year, Central Government vide notification No. 1(14)/2019-S.P.-I. dated 12th September 2019, notified an assistance of ₹ 10,448/MT to Sugar Mills on costs to be incurred on export of sugar, subject to export of Maximum Admissible Export Quantity (MAEQ) allotted for sugar season 2019-2020 upto 30th September 2020. The Company has been allotted quota of 39,896 MT for the sugar season 2019-2020.</td><td rowspan="9">1. Obtained an understanding of the matter from the management.
2. Examined the following :
a) The quantities of Closing Stocks of sugar from the accounting records.
b) Export Orders in hand for export of sugar upto 30th Sep 2020.
c) Arithmetical accuracy of the assistance recognized by the Company and evaluated the compliance with the eligibility criteria.
Based on the above procedures performed, we noted that the Management assessment of accounting the Assistance Claim during the year is reasonable.</td></tr>
<tr><td colspan="3">The company has achieved the following against the allotted quota:</td></tr>
<tr><td>Particulars :</td><td>October-19 to March-20</td><td>October-19 to July-20</td></tr>
<tr><td>Required Quota</td><td>39,896 MT</td><td>39,896 MT</td></tr>
<tr><td>Completed Qty.</td><td>17,893 MT</td><td>37,482 MT</td></tr>
<tr><td>% Completion against the required quota</td><td>44.85%</td><td>93.95%</td></tr>
<tr><td colspan="3">The Company has exported 44.85% upto March 2020 and 93.95% upto July 2020 against the allotted quota. The Management is confident of its capability to achieve the balance quota of export as it has sufficient quantity of sugar available for export and necessary export orders in hand.</td></tr>
<tr><td colspan="3">Accordingly the company has accounted assistance of ₹ 1869.46 Lakhs as export transportation cost subsidy against the exports made upto 31/03/2020 during the year under audit.</td></tr>
<tr><td colspan="3">We have considered this to be a Key Audit Matter considering the materiality of the amount and the fact that the Claim Subsidy Assistance accounted during the year is subject to fulfillment of the total export quota of 39,896 MT after 31st March 2020 i.e. the balance sheet date.</td></tr>
</table>

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
2.	**Determination of Value of inventory of sugar and by-products as at the year ended March 31, 2020 (Refer note 2.2 (i) and 7 of the Standalone Financial Statements)**	
	As per the accounting policy of the Company, inventory of finished goods of sugar and its by-products are valued at the lower of cost and net realisable value ('NRV'). Sugar industry being seasonal in nature, the assessment of carrying value at each reporting date involves ascertainment of cost incurred till that reporting period for the company and estimation of corresponding NRV.	1. Obtained an understanding of the matter from the management. 2. Considered the appropriateness of the Company's accounting policies relating to valuation of finished goods of sugar and its by-products and assessing compliance with the applicable accounting standards. 3. Tested the effectiveness of the Company's controls over calculation of cost of finished goods and by-products and estimation of corresponding NRV. 4. Based on data used by the Company to arrive at cost and NRV, including minimum selling price and actual selling price during the year end, we assessed the permanence of methods used, relevance and reliability of data and the calculations applied. Based on the above procedures performed, we concluded that management's process for determination of NRV and comparing that with cost of inventory of finished sugar and its by-products seems reasonable.
	We determined this to be a key audit matter given the significant judgment involved in the process due to different valuation parameters arising out of variability in seasonal factors e.g. number of sugarcane crushing days, recovery of sugar from cane crushing and fluctuating selling price.	
3.	**Anti Cancer Molecule Development Expenditure – Assets (Refer note 31 of the Standalone Financial Statements)**	
	The Company has been working on the discovery of molecules for the treatment of breast and prostate cancer. The Company had been researching the possibility of finding molecules to address challenges in Oncology since 2007 and has spent ₹ 983.3 Lakhs in the research and finding phase upto 31/03/2020.	1. Obtained an understanding of the matter from the management. 2. Management has provided us with a detailed technical note on this matter. 3. Examined the following: a) Whether the project for Anticancer Molecules is clearly defined. b) Whether the expenditure is separately identifiable. c) Whether the project is technically feasible. d) Whether the project is commercially viable and can become an individual Cash Generating Unit (CGU). e) Whether there exits market for the output of the project i.e. whether Cancer Molecule has a market wherein it can be sold. f) Whether the Company has necessary resources to complete the project into Intangible Asset to either use and or sell the IP. Based on the above procedures performed, we noted that the Management assessment of accounting the expenses except operational/administrative expenses incurred during the year as Capital Work in Progress is reasonable.
	From 2019 the Company has been able take one such molecule (MSP-008-22) through the preclinical phase and has now developed Intellectual Property (IP) regarding it. The Company has filed or been granted three patent applications in various jurisdictions.	
	The Company has completed efficacy and toxicology studies for the molecule in small and larger animals. This molecule has been found useful in fighting cancer. Furthermore, the Company has got its IP validated through a US law firm to get an independent assessment of the work done. The report of the firm state that the IP is good, there are no 'Red Flags' and there is a 'Go' decision to proceed further. The report also identified some weaknesses on which the Company is working upon.	
	As the development of drugs is expensive, the Company may out-license the IP developed and/or the Company may continue the further development of the IP.	
	The Company has stated that it is probable that future economic benefits attributable due to Molecule MSP-008-22 are expected to flow to the company as a result of costs incurred and as they have developed an IP regarding the molecule, the costs of ₹ 366.54 Lakhs as incurred since from 2019 are being treated as a Capital Work in Progress as they have been incurred for development of Anticancer Molecules.	
	We have considered this to be a Key Audit Matter considering the fact that phase of the project has changed from Research to Development.	

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
4.	**Write Back of Provision made against Long Outstanding Advance (Refer note 23 and 45 of the Standalone Financial Statements)**	
	The Company had entered into a contract with Dr. Baburao Bapuji Tanpure SSK Ltd., Rahuri (BBT), Sugar Factory in 2013 for the supply of 50 Lakhs BL Alcohol. An advance payment of ₹ 800 Lakhs was made to BBT against which partial quantity of contracted Alcohol was supplied. From the advance, Alcohol equivalent to ₹ 501 Lakhs was balance with BBT. Thereafter, BBT had stopped its operations and the Company started making provision on account of this advance since F.Y 2014-15. The Company had filed a Civil and Criminal Suit against BBT. In current year the Company received a decree from The Ahmednagar District Court wherein court ordered for seizure of twenty thousand sugar bags from BBT which are to be supplied to the Company. As per Management's assessment the value of twenty thousand sugar bags is sufficient to recover the principal balance advance of ₹ 501 Lakhs, thus, during the year Company has written back ₹ 376 Lakhs as income against the provision made over the years. We have considered this to be a Key Audit Matter considering the materiality of the amount and change is status of a long overdue advance.	1. Obtained an understanding of the matter from the management. 2. Examined the following : a) The decree as received from The Ahmednagar District Court stating the seizure of twenty thousand sugar bags. b) Whether value of twenty thousand sugar bags if valued at NRV of sugar as 31st March 2020 is sufficient to cover the balance advance amount with BBT. Based on the above procedures performed, we concluded that management's decision to write back the provision amount seems reasonable.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report, but does not include the financial statements and our auditor's report thereon.

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

7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

   Responsibilities of management and those charged with governance for the financial statements

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

Report on other legal and regulatory requirements

15. 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 Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

16. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 B, i to iii to the Ind AS financial statements;

ii) There are no material foreseeable losses arising out of any long-term contracts for which provision is required to be made under any law or accounting standards. The Company has made provision in respect of derivative contracts as required under the applicable law or accounting standard;*

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

For VERMA MEHTA & ASSOCIATES
Chartered Accountants
Firm's Registration No: 112118W

Vimlesh Mehta
Partner
M.N.043599
UDIN: 20043599AAAAAW6926

Place: Mumbai
Date: 10th September 2020

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone IND AS financial statements for the year ended 31st March 2020, we report that:

(i) In respect of Company's property plant and equipment:

(a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.

(b) The Company has a regular programme of physical verification of its property plant and equipment by which property plant and equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) in respect Company's inventories:

The inventory, except goods-in-transit and inventory lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.

The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) in respect of loans secured or unsecured, granted to companies, firms, Limited Liability Partnerships or other parties covered in register maintained under section 189 of the Act:

The Company has granted loan to a wholly owned subsidiary covered in the register maintained under section 189 of the Act.

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to a wholly owned subsidiary listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.

(b) Schedule of repayment of principal and payment of interest has been stipulated. The borrower has been regular in the payment of the interest as stipulated. Principal is repayable within a period of five years.

(c) There are no overdue amounts in respect of the interest. As the principal is repayable within five years question of overdue do not arise.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the wholly owned subsidiary covered under Section 186.

(v) In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of sections 73 to 76 or any other applicable provisions of the Act and the (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(vi) We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Rules prescribed by the Central Government under sub section (1) of section 148 of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) in respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of excise, duty of customs, service tax, GST, professional tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of excise, duty of customs, service tax, GST, professional tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute, other than the following dues of duty of excise, service tax, custom duty, income tax and electricity duty:

Name of the Statute	Nature of Dues	Period to which it pertains	Forum Where Dispute is Pending	Amount (Excluding Interest and Penalty) (₹ in Lakhs)
The Central Excise Act, 1944	Excise Duty Excise	2009-2010	Commissioner of Central Excise	130.86
		2008-09, 2009-10, 2010-11, 2014-15, 2015-16	CESTAT	280.62
		2004-05	Supreme Court	37.68
		2005-06, 2006-2007	Commissioner of State Excise	164.40
		2015-16	Commissioner of Central Excise (Appeals)	152.06
Customs Act, 1962	Customs Duty	2013-14	CESTAT	25.38

(viii) According to the information and explanations given to us, the Company has not defaulted any loans or borrowings from any financial institution, banks, government or debenture holders during the year.

(ix) The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied, on an overall basis, for the purposes for which they were raised.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting standard (AS) 18, Related Party Disclosure specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment of shares. The Company has not made private placement of partly or fully convertible debentures during the year under review.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

Accordingly, paragraph 3(xv) of the Order is not applicable.

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

Accordingly, paragraph 3(xvi) of the Order is not applicable.

For VERMA MEHTA & ASSOCIATES
Chartered Accountants
Firm's Registration No: 112118W

Vimlesh Mehta
Partner
M.N.043599
UDIN: 20043599AAAAAW6926

Place: Mumbai
Date: 10th September 2020

Annexure B

to the Independent Auditor's Report of even date on the standalone Ind AS Financial Statements of Godavari Biorefineries Limited

Report on the Internal Financial Controls under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act") We have audited the internal financial controls over financial reporting of Godavari Biorefineries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal 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 ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with the 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 standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For VERMA MEHTA & ASSOCIATES
Chartered Accountants
Firm's Registration No: 112118W

Vimlesh Mehta
Partner
M.N.043599
UDIN: 20043599AAAAAW6926

Place: Mumbai
Date: 10th September 2020

(₹ in Lakhs)

Particulars	Notes	March 31, 2020	March 31, 2019
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	73,226.90	69,201.67
(b) Capital Work-in-Progress	4	1,668.73	6,739.87
(c) Right-of-use	4	37.04	-
(d) Intangible Assets	5	23.28	29.21
(e) Financial Assets			
(i) Investments	6	1,394.26	1,386.85
(ii) Loans	6	413.03	456.59
(iii) Other Financial Assets	6	399.28	374.73
(f) Deferred Tax Asset (Net)	12	1,566.25	1,484.07
(g) Other Non-Current Assets	11	1,163.20	1,096.15
		79,891.97	**80,769.14**
Current assets			
(a) Inventories	7	38,132.62	56,716.38
(b) Financial Assets			
(i) Trade Receivables	8	12,059.44	13,925.46
(ii) Cash and Cash Equivalents	9	127.47	87.35
(iii) Bank Balances Other than (ii) above	10	3,828.22	3,458.35
(iv) Other Financial Assets	6	6,264.09	4,118.01
(c) Other Current Assets	11	3,359.90	5,092.48
		63,771.74	83,398.03
TOTAL		**143,663.71**	**164,167.17**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	4,194.30	3,837.59
(b) Other Equity	14	39,202.91	32,874.45
		43,397.21	**36,712.04**
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	12,318.27	13,488.48
(ii) Lease Liabilities	16	30.99	-
(iii) Other Financial Liabilities	17	7.19	7.19
(b) Provisions	20	154.65	143.04
(c) Other Non-Current Liabilities	19	1,140.03	578.05
		13,651.13	14,216.76
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	44,008.74	63,840.29
(ii) Lease Liabilities	16	9.35	-
(iii) Trade Payables	18		
Micro, Small and Medium Enterprises		231.29	186.21
Others		35,899.86	42,574.48
(iv) Other Financial Liabilities	17	5,039.81	5,559.96
(b) Other Current Liabilities	19	995.19	617.33
(c) Provisions	20	431.13	460.10
		86,615.37	113,238.37
TOTAL		**143,663.71**	**164,167.17**
Significant Accounting Policies and Notes on Account form an integral part of the financial statements.	1 to 46		

As per our report of even date attached

For and on behalf of the Board of Directors

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
Executive Director
(DIN : 00300227)

Vimlesh Mehta
Partner
Membership No. 043599

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

Place : Mumbai
Date : 10th September 2020

(₹ in Lakhs)

Particulars	Notes	2019-20	2018-19
REVENUE			
Revenue from Operations	22	144,878.21	154,226.83
Other income	23	1,272.64	1,303.46
Total Revenue (I)		**146,150.85**	**155,530.29**
EXPENSES			
Cost of materials consumed	24	88,002.56	105,074.87
Purchases of stock-in-trade	25	232.53	352.04
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	26	18,152.39	6,057.09
Employee benefits expense	27	8,262.48	7,991.15
Finance costs	28	6,800.31	8,892.44
Depreciation and amortization expense	29	4,468.05	4,960.61
Other expenses	30	20,067.54	21,928.00
Total Expenses (II)		**145,985.86**	**155,256.20**
Profit/(loss) before tax		**164.99**	**274.09**
Tax expense:			
Deferred tax		(87.55)	56.24
Profit/(loss) for the period		**252.54**	**217.85**
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		19.16	(49.36)
Income tax effect		(5.98)	15.40
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:		-	-
Other Comprehensive income for the year, net of tax		**13.18**	**(33.96)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**265.72**	**183.89**
Earnings per share for profit attributable to equity shareholders	32		
Basic and Diluted EPS		0.62	0.57
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements	1 to 46		

As per our report of even date attached

For and on behalf of the Board of Directors

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
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Partner
Membership No. 043599

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

Place : Mumbai
Date : 10th September 2020

(₹ in Lakhs)

Particulars	2019-20	2018-19
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit / (Loss) before tax	**164.99**	**274.09**
Adjustments for:		
Depreciation and amortisation expense	4,468.05	4,960.61
Loss/ (Profit) on Sale of Property,Plant and Equipment	(386.47)	(344.60)
Sundry Debit/(Credit) Balances Written Off/Back (Net)	(364.72)	(68.15)
Allowance for Doubtful Debts / Advances	(1.93)	102.46
Interest income classified as investing cash flows	(288.35)	(260.28)
Financial Guarantee Income	(7.42)	(8.64)
Interest and finance charges	6,800.31	8,892.44
Government grant income	(22.89)	(23.35)
Unrealised foreign currency (gain)/loss	(359.82)	(317.09)
Change in operating assets and liabilities:		
Trade payables	(6,347.74)	14,050.07
Other liabilities	205.44	(1,110.23)
Provisions	(17.35)	83.22
Trade receivables	2,318.80	(570.97)
Inventories	18,573.75	5,715.49
Other assets	(758.10)	(2,754.83)
Cash generated from operations	**23,976.54**	**28,620.24**
Less: Income taxes paid	(22.91)	(25.70)
Net cash inflow from operating activities	**23,953.63**	**28,594.53**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of property, plant and equipment (net)	(3,523.13)	(6,725.36)
Proceed from sale of property, plant and equipment	502.34	1,031.24
Interest received	239.87	309.18
Net cash outflow from investing activities	**(2,780.93)**	**(5,384.94)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of non current borrowings	(1,421.91)	(4,890.91)
Proceeds of non current borrowings	9,966.04	-
Repayment of Debentures	(6,500.00)	-
(Decrease) / Increase in current borrowings	(20,146.62)	(11,048.69)
Issue of share capital including share premium (net)	6,420.81	1,661.12
Repayment of lease liabilities	(7.59)	-
Interest and finance charges paid	(9,443.30)	(9,111.64)
Net cash inflow (outflow) from financing activities	**(21,132.57)**	**(23,390.12)**
Net increase (decrease) in cash and cash equivalents	40.11	(180.52)
Cash and Cash Equivalents at the beginning of the financial year	87.35	267.87
Cash and Cash Equivalents at end of the year	**127.47**	**87.35**
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks:		
- On current accounts	38.29	43.44
- Deposits with original maturity of less than three months	52.05	34.67
Cash on hand	37.13	9.24
Balances per statement of cash flows	**127.47**	**87.35**

Notes:

1. The above cash flow statement has been prepared under the ‘Indirect Method’ as set out in the Ind AS 7 on ‘Statement of Cash Flows’.
2. Previous years figures have been regrouped/rearranged/recast wherever necessary to confirm to this year’s classification.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements **1 to 46**

As per our report of even date attached

For and on behalf of the Board of Directors

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
Executive Director
(DIN : 00300227)

Vimlesh Mehta
Partner
Membership No. 043599

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

Place : Mumbai
Date : 10th September 2020

A Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the Beginning of the period	Changes in Equity share capital during the year	Balance at the end of the period
March 31, 2019			
Numbers	37,637,633	738,275	38,375,908
Amount	3,763.76	73.83	3,837.59
March 31, 2020			
Numbers	38,375,908	3,567,115	41,943,023
Amount	3,837.59	356.71	4,194.30

B Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	
As at April 1, 2018	**18,609.55**	**1,865.38**	**573.50**	**10,054.83**	**31,103.26**
Profit for the period	-	-	-	217.85	217.85
Other Comprehensive Income	-	-	-	(33.96)	(33.96)
Total Comprehensive Income for the year	**-**	**-**	**-**	**183.89**	**183.89**
Issue of equity shares	1,587.29	-	-	-	1,587.29
As at March 31, 2019	**20,196.84**	**1,865.38**	**573.50**	**10,238.72**	**32,874.44**
Profit for the period	-	-	-	252.54	252.54
Ind AS 116 - Transition Impact				(1.96)	(1.96)
Income tax effect on above				0.61	0.61
Other Comprehensive Income	-	-	-	13.18	13.18
Total comprehensive income for the year	**-**	**-**	**-**	**264.37**	**264.37**
Issue of equity shares (net)	6,064.10	-	-	-	6,064.10
As at March 31, 2020	**26,260.94**	**1,865.38**	**573.50**	**10,503.09**	**39,202.91**
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements	1 to 46				

As per our report of even date attached

For and on behalf of the Board of Directors

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
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Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 10th September 2020

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

1 Corporate Information

These statements comprise financial statements of Godavari Biorefineries Limited (referred to as “the Company”) (CIN: U67120MH1956PLC009707) for the year ended March 31, 2020. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its Equity share and Debentures (Bonds) are not listed . The registered office of the company is located at Somaiya Bhavan, 45/47, Mahatma Gandhi Road, Fort, Mumbai - 400 001.

The Company is principally engaged in the manufacturing of sugar, power generation, chemicals, distillery and other bio products. The financial statements were approved by the Board of Directors and authorised for issue on

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies(Indian Accounting Standards)(Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 (“the Act”).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification(refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations”

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Summary of significant accounting policies

(a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on straight line method using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013. If the management’s estimate of the useful life of an item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management’s estimate of the useful life/ remaining useful life.

