Somaiya
GROUP

प्राणाय नमो यस्य सर्वमिदं वशो। यो भूतः सर्वस्येश्वरो यस्मिन्सर्वं प्रतिष्ठितम्।।

Godavari Biorefineries Ltd

63rd Annual Report
2017 - 2018

Godavari
Biorefineries Ltd

Our Mission

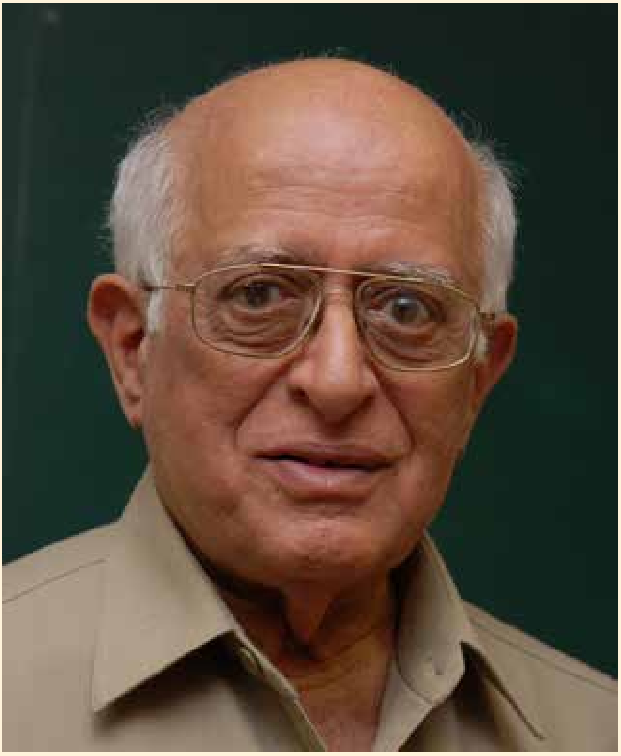
- To be a world-class global organization.
- To be the leading integrated biorefinery.
- To continuously add value to every part of sugarcane and any other biomass that the company processes.
- To visualise, understand and meet customer needs and expectations.
- To provide superior returns to shareholders 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.

Incineration Boiler - Sameerwadi, Karnataka

Our Founder

Our Founder
Padmabhushan Late Shri K J Somaiya
1902-1999

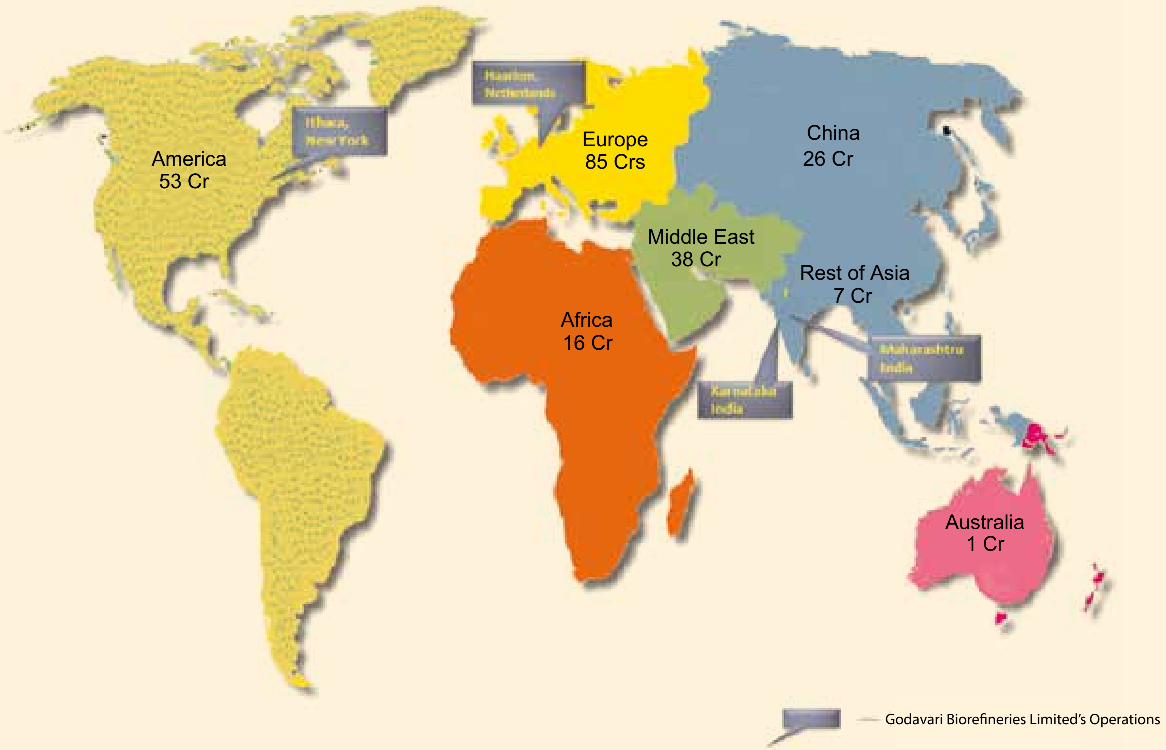
Our Mentor