The Property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The residual values are not more than 5% of the original cost of the asset.

(b) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Amortisation methods and periods

Intangible assets comprising of patents are amortized on a straight line basis over the useful life of five years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

(c) Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility including commercial market has been established or estimated, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The Property plant and equipment utlised for research and development are capitalised and depreciated in accordance with the policies stated for Property, plant and equipment and Intangible Assets.

(d) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss.

(f) Financial Instruments

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

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

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

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

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

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

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

(i) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Equity investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

Offsetting of financial instruments

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

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(g) Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

(h) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

(iii) Minimum Alternate Tax

MAT payable for a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probability that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as ‘MAT Credit Entitlement’ under Deferred Tax. The Company reviews the same at each reporting date and writes down the asset to the extent the Company does not have probable certainty that it will pay normal tax during the specified period.

(i) Inventories:

Raw Materials are valued at lower of moving average cost or net realisable value.

Stores and Spares are valued at moving average cost.

Work-in-Progress stocks is converted into equivalent units of finished stocks. Work-in-Progress valued at lower of cost or net realisable value.

Finished stocks are valued at cost or net realisable value whichever is lower.

Bagasse, Molasses (Including B Heavy Molasses) **and waste/scrap** generated in the production process are valued at net realisable value.

The valuation of inventories includes taxes, duties of non refundable nature and direct expenses and other direct cost attributable to the cost of inventory, net of excise duty/ Goods and Service tax/countervailing duty / education cess and value added tax.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(j) 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of third parties.

The Company collects taxes such as GST, sales tax/value added tax, service tax, etc on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/ income.

Effective April 1, 2018, the company adopted Ind AS 115 “Revenue from Contracts with customers”.

The following specific recognition criteria must also be met before revenue is recognized:

(i) Sale of goods

Revenue from sale of manufactured and traded goods is recognised when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

Power sales are accounted as per the rate mentioned in Contracts entered with state governments and other entities.

(ii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iii) Dividend income

Dividends are recognised when right to receive is established.

(iv) Other income

Export benefits are accounted on the basis of completion of Export Obligation, which are to be received with a reasonable certainty.

(k) Employee Benefit Obligations:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefit comprises of leave encashment towards unavailed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans viz gratuity,

(b) defined contribution plans viz state governed provident fund scheme and employee pension scheme.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The plan assets are administered by the approved gratuity fund trust.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(l) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(m) Leases

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

(i) As a lessee

The company recognises a Right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. Right of- use assets are depreciated on a straight-line basis over the shorter of the lease term. In addition, the Right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. "

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(n) Provisions, Contingent Liabilities and Contingent Assets

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

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(o) Borrowing Costs:

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(p) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(q) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(s) Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(t) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Critical Estimates and Judgments

(i) Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

(ii) Estimation of net realizable value for inventories

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.”

(iii) Recoverability of trade receivables

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience except for power receivables.

(iv) Useful lives of property, plant and equipment/intangible assets

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(v) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

(vi) Defined benefit plans

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

4. PROPERTY, PLANT AND EQUIPMENT(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2019	Additions	Deductions/ Adjustments	As at March 31, 2020	As at March 31, 2019	During the period	Deductions/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Free Hold Land **	24,157.88	-	(115.56)	24,042.32	-			-	24,042.32	24,157.88
Building	5,046.56	984.12	-	6,030.68	665.55	214.33	-	879.88	5,150.80	4,381.01
Plant and Equipments	53,480.30	7,509.23	-	60,989.53	13,450.56	4,097.86	-	17,548.42	43,441.11	40,029.89
Furniture and Fixtures	216.07	60.83	-	276.90	48.59	27.55	-	76.14	200.76	167.48
Vehicles	436.37		(0.21)	436.16	179.51	50.18	-	229.69	206.47	256.86
Office Equipments	211.35	17.49	-	228.84	83.95	29.59	-	113.53	115.31	127.40
Computer Hardwares	152.18	22.59	(0.09)	174.68	70.87	33.67	-	104.54	70.14	81.31
Total (I)	**83,700.69**	**8,594.27**	**(115.86)**	**92,179.11**	**14,499.03**	**4,453.18**	**-**	**18,952.20**	**73,226.90**	**69,201.83**
Capital Work in Progress	6,739.87	3,521.01	(8,562.37)	1,698.51	-	-	29.78	29.78	1,668.73	6,739.87
Total (II)	**6,739.87**	**3,521.01**	**(8,562.37)**	**1,698.51**	**-**	**-**	**29.78**	**29.78**	**1,668.73**	**6,739.87**
(I + II)	**90,440.56**	**12,115.28**	**(8,678.23)**	**93,877.62**	**14,499.03**	**4,453.18**	**29.78**	**18,981.99**	**74,895.63**	**75,941.69**
Right - of- Use (as on April 1, 2019)*	36.69	9.28	-	45.98	-	8.94	-	8.94	37.04	
Total	**36.69**	**9.28**	**-**	**45.98**	**-**	**8.94**	**-**	**8.94**	**37.04**	**-**

* Refer Note 35

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2018	Additions	Deductions/ Adjustments	As at March 31, 2019	As at March 31, 2018	During the period	Deductions/ Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Free Hold Land **	24,334.84		(176.96)	24,157.88	-			-	24,157.88	24,334.84
Building	5,090.81		(44.26)	5,046.56	445.42	223.23	(3.11)	665.55	4,381.01	4,645.39
Plant and Equipments	53,749.82	380.13	(649.65)	53,480.30	9,038.76	4,593.10	(181.30)	13,450.56	40,029.73	44,711.11
Furniture and Fixtures	172.04	44.03		216.07	26.63	21.97		48.59	167.48	145.42
Vehicles	376.10	60.27		436.37	118.87	60.64		179.51	256.86	257.23
Office Equipments	189.48	21.87		211.35	48.28	35.67		83.95	127.40	141.20
Computer Hardwares	90.33	62.06	(0.20)	152.18	45.48	25.41	(0.03)	70.87	81.31	44.84
	84,003.42	**568.35**	**(871.08)**	**83,700.69**	**9,723.44**	**4,960.02**	**(184.44)**	**14,499.03**	**69,201.67**	**74,280.03**
Capital Work in Progress	612.32	6,332.57	(205.02)	6,739.87	-	-	-	-	6,739.87	612.32
Total	**612.32**	**6,332.57**	**(205.02)**	**6,739.87**	**-**	**-**	**-**	**-**	**6,739.87**	**612.32**
	84,615.74	**6,900.92**	**(1,076.10)**	**90,440.56**	**9,723.44**	**4,960.02**	**(184.44)**	**14,499.03**	**75,941.53**	**74,892.35**

** The company has elected to measure certain items of property, plant and equipment viz. Land at fair value at the date of transition to Ind AS. Hence at the date of transition to Ind AS, an increase of ₹ 23,727.24 Lakhs was recognised in property, plant and equipment. The Valuation was carried out by registered approved valuer.

i. Property, Plant and Equipment pledged as security against borrowings by the company
None of the property, plant and equipment is pledged as security against borrowings by the company

ii. Borrowing Cost Capitalised
The amount of borrowing cost capitalised during the year ended March 31, 2020 was ₹ 179.26 Lakhs (March 31, 2019 ₹ NIL). The rate used to determine the amount of borrowing costs eligible for capitalisation was 10 %, which is effective interest rate of the specific borrowing.

iii. Contractual Obligations
Refer to Note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

5. INTANGIBLE ASSETS

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	**As at March 31, 2019**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2020**	**As at March 31, 2019**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2020**	**As at March 31, 2020**	**As at March 31, 2019**
Patents	30.02	-	-	30.02	0.81	5.93		6.74	23.28	29.21
Total	**30.02**	**-**	**-**	**30.02**	**0.81**	**5.93**	**-**	**6.74**	**23.28**	**29.21**

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	**As at March 31, 2018**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2019**	**As at March 31, 2018**	**During the period**	**Deductions/ Adjustments**	**As at March 31, 2019**	**As at March 31, 2019**	**As at March 31, 2018**
Patents	0.56	29.46	-	30.02	0.22	0.59	-	0.81	29.21	0.34
Total	**0.56**	**29.46**	**-**	**30.02**	**0.22**	**0.59**	**-**	**0.81**	**29.21**	**0.34**

6. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
(A) INVESTMENTS		
Non Current		
(1) Investments carried at fair value through Profit and Loss		
Unquoted		
Investments in Preference Shares		
3,57,604 Nonassessable shares of $0.001 par value of e2e Material INC, USA in Series B preferred Stock (March 31, 2019: 3,57,604)	134.65	134.65
Less : Loss allowance	(134.64)	(134.64)
	0.01	**0.01**
(2) Investments carried at Cost		
Unquoted		
Investments in Equity Instruments of Subsidiaries		
13,94,761 Equity Shares of EURO 1 each in Cayuga Investment B.V. (March 31, 2019: 13,94,761)	1,001.92	1,001.92
Less : Loss allowance	-	-
	1,001.92	**1,001.92**
34,50,000 Equity Shares of ₹ 10 each in Solar Magic Private Limited (March 31, 2019: 34,50,000)	387.62	380.21
Investments in Equity Instruments of Associate		
210 Equity Shares of ₹ 100 each in The Book Centre Limited (March 31, 2019: 210)	0.21	0.21
Quoted		
Investments in Equity Instruments of Associate		
25,000 Equity Shares of ₹ 10 each in Pentokey Organy (India) Limited (March 31, 2019: 25,000,)	4.50	4.50
Total	**1,394.26**	**1,386.85**
Aggregate amount of quoted investments	4.50	4.50
Aggregate amount of unquoted investments	1,524.40	1,516.98
Aggregate amount of impairment in the value of investments	134.64	134.64
Investments carried at fair value through profit and loss	0.01	0.01
Investments carried at cost	1,394.25	1,386.84

(B) LOANS		
Non Current		
Unsecured, considered good unless otherwise stated		
Loans to Solar Magic Private Limited (Subsidiary)	413.03	456.59
Total	**413.03**	**456.59**
(C) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Security and Other Deposits	399.28	374.73
Total	**399.28**	**374.73**
Current		
Financial assets		
Security Deposits	13.00	13.00
Claim Receivables*	6,251.09	4,105.01
Total	**6,264.09**	**4,118.01**
*It includes derivatives not designated as hedge - Foreign Exchange forward contracts		

7. INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
(Valued at lower of Cost and Net Realisable value)		
Raw materials		
In stock	8,722.29	8,568.01
Work-in-process	98.57	46.33
Finished goods		
In stock	27,382.44	45,391.54
In transit	34.55	230.08
Traded goods	16.26	23.62
Stores, chemicals and spares	1,878.51	2,456.80
Total	**38,132.62**	**56,716.38**

During the year ended March 31, 2020, ₹ 10 Lakhs (March 31, 2019: ₹ 20 Lakhs) was recognised as an expense for inventories carried at net realisable value.

8. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current		
Trade Receivables from customers	11,827.72	13,777.08
Receivables from step down subsidiary	191.95	123.78
Receivables from other Related parties (Refer Note 36)	39.77	24.60
	12,059.44	**13,925.46**
Breakup of Security details		
Unsecured, considered good	12,059.44	13,925.46
Doubtful	280.41	230.41
	12,339.85	**14,155.87**
Allowance for bad and doubtful debts		
Doubtful	280.41	230.41
	280.41	**230.41**
	12,059.44	**13,925.46**

Trade or Other Receivable due from firms or private companies respectively in which any director is a partner, a director or a member amounted to ₹ 39.77 Lakhs (Previous year 24.60 Lakhs).

9. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balances with banks:		
- On current accounts	38.29	43.44
- Deposits with original maturity of less than three months	52.05	34.67
Cash on hand	37.13	9.24
	127.47	**87.35**

10. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Deposits with banks to the extent held as margin money	3,023.35	2,662.87
Other Deposits with banks	804.87	795.48
	3,828.22	**3,458.35**

11. OTHER ASSETS

(₹ in Lakhs)

Particulars		March 31, 2020	March 31, 2019
Non Current			
Capital Advances		102.80	182.54
Advances other than Capital advances			
- Advances for Supplies and Services *		579.16	215.56
* This Figure is Net of Provision made over the years against the advances			
Others			
- Payment of Taxes (Net of Provisions)		275.10	228.84
- Balances with Statutory, Government Authorities		206.14	469.21
	Total	**1,163.20**	**1,096.15**
Current			
Advances other than Capital advances			
- Advances to Suppliers		2,846.84	4,024.51
Others			
- Prepaid expenses		293.25	199.02
- Balances with Statutory, Government Authorities**		-	531.05
- Export Incentive - Sugar cane		219.81	337.90
	Total	**3,359.90**	**5,092.48**

**Includes Cenvat and VAT Credit receivables

12. INCOME TAX

Deferred Tax

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Deferred tax relates to the following:		
Temporary difference in the carrying amount of property, plant and equipment	(8,290.48)	(8,372.25)
Impairment on financial assets at amortised cost	15.60	9.36
Unabsorbed Depreciation and Business Losses	9,841.13	9,928.86
Others	-	(81.90)
Net Deferred Tax Assets / (Liabilities)	**1,566.25**	**1,484.07**

Movement in deferred tax liabilities/assets

Particulars	March 31, 2020	March 31, 2019
Opening balance as of April 1	**1,484.07**	**1,524.91**
Tax income/(expense) during the period recognised in profit or loss	87.55	(56.24)
Tax income/(expense) during the period recognised in OCI	(5.98)	15.40
Tax income/(expense) during the period recognised in retained earning	0.61	-
Closing balance as at March 31	**1,566.25**	**1,484.07**

Particulars	March 31, 2020	March 31, 2019
Unrecognised deferred tax assets		
Unrecognised tax credits (MAT Entitlement)	1211.19	1211.19

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax credits carried forward by the Company.

Major Components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are as follows:

i. Income tax recognised in profit or loss (₹ in Lakhs)

	2019-20	2018-19
Deferred tax		
Relating to origination and reversal of temporary differences	(87.55)	56.24
Income tax expense recognised in profit or loss	**(87.55)**	**56.24**

ii. Income tax recognised in OCI

	March 31, 2020	March 31, 2019
Net loss/(gain) on remeasurements of defined benefit plans	(5.98)	15.40
Income tax expense recognised in OCI	**(5.98)**	**15.40**

iii. Amounts recognised directly in equity

	March 31, 2020	March 31, 2019
Aggregate current and deferred tax arising in the reporting period and not recognised in profit or loss or other comprehensive income but directly debited/(credited) to equity		
Deferred Tax: Ind AS 116 transition impact	**0.61**	**-**

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2020 and March 31, 2019

	March 31, 2020	March 31, 2019
Accounting profit before income tax	**164.99**	**274.09**
Enacted tax rate in India	31.20%	31.20%
Income tax on accounting profits	**51.48**	**85.51**
Tax Effect of		
Depreciation	(87.63)	(1,230.54)
Expenses not allowable or considered separately under Income Tax	155.39	3,169.93
Expenses allowable and others	(316.26)	(3,023.95)
Losses carried forward to future years	109.48	1,055.28
Income not taxable under income tax	-	-
Tax at effective income tax rate	**(87.55)**	**56.24**

Changes in tax rate

The increase in education cess from 3% to 4% was substantively enacted on February 1, 2018 and will be effective from April 1, 2018. As a result, the relevant deferred tax balance have been remeasured using the effective rate that will apply in India for the future periods(31.20%).

13. SHARE CAPITAL

i. Authorised Share Capital (₹ in Lakhs)

	Equity Share of INR 10 each		Preference Share of INR 100 each	
	Number	Amount	Number	Amount
At April 1, 2018	42,000,000	4,200.00	1,800,000	1,800.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2019	42,000,000	4,200.00	1,800,000	1,800.00
Increase/(decrease) during the year		-	-	-
At March 31, 2020	**42,000,000**	**4,200.00**	**1,800,000**	**1,800.00**

Terms/rights attached to equity shares

The Company has one class of Equity shares having a par value of ₹ 10 each. Each holder of Equity shares is entitled to one vote per share and are subject to the preferential rights as prescribed under law or those of preference shareholders, if any. The Equity share holders are also subject to restrictions as prescribed under the Companies Act, 2013. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in the case of Interim Dividend.

In the event of the Liquidation of the Company, the holders of the Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts and preferential shareholders.

ii. Issued Capital

(₹ in Lakhs)

	Number	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
At April 1, 2018	**37,637,633**	**3,763.76**
Issued during the period	738,275	73.83
At March 31, 2019	**38,375,908**	**3,837.59**
Issued during the period	3,567,115	356.71
At March 31, 2020	**41,943,023**	**4,194.30**

iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Somaiya Agencies Private Limited	9,354,668	22.30	8,549,965	22.28
Sakarwadi Trading Company Private Limited	6,015,790	14.34	5,485,552	14.29
Lakshmiwadi Mines and Minerals Private Limited	5,720,717	13.64	5,230,762	13.63
Mandala Capital AG Limited	4,926,983	11.75	4,926,983	12.84
Samir Shantilal Somaiya	6,021,211	14.36	4,576,865	11.93
Sindhur Construction Private Limited	2,933,461	6.99	2,681,120	6.99

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

v. None of the above shares are reserved for issue under options/ contract/ commitments for sale of shares or disinvestment.

14. OTHER EQUITY

Reserves and Surplus

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Securities Premium Reserve	26,260.94	20,196.84
General Reserve	1,865.38	1,865.38
Retained Earnings	10,503.09	10,238.72
Capital Redemption Reserve	573.50	573.50
	39,202.91	**32,874.45**

(a) Securities Premium Reserve

	March 31, 2020	March 31, 2019
Opening balance	20,196.84	18,609.55
Add/(Less):		
Premium on share issue (Net)	6,064.10	1,587.29
Closing balance	**26,260.94**	**20,196.84**

The amount received in excess of face value of the equity shares is recognised in Share premium reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(b) General Reserve

	March 31, 2020	March 31, 2019
Opening balance	1,865.38	1,865.38
Add/(Less):	-	-
Closing balance	**1,865.38**	**1,865.38**

(c) Retained Earnings

	March 31, 2020	March 31, 2019
Opening balance	**10,238.71**	**10,054.83**
Net Profit/(Loss) for the period	252.54	217.85
Ind AS 116 - Transition Impact	(1.96)	-
Income tax effect on above	0.61	-
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of gains (losses) on defined benefit plans	19.16	(49.36)
Income tax effect	(5.98)	15.40
Closing balance	**10,503.09**	**10,238.71**

(d) Capital Redemption Reserve (CRR)

	March 31, 2020	March 31, 2019
Opening balance	573.50	573.50
Add/(Less):	-	-
Closing balance	**573.50**	**573.50**

Represents reserve created during redemption of preference shares and it is a non distributable reserve.

15. BORROWINGS

(₹ in Lakhs)

Particulars		March 31, 2020	March 31, 2019
Non Current Borrowings			
Secured			
(a) Debentures (Bonds)			
Principal outstanding		-	6,500.00
Interest accrued		-	1,533.61
(b) Term Loans			
From Banks		8,992.74	330.64
From Others			
Sugar Development Fund		2,059.01	2,920.80
Others		12.66	31.13
Unsecured			
(c) Term Loans from Others			
Council of Scientific and Industrial Research		485.00	485.00
Deferred Cane Purchase Tax		775.94	775.80
(d) Public Deposits		2,027.70	2,333.41
	(A)	**14,353.05**	**14,910.39**
Current Maturity of Non Current Borrowings			
Term Loans			
From Banks		1,233.86	335.00
From Others			
Sugar Development Fund		790.80	1,068.43
Others		10.12	18.48
	(B)	**2,034.78**	**1,421.91**
	Total (A)-(B)	**12,318.27**	**13,488.48**
Current Borrowings			
Secured			
(a) From Banks			
Cash Credit / Packing Credit		18,642.94	30,132.69
Unsecured			
(b) Loans repayable on demand from Banks		23,760.85	32,932.00
(c) Public Deposits		1,604.95	775.60
	Total	**44,008.74**	**63,840.29**

Non Current Borrowings

Details of Terms of repayment for Long Term Secured Borrowings (₹ in Lakhs)

Sr. No.	Particulars	March 31, 2020		March 31, 2019	
		Current	Non - Current	Current	Non - Current
1	**Bank of India**				
	(Repayable in 2 equal monthly installments, last installment falling due on May 2019.)	-	-	335.00	-
2	**Sugar Development Fund**	**790.80**	**1,581.62**	**790.80**	**2,372.42**
	(Repayable in 5 equal yearly installments, last Installment falling due on March 2023.)				
3	**Sugar Development Fund (Cogen)**	**-**	**-**	**277.63**	**-**
	(Repayable in 1 equal half yearly installments, last Installment falling due on June 2019.)				
4	**Hire Purchase Finance**	**10.12**	**2.54**	**18.48**	**12.66**
5	**IDBI Trusteeship Services Ltd**	**-**	**-**	**-**	**8,033.61**
	(For Debentures/ Bonds)				
	(Bullet payment on June 2021)				
6	**Bank of India - Soft Loan**	**760.06**	**5,754.94**	**-**	**-**
	(Repayable IN 60 Equal Monthly instalments , last instalment falling due on Aug 2025)				
7	**Union Bank of India**	**473.80**	**3,008.23**	**-**	**-**
	(Repayable IN 20 Quarterly instalments , last instalment falling due on Sept 2025)				
	Total	**2,034.78**	**10,347.33**	**1,421.91**	**10,418.69**

Nature of Securities:

Loan covered in Sr. No. 1, First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka, Subservient First Ranking Charge on Property, Plant & Equipment of Sakarwadi, Maharashtra and First Pari Passu Charge and Corporate Guarantee on certain Assets of Somaiya Properties and Investments Pvt Ltd.(SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd). Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka. #

Loan covered in Sr.No. 2 & 3, All Immoveable & Moveable Properties at Sameerwadi Factory , Karnataka on First Pari Passu Charge basis.

Note : Charges on Property, Plant & Equipment at Sameerwadi, Karnataka and Sakarwadi, Maharashtra as mentioned above i.e. 1 to 3 are excluding, exclusive Property, Plant & Equipment, charged to IDBI Trusteeship Services Ltd.

Loan covered in Sr.No. 4, Exclusive Charge on Assets purchased under Hire purchase arrangements.

Debenture (Bonds) covered in Sr.No. 5 , Exclusive Charge on the Property, Plant & Equipment Of Capital Investment Programme as per the agreement dated 9th July, 2015 and thereafter amended agreement dated 2nd Nov 2017 and First Pari Passu Charge on Property, Plant & Equipment at Sakarwadi. (Debenture/bonds prepaid in July 2019)

Loan covered under Sr.No. 6&7 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka, and First Pari Passu Charge and Corporate Guarantee on certain Assets of Somaiya Properties and Investments Pvt Ltd.(SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd)- exclusively shared respectively with Union Bank for Project loan and Bank of India for Soft loan. Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka. #

The Company has not made any default in repayment of principal and interest as stipulated.

The Company has avail interest free purchase tax loan from Government of Karnataka, however the repayment schedule still to be informed. In view of this same has been classified under Non Current Liability.

Interest for above loans varies from 4% to 13.20% (Previous Year 4% to 14.25%).

Current Borrowings

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured		
(a) From Banks		
Cash Credit / Packing Credit	18,642.94	30,132.69
Unsecured		
(b) Loans repayable on demand from Banks	23,760.85	32,932.00

Nature of Security:

* Secured by First Pari Passu charge over current assets of the company (respective division), both present and future and second Pari Passu charge on Property, Plant & Equipment; and Second charge on certain Assets of Somaiya Properties and Investments Pvt Ltd. (SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd) as a Corporate Guarantee of SPIPL. #

Note : Charges on Property, Plant & Equipment at Sameerwadi, Karnataka and Sakarwadi, Maharashtra as mentioned above i.e. 1 to 7 are excluding, exclusive Property, Plant & Equipment, charged to IDBI Trusteeship Services Ltd.

Interest for above Cash credit Rupee loans varies from 12.15% to 12.95% (Previous Year 12.20% to 13.30%)

Net debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods specified :

(₹ in Lakhs)

Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total Borrowings
Net Debt as at March 31, 2018	**10,290.51**	**85,707.29**	**96,891.83**
Cash Inflows	-	48,128.18	48,128.18
Cash Outflows	(4,890.91)	(59,176.89)	(64,067.81)
	5,399.60	74,658.58	80,952.20
Interest Expense			8,892.44
Interest Paid			(9,111.64)
Other non cash adjustments	363.46	-	381.81
Net Debt as at March 31, 2019	**5,763.06**	**74,658.58**	**81,114.91**
Cash Inflows		30,772.38	30,772.38
Cash Outflows	9,997.03	(60,271.41)	(50,274.38)
	15,760.09	45,159.56	61,612.92
Interest Expense			6,800.31
Interest Paid			(9,443.30)
Other non cash adjustments	646.72	-	646.72
Net Debt as at March 31, 2020	**16,406.81**	**45,159.56**	**59,616.66**

16. LEASE LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Lease Liabilities (Refer Note 35)	30.99	-
	30.99	**-**
Current		
Lease Liabilities (Refer Note 35)	9.35	-
	9.35	**-**

17. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Financial Liabilities at amortised cost		
Other payable	7.19	7.19
	7.19	7.19
Current		
(i) Financial Liabilities at amortised cost		
Current maturities of long term debts	2,034.78	1,421.91
Interest accrued but not due on borrowings	1,254.87	2,364.24
Security Deposits	63.38	228.19
Other payable	1,686.78	1,545.63
	5,039.81	**5,559.96**
Total	**5,039.81**	**5,559.96**

18. TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current		
Trade Payables to Micro, Small and Medium Enterprises	231.29	186.21
Trade Payables to Related Parties (Refer Note 36)	302.74	199.73
Trade Payables to Others	35,597.12	42,374.75
Total	**36,131.15**	**42,760.69**

19. OTHER LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Government Grants		
- Deferred Cane Purchase Tax	160.19	113.31
- Sugar Development Fund	165.49	318.32
- BOI Soft Loan	690.82	-
- For depreciable assets	123.53	146.42
	1,140.03	**578.05**
Current		
Advance received from Customers	200.96	80.95
Government Grants		
- Deferred Cane Purchase Tax	78.57	125.60
- Sugar Development Fund	147.92	201.73
- BOI SEFASU	-	4.36
- BOI Soft Loan	313.47	-
- For depreciable assets	23.28	23.28
Statutory Liabilities	230.99	181.41
	995.19	**617.33**

20. PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Provision for employee benefits (Refer Note 33)		
Leave encashment	154.65	143.04
Total	**154.65**	**143.04**
Current		
Provision for employee benefits (Refer Note 33)		
Gratuity	134.60	186.31
Leave encashment	296.53	273.79
Total	**431.13**	**460.10**

21. GOVERNMENT GRANTS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	933.02	1,338.17
Grants received during the year	981.39	-
Released to statement of profit and loss	(211.15)	(405.15)
Closing Balance	**1,703.26**	**933.02**

22. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2019-20	2018-19
Sale of products	144,878.21	153,551.11
Other Operating Revenues		
Sugar Washout Charges	-	675.72
	144,878.21	**154,226.83**

23. OTHER INCOME

(₹ in Lakhs)

Particulars	2019-20	2018-19
Interest income on bank fixed deposits	288.35	260.28
Fair value gain on financial instruments at fair value through profit and loss	-	321.76
Government Grants Income	22.89	23.35
Financial Guarantee Income	7.42	8.64
Net gain on disposal of property, plant and equipment	386.47	344.60
Sundry balances and Provision Written Back *	390.00	97.97
Miscellaneous Income	177.51	246.86
	1,272.64	**1,303.46**

* includes ₹ 376.11 lacs on account of Provision Written back, (Refer Note no 45)

24. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2019-20	2018-19
* Cost of Material Consumed	88,002.56	105,074.87
	88,002.56	**105,074.87**

* The Cost of Raw material consumed includes cane price of ₹ Nil (Previous year ₹ 3674.15 lakhs for FY 16-17 and ₹ 3517.59 lakhs for FY 17-18) accounted in the current year. The cost so incurred has not been considered for valuation of the sugar inventory.

25. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2019-20	2018-19
Purchases of Stock-In-Trade	232.53	352.04
	232.53	**352.04**

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

(₹ in Lakhs)

Particulars	2019-20	2018-19
Inventories as at the beginning of the year		
Work - in - process	46.33	64.11
Finished goods	45,621.62	51,660.93
Total	**45,667.95**	**51,725.04**
Less : Inventories as at the end of the year		
Work - in - process	98.57	46.33
Finished goods	27,416.99	45,621.62
Total	**27,515.56**	**45,667.95**
Net decrease / (increase) in inventories	**18,152.39**	**6,057.09**

27. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2019-20	2018-19
Salaries, wages and bonus	6,998.67	6,772.33
Director's Remuneration	365.45	362.14
Contribution to provident and other funds	528.59	569.72
Staff welfare expenses	369.77	286.96
	8,262.48	**7,991.15**

28. FINANCE COST

(₹ in Lakhs)

Particulars	2019-20	2018-19
Interest Expense on		
Term Loan	811.68	1,487.93
Cash Credit	2,220.54	2,688.82
Others	3,763.87	4,715.69
Lease Liabilities	4.22	-
	6,800.31	**8,892.44**

29. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	2019-20	2018-19
Depreciation on tangible assets	4,462.12	4,960.02
Amortisation on intangible assets	5.93	0.59
	4,468.05	**4,960.61**

30. OTHER EXPENSES

(₹ in Lakhs)

Particulars	2019-20	2018-19
Manufacturing Expenses		
Power and Fuel	7,871.13	8,258.42
Repairs and maintenance		
Plant and Machinery	2,493.26	2,262.67
Buildings	71.96	114.39
Others	391.81	556.43
Stores, consumables and packing material	2,186.08	2,486.66
Packing, forwarding and storage	1,510.41	2,231.61
	14,524.65	**15,910.18**
Selling Expense	2,296.88	2,473.75
Administration Expense		
Payments to Auditors (Refer note below)	30.00	30.00
Contribution to Scientific Research Institution	76.00	100.00
Insurance	259.81	141.82
Professional Charges	497.76	464.85
General Expenses (Including travelling, telephone, etc.)	1,760.77	2,365.94
Director's Fees	18.20	11.35
Rent, Rates and taxes	290.97	400.11
Loss Allowance on Receivables	50.00	30.00
Fair value loss on financial instrument at Fair value through profit and loss	262.49	-
	3,246.00	**3,544.07**
Total	**20,067.54**	**21,928.00**

Details of Payments to Auditors

(₹ in Lakhs)

	2019-20	2018-19
As Auditor		
Statutory Audit Fee	22.00	22.00
Tax Audit Fee	8.00	8.00
	30.00	**30.00**

31. RESEARCH AND DEVELOPMENT COSTS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
i. On Revenue Account :		
Manufacturing Expenses		
Stores, Spares and Tools consumed	68.34	90.35
Payments to and provision for employees		
- Salaries, Wages, Bonus, Allowances, contribution to provident and other funds etc.	520.32	478.66
Other Expenses		
- Legal and Professional charges	120.27	116.84
- Other Expenses	290.64	543.52
Total	**999.56**	**1,229.37**
ii. On Capital Account	172.88	32.11
iii. On Capital Work in Progress (Anti Cancer Molecules) (Upto March,20 366.54 Lakhs)	311.54	55.00
Total Research & Development Expenditure (i + ii + iii)	**1,483.98**	**1,316.48**

32. EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
(a) Basic earnings per share (INR)	0.62	0.57
(b) Diluted earnings per share	0.62	0.57
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	252.54	217.85
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	252.54	217.85
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	252.54	217.85
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	40,686,774	37,996,236
Weighted average number of equity shares used as the denominator in calculating Diluted earnings per share	**40,686,774**	**37,996,236**

There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

33. EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

	March 31, 2020			March 31, 2019		
	Current	Non Current	Total	Current	Non Current	Total
Leave Encashment	296.53	154.65	451.18	273.79	143.04	416.83
Gratuity	134.60	-	134.60	186.31	-	186.31
Total Employee Benefit Obligation	**431.13**	**154.65**	**585.78**	**460.10**	**143.04**	**603.14**

(i) Leave Encashment

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of ₹ 296.53 Lakhs (March 31, 2019: ₹ 273.79 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employment obligations

a) Defined benefit plans - Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2018	**1,657.56**	**1,457.62**	**199.94**
Current service cost	127.48	-	127.48
Past Service Cost -(vested benefits)		-	-
Interest expense/(income)	119.92	112.19	7.73
Adjustment to Opening Fair Value of Plan Asset	-		-
Total amount recognised in profit or loss	**247.40**	**112.19**	**135.21**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(6.34)	6.34
(Gain)/Loss from change in financial assumptions	8.48	-	8.48
Experience (gains)/losses	34.53	-	34.53
Total amount recognised in other comprehensive income	**43.01**	**(6.34)**	**49.35**
Employer contributions	-	198.20	(198.20)
Benefit payments	(187.97)	(187.97)	-
As at March 31, 2019	**1,760.01**	**1,573.70**	**186.31**
Current service cost	134.00		134.00
Past Service Cost -(vested benefits)			-
Interest expense/(income)	127.96	120.41	7.54
Adjustment to Opening Fair Value of Plan Asset			-
Total amount recognised in profit or loss	**261.96**	**120.41**	**141.55**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)		(15.30)	15.30
(Gain)/Loss from change in financial assumptions	(26.49)		(26.49)
Experience (gains)/losses	(7.97)		(7.97)
Total amount recognised in other comprehensive income	**(34.46)**	**(15.30)**	**(19.16)**
Employer contributions		174.09	(174.09)
Benefit payments	(152.69)	(152.69)	-
As at March 31, 2020	**1,834.81**	**1,700.22**	**134.60**

The net liability disclosed above relates to funded and unfunded plans are as follows:

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Present value of funded obligations	1,834.81	1,760.01
Fair value of plan assets	1,700.22	1,573.70
Deficit of funded plan	**134.60**	**186.31**
Unfunded plans	-	-
Deficit of gratuity plan	**134.60**	**186.31**

The major categories of plan assets of the fair value of the total plan assets are as follows :

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Other Insurance Contracts (LIC of India) (100%)	1,700.22	1,573.70

The significant actuarial assumptions were as follows:

	March 31, 2020	March 31, 2019
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest/ Discount Rate	6.80%	7.60%
Rate of Increase in Compensation	3.00%	4.00%
Expected average remaining service	14.39	14.16
Retirement age	60 Years	60 Years
Employee Attrition Rate	Upto Age 45: 2% 46 and above: 1%	Upto Age 45: 2% 46 and above: 1%

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is shown below:

(₹ in Lakhs)

Assumptions	Discount rate		Salary escalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
March 31, 2020				
Impact on defined benefit obligation	(103.64)	154.96	154.51	(104.82)
% Impact	-5.65%	8.45%	8.42%	-5.71%
March 31, 2019				
Impact on defined benefit obligation	(113.94)	130.59	129.67	(114.66)
% Impact	-6.47%	7.42%	7.37%	-6.51%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Expected Outgo First	247.74	232.24
Expected Outgo Second	158.88	158.39
Expected Outgo Third	183.10	165.53
Expected Outgo Fourth	127.01	173.95
Expected Outgo Fifth	175.09	123.59
Expected Outgo Six to Ten years	728.58	767.19
Total expected payments	**1,620.40**	**1,620.89**

The average duration of the defined benefit plan obligation at the end of the reporting period is 7.89 years (March 31, 2019: 14.16 years)

b) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 381.85 Lakhs (March 31, 2019: ₹ 368.15 Lakhs)

34. COMMITMENTS AND CONTINGENCIES

A. Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Property, plant and equipment	355.17	4,016.81

B. Contingent Liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Excise duty and Service Tax (Excluding Interest and Penalty)	791.00	791.00
Bank Guarantee	2,919.57	1,844.92
Letter of Credits	3,334.67	2,640.46

i. Council of Scientific & Industrial Research (CSIR)

The Company has taken financial assistance from Council of Scientific & Industrial Research (CSIR) of ₹ 485 Lakhs to develop technology for manufacture of Polymer grade Lactic Acid. Before start of the project, assurance was given about the successful bench scale development and scalability of the process/technology by CSIR.

The project was not successful, and National Chemical Laboratory (NCL) / CSIR could not demonstrate the technology to make polymer grade Lactic Acid and accepted by NCL and also third party engineering firm appointed by CSIR.

CSIR has demanded the financial assistance back and the Company reply was that the Arbitration Application was barred by time. Supreme Court admitting SLP stayed Order of the Delhi High Court on condition of deposit of ₹ 100 Lakhs and the company have deposited ₹ 100 Lakhs during the year. Fresh date for hearing is awaited

ii. National Green Tribunal

National Green Tribunal (NGT) has permitted Prof. C. R. Babu, CEMDE, University of Delhi, for Bio-remediation of contaminated soil and surface water bodies at Sakarwadi. The work order was released by Central Pollution Control Board (CPCB) on Prof Babu for Phytoremediation of distillery waste. The process of Bio-remediation is progressing positively as Plants growth has been reported with detoxification via bacterial assisted phytoremediation under progress for further improvements. Hearing posted for 11th September, 2020.

III. Sale of Extra Neutral Alcohol (ENA) to Bottling Plant

The Company has sold ENA (Qty 9,110 KL Valuer ₹ 5210.23 Lakhs in the year 2019-20 and Qty 31,060 KL Value ₹ 14219.75 Lakhs in the period July 2017- March 19) to various customers of IFL (Potable industry) without GST. As per law, ENA is chargeable under GST. The Customers have interpreted that GST is not applicable to IFL (potable industry) and customers have volunteered and have given undertaking for reimbursement of tax plus interest whenever department of taxes may raise notices for the same. The matter was referred to GST Council by Indian Sugar Mills Association in July 2017 and thereafter followed by reminders from time to time However in view of difference of opinion, GST Council has referred the matter to Advocate General of India for his opinion. GST Council is yet to communicate its decision on the matter.

1. The Company does not expect any reimbursements in respect of the above contingent liabilities.
2. It is not practicable to estimate the timing of cash flows except Letter of Credits , in respect of matters stated above. Letter of Credits are due within three to six months

C. Financial Guarantees

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Guarantee/security given by the Company for loan taken by:		
Solar Magic Private Limited (SAFAL, NBFC)	33.22	73.03
Solar Magic Private Limited (Union Bank of India earlier Corporation Bank)	461.05	503.10

35. TRANSITION TO IND AS 116

The Company's lease asset primarily consist of leases buildings for office premises having the lease terms between 1 and 10 years. Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method and has taken the adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of Right of Use INR asset of 36.69 Lakhs, and a lease liability of ₹ 38.65 Lakhs. The cumulative effect of applying the standard, amounting to ₹ 1.96 Lakhs was debited to retained earnings.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	March 31,2020	Total
Balance as at April 1, 2019	-	-
Transition impact on account of adoption of Ind AS 116 "Leases"	36.69	36.69
Total Right of Use on the date of transition	**36.69**	**36.69**
Additions during the year	9.28	9.28
Depreciation of Right of use assets	8.94	8.94
Balance as at March 31, 2020	**37.04**	**37.04**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	March 31,2020	Total
Transition impact on account of adoption of Ind AS 116 "Leases"	38.65	38.65
Additions during the year	9.28	9.28
Finance cost accrued during the year	4.22	4.22
Payment of lease liabilities	11.81	11.81
Balance as at March 31, 2020	**40.34**	**40.34**
Current Lease Liabilities	30.99	30.99
Non-current Lease Liabilities	**9.35**	**9.35**

The maturity analysis of lease liabilities are disclosed in Note 39

The effective interest rate for lease liabilities is 11.25 %

Rental expense recorded for short-term leases was 153.15 Lakhs for the year ended March 31, 2020.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

36. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Nature of Relationship	Name of Related Party	Country of Incorporation
List of related parties :		
Subsidiary	Solar Magic Private Limited	India
	Cayuga Investment B.V.	Netherlands
Fellow Subsidiary	Godavari Biorefineries B.V.	Netherlands
	Godavari Biorefineries INC.	U.S.A.
Associate	Pentokey Organy (India) Limited	India
	The Book Centre Limited	India
Enterprises over which Key management personnel are able to exercise significant influence	Somaiya Properties and Investments Private Limited	India
	Somaiya Agencies Private Limited	India
	Jasmine Trading Co. Private Limited	India
	K. J. Somaiya & Sons Private Limited	India
	Lakshmiwadi Mines & Minerals Private Limited	India
	Somaiya Chemical Industries Private Limited	India
	Sakarwadi Trading Company Limited	India
	Arpit Limited	India
	Filmedia Communication System Private Limited	India
	Zenith Commercial Agency Private Limited	India
	Amrita Travels Private Limited	India
	Somaiya Vidyavihar	India
	K. J. Somaiya Medical Trust	India
	K. J. Somaiya Institute of Applied Agricultural Research	India
Key Management Personnel	Samir S. Somaiya (Chairman and Managing Director)	
	Vinay V.Joshi (Executive Director)	
	Shrinivas N. Bableshwar (Director - Works up to 14 th August 2018)	
	Bhalachandra R. Bakshi (Director - Works w.e.f. 01 st June 2018)	
	Mohan Somanathan (Director - Works)	
	Werner Wutscher (Non Executive Director)	
	Preeti Singh Rawat (Non Executive Women Director)	
	Kailash Pershad (Independent Director)	
	Jayendra Shah (Independent Director)	
	Uday Garg (Nominee Director)	
	Hemant Luthra (Additional Independent Director w.e.f 27th Sept 2020)	
	Lakshmikantam Mannpalli (Additional Director)	
	Naresh S. Khetan (Chief Financial Officer)	
	Swarna S. Gunware (Company Secretary)	
Relatives of Key Management Personnel	Maya S. Somaiya	
	Harinakshi Somaiya	

(ii) Transactions with related parties

The following transactions occurred with related parties (₹ in Lakhs)

Name	Nature of Transaction	March 31, 2020	March 31, 2019
Solar Magic Private Limited	Loans and Advances Given/(Repaid)	(43.56)	(305.10)
	Interest income Received	33.84	65.07
	Purchases	15.67	8.93
Godavari Biorefineries INC.	Commission / Reimbursement of Expenses	102.37	219.61
Godavari Biorefineries B.V.	Commission / Reimbursement of Expenses	177.91	392.43
	Sales	1,323.65	447.20

Name	Nature of Transaction	March 31, 2020	March 31, 2019
The Book Centre Limited	Purchases	19.18	41.51
Pentokey Organy (India) Limited	Purchases	-	624.21
K. J. Somaiya Institute of Applied Agricultural Research	Purchases	26.93	28.51
	Contribution paid	76.00	100.00
Amrita Travel Private Limited	Purchases	-	83.32
Zenith Commercial Agency Private Limited	Purchases	3.76	8.07
Arpit Limited	Purchases	3.69	4.42
	Rent paid	1.42	1.42
	Sales	162.84	191.52
Somaiya Agencies Private Limited	Purchases	0.58	1.83
Jasmine Trading Co. Private Limited	Rent paid	-	110.45
Somaiya Properties & Investments Private Limited	Rent paid	27.15	64.76
Somaiya Chemicals Industries Private Limited	Rent paid	-	2.44
K. J.Somaiya & Sons Private Limited	Rent paid	-	25.58
	Royalty paid	158.22	164.18
Filmedia Communications System Private Limited	Service Charges paid	10.62	9.59
	Rent paid	147.26	-
Somaiya Vidyavihar/ Somaiya Medical Trust	Software / Training Expenses / Professional fees	9.26	22.99
Somaiya Vidyavihar	Donation paid	15.71	66.92
Samir S. Somaiya	Remuneration paid	230.42	237.64
	Purchases	8.78	10.37
Vinay V. Joshi	Remuneration paid	91.54	78.76
Shrinivas N. Bableshwar	Remuneration paid	5.45	14.72
Mohan Somanathan	Remuneration paid	46.79	45.33
Naresh S Khetan	Remuneration paid	76.14	69.53
Swarna S Gunware	Remuneration paid	10.27	8.77
Shri Bhalachandra R. Bakshi	Remuneration paid	40.28	26.35
Harinakshi Somaiya	Salary paid	-	5.01
	Purchases	5.20	2.17
Maya S. Somaiya	Purchases	-	1.22
Shri Jayendra Shah	Director's fees paid	1.75	2.00
Shri Hemant Luthra	Director's fees paid	0.70	-
Shri Kailash Pershad	Director's fees paid	4.20	3.00
Shri Lakshmikantam Mannpalli	Director's fees paid	4.90	2.40
Dr. Preeti Rawat	Director's fees paid	2.10	0.75
Mandala Capital AG Limited	Director's fees paid	4.20	2.65
Shri Werner Wutscher	Director's fees paid	0.35	0.55

(iii) Outstanding balances arising from sales/purchases of goods and services (₹ in Lakhs)

Name	March 31, 2020	March 31, 2019
Investments		
Solar Magic Private Limited *	345.00	345.00
Cayuga Investments BV	1,001.92	1,001.92
(* Excludes IND AS adjustments)		
Trade Receivables		
Godavari Biorefineries BV	191.95	123.78
Arpit Limited	39.77	24.60
Trade Payables		
Solar Magic Private Limited	0.11	0.45
Godavari Biorefineries INC.	102.37	56.46

Name	March 31, 2020	March 31, 2019
Godavari Biorefineries BV	154.72	80.93
The Book Centre Ltd.	-	2.82
Pentokey Organy (India) Limited	-	57.43
Filmedia Communications System Pvt Ltd	0.75	-
Arpit Limited	-	0.39
K.J.Somaiya & Sons Pvt. Ltd.	40.12	0.50
Somaiya Vidyavihar/Somaiya Medical Trust	4.68	0.75

(iv) Loans to related parties (₹ in Lakhs)

Name	March 31, 2020	March 31, 2019
Solar Magic Private Limited	413.03	456.59

(v) Other balances with related parties (₹ in Lakhs)

Name	March 31, 2020	March 31, 2019
Samir S. Somaiya	(1.36)	(1.36)
Somaiya Chemicals Industries Pvt. Ltd.	35.00	35.00

(vi) Key management personnel compensation (₹ in Lakhs)

	March 31, 2020	March 31, 2019
Director sitting fees	18.20	11.35
Short term employee benefits	500.89	474.15
	519.09	**485.50**

(vii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. The Company has given guarantee/security to the lenders of subsidiary companies amounting to ₹ 494.26 Lakhs (March 31, 2019: ₹ 576.13 Lakhs). For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amount owed by related parties March 2020: Nil (March 31, 2019: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

37. SEGMENT REPORTING

A. For management purposes, the Company is organized into following four business units based on the risks and rates of returns of the products offered by these unit as per Ind AS 108 on 'Operating Segment' :

Sugar

Cogen

Chemicals

Distillery

No operating segments have been aggregated to form the above reportable operating segment.

The Managing Director (MD) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended March 31, 2020 (₹ in Lakhs)

Particulars	Sugar	Cogen	Chemicals	Distillery	Interunit Transfer	Unallocated	Total
Revenue							
External Revenue / Operating Revenue	62,664.01	4,147.17	45,417.64	32,649.39	-	-	144,878.21
Inter-segment	23,975.34	5,703.99	-	48.89	(29,728.21)	-	-
Total revenue	**86,639.35**	**9,851.16**	**45,417.64**	**32,698.28**	**(29,728.21)**	**-**	**144,878.21**
Other Non Operating Income							
Other Income	282.68	10.16	691.22	0.24	-	288.34	1,272.64
	282.68	**10.16**	**691.22**	**0.24**	**-**	**288.34**	**1,272.64**
Total revenue	**86,922.03**	**9,861.32**	**46,108.86**	**32,698.52**	**(29,728.21)**	**288.34**	**146,150.85**
Segment profit							
Operating Profit Before Interest Expense	1,499.67	857.66	1,013.89	4,153.01	-	(539.78)	6,984.46
Interest Expense						6,800.31	6,800.31
Tax Expenses						(81.57)	(81.57)
Net Profit / (Loss)	-	-	-	-	-	-	265.72
Segment Asset	31,995.22	3,160.96	19,476.93	10,839.03	-	3,235.63	68,707.77
Capital assets including CWIP	28,811.44	9,355.02	1,199.36	18,439.58	-	17,150.55	74,955.94
Total Segment Asset	**60,806.66**	**12,515.98**	**20,676.29**	**29,278.61**	**-**	**20,386.18**	**143,663.71**
Total Segment Liabilities	74,649.98	503.67	17,859.59	7,286.68		(33.42)	100,266.50
Other disclosures							
Capital expenditure	548.65	102.11	2,162.76	5,781.14	-	45.59	8,640.25
Segment Depreciation	1,622.36	935.61	611.98	1,175.69		122.42	4,468.05

Year ended March 31, 2019 (₹ in Lakhs)

Particulars	Sugar	Cogen	Chemicals	Distillery	Interunit Transfer	Unallocated	Total
Revenue							
External Sales Revenue	63,881.03	3,355.60	60,919.58	26,070.62	-	-	154,226.83
Inter-segment	12,147.60	5,765.62	-	6.50	(17,919.72)	-	-
Total revenue	**76,028.64**	**9,121.22**	**60,919.58**	**26,077.12**	**(17,919.72)**	**-**	**154,226.83**
Other Non Operating Income							
Other Income	1,029.41	29.38	(26.30)	10.69	-	260.29	1,303.46
	1,029.41	29.38	(26.30)	10.69	-	260.29	1,303.46
Total revenue	**77,058.04**	**9,150.60**	**60,893.28**	**26,087.81**	**(17,919.72)**	**260.29**	**155,530.29**
Segment Result							
Operating Profit Before Interest Expense	(1,153.95)	1,593.91	2,768.85	6,648.91	-	(740.55)	9,117.17
Interest	-	-	-	-	-	8,892.44	8,892.44
Tax Expenses	-	-	-	-	-	40.84	40.84
Net Profit / (Loss)	**-**	**-**	**-**	**-**	**-**	**-**	**183.89**
Segment Asset	53,630.78	2,858.75	21,402.41	7,115.62	-	3,188.86	88,196.42
Capital assets including CWIP	30,135.31	10,234.48	16,829.56	17,622.57	-	1,148.82	75,970.75
Total Segment Asset	**83,766.09**	**13,093.23**	**38,231.97**	**24,738.19**	**-**	**4,337.69**	**164,167.17**
Total Segment Liabilities	97,378.59	782.89	24,731.12	4,562.53	-		127,455.13
Other disclosures							
Capital expenditure	35.33	138.24	209.38	100.45	-	114.41	597.81
Segment Depreciation	2,110.67	934.65	672.34	1,133.84	-	109.11	4,960.61

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property,plant and equipment and intangible assets.

B. Information about geographical areas

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
India	120,163.55	118,807.51
Outside India	24,714.66	35,419.32
	144,878.21	**154,226.83**

All non current assets of the Company are located in India.

Revenue from Major Customers

Revenue from customers exceeding 10% of total revenue for the year ended March 31, 2020 and March 31, 2019 were as follows:

(₹ in Lakhs)

Segment	March 31, 2020		March 31, 2019	
	Number of Customers	Revenue	Number of Customers	Revenue
Sugar	1	18,171.82	2	23,806.68
Cogen	5	4,143.73	5	3,341.69
Chemical	1	6,611.05	1	7,300.27
Distillery	1	4,789.33	2	7,821.67
		33,715.93		**42,270.31**

38. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

(₹ in Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	12,059.44	13,925.46	12,059.44	13,925.46
Loans	413.03	456.59	413.03	456.59
Cash and Cash Equivalents	127.47	87.35	127.47	87.35
Other Bank Balances	3,828.22	3,458.35	3,828.22	3,458.35
Security Deposits	399.28	374.73	399.28	374.73
Other Financial Assets	6,264.08	4,118.01	6,264.08	4,118.01
FVTPL				
Investments in Preference Shares	0.01	0.01	0.01	0.01
Total	**23,091.53**	**22,420.50**	**23,091.53**	**22,420.50**
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	58,361.79	78,750.68	58,361.79	78,750.68
Lease Liabilities	40.34	-	40.34	-
Trade Payables	36,131.15	42,760.69	36,131.15	42,760.69
Other financial liabilities	3,012.21	4,145.24	3,012.21	4,145.24
Total	**97,545.49**	**125,656.61**	**97,545.49**	**125,656.61**

The management assessed that the fair value of cash and cash equivalent, trade receivables, security deposits, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans and non current security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement: (₹ in Lakhs)

Particulars	March 31, 2020			Total	March 31, 2019			Total
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Financial Investments at FVTPL								
Investments in Preference Shares	-	-	0.01	0.01	-	-	0.01	0.01
Indemnification assets								
Derivatives - Foreign Exchange forward contract	-	-	-	-	-	262.49	-	262.49
Total Financial Assets	**-**	**-**	**0.01**	**0.01**	**-**	**262.49**	**0.01**	**262.50**
Financial Liabilities	-	-	-	-	-	-	-	-
Total Financial Liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

iii. Fair value measurement

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity shares.

There have been no transfers among Level 1, Level 2 and Level 3 during the period

iv. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

The fair value of unquoted equity instruments is not significantly different from their carrying value and hence the management has considered their carrying amount as fair value.

39. FINANCIAL RISK MANAGEMENT

The company's activity expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i. Credit risk management

To manage the credit risk, Company periodically assesses the financial reliability of customers; taking into account factors such as credit track record in the market and past dealings with the company for extension of credit to Customer. Company monitors the payment track record of the customers, restrict credit limited in SAP, credit rating etc. Concentrations of credit risk are limited as a result of the company's large and diverse customer base. Company has also taken advances and security deposits from its customers / agents, which mitigate the credit risk to an extent. Generally, term deposits are maintained with banks with which company has also availed borrowings.

ii. Provision for expected credit losses - Trade Receivables

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Exposure - Trade Receivables (₹ in Lakhs)

Particulars	Past Due		Total
	Up to 6 Months	More than 6 Months	
As at March 31,2020	10,385.35	1,674.09	12,059.44
As at March 31,2019	12,885.28	1,040.17	13,925.45

iii. Reconciliation of loss allowance provision - Trade receivables

(₹ in Lakhs)

Particulars	
Loss allowance on April 1, 2018	**200.41**
Changes in loss allowance	30.00
Loss allowance on March 31, 2019	**230.41**
Changes in loss allowance	50.00
Loss allowance on March 31, 2020	**280.41**

iv. Provision for expected credit losses - Other financial assets

The carrying amount of cash and cash equivalents, loans, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 11,032.09 Lakhs (March 31, 2019: ₹ 8,232.54 Lakhs). The company does not expect credit loss on other financial assets.

(B) Liquidity risk

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Contractual maturities of financial liabilities **(₹ in Lakhs)**

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31, 2020				
Borrowings	58,361.79	44,008.74	13,336.35	1,016.70
Trade payables	36,131.16	36,131.16	-	-
Lease Liabilities	40.34	9.35	20.72	10.27
Other financial liabilities	3,012.21	3,005.02	7.19	-
Total non derivative liabilities	**97,545.50**	**83,154.27**	**13,364.26**	**1,026.97**
March 31, 2019				
Borrowings	78,750.68	65,262.21	13,488.48	-
Trade payables	42,760.68	42,760.69	-	-
Other financial liabilities	4,145.24	4,138.06	7.19	-
Total non derivative liabilities	**125,656.60**	**112,160.96**	**13,495.67**	**-**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity price risk.

(i) Foreign currency risk

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not Company's functional currency (₹). The Company has natural hedge of exports against import and any excess in import if any, is cover by forward contract.

(a) Foreign currency risk exposure

(₹ in Lakhs)

	USD	EURO	Total
March 31, 2020			
Trade Receivables	2,041.74	700.57	2,742.30
Trade Payables	(9,353.16)	(155.09)	(9,508.24)
Forward contracts for receivables	(336.84)	(508.19)	(845.02)
Forward contracts for payables	3,973.31	-	3,973.31
Net exposure to foreign currency risk	**(3,674.95)**	**37.29**	**(3,637.65)**
March 31, 2019			
Trade Receivables	3,125.31	1,066.25	4,191.56
Trade Payables	(5,721.73)	(80.93)	(5,802.66)
Forward contracts for receivables	(738.06)	(1,006.26)	(1,744.33)
Forward contracts for payables	3,606.74	-	3,606.74
Net exposure to foreign currency risk	**272.25**	**(20.94)**	**251.31**

(b) Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

(₹ in Lakhs)

	2019-20		2018-19	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(36.75)	36.75	2.72	(2.72)
EURO	0.37	(0.37)	(0.21)	0.21
Net Increase/(decrease) in profit or loss	(36.38)	36.38	2.51	(2.51)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable and competitive cost of funding.

However during the periods presented in the financial statements, the Company has primarily borrowed funds under fixed interest rate arrangements with banks and financial institutions and therefore the Company is not significantly exposed to interest rate risk.

(iii) Inventory price risk

The company is exposed to the movement in price of principal finished product i.e sugar. Prices of the sugar cane is fixed by government. Generally, sugar production is carried out during sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the sugar inventory to the movement in the price. Company monitors the sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in sugar price on the inventory as at year end, other factors remaining constant is given in table below:

(₹ in Lakhs)

Rate sensitivity	Increase / Decrease In sale price (per Qtls)	Effect on Profit before tax	
For year ended March 31,2020	1	+ / (-)	6.29
For year ended March 31,2019	1	+ / (-)	13.06

40. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and other bank balances.

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Borrowings	58,361.79	78,750.68
Trade payables	36,131.15	42,760.69
Other payables	3,012.21	4,145.24
Less: Cash and cash equivalents	(127.47)	(87.35)
Less: Other bank balance	(3,828.23)	(3,458.35)
Net Debt	**93,549.45**	**122,110.92**
Equity share capital	4,194.30	3,837.59
Other equity	39,202.91	32,874.45
Total Equity	**43,397.21**	**36,712.04**
Total Equity and Net Debt	**136,946.66**	**158,822.96**
Gearing ratio	**0.68**	**0.77**

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements.

41 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Principal amount due to suppliers under MSMED Act, 2006	231.29	186.21
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

42. DISCLOSURES REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

(₹ in Lakhs)

Name of the Party	Nature	Purpose	Rate of interest	March 31, 2020	March 31, 2019
Solar Magic Private Limited	Loan	Working Capital	8.00%	413.03	456.59
Solar Magic Private Limited	Corporate Guarantee, Comfort Letter	Working Capital	-	494.26	576.14

43. EXPORT AND TRANSPORT SUBSIDY CLAIMS

During the current financial year, Central Government vide notification No. 1(14)/2019-S.P.-I. dated 12th September 2019, notified and assistance of ₹ 10,448/MT on export sugar limited to Maximum Admissible Export Quantity (MAEQ)to Sugar Mills with a view to offset the costs incurred and facilitate timely payment of cane price, subject to fulfillment of following major conditions:

1. The company should have supplied at least 50% of 39,896 MT MAEQ for the first claim.
2. The company as to complete export of allotted sugar quota of 39,896 MT up to 30th September 2020.

The company has achieved the followings:

Particulars	October-19 to March-20	October 19 to July20
Required Quota	39,896 MT	39,896 MT
Completed Qty.	17,893 MT	37,482 MT
% Completion against the required quota	44.85%	93.95%

The company has exported up to 31.03.20 qty 17,893/MT and capability to achieve the balance quota, the assistance of ₹ 1869.46 Lakhs as export transportation cost subsidy has been accounted for during the year.

During the previous financial year Central Government vide notification No. 1(14)/2018-S.P.-I. dated 5th October 2018, had notified following Schemes for Assistance to Sugar Mills with a view to offset the costs incurred and facilitate timely payment of cane price dues of farmers for sugar season 2018-19 and cane price arrears of previous sugar seasons:

1. An assistance of ₹ 138.80/MT of cane crushed for cane season 18-19 for production of sugar.
2. An assistance of ₹ 2500/MT of sugar exported or actual transportation cost incurred for exporting sugar (lower of the two).

The company has complied with the conditions and requirements in F.Y 2018-19 and F.Y 2019-20 and has accordingly made claims and received amounts under the schemes as follows:

Particulars	Amount (₹ In Lakhs)
Claim made and accounted in F.Y 2018-19 (A)	2748.31
Claim made and accounted F.Y 2019-20 (B)	375.73
Total Claim made (A+B)	3124.04
Claim Received in F.Y 2019-20	2397.45
Balance Receivable	726.59

44. AGRICULTURAL LAND PROFIT

During the year the company has sold agricultural land admeasuring 34.15 acres. For a total consideration of ₹ 501.54 Lakhs The company has accounted the profit on the basis of following as per Revenue Recognition policy:

1. Possession of the land has been handed over on or before 31/03/2020.
2. Sale agreement has been executed on or before 31/03/2020.

45. Dr. Baburao Bapuji Tanpure SSK Ltd., Rahuri (BBT)

The Company had entered into a contract with Dr. Baburao Bapuji Tanpure SSK Ltd., Rahuri (BBT), Sugar Factory in 2013 for the supply of 50 Lakh BL Alcohol. Also, an advance payment of ₹800 Lakhs was paid. Against this, BBT has supplied only part BL of Alcohol. From the advance of ₹ 800 Lakhs, ₹ 501 Lakhs was balance with BBT. Thereafter, BBT had stopped its operations and the company started making provision on account of this advance since 2015.

The company had filed a Civil suit of ₹658 Lakhs plus @ 14% penalty w.e.f. 1/12/15 till realization, in which terms Decree has been granted. In the company Application for Execution of Decree, The Ahmednagar District Court Ordered for the seizure of twenty thousand sugar bags from BBT. Company may file another application if the principal plus penalty is not realized.

Further, the company has filed a criminal case u/s 138 NIA against BBT in the Judicial Magistrate First Class, Kopargaon which is pending disposal. As the principal amount is recoverable the company during the year written back ₹ 376 Lakhs.

46. Previous year figures have been regrouped/ rearranged, wherever considered necessary to confirm to current year's classification

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements **1 to 46**

As per our report of even date attached

For and on behalf of the Board of Directors

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
Executive Director
(DIN : 00300227)

Vimlesh Mehta
Partner
Membership No. 043599

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

Place : Mumbai
Date : 10th September 2020

Consolidated Financial Statement

Auditors' Report

To the Members of Godavari Biorefineries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Godavari Biorefineries Limited** (hereinafter referred to as the 'Holding Company") and its subsidiaries [(the Holding Company, its subsidiaries (including a step down subsidiary) together referred to as "the Group")] which comprise the consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and joint venture entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in subparagraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the Board of Directors report, but does not include the consolidated financial statements and our auditor's report thereon.]

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

6. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 15 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also: • Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. • Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation. • Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

15. The consolidated Ind AS financial statements include the financial statements of four subsidiaries, whose financial statements reflect total assets of ₹ 30.34 crores as at March 31, 2020, total revenues of ₹ 26.55 crores and net cash inflows amounting to ₹ 4.4 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements, which have not been audited by us.

These financial statements have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the financial statements of four audited subsidiaries of which one is located in India and three are located outside India which have been Audited by other Auditors whose reports have been furnished to us by the management.

Three subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries, under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the amounts and disclosures included in respect of said subsidiaries located outside India is based on the conversion adjustments prepared by the management of the parent and audited by us.

The comparative financial statements for the year ended March 31, 2020 in respect of four subsidiaries included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been furnished to us by the Management and have been relied upon by us.

The Parent's management has converted the financial statements of three subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion in so far as it relates to the amounts and disclosures included in respect of said subsidiaries located outside India is based on the conversion adjustments prepared by the management of the parent and have been relied upon by us.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of above matter with respect to our reliance on the work done and the reports of other Auditors of four subsidiaries furnished to us by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other Auditors of four subsidiaries furnished to us by the Management as noted in the "Other Matters" paragraph we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and Audited financials with Audit reports of the other Auditors of four subsidiaries submitted by the Management.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, and the Consolidated Cash Flow Statement and Consolidated Statement of Change in Equity dealt with by this report are in agreement with the relevant financial statements adopted and related working statements maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Parent and of its subsidiary company, incorporated in India, none of the directors of the respective companies, are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary company, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the audited financial statements of four subsidiaries of which one is located in India and three are located outside India which have been Audited by other Auditors whose reports have been furnished to us by the management as noted in the 'Other Matter' paragraph to the extent applicable:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. there are no material foreseeable losses arising out of any long-term contracts for which provision is required to be made under any law or accounting standards.

The Holding Company has made provision in respect of derivative contracts as required under the applicable law or accounting standard;

iii. The holding company and subsidiary company do not have any unpaid dividend amount. Accordingly, there is no amount, required to be transferred, to the Investor Education and Protection Fund; and

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

For VERMA MEHTA & ASSOCIATES
Chartered Accountants
Firm's Registration No: 112118W

Vimlesh Mehta
Partner
M.N.043599
UDIN: 20043599AAAAAX1709

Place: Mumbai
Date: 10th September 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph "f" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Godavari Biorefineries Limited (hereinafter referred to as "Parent") and its subsidiary company (hereinafter referred to as the "Group"), which includes internal financial controls over financial reporting of companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, which is a company incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary company, incorporated in India.

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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us the Parent, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

For VERMA MEHTA & ASSOCIATES
Chartered Accountants
Firm's Registration No: 112118W

Vimlesh Mehta
Partner
M.N.043599
UDIN: 20043599AAAAAX1709

Place: Mumbai
Date: 10th September 2020

(₹ in Lakhs)

Particulars	Notes	March 31, 2020	March 31, 2019
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	73,421.67	69,424.83
(b) Capital Work-in-Progress	4	1,668.73	6,739.87
(c) Right-of-use	4	45.03	-
(d) Intangible Assets	5	28.88	36.96
(e) Investments accounted for using the equity method	6	4.71	4.71
(f) Financial Assets			
(i) Investments	6A	0.01	0.01
(ii) Other Financial Assets	6B	399.28	374.73
(g) Deferred Tax Asset (Net)	12	1,566.25	1,484.07
(h) Other Non-Current Assets	11	1,171.89	1,108.30
		78,306.45	**79,173.48**
Current assets			
(a) Inventories	7	38,283.44	56,933.16
(b) Financial Assets			
(i) Trade Receivables	8	12,694.31	14,699.88
(ii) Cash and Cash Equivalents	9	576.46	524.91
(iii) Bank Balances Other than (ii) above	10	3,828.22	3,458.35
(iv) Other Financial Assets	6B	6,352.47	4,217.74
(c) Other Current Assets	11	3,381.06	5,120.20
		65,115.96	84,954.24
TOTAL		**143,422.41**	**164,127.71**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	4,194.30	3,837.59
(b) Other Equity	14	38,518.82	32,047.51
		42,713.12	**35,885.10**
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	12,318.27	13,512.58
(ii) Lease Liabilities	16	35.61	-
(iii) Other Financial Liabilities	17	7.19	7.19
(b) Provisions	20	154.65	143.04
(c) Other Non-Current Liabilities	19	1,140.03	578.06
		13,655.75	**14,240.87**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	44,469.78	64,343.40
(ii) Lease Liabilities	16	13.42	-
(iii) Trade Payables	18		
Micro, Small and Medium Enterprises		231.29	186.21
Others		35,798.43	42,719.04
(iv) Other Financial Liabilities	17	5,109.45	5,648.51
(b) Other Current Liabilities	19	1,000.04	630.68
(c) Provisions	20	431.13	460.10
(d) Current Tax Liabilities (Net)	21	-	13.81
		87,053.54	**114,001.74**
TOTAL		**143,422.41**	**164,127.71**
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 46		

As per our report of even date attached

For and on behalf of the Board of Directors

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
Executive Director
(DIN : 00300227)

Vimlesh Mehta
Partner
Membership No. 043599

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

Place : Mumbai
Date : 10th September 2020

(₹ in Lakhs)

Particulars	Notes	2019-20	2018-19
REVENUE			
Revenue from operations (net)	23	145,914.88	155,222.92
Other income	24	1,364.69	1,409.84
Total Revenue (I)		**147,279.57**	**156,632.76**
EXPENSES			
Cost of materials consumed	25	88,004.90	105,078.66
Purchases of stock-in-trade	26	962.74	1,269.66
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	27	18,215.78	6,027.10
Employee benefits expense	28	8,428.19	8,139.72
Finance costs	29	6,873.45	8,987.55
Depreciation and amortization expense	30	4,494.92	4,983.00
Other expenses	31	19,970.49	21,508.97
Total Expenses (II)		**146,950.47**	**155,994.66**
Profit/ (Loss) before tax		**329.10**	**638.10**
Tax expense:			
Current tax		10.36	13.88
Deferred tax		(87.55)	69.93
Profit/ (Loss) for the period		**406.29**	**554.29**
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		19.16	(49.36)
Income tax effect		(5.98)	15.40
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:			
Exchange differences in translating the financial statements of a foreign operation		(10.48)	(35.85)
Other Comprehensive income for the year, net of tax		**2.70**	**(69.81)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**408.99**	**484.48**
Earnings per share for profit attributable to equity shareholders	33		
Basic EPS and Diluted EPS		1.00	1.46
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 46		

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 10th September 2020

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
Executive Director
(DIN : 00300227)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

(₹ in Lakhs)

Particulars	2019-20	2018-19
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit / (Loss) before income tax from:	**329.10**	**638.10**
Adjustments for:		
Depreciation and amortisation expense	4,494.92	4,983.00
Profit / (Loss) on Sale of Property,Plant and Equipment	(386.47)	(344.60)
Sundry Debit/Credit Balances Written Off/Back (Net)	(364.72)	(68.15)
Allowance for Doubtful Debts / Advances	50.00	27.00
Interest income classified as investing cash flows	(382.01)	(368.00)
Interest and finance charges	6,873.45	8,987.55
Impairment loss on PPE	9.42	-
Government grant income	(22.89)	(23.35)
Unrealised foreign currency (gain)/loss	(11.12)	(353.00)
Change in operating assets and liabilities:		
Trade payables	(6,875.56)	14,201.69
Other liabilities	1,527.09	(1,546.93)
Provisions	(4.17)	33.87
Trade receivables	1,956.22	(676.64)
Inventories	18,639.72	5,687.51
Other assets	(442.53)	(2,543.93)
Other bank balance	(369.88)	-
Cash generated from operations	**25,020.55**	**28,634.12**
Less: Income taxes (paid) refund received	(64.43)	(66.04)
Net cash inflow from operating activities	**24,956.11**	**28,700.16**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of property, plant and equipment (net)	(2,647.31)	(6,867.81)
Proceed from sale of property, plant and equipment	-	1,031.34
Interest received	387.11	378.96
Net cash outflow from investing activities	**(2,260.21)**	**(5,457.51)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from /(Repayment of) non current borrowings	(21,067.93)	(3,836.21)
Repayment of Lease Liabilities	(11.86)	(11,268.95)
Issue of share capital including share premium (net)	6,420.81	1,661.12
Interest and finance charges paid	(7,985.37)	(9,673.19)
Net cash inflow (outflow) from financing activities	**(22,644.35)**	**(23,117.23)**
Net increase (decrease) in cash and cash equivalents	51.55	125.42
Cash and Cash Equivalents at the beginning of the financial year	524.91	399.49
Cash and Cash Equivalents at end of the year	**576.46**	**524.91**
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks:		
- On current accounts	487.24	480.87
- Deposits with original maturity of less than three months	52.05	34.67
Cash on hand	37.17	9.37
Balances per statement of cash flows	**576.46**	**524.91**

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'.
2. Previous years figures have been regrouped/rearranged/recast wherever necessary to confirm to this year's classification.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. **1 to 46**

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 10th September 2020

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
Executive Director
(DIN : 00300227)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

A Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2019			
Numbers	3,76,37,633	7,38,275	3,83,75,908
Amount	3,763.77	73.83	3,837.59
March 31, 2020			
Numbers	3,83,75,908	35,67,115	4,19,43,023
Amount	3,837.59	356.71	4,194.29

B Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Total
	Securities Premium Reserve	General Reserve	Debenture Redemption Reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	
As at April 1, 2018	**18,609.56**	**1,865.38**	**573.50**	**8,824.70**	**102.60**	**29,975.74**
Profit for the period	-	-	-	554.29	-	554.29
Other comprehensive income	-	-	-	(33.96)	(35.85)	(69.81)
Total comprehensive income for the year	**-**	**-**	**-**	**520.32**	**(35.85)**	**484.48**
Issue of equity shares	1,587.29	-	-	-	-	1,587.29
As at March 31, 2019	**20,196.85**	**1,865.38**	**573.50**	**9,345.02**	**66.75**	**32,047.51**
Profit for the period	-	-	-	406.29	-	406.29
Other comprehensive income	-	-	-	13.18	(10.48)	2.70
Total comprehensive income for the year	**-**	**-**	**-**	**419.46**	**(10.48)**	**408.99**
Issue of equity shares	6,064.10	-	-	-	-	6,064.10
Ind AS 116 Impact	-	-	-	(2.40)	-	(2.40)
Income tax on above	-	-	-	0.61	-	0.61
As at March 31, 2020	**26,260.95**	**1,865.38**	**573.50**	**9,762.70**	**56.27**	**38,518.82**

As per our report of even date attached

For and on behalf of the Board of Directors

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
Executive Director
(DIN : 00300227)

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 10th September 2020

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

1 Corporate Information

These statements comprise financial statements of Godavari Biorefineries Limited (CIN: U67120MH1956PLC009707) (the Holding Company) and its subsidiaries (collectively, 'the Company' or 'the Group') for the year ended March 31, 2020. The holding company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its Equity share and debentures (bond) are unlisted. The registered office of the company is located at Somaiya Bhavan, 45/47, Mahatma Gandhi Road, Fort, Mumbai - 400 001."

The Group is principally engaged in the manufacturing of sugar, power generation, chemicals, distillery and other bio products. The financial statements were approved by the Board of Directors and authorised for issue on"

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies(Indian Accounting Standards)(Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act").

The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification(refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations."

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Summary of significant accounting policies

(a) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Profit or loss and each component of other comprehensive income (the 'OCI') are attributed to the equity holders of the parent of the Group and to the non controlling interests, even if this results in the non controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iv) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on straight line method using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013.If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold land is amortised on a straight line basis over the balance period of lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The residual values are not more than 5% of the original cost of the asset.

(c) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Amortisation methods and periods

Intangible assets comprising of patents are amortized on a straight line basis over the useful life of five years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

(d) Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility including commercial market has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The Property plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, plant and equipment and Intangible Assets.

(e) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(f) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entities operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss. Non monetary assets and liabilities are carried at cost.

(iii) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

(g) Financial Instruments

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

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

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

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

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

(i) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting of financial instruments

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

(h) Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

(i) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

(iii) Minimum alternate Tax

MAT payable for a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probability that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as ‘MAT Credit Entitlement’ under Deferred Tax. The Company reviews the same at each reporting date and writes down the asset to the extent the Company does not have probable certainty that it will pay normal tax during the specified period.

(j) Inventories:

Raw Materials are valued at lower of moving average cost or net realisable value.

Stores and Spares are valued at moving average cost.

Work-in-Progress stocks is converted into equivalent units of finished stocks. Work-in-Progress valued at lower of cost or net realisable value.

Finished stocks are valued at cost or net realisable value whichever is lower.

Bagasse, Molasses and waste/scrap generated in the production process are valued at net realisable value.

The valuation of inventories includes taxes, duties of non refundable nature and direct expenses and other direct cost attributable to the cost of inventory, net of excise duty/Goods and Service Tax/ countervailing duty / education cess and value added tax.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of third parties.

The Company collects taxes such as GST, sales tax/value added tax, service tax, etc on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/ income.

Effective April 1, 2018, the company adopted Ind AS 115 “Revenue from Contracts with customers”.

The following specific recognition criteria must also be met before revenue is recognized:

(i) Sale of goods

Revenue from sale of manufactured and traded goods is recognised when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

Power sales are accounted as per the rate mentioned in Contracts entered with state governments and other entities.

(ii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iii) Dividend income

Dividends are recognised when right to receive is established.

(iv) Other income

Export benefits are accounted on the basis of completion of Export Obligation, which are to be received with a reasonable certainty.

(l) Employee Benefit Obligations:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefit comprises of leave encashment towards unavailed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans viz gratuity,

(b) defined contribution plans viz state governed provident fund scheme and employee pension scheme.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The plan assets are administered by the approved gratuity fund trust.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans

The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(m) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(n) Leases

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

(i) As a lessee

The company recognises a Right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. Right of- use assets are depreciated on a straight-line basis over the shorter of the lease term.In addition, the Right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate.

Generally, the company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. "

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(o) Provisions, Contingent Liabilities and Contingent Assets

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

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(p) Borrowing Costs:

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(q) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(r) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(t) Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(u) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

3 Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Critical estimates and judgements

(i) Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

(ii) Estimation of net realizable value for inventories

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified."

(iii) Recoverability of trade receivables

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience except for power receivables.

(iv) Useful lives of property, plant and equipment/intangible assets

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(v) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

(vi) Defined benefit plans

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

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2020	Additions	Deductions/ Adjustments	As at March 31, 2020	As at March 31, 2020	During the period	Deductions/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2020
Free Hold Land	24,157.88	-	(115.56)	24,042.32	-	-	-	-	24,042.32	24,157.88
Building	5,171.87	984.12	(5.29)	6,150.70	679.10	219.11	-	898.21	5,252.49	4,492.77
Plant and Equipments	53,631.09	7,509.83	(4.12)	61,136.79	13,490.71	4,111.81	-	17,602.52	43,534.26	40,140.37
Furniture and Fixtures	217.79	60.83	5.36	283.98	49.57	28.50	5.24	83.31	200.67	168.22
Vehicles	436.37	-	(0.21)	436.16	179.51	50.18	-	229.69	206.47	256.86
Office Equipments	211.35	17.49	-	228.84	83.95	29.59	-	113.53	115.31	127.40
Computer Hardwares	152.19	22.59	(0.09)	174.69	70.87	33.67	-	104.54	70.15	81.33
Total	**83,978.52**	**8,594.87**	**(119.92)**	**92,453.47**	**14,553.71**	**4,472.85**	**5.24**	**19,031.80**	**73,421.67**	**69,424.83**
Capital Work in Progress	6,739.87	3,521.01	(8,562.37)	1,698.51	-	-	29.78	29.78	1,668.73	6,739.87
Total	**90,718.39**	**12,115.88**	**(8,682.29)**	**94,151.99**	**14,553.71**	**4,472.85**	**35.02**	**19,061.58**	**75,090.40**	**76,164.70**
Right - of- Use (as on April 1, 2019)	46.14	12.33	-	58.47	-	13.44	-	13.44	45.03	
Total	**46.14**	**12.33**	**-**	**58.47**	**-**	**13.44**	**-**	**13.44**	**45.03**	**-**

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2018	Additions	Deductions/ Adjustments	As at March 31, 2019	As at March 31, 2018	During the period	Deductions/ Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Free Hold Land	24,334.84	-	(176.96)	24,157.88	-	-	-	-	24,157.88	24,334.84
Building	5,216.13	-	(44.26)	5,171.87	454.20	228.01	(3.11)	679.10	4,492.77	4,761.93
Plant and Equipments	53,899.57	381.27	(649.75)	53,631.09	9,064.29	4,607.73	(181.30)	13,490.71	40,140.37	44,835.41
Furniture and Fixtures	173.76	44.03	-	217.79	27.28	22.29	-	49.57	168.22	146.47
Vehicles	376.10	60.27	-	436.37	118.87	60.64	-	179.51	256.86	257.23
Office Equipments	189.48	21.87	-	211.35	48.28	35.67	-	83.95	127.40	141.20
Computer Hardwares	90.33	62.06	(0.20)	152.19	45.48	25.41	(0.03)	70.87	81.33	44.85
	84,280.21	**569.49**	**(871.18)**	**83,978.52**	**9,758.41**	**4,979.73**	**(184.44)**	**14,553.71**	**69,424.83**	**74,521.93**
Capital Work in Progress	612.32	6,332.57	(205.02)	6,739.87	-	-	-	-	6,739.87	612.32
Total	**84,892.53**	**6,902.06**	**(1,076.20)**	**90,718.39**	**9,758.41**	**4,979.73**	**(184.44)**	**14,553.71**	**76,164.70**	**75,134.25**

i. Property, Plant and Equipment pledged as security against borrowings by the group

None of the property, plant and equipment is pledged as security against borrowings by the group.

ii. Borrowing Cost Capitalised

The amount of borrowing cost capitalised during the year ended March 31, 2020 was INR 179.26 Lakhs (March 31, 2019 INR NIL). The rate used to determine the amount of borrowing costs eligible for capitalisation was 10 %, which is effective interest rate of the specific borrowing.

5. INTANGIBLE ASSETS

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	**As at March 31, 2019**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2020**	**As at March 31, 2019**	**During the period**	**Deductions/ Adjustments**	**As at March 31, 2020**	**As at March 31, 2020**	**As at March 31, 2019**
Patents	30.29	0.54	-	30.83	1.08	6.04	-	7.12	23.71	29.21
Others	12.91	-	-	12.91	5.16	2.58	-	7.74	5.17	7.75
Total	**43.20**	**0.54**	**-**	**43.74**	**6.24**	**8.62**	**-**	**14.86**	**28.88**	**36.96**

(₹ in Lakhs)

	Gross Block				Accumulated Amortisation				Net Block	
Particulars	**As at March 31, 2018**	**Additions**	**Deductions/ Adjustments**	**As at March 31, 2019**	**As at March 31, 2018**	**During the period**	**Deductions/ Adjustments**	**As at March 31, 2019**	**As at March 31, 2019**	**As at March 31, 2018**
Patents	0.83	29.46	-	30.29	0.40	0.68	-	1.08	29.21	0.43
Others	12.91	-	-	12.91	2.58	2.58	-	5.16	7.75	10.33
Total	**13.74**	**29.46**	**-**	**43.20**	**2.98**	**3.26**	**-**	**6.24**	**36.96**	**10.76**

6. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Investments in Associates		
Quoted		
25,000 Equity shares of INR 10/- each of Pentokey Organy (India) Limited (March 31, 2019: 25,000)	4.50	4.50
Unquoted		
210 Equity shares of INR 10/- each of The Book Centre Limited (March 31, 2019: 210)	0.21	0.21
	4.71	**4.71**

6A. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
(A) INVESTMENTS		
Non Current		
Investments carried at fair value through Profit and Loss		
Unquoted		
Investments in Preference Shares		
3,57,604 Nonassessable shares of $0.001 par value of e2e Material INC, USA in Series B preferred Stock (March 31, 2019: 3,57,604)	134.65	134.65
Less : Loss allowance	(134.64)	(134.64)
Total	**0.01**	**0.01**
Aggregate amount of quoted investments		
Market value of quoted investments		
Aggregate amount of unquoted investments	134.65	134.65
Aggregate amount of impairment in the value of investments	(134.64)	(134.64)
Investments carried at fair value through profit and loss	0.01	0.01
(B) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Security and other deposits	399.28	374.73
Total	**399.28**	**374.73**
Current		
(i) Financial assets		
Security Deposits	13.62	19.87
Interest accrued	87.76	92.86
Claim receivables*	6,251.09	4,105.00
Total	**6,352.47**	**4,217.74**

*It includes derivatives not designated as hedge - Foreign Exchange forward contracts

7. INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
(Valued at lower of Cost and Net Realisable value)		
Raw materials		
In stock	8,737.10	8,585.39
Work-in-process	98.57	46.33
Finished goods		
In stock	27,383.10	45,394.12
In transit	34.55	230.08
Traded Goods	151.61	220.44
Stores, consumables and packing material	1,878.51	2,456.80
Total	**38,283.44**	**56,933.16**

During the year ended March 31, 2020, INR 10 Lakhs (March 31, 2019: INR 20 Lakhs) was recognised as an expense for inventories carried at net realisable value.

8. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current		
Trade Receivables from customers	12,654.54	14,675.28
Receivables from other related parties	39.77	24.60
	12,694.31	**14,699.88**
Breakup of Security details		
Unsecured, considered good	12,694.31	14,699.88
Doubtful	280.41	230.41
	12,974.72	**14,930.29**
Impairment Allowance (allowance for bad and doubtful debts)		
Doubtful	280.41	230.41
	280.41	**230.41**
	12,694.31	**14,699.88**

9. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Balances with banks:		
- On current accounts	487.24	480.87
- Deposits with original maturity of less than three months	52.05	34.67
Cash on hand	37.17	9.37
	576.46	**524.91**

10. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Deposits with banks to the extent held as margin money	3,023.35	2,662.87
Other Deposits with banks	804.87	795.48
	3,828.22	**3,458.35**

11. OTHER ASSETS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Capital Advances	102.80	182.54
Advances other than Capital advances		
- Security Deposits	8.03	8.16
- Advances to Suppliers *	579.16	215.56
* This Figure is Net of Provision made over the years against the advances		
Others		
- Payment of Taxes (Net of Provisions)	275.76	229.46
- Balances with Statutory, Government Authorities	206.14	472.58
Total	**1,171.89**	**1,108.30**
Current		
Advances other than Capital advances		
- Security Deposits	0.93	0.86
- Advances to suppliers	2,846.84	4,025.09
- Other Advances	-	2.67
Others		
- Prepaid expenses	312.13	217.48
- Balances with Statutory, Government Authorities*	1.35	536.20
- Export Incentive - Sugar cane	219.81	337.90
Total	**3,381.06**	**5,120.20**

*Includes Cenvat and VAT Credit receivables

12. INCOME TAX

Deferred Tax

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Deferred tax relates to the following:		
Impairment on financial assets at amortised cost	15.60	9.36
Temporary difference in the carrying amount of property, plant and equipment	(8,290.48)	(8,372.25)
Unabsorbed Depreciation and Business Losses	9,841.13	9,928.86
Others	-	(81.90)
Net Deferred Tax Assets / (Liabilities)	**1,566.25**	**1,484.07**

Movement in deferred tax liabilities/assets

Particulars	2019-20	2018-19
Opening balance as of April 1	1,484.07	1,538.60
Tax income/(expense) during the period recognised in profit or loss	87.55	(69.93)
Tax income/(expense) during the period recognised in OCI	(5.98)	15.40
Tax income/(expense) during the period recognised in retained earning	0.61	-
Closing balance as at March 31	**1,566.25**	**1,484.07**

Major Components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are as follows:

i. Income tax recognised in profit or loss

(₹ in Lakhs)

	2019-20	2018-19
Current income tax charge	10.36	13.88
Deferred tax		
Relating to origination and reversal of temporary differences	(87.55)	69.93
Income tax expense recognised in profit or loss	**(77.19)**	**83.81**

ii. Income tax recognised in OCI

	2019-20	2018-19
Net loss/(gain) on remeasurements of defined benefit plans	(5.98)	15.40
Income tax expense recognised in OCI	**(5.98)**	**15.40**

iii. Amounts recognised directly in equity

	2019-20	2018-19
Aggregate current and deferred tax arising in the reporting period and not recognised in profit or loss or other comprehensive income but directly debited/(credited) to equity		
Deferred Tax: - Ind AS 116 transition impact	0.61	-

Changes in tax rate

The increase in education cess from 3% to 4% was substantively enacted on February 1, 2018 and will be effective from April 1, 2018. As a result, the relevant deferred tax balance have been remeasured. The impact of the change in tax rate has been recognised in tax expense in profit or loss.

13. SHARE CAPITAL

i. Authorised Share Capital

(₹ in Lakhs)

	Equity Share of INR 10 each		Preference Share of INR 100 each	
	Number	Amount	Number	Amount
At March 31, 2018	**42,000,000**	**4,200.00**	**1,800,000**	**1,800.00**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2019	**42,000,000**	**4,200.00**	**1,800,000**	**1,800.00**
Increase/(decrease) during the year			-	-
At March 31, 2020	**42,000,000**	**4,200.00**	**1,800,000**	**1,800.00**

Terms/rights attached to equity shares

The Company has one class of Equity shares having a par value of INR 10/- each. Each holder of Equity shares is entitled to one vote per share and are subject to the preferential rights as prescribed under law or those of preference shareholders,if any. The Equity shareholders are also subject to restrictions as precsribed under the Companies Act,2013. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting,except in the case of Interim Dividend.

In the event of the Liquidation of the Company, the holders of the Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts and preferential shareholders.

ii. Issued Capital

(₹ in Lakhs)

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At March 31, 2018	**37,637,633**	**3,763.76**
Issued during the period	738,275	73.83
At March 31, 2019	**38,375,908**	**3,837.59**
Issued during the period	3,567,115	356.71
At March 31, 2020	**41,943,023**	**4,194.30**

iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Somaiya Agencies Private Limited	9,354,668	22.30	8,549,965	22.28
Sakarwadi Trading Company Private Limited	6,015,790	14.34	5,485,552	14.29
Lakshmiwadi Mines and Minerals Private Limited	5,720,717	13.64	5,230,762	13.63
Mandala Capital AG Limited	4,926,983	11.75	4,926,983	12.84
Samir Shantilal Somaiya	6,021,211	14.36	4,576,865	11.93
Sindhur Construction Private Limited	2,933,461	6.99	2,681,120	6.99

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

v. None of the above shares are reserved for issue under options/ contract/ commitments for sale of shares or disinvestment.

14. OTHER EQUITY

Reserves and Surplus

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Securities Premium Reserve	26,260.94	20,196.84
General Reserve	1,865.38	1,865.38
Retained Earnings	9,762.73	9,345.04
Capital Redemption Reserve	573.50	573.50
	38,462.54	**31,980.76**

(a) Securities Premium Reserve

	March 31, 2020	March 31, 2019
Opening balance	20,196.84	18,609.55
Add/(Less):		
Premium on share issue (Net)	6,064.10	1,587.29
Closing balance	**26,260.94**	**20,196.84**

(b) General Reserve

	March 31, 2020	March 31, 2019
Opening balance	1,865.38	1,865.38
Add/(Less): changes during the year	-	-
Closing balance	**1,865.38**	**1,865.38**

(c) Retained Earnings

	March 31, 2020	March 31, 2019
Opening balance	9,345.04	8,824.71
Net Profit/(Loss) for the period	406.29	554.29
Ind AS 116 - Transition Impact	(2.40)	
Income tax effect	0.61	
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of gains (losses) on defined benefit plans	19.16	(49.36)
Closing balance	**9,762.73**	9,345.04

(d) Capital Redemption Reserve (CRR)

	March 31, 2020	March 31, 2019
Opening balance	573.50	573.50
Add/(Less):	-	-
Closing balance	**573.50**	**573.50**

ii. Components of Other Comprehensive Income

Particulars	March 31, 2020	March 31, 2019
Exchange differences on translating the financial statements of a foreign operation	56.27	66.75
	56.27	**66.75**

15. BORROWINGS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current Borrowings		
Secured		
(a) Debentures (Bonds)		
Principal outstanding	-	6,500.00
Interest accrued	-	1,533.61
(b) Term Loans		
From Banks	9,025.96	330.64
From Others		
Sugar Development Fund	2,059.01	2,920.80
Others	12.66	104.16
Unsecured		
(c) Term Loans from Others		
Council of Scientific and Industrial Research	485.00	485.00
Deferred Cane Purchase Tax	775.94	775.80
(d) Public deposits	2,027.70	2,333.40
(A)	**14,386.27**	**14,983.41**
Current Maturity of Non Current Borrowings		
Term Loans		
From Banks	1,267.08	335.00
From Others		
Sugar Development Fund	790.80	1,068.44
Others	10.12	67.39
(B)	**2,068.00**	**1,470.83**
Total (A)-(B)	**12,318.27**	**13,512.58**
Current Borrowings		
Secured		
(a) Loans repayable on demand From Banks	19,103.98	30,635.80
Unsecured		
(b) Loans repayable on demand from Banks	23,760.85	32,932.00
(c) Public deposits	1,604.95	775.60
Total	**44,469.78**	**64,343.40**

Non Current Borrowings

Details of Terms of repayment for Long Term Secured Borrowings (₹ in Lakhs)

Sr. No.	Particulars	March 31, 2020		March 31, 2019	
		Current	Non - Current	Current	Non - Current
1	**Bank of India**	-	-	335.00	-
	(Repayable in 2 equal Monthly installments, last Installment falling due on May 2019.)				
2	**Sugar Development Fund**	790.80	1,581.62	790.80	2,372.42
	(Repayable in 5 equal yearly installments, last Installment falling due on March 2023.)				
3	**Cogen Development Fund**	-	-	277.63	-
	(Repayable in 1 equal half yearly installments, last Installment falling due on June 2019.)				
4	**Hire Purchase Finance**	10.12	2.54	18.48	12.66
5	**IDBI Trusteeship Services Limited**	-	-	-	8,033.61
	(For Debentures/ Bonds)				
	(Bullet payment on June 2021)				
6	**Bank of India - Soft Loan**	760.06	5,754.94	-	-
	(Repayable IN 60 Equal Monthly instalments , last instalment falling due on Aug 2025)				
7	**Union Bank of India**	473.80	3,008.23	-	-
	(Repayable IN 20 Quarterly instalments , last instalment falling due on Sept 2025)				
8	**Sustainable Agro Commercial Finance Limited**	33.22	-	48.92	**24.11**
	(Repayable in 1 Annual Installments)				
	Total	**2,068.00**	**10,347.33**	**1,470.83**	**10,442.80**

Nature of Securities:

Loan covered in Sr. No. 1, First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka, Subservient First Ranking Charge on Property, Plant & Equipment of Sakarwadi, Maharashtra and First Pari Passu Charge and Corporate Guarantee on certain Assets of Somaiya Properties and Investments Pvt Ltd.(SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd). Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka. #

Loan covered in Sr.No. 2 & 3, All Immoveable & Moveable Properties at Sameerwadi Factory , Karnataka on First Pari Passu Charge basis.

Note : Charges on Property, Plant & Equipment at Sameerwadi, Karnataka and Sakarwadi, Maharashtra as mentioned above i.e. 1 to 3 are excluding, exclusive Property, Plant & Equipment, charged to IDBI Trusteeship Services Ltd.

Loan covered in Sr.No. 4, Exclusive Charge on Assets purchased under Hire purchase arrangements.

Debenture (Bonds) covered in Sr.No. 5 , Exclusive Charge on the Property, Plant & Equipment Of Capital Investment Programme as per the agreement dated 9th July, 2015 and thereafter amended agreement dated 2nd Nov 2017 and First Pari Passu Charge on Property, Plant & Equipment at Sakarwadi. (Debenture/bonds prepaid in July 2019)

Loan covered under Sr.No. 6&7 , First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka, and First Pari Passu Charge and Corporate Guarantee on certain Assets of Somaiya Properties and Investments Pvt Ltd.(SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd)- exclusively shared respectively with Union Bank for Project loan and Bank of India for Soft loan. Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka. #

The Company has not made any default in repayment of principal and interest as stipulated.

The Company has avail interest free purchase tax loan from Government of Karnataka, however the repayment schedule still to be informed. In view of this same has been classified under Non Current Liability.

Loan covered under Sr. No. 8 , Secured by Corporate Guarantee of Godavari Biorefineries Limited.

Interest for above loans varies from 4% to 13.20% (Previous Year 4% to 14.25%).

Current Borrowings

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Secured		
(a) From Banks		
Cash Credit / Packing Credit	19,103.98	30,635.80
Unsecured		
(b) Loans repayable on demand from Banks	23,760.85	32,932.00

Nature of Security:

* Secured by First Pari Passu charge over current assets of the company (respective division), both present and future and second Pari Passu charge on Property, Plant & Equipment; and Second charge on certain Assets of Somaiya Properties and Investments Pvt Ltd. (SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd) as a Corporate Guarantee of SPIPL. #

Note : Charges on Property, Plant & Equipment at Sameerwadi, Karnataka and Sakarwadi, Maharashtra as mentioned above i.e. 1 to 7 are excluding, exclusive Property, Plant & Equipment, charged to IDBI Trusteeship Services Ltd.

Interest for above Cash credit Rupee loans varies from 12.15% to 12.95% (Previous Year 12.20% to 13.30%)

Net debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods specified :

(₹ in Lakhs)

Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total Borrowings
Net Debt as at April 1, 2018	**10,383.98**	**86,211.57**	**97,490.39**
Cash Inflows	21.36	49,218.58	49,239.94
Cash Outflows	(4,937.71)	(60,320.50)	(65,258.20)
	5,467.64	**75,109.65**	**81,472.13**
Interest Expense	-	-	9,061.11
Interest Paid	-	-	(9,197.10)
Other non cash adjustments	363.45	-	363.45
Net Debt as at March 31, 2019	**5,831.09**	**75,109.65**	**81,699.59**
Cash Inflows		30,772.38	30,772.38
Cash Outflows	9,997.03	(60,355.82)	(50,358.79)
	15,828.12	**45,526.22**	**62,113.19**
Interest Expense			6,800.31
Interest Paid			(9,443.30)
Other non cash adjustments	646.71	-	646.71
Net Debt as at March 31, 2020	**16,474.83**	**45,526.22**	**60,116.91**

16. LEASE LIABILITIES

₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Lease Liabilities (Refer Note 36)	35.61	-
	35.61	**-**
Current		
Lease Liabilities (Refer Note 36)	13.42	-
	13.42	**-**

17. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Financial Liabilities at amortised cost		
Other Payables	7.19	7.19
Total	**7.19**	**7.19**
Current		
Financial Liabilities at amortised cost		
Current maturities of long term debts	2,068.00	1,470.83
Interest accrued but not due on borrowings	1,260.86	2,372.78
Security Deposits	63.38	228.19
Other Payables	1,717.21	1,576.71
Total	**5,109.45**	**5,648.51**

18. TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Current		
Trade Payables to Micro, Small and Medium Enterprises	231.29	186.21
Trade Payables to Related Parties	45.54	62.34
Trade Payables to Others	35,752.89	42,656.70
Total	**36,029.72**	**42,905.25**

19. OTHER LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Government Grants		
- Deferred Cane Purchase Tax	160.19	113.31
- Sugar Development Fund	165.49	318.32
- BOI Soft loan	690.82	-
- Depreciable assets	123.53	146.43
	1,140.03	**578.06**
Current		
Advance received from Customers	204.79	92.79
Other	-	1.52
Government Grants		
- Deferred Cane Purchase Tax	78.57	125.60
- Sugar Development Fund	147.92	201.72
- BOI SEFASU	-	4.36
- BOI Soft loan	313.47	-
- Depreciable assets	23.28	23.28
Statutory Liabilities	232.01	181.41
Total	**1,000.04**	**630.68**

20. PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Non Current		
Provision for employee benefits		
Leave encashment	154.65	143.04
Total	**154.65**	**143.04**
Current		
Provision for employee benefits		
Gratuity	134.60	186.31
Leave encashment	296.53	273.79
Total	**431.13**	**460.10**

21. CURRENT TAX LIABILITY(NET)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Add: Current tax payable for the year	-	13.81
Closing Balance	**-**	**13.81**

22. GOVERNMENT GRANTS

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	933.03	1,338.18
Grants received during the year	981.39	-
Released to statement of profit and loss	(211.15)	(405.15)
Closing Balance	**1,703.27**	**933.03**

23. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2019-20	2018-19
Sale of products	145,914.88	154,547.20
Other Operating Revenues		
Sugar Washout Charges	-	675.72
	145,914.88	**155,222.92**

24. OTHER INCOME

(₹ in Lakhs)

Particulars	2019-20	2018-19
Interest income on		
Bank fixed deposit and others	254.51	260.28
Others	127.50	107.72
Fair value gain on financial instruments at fair value through profit and loss	-	321.76
Government Grants	22.89	23.35
Foreign Exchange Fluctuation Gain	0.64	1.92
Net gain on disposal of property, plant and equipment	386.47	344.60
Sundry balances and Provision Written Back *	390.00	97.97
Miscellaneous Income	182.67	252.24
	1,364.69	**1,409.84**

* includes ₹ 376.11 lacs on account of Provision Written back , (Refer Note no 45)

25. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2019-20	2018-19
*Cost of Material Consumed	88,004.90	105,078.66
	88,004.90	**105,078.66**

* The Cost of Raw material consumed includes cane price of ₹ Nil (Previous year INR 3674.15 lakhs for FY 16-17 and INR. 3517.59 lakhs for FY 17-18) accounted in the current year. The cost so incurred has not been considered for valuation of the sugar inventory.

26. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2019-20	2018-19
Purchase of Stock-In-Trade	962.74	1,269.66
	962.74	**1,269.66**

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

(₹ in Lakhs)

Particulars	2019-20	2018-19
Inventories as at the beginning of the year		
Work - in - process	46.34	64.11
Finished goods	45,624.20	51,663.35
Stock-in-trade	196.82	166.99
Total	**45,867.36**	**51,894.45**
Less : Inventories as at the end of the year		
Work - in - process	98.57	46.33
Finished goods	27,417.66	45,624.20
Stock-in-trade	135.35	196.82
Total	**27,651.58**	**45,867.35**
Net decrease / (increase) in inventories	**18,215.78**	**6,027.10**

28. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2019-20	2018-19
Salaries, wages and bonus	7,015.03	6,786.48
Contribution to provident and other funds	528.59	569.72
Director's Remuneration	514.80	496.55
Staff welfare expenses	369.77	286.97
	8,428.19	**8,139.72**

29. FINANCE COST

(₹ in Lakhs)

Particulars	2019-20	2018-19
Interest Expense on:		
Term Loan	811.68	1,487.93
Cash Credit	2,220.54	2,688.82
Others	3,835.56	4,808.25
Interest on Lease Liabilities	5.25	-
Bank Charges	0.42	2.55
	6,873.45	**8,987.55**

30. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	2019-20	2018-19
Depreciation on tangible assets	4,486.30	4,979.74
Amortisation on intangible assets	8.62	3.26
	4,494.92	**4,983.00**

31. OTHER EXPENSES

(₹ in Lakhs)

Particulars		2019-20	2018-19
Manufacturing Expenses			
Import clearing charges		-	8.15
Labour charges		14.65	14.04
Power and Fuel		7,875.44	8,263.75
Repairs and maintenance			
Building		71.96	114.40
Plant and Machinery		2,493.26	2,262.67
Others		392.82	556.96
Stores, consumables and packing material		3,697.51	4,718.71
Godown Rent		14.40	28.52
Conveyance expenses		0.24	0.24
Other Charges		0.59	0.82
	A)	**14,560.87**	**15,968.26**

Selling and Distribution Expenses			
Selling Expense	B)	2,016.61	1,861.71
Administration and Other Expenses			
Payments to Auditors (Refer note below)		38.57	44.21
Loading & Unloading Expenses		3.24	2.91
Postage and Telephone		1.73	1.17
Insurance		271.33	152.74
Legal and Professional fees		537.86	508.80
Contribution to Scientific Research Institution		76.00	100.00
Rent, Rates and Taxes		303.58	405.30
Software expenses		0.88	0.40
Travelling & conveyance expenses		30.10	32.78
Printing & Stationery		0.40	0.33
Bank charges		2.71	3.49
Service Charges		0.32	-
Director Fees		18.20	11.35
Membership and subscriptions		7.44	-
Loss Allowance on Receivables		50.00	30.00
Fair value loss on financial instrument at Fair value through profit and loss		262.49	-
Impairment loss on PPE		9.42	-
General Expenses (Including travelling,telephone, etc.)		1,778.74	2,385.51
	C)	**3,393.01**	**3,679.00**
Total	**(A+B+C)**	**19,970.49**	**21,508.97**

Details of Payments to Auditors

(₹ in Lakhs)

	2019-20	2018-19
As Auditor		
Audit Fee	30.57	36.21
Tax Audit Fee	8.00	8.00
	38.57	**44.21**

32. RESEARCH AND DEVELOPMENT COSTS

The Group during the period has incurred cost on research and development activities which are not eligible for capitalisation in terms of Ind AS 38 and therefore they are recognised in other expenses under statement of profit and loss. Amount charged to profit or loss during the period ended March 31, 2020 INR 999.56 Lakhs (March 31, 2019: INR 1,229.37 Lakhs) details of which are as follows:

(₹ in Lakhs)

Particulars	2019-20	2018-19
i. On Revenue Account :		
Manufacturing Expenses		
Stores, Spares & Tools consumed	68.34	90.35
Payments to and provision for employees		
- Salaries, Wages, Bonus, Allowances, contribution to provident and other funds etc.	520.32	478.66
Other Expenses		
- Legal & Professional charges	120.27	116.84
- Other Expenses	290.64	543.52
Total	**999.56**	**1,229.37**
ii. On Capital Account	172.88	32.11
iii. On Capital Work in Progress (Anti Cancer Molecules)	311.54	55.00
(Upto March,20 366.54 Lakhs)		
Total Research and Development Expenditure (i + ii + iii)	**1,483.98**	**1,316.48**

33. EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
(a) Basic earnings per share (INR)	1.00	1.46
(b) Diluted earnings per share (INR)	1.00	1.46
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the group used in calculating basic earnings per share	406.29	554.29
Diluted earnings per share		
Profit attributable to the equity holders of the group used in calculating basic earnings per share	406.29	554.29
Profit attributable to the equity holders of the group used in calculating diluted earnings per share	**406.29**	**554.29**
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	40,686,774	37,996,236
Weighted average number of equity shares used as the denominator in calculating Diluted earnings per share	**40,686,774**	**37,996,236**

There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

34. EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

	March 31, 2020			March 31, 2019		
	Current	Non Current	Total	Current	Non Current	Total
Leave Encashment	296.53	154.65	451.18	273.79	143.04	416.83
Gratuity	134.60	-	134.60	186.31	-	186.31
Total Employee Benefit Obligation	**431.13**	**154.65**	**585.78**	**460.10**	**143.04**	**603.14**

(i) Leave Encashment

The leave obligations cover the group's liability for sick and earned leave.

The amount of the provision of INR 296.53 Lakhs (March 31, 2019: INR 273.79 Lakhs) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employment obligations

a) Defined benefit plans - Gratuity

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the group makes contributions to recognised funds in India. The group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows :

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2018	**1,657.56**	**1,457.62**	**199.94**
Current service cost	127.48	-	127.48
Past Service Cost -(vested benefits)	-	-	-
Interest expense/(income)	119.92	112.19	7.73
Adjustment to Opening Fair Value of Plan Asset	-	-	-
Total amount recognised in profit or loss	**247.40**	**112.19**	**135.21**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(6.34)	6.34
(Gain)/Loss from change in financial assumptions	8.48	-	8.48
Experience (gains)/losses	34.53	-	34.53
Total amount recognised in other comprehensive income	**43.01**	**(6.34)**	**49.35**
Employer contributions	-	198.20	(198.20)
Benefit payments	(187.97)	(187.97)	-
As at March 31, 2019	**1,760.00**	**1,573.70**	**186.30**
Current service cost	134.00		134.00
Past Service Cost -(vested benefits)			-
Interest expense/(income)	127.96	120.41	7.54
Adjustment to Opening Fair Value of Plan Asset	-	-	-
Total amount recognised in profit or loss	**261.96**	**120.41**	**141.55**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(15.30)	15.30
(Gain)/Loss from change in financial assumptions	(26.49)	-	(26.49)
Experience (gains)/losses	(7.97)	-	(7.97)
Total amount recognised in other comprehensive income	**(34.46)**	**(15.30)**	**(19.16)**
Employer contributions	-	174.09	(174.09)
Benefit payments	(152.69)	(152.69)	-
As at March 31, 2020	**1,834.82**	**1,700.22**	**134.60**

The net liability disclosed above relates to funded and unfunded plans are as follows:

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Present value of funded obligations	1,834.82	1,760.00
Fair value of plan assets	1,700.22	1,573.70
Deficit of funded plan	**134.60**	**186.30**
Unfunded plans	-	-
Deficit of gratuity plan	**134.60**	**186.30**

The major categories of plan assets of the fair value of the total plan assets are as follows :

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Other Insurance contracts (LIC of India)	1,700.22	1,573.70

The significant actuarial assumptions were as follows:

	March 31, 2020	March 31, 2019
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest/ Discount Rate	6.80%	7.60%
Rate of Increase in Compensation	3.00%	4.00%
Expected average remaining service	14.39	14.16
Retirement age	60 Years	60 Years
Employee Attrition Rate	"Upto Age 45: 2% 46 and above: 1%"	"Upto Age 45: 2% 46 and above: 1%"

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is shown below:

(₹ in Lakhs)

Assumptions	Discount rate		Salary escalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
March 31, 2020				
Impact on defined benefit obligation	(103.64)	154.95	154.50	(104.83)
% Impact	-5.65%	8.44%	8.42%	-5.71%
March 31, 2019				
Impact on defined benefit obligation	(113.94)	130.59	129.67	(114.66)
% Impact	-6.47%	7.42%	7.37%	-6.51%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Expected Outgo First	247.74	232.24
Expected Outgo Second	158.88	158.39
Expected Outgo Third	183.10	165.53
Expected Outgo Fourth	127.01	173.95
Expected Outgo Fifth	175.09	123.59
Expected Outgo Six to Ten years	728.58	767.19
Total expected payments	**1,620.40**	**1,620.89**

The average duration of the defined benefit plan obligation at the end of the reporting period is 7.89 years (March 31, 2019: 14.16 years)

iii) Defined contribution plans

The group also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any contructive obligation. The expense recognised during the period towards defined contribution plan is INR 381.85 Lakhs (March 31, 2019: INR 368.15 Lakhs)

35. COMMITMENTS AND CONTINGENCIES

A. Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Property, plant and equipment	355.17	4,016.81

B. Contingent Liabilities

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Excise duty and Service Tax (Excluding Interest and Penalty)	791.00	791.00
Bank Guarantee	2,919.57	1,844.92
Letter of Credits	3,334.67	2,640.46

i. Council of Scientific & Industrial Research (CSIR)

The Company has taken financial assistance from Council of Scientific & Industrial Research (CSIR) of INR 485 Lakhs to develop technology for manufacture of Polymer grade Lactic Acid. Before start of the project, assurance was given about the successful bench scale development and scalability of the process/technology by CSIR.

Breif description of the nature of each contingent liability

(Also specify (i) an estimate of its financial effect, (ii) an indication of the uncertainties relating to the amount or timing of any outflow, and (iii) possibility of any reimbursement

The project was not successful, and National Chemical Laboratory (NCL) / CSIR could not demonstrate the technology to make polymer grade Lactic Acid and accepted by NCL and also third party engineering firm appointed by CSIR.

CSIR has demanded the financial assistance back and the Company reply was that the Arbitration Application was barred by time. Supreme Court admitting SLP stayed Order of the Delhi High Court on condition of deposit of ₹ 100 Lakhs and the company have deposited ₹ 100 Lakhs during the year. Fresh date for hearing is awaited

ii National Green Tribunal

National Green Tribunal (NGT) has permitted Prof. C. R. Babu, CEMDE, University of Delhi, for Bio-remediation of contaminated soil and surface water bodies at Sakarwadi. The work order was released by Central Pollution Control Board (CPCB) on Prof Babu for Phytoremediation of distillery waste. The process of Bio-remediation is progressing positively as Plants growth has been reported with detoxification via bacterial assisted phytoremediation under progress for further improvements. Hearing posted for 11th September, 2020

III Sale of Extra Neutral Alcohol (ENA) to Bottling Plant

The Company has sold ENA (Qty 9,110 KL Valuer ₹ 5210.23 Lacs in the year 2019-20 and Qty 31,060 KL Value ₹ 14219.75 Lacs in the period July 2017- March 19) to various customers of IFL (Potable industry) without GST. As per law, ENA is chargeable under GST. The Customers have interpreted that GST is not applicable to IFL (potable industry) and customers have volunteered and have given undertaking for reimbursement of tax plus interest whenever department of taxes may raise notices for the same. The matter was referred to GST Council by Indian Sugar Mills Association in July 2017 and thereafter followed by reminders from time to time However in view of difference of opinion, GST Council has referred the matter to Advocate General of India for his opinion. GST Council is yet to communicate its decision on the matter.

1. The Company does not expect any reimbursements in respect of the above contingent liabilities.
2. It is not practicable to estimate the timing of cash flows except Letter of Credits , in respect of matters stated above. Letter of Credits are due within three to six months”

36. TRANSITION TO IND AS 116

The Company’s lease asset primarily consist of leases buildings for office premises having the lease terms between 1 and 10 years. Effective 1st April, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method and has taken the adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company’s incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of Right of Use INR asset of 46.14 Lakhs, and a lease liability of INR 48.56 Lakhs. The cumulative effect of applying the standard, amounting to INR 2.42 Lakhs was debited to retained earnings.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	March 31,2020	Total
Balance as at April 1, 2019	-	-
Transition impact on account of adoption of Ind AS 116 "Leases" (Refer Note 34 and 6)	46.14	46.14
Total Right of Use on the date of transition	**46.14**	**46.14**
Additions during the year	12.33	12.33
Depreciation of Right of use assets	13.44	13.44
Balance as at March 31, 2020	**45.03**	**45.03**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	March 31,2020	Total
Transition impact on account of adoption of Ind AS 116 "Leases"	**48.56**	**48.56**
Additions during the year	12.33	12.33
Finance cost accrued during the year	5.25	5.25
Payment of lease liabilities	17.11	17.11
Balance as at March 31, 2020	**49.03**	**49.03**
Current Lease Liabilities	**13.42**	**13.42**
Non-current Lease Liabilities	**35.61**	**35.61**

The maturity analysis of lease liabilities are disclosed in Note 39

The effective interest rate for lease liabilities is 11.25-11.50 %

Rental expense recorded for short-term leases was 173.22 Lakhs for the year ended March 31, 2020.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

37. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Nature of Relationship	Name of Related Party	Country of Incorporation
List of Related parties :		
Associates	Pentokey Organy (India) Limited	India
	The Book Centre Limited	India
Enterprises over which Key management personnel are able to exercise significant influence	Somaiya Properties and Investments Private Limited	India
	Somaiya Agencies Private Limited	India
	Jasmine Trading Co. Private Limited	India
	K. J. Somaiya & Sons Private Limited	India
	Lakshmiwadi Mines & Minerals Private Limited	India
	Somaiya Chemical Industries Private Limited	India
	Sakarwadi Trading Company Limited	India
	Arpit Limited	India
	Filmedia Communication System Private Limited	India
	Zenith Commercial Agency Private Limited	India
	Amrita Travels Private Limited	India
	Somaiya Vidyavihar	India
	K. J. Somaiya Medical Trust	India
Key Management Personnel	Samir S. Somaiya (Chairman and Managing Director)	
	Vinay V.Joshi (Executive Director)	
	Shrinivas N. Bableshwar (Director - Works up to 14 th August 2018)	
	Bhalachandra R. Bakshi (Director - Works w.e.f. 01 st June 2018)	
	Mohan Somanathan (Director - Works)	
	Werner Wutscher (Non Executive Director)	
	Preeti Singh Rawat (Non Executive Women Director)	
	Kailash Pershad (Independent Director)	
	Jayendra Shah (Independent Director)	
	Uday Garg (Nominee Director)	
	Hemant Luthra(Additional Independent Director w.e.f 27th Sept 2020)	
	Lakshmikantam Mannpalli (Additional Director)	
	Naresh S. Khetan (Chief Financial Officer)	
	Swarna S Gunware (Company Secretary)	
	Prajesh Mistry (Director)	
	K. J. Somaiya Institute of Applied Agricultural Research	
Relatives of Key Management Personnel	Maya S. Somaiya	
	Harinakshi Somaiya	

(ii) Transactions with related parties

The following transactions occurred with related parties (₹ in Lakhs)

Name	Nature of Transaction	2019-20	2018-19
The Book Centre Limited	Purchases	19.18	41.51
Pentokey Organy (India) Limited	Purchases	-	624.21
K.J, Somaiya Institute of Applied Agricultural Research	Purchases	26.93	28.51
	Contribution paid	76.00	100.00
Amrita Travel Private Limited	Purchases	-	83.32
Zenith Commercial Agency Private Limited	Purchases	3.76	8.07
Arpit Limited	Purchases	3.69	4.42
	Rent paid	1.42	1.42
	Sales	162.84	191.52
Somaiya Agency Private Limited	Purchases	0.58	1.83
Jasmine Trading Co. Private Limited	Rent paid	-	110.45
Somaiya Properties & Investments Private Limited	Rent paid	27.15	66.17
Somaiya Chemicals Industries Private Limited	Rent paid	-	2.44
K. J.Somaiya & Sons Private Limited	Rent paid	-	25.58
	Royalty paid	158.22	164.18
Filmedia Communications System Private Limited	Service Charges paid	10.62	9.59
	Rent paid	147.26	-
Somaiya Vidyavihar/ Somaiya Medical Trust	Software	9.01	17.70
	Training Expenses paid	-	5.29
	Sponsorship	-	2.79
	Professional	0.25	-
Somaiya Vidyavihar	Donation paid	15.71	66.92
Samir S. Somaiya	Remuneration paid	230.42	237.64
	Purchases	8.78	10.37
Vinay V. Joshi	Remuneration paid	91.54	78.76
Shrinivas N. Bableshwar	Remuneration paid	5.45	14.72
Bhalachandra R. Bakshi	Remuneration paid	40.28	26.35
Mohan Somanathan	Remuneration paid	46.79	45.33
Shri Naresh S Khetan	Remuneration paid	76.14	69.53
Swarna S Gunware	Remuneration paid	10.27	8.77
Prajesh Mistry	Remuneration paid	110.02	103.53
Coen Faber	Management Fees	-	7.92
Harinakshi Somaiya	Salary paid	-	5.01
	Purchases	5.20	2.17
Maya S. Somaiya	Purchases	-	1.22
Shri Jayendra Shah	Director's fees paid	1.75	2.00
Shri Kailash Pershad	Director's fees paid	4.20	3.00
Shri Lakshmikantam Mannpalli	Director's fees paid	4.90	2.40
Shri Hemant Luthra	Director's fees paid	0.70	-
Dr. Preeti Rawat	Director's fees paid	2.10	0.75
Mandala Capital AG Limited	Director's fees paid	4.20	2.65
Shri Werner Wutscher	Director's fees paid	0.35	0.55

(iii) Outstanding balances arising from sales/purchases of goods and services (₹ in Lakhs)

Name	March 31, 2020	March 31, 2019
Trade Receivables		
Arpit Limited	39.77	24.61
Trade Payables		
The Book Centre Limited	-	2.82
Pentokey Organy (India) Limited	-	57.43
Filmedia Communications System Pvt Ltd	0.75	-
Arpit Limited	-	0.39
K.J.Somaiya & Sons Private Limited	40.12	0.50
Somaiya Vidyavihar/ Somaiya Medical Trust	4.68	0.75

(iv) Other balances with related parties (₹ in Lakhs)

Name	March 31, 2020	March 31, 2019
Samir S. Somaiya	(1.36)	(1.36)
Somaiya Chemicals Industries Pvt. Ltd.	35.00	35.00

(v) Key management personnel compensation (₹ in Lakhs)

	March 31, 2020	March 31, 2019
Director's sitting fees	18.20	11.35
Short term employee benefits	610.91	575.86
	629.11	**587.21**

(vi) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. The Company has given guarantee/security to the lenders of subsidiary company amounting to INR 494.26 Lakhs (March 31, 2019: INR 576.13 Lakhs). For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2019: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

38. SEGMENT REPORTING

A. For management purposes, the Group is organized into following four business units based on the risks and rates of returns of the products offered by these unit as per Ind AS 108 on 'Operating Segment' :

Sugar

Cogen

Chemicals

Distillery

No operating segments have been aggregated to form the above reportable operating segment.

The Managing Director (MD) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended March 31, 2020 (₹ in Lakhs)

Particulars	Sugar	Cogen	Chemicals	Distillery	Interunit Transfer	Unallocated	Total
Revenue							
External Revenue / Operating Revenue	62,500.95	4,147.17	45,556.19	32,649.39	-	1,061.18	145,914.88
Inter-segment	25,774.60	6,515.32	-	48.89	(32,338.81)		-
Total revenue	**88,275.55**	**10,662.49**	**45,556.19**	**32,698.28**	**(32,338.81)**	**1,061.18**	**145,914.88**
Other Non Operating Income							
Other Income	533.87	10.16	398.41	0.24		422.01	1,364.69
Total revenue	**88,809.42**	**10,672.64**	**45,954.60**	**32,698.52**	**(32,338.81)**	**1,483.19**	**147,279.57**
Segment Result							
Operating Profit Before Interest	1,610.71	857.66	1,123.65	4,153.01		(539.78)	7,205.27
Interest						6,873.46	6,873.46
Tax Expenses						(77.19)	(77.19)
Net Profit / (Loss)							408.99
Segment Asset	31,944.11	3,160.96	18,033.26	10,839.03		4,280.76	68,258.13
Capital assets including CWIP	28,809.48	9,355.02	1,200.81	18,439.57		17,359.40	75,164.28
Total Segment assets	**60,753.59**	**12,515.98**	**19,234.07**	**29,278.60**	**-**	**21,640.16**	**143,422.41**
Total Segment liabilities	75,735.87	503.66	17,216.51	7,286.68		(33.42)	100,709.30
Other disclosures							
Capital expenditure	503.80	102.11	2,162.76	5,781.14		45.59	8,595.41
Segment Depreciation	1,649.10	935.61	612.10	1,175.69		122.42	4,494.91

Year ended March 31, 2019 (₹ in Lakhs)

Particulars	Sugar	Cogen	Chemicals	Distillery	Interunit Transfer	Unallocated	Total
Revenue							
External customers	63,784.30	3,355.60	60,933.24	26,070.62		1,079.15	155,222.92
Inter-segment	12,147.60	5,765.62	-	6.37	(17,919.59)		-
Total revenue	**75,931.90**	**9,121.22**	**60,933.24**	**26,076.99**	**(17,919.59)**	**1,079.15**	**155,222.92**
Other Non Operating Income							
Other Income	1,029.39	29.38	(98.09)	10.70		438.47	1,409.85
	1,029.39	29.38	(98.09)	10.70	-	438.47	1,409.85
Total revenue	**76,961.29**	**9,150.60**	**60,835.15**	**26,087.69**	**(17,919.59)**		**156,632.77**
Segment Result							
Operating Profit Before Interest Expense	(1,014.20)	1,593.91	2,981.35	6,648.91		(584.31)	9,625.66
Interest Expense						8,987.57	8,987.57
Tax Expenses						83.82	83.82
Net Loss	-	-	-	-	-	-	554.27
Segment Asset	52,801.49	2,858.75	20,723.65	7,115.61		4,654.02	88,153.52
Capital assets including CWIP	30,134.40	10,234.48	16,831.59	17,622.57		1,151.12	75,974.19
Total Segment assets	**82,935.89**	**13,093.23**	**37,555.24**	**24,738.18**	**-**	**5,805.14**	**164,127.71**
Total Segment liabilities	96,040.65	782.88	24,949.21	4,604.58		1,865.23	128,242.55
Other disclosures							
Capital expenditure	36.47	138.24	208.58	100.45		115.21	598.95
Segment Depreciation	2,109.41	934.65	673.03	1,133.84		132.06	4,983.01

Adjustments and eliminations

Inter-segment revenues are eliminated upon consolidated and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconcilations presented further below.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property,plant and equipment and intangible assets.

B. Information about geographical areas

The Company is domiciled in India. The Company's revenue from operations from external customers primarily relate to operations in India and all the non current assets of the Company are located in India.

Revenue from external customers

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
India	127,990.74	120,250.79
Outside India	17,924.14	34,972.13
	145,914.88	**155,222.92**

Revenue from Major Customers

Revenue from customers exceeding 10% of total revenue for the year ended March 31, 2020 and March 31, 2019 were as follows:
(₹ in Lakhs)

Segment	March 31, 2020		March 31, 2019	
	Number of Customers	Revenue	Number of Customers	Revenue
Sugar	1	18,171.82	2	23,806.68
Cogen	5	4,143.73	5	3,341.69
Chemicals	1	6,611.05	1	7,300.27
Distillery	1	4,789.33	2	7,821.67
		33,715.93		**42,270.31**

39. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category (₹ in Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	12,694.31	14,699.88	12,694.31	14,699.88
Cash and Cash Equivalents	576.46	524.91	576.46	524.91
Other Bank Balances	3,828.22	3,458.35	3,828.22	3,458.35
Security Deposits	412.91	394.60	412.91	394.60
Other Financial Assets	6,338.85	4,197.87	6,338.85	4,197.87
FVTPL				
Investments in Preference Shares	0.01	0.01	0.01	0.01
Total	**23,850.76**	**23,275.62**	**23,850.76**	**23,275.62**
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	58,856.06	79,326.81	58,856.06	79,326.81
Lease Liabilities	49.03		49.03	-
Trade Payables	36,029.72	42,905.25	36,029.72	42,905.25
Other financial liabilities	3,048.64	4,184.87	3,048.64	4,184.87
Total	**97,983.45**	**126,416.93**	**97,983.45**	**126,416.93**

The management assessed that the fair value of cash and cash equivalent, trade receivables, security deposits, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans and non current security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement: (₹ in Lakhs)

Particulars	March 31, 2020			Total	March 31, 2019			Total
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)"		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Financial Investments at FVTPL								
Mutual Funds	-	-	-	-	-	-	-	-
Investments in Preference Shares	-	-	0.01	0.01	-	-	0.01	0.01
Derivatives - Foreign Exchange forward contract	-	-	-	-	-	262.49	-	262.49
Total Financial Assets	**-**	**-**	**0.01**	**0.01**	**-**	**262.49**	**0.01**	**262.50**
Financial Liabilities								
Total Financial Liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification assets included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

The fair value of unquoted equity instruments is not significantly different from their carrying value and hence the management has considered their carrying amount as fair value.

40. FINANCIAL RISK MANAGEMENT

The group's activity expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the group, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i. Credit risk management

To manage the credit risk, Group periodically assesses the financial reliability of customers; taking into account factors such as credit track record in the market and past dealings with the group for extension of credit to Customer. Group monitors the payment track record of the customers, restrict credit limited in SAP, credit rating etc. Concentrations of credit risk are limited as a result of the group's large and diverse customer base. Group has also taken advances and security deposits from its customers / agents, which mitigate the credit risk to an extent. Generally, term deposits are maintained with banks with which group has also availed borrowings.

ii. Provision for expected credit losses - Trade Receivables

The group follows 'simplified approach' for recognition of loss allowance on Trade receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Exposure - Trade Receivables (₹ in Lakhs)

Particulars	Past Due		Total
	Up to 6 Months	More than 6 Months	
As at March 31,2020	11,020.22	1,674.09	12,694.31
As at March 31,2019	13,659.71	1,040.17	14,699.88

iii. Reconciliation of loss allowance provision - Trade receivables

(₹ in Lakhs)

Particulars	
Loss allowance on March 31, 2018	**200.41**
Changes in loss allowance	30.00
Loss allowance on March 31, 2019	**230.41**
Changes in loss allowance	50.00
Loss allowance on March 31, 2020	**280.41**

iv. Provision for expected credit losses - Other financial assets

The carrying amount of cash and cash equivalents, loans, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is INR 11,156.45 Lakhs (March 31, 2019: INR 8,313.24 Lakhs). The group does not expect credit loss on other financial assets.

(B) Liquidity risk

Liquidity risk is the risk that a group may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Contractual maturities of financial liabilities (₹ in Lakhs)

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31, 2020				
Borrowings	58,856.06	44,469.78	13,369.57	1,016.70
Lease liabilities	49.03	13.42	25.34	10.27
Trade payables	36,029.72	36,029.72	-	-
Other financial liabilities	3,048.64	3,041.45	7.19	-
Total non derivative liabilities	**97,983.45**	**83,554.38**	**13,402.10**	**1,026.97**
March 31, 2019				
Borrowings	79,326.81	65,814.23	13,512.58	-
Trade payables	42,905.25	42,905.25	-	-
Other financial liabilities	4,184.87	4,177.68	7.19	-
Total non derivative liabilities	**126,416.93**	**112,897.16**	**13,519.77**	**-**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity price risk.

(i) Foreign currency risk

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not Group's functional currency (INR). The Group has natural hedge of exports against import and any excess in import if any, is cover by forward contract.

(a) Foreign currency risk exposure

(₹ in Lakhs)

	USD	EURO	Total
March 31, 2020			
Trade Receivables	2,041.74	788.51	2,830.25
Trade Payables	(9,355.14)	(156.28)	(9,511.41)
Forward contracts for receivables	(336.84)	(508.19)	(845.02)
Forward contracts for payables	3,973.31	-	3,973.31
Net exposure to foreign currency risk	**(3,676.92)**	**124.04**	**(3,552.88)**
March 31, 2019			
Trade Receivables	3,125.31	1,087.06	4,212.37
Trade Payables	(5,722.85)	(89.60)	(5,812.45)
Forward contracts for receivables	(738.06)	(1,006.26)	(1,744.32)
Forward contracts for payables	3,606.73	-	3,606.73
Net exposure to foreign currency risk	**271.13**	**(8.80)**	**262.33**

(b) Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

(₹ in Lakhs)

	2019-20		2018-19	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(36.77)	36.77	2.71	(2.71)
EURO	1.24	(1.24)	(0.09)	0.09
Net Increase/(decrease) in profit or loss	**(35.53)**	**35.53**	**2.62**	**(2.62)**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable and competitive cost of funding.

However during the periods presented in the financial statements, the Group has primarily borrowed funds under fixed interest rate arrangements with banks and financial institutions and therefore the Group is not significantly exposed to interest rate risk.

(iii) Inventory price risk

The group is exposed to the movement in price of principal finished product i.e sugar. Prices of the sugar cane is fixed by government. Generally, sugar production is carried out during sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the sugar inventory to the movement in the price. Group monitors the sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in sugar price on the inventory as at year end, other factors remaining constant is given in table below:

(₹ in Lakhs)

Rate sensitivity	Increase / Decrease In sale price (per Qtls)	Effect on Profit before tax	
For year ended March 31,2020	1	+ / (-)	6.29
For year ended March 31,2019	1	+ / (-)	13.06

41. CAPITAL MANAGEMENT

For the purpose of the group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The group includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and other bank balances.

(₹ in Lakhs)

	March 31, 2020	March 31, 2019
Borrowings	58,856.06	79,326.81
Trade payables	36,029.72	42,905.25
Other payables	3,048.64	4,184.87
Less: Cash and cash equivalents	(576.46)	(524.91)
Less: Other bank balance	(3,828.22)	(3,458.35)
Net Debt	**93,529.73**	**122,433.67**
Equity share capital	4,194.30	3,837.59
Other Equity	38,518.82	32,047.51
Total Equity	**42,713.12**	**35,885.10**
Total Equity and Net Debt	**136,242.86**	**158,318.77**
Gearing ratio	**0.69**	**0.77**

In order to achieve the objective of maximize shareholders value, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements.

42. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Principal amount due to suppliers under MSMED Act, 2006*	231.29	186.21
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

43. EXPORT AND TRANSPORT SUBSIDY CLAIMS

During the current financial year, Central Government vide notification No. 1(14)/2019-S.P.-I. dated 12th September 2019, notified and assistance of ₹ 10,448/MT on export sugar limited to Maximum Admissible Export Quantity (MAEQ)to Sugar Mills with a view to offset the costs incurred and facilitate timely payment of cane price, subject to fulfillment of following major conditions:

1. Company should have supplied at least 50% of 39,896 MT MAEQ for the first claim
2. Company as to complete export of allotted sugar quota of 39,896 MT up to 30th September 2020.

The company has achieved the followings:

Particulars	October-19 to March-20	October 19 to July20
Required Quota	39,896 MT	39,896 MT
Completed Qty.	17,893 MT	37,482 MT
% Completion against the required quota	44.85%	93.95%

The company has exported up to 31.03.20 qty 17,893/MT and capability to achieve the balance quota, the assistance of ₹ 1869.46 Lakhs as export transportation cost subsidy has been accounted for during the year.

During the previous financial year Central Government vide notification No. 1(14)/2018-S.P.-I. dated 5th October 2018, had notified following Schemes for Assistance to Sugar Mills with a view to offset the costs incurred and facilitate timely payment of cane price dues of farmers for sugar season 2018-19 and cane price arrears of previous sugar seasons:

1. An assistance of ₹ 138.80/MT of cane crushed for cane season 18-19 for production of sugar.
2. An assistance of ₹ 2500/MT of sugar exported or actual transportation cost incurred for exporting sugar (lower of the two).

The company has complied with the conditions and requirements in F.Y 2018-19 and F.Y 2019-20 and has accordingly made claims and received amounts under the schemes as follows:"

Particulars	Amount (₹ In Lakhs)
Claim made and accounted in F.Y 2018-19 (A)	2748.31
Claim made and accounted F.Y 2019-20 (B)	375.73
Total Claim made (A+B)	3124.04
Claim Received in F.Y 2019-20	2397.45
Balance Receivable	726.59

44. AGRICULTURAL LAND PROFIT

During the year the company has sold agricultural land admeasuring 34.15 acres. For a total consideration of ₹ 501.54 Lakhs The company has accounted the profit on the basis of following as per Revenue Recognition policy:

1. Possession of the land has been handed over on or before 31/03/2020.
2. Sale agreement has been executed on or before 31/03/2020.

45. Dr. Baburao Bapuji Tanpure SSK Ltd., Rahuri (BBT)

The Company had entered into a contract with Dr. Baburao Bapuji Tanpure SSK Ltd., Rahuri (BBT), Sugar Factory in 2013 for the supply of 50 Lac BL Alcohol. Also, an advance payment of ₹800 Lakhs was paid. Against this, BBT has supplied only part BL of Alcohol. From the advance of ₹ 800 Lakhs, ₹ 501 Lakhs was balance with BBT. Thereafter, BBT had stopped its operations and the company started making provision on account of this advance since 2015.

The company had filed a Civil suit of ₹658 Lakhs plus @ 14% penalty w.e.f. 1/12/15 till realization, in which terms Decree has been granted. In the company Application for Execution of Decree, The Ahmednagar District Court Ordered for the seizure of twenty thousand sugar bags from BBT. Company may file another application if the principal plus penalty is not realized

Further, the company has filed a criminal case u/s 138 NIA against BBT in the Judicial Magistrate First Class, Kopargaon which is pending disposal. As the principal amount is recoverable the company during the year written back ₹ 376 Lakhs.

46. Previous year figures have been regrouped/ rearranged, wherever considered necessary to confirm to current year's classification.

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants
Firm Registration Number 112118W

Vimlesh Mehta
Partner
Membership No. 043599

Place : Mumbai
Date : 10th September 2020

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman and Managing Director
(DIN : 00295458)

Vinay V. Joshi
Executive Director
(DIN : 00300227)

Swarna S. Gunware
Company Secretary
(Membership No : 32787)

Naresh S. Khetan
Chief Financial Officer
(Membership No : F037264)

Place : Mumbai
Date : 10th September 2020

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013,read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies.

Particulars	Solar Magic Pvt Ltd (WOS)		Cayuga Investments B.V (WOS)		Godavari Biorefineries B.V. **		Godavari Biorefineries Inc **	
Reporting period	**31/03/2020**	**31/03/2019**	**31/03/2020**	**31/03/2019**	**31/03/2020**	**31/03/2019**	**31/03/2020**	**31/03/2019**
Reporting Currency	INR	INR	EURO	EURO	EURO	EURO	USD	USD
Share Capital	34,500,000	34,500,000	100,192,250	100,192,250	10,267,665	90,205,616	10,267,665	10,267,665
Reserves & Surplus	(22,799,071)	(23,551,882)	8,515,572	9,423,488	22,731,482	(69,656,599)	16,692,569	3,550,061
Total Assets	120,290,081	144,856,517	108,790,872	109,746,921	64,621,128	44,838,810	17,077,601	15,411,427
Total Liabilities	120,290,081	144,856,517	108,790,872	109,746,921	64,621,128	44,838,810	17,077,601	15,411,427
Investments (included inTotal Assets)		-				-		-
Total Income (incl. Other income)	103,178,056	116,059,354	27,476	124,605	165,091,559	81,042,018	10,526,038	21,002,432
Profit/ (Loss)BeforeTax	221,652	909,526	(1,561,547)	(1,813,074)	10,680,740	16,559,511	2,601,986	13,769,868
Provision for Tax		-				-	1,035,905	2,757,992
Profit (Loss) after Tax	221,652	909,526	(1,561,547)	(1,813,074)	10,680,740	16,559,511	1,566,081	11,011,876
Proposed Dividend (incl. DividendTax)	-	-	-	-	-	-	-	-
Percentage of shareholding	100%	100%	100%	100%	100%	100%	100%	100%

WOS - Wholly Owned Subsidiary

** Step Down Subsidiary being Subsidiary of Cayuga Investment B.V.

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Certifications

Godavari Biorefineries Limited has achieved Bonsucro Certification
for the Sameerwadi Manufacturing Unit located in the State of Karnataka, India.

Bio-Preferred

Godavari Biorefineries Ltd

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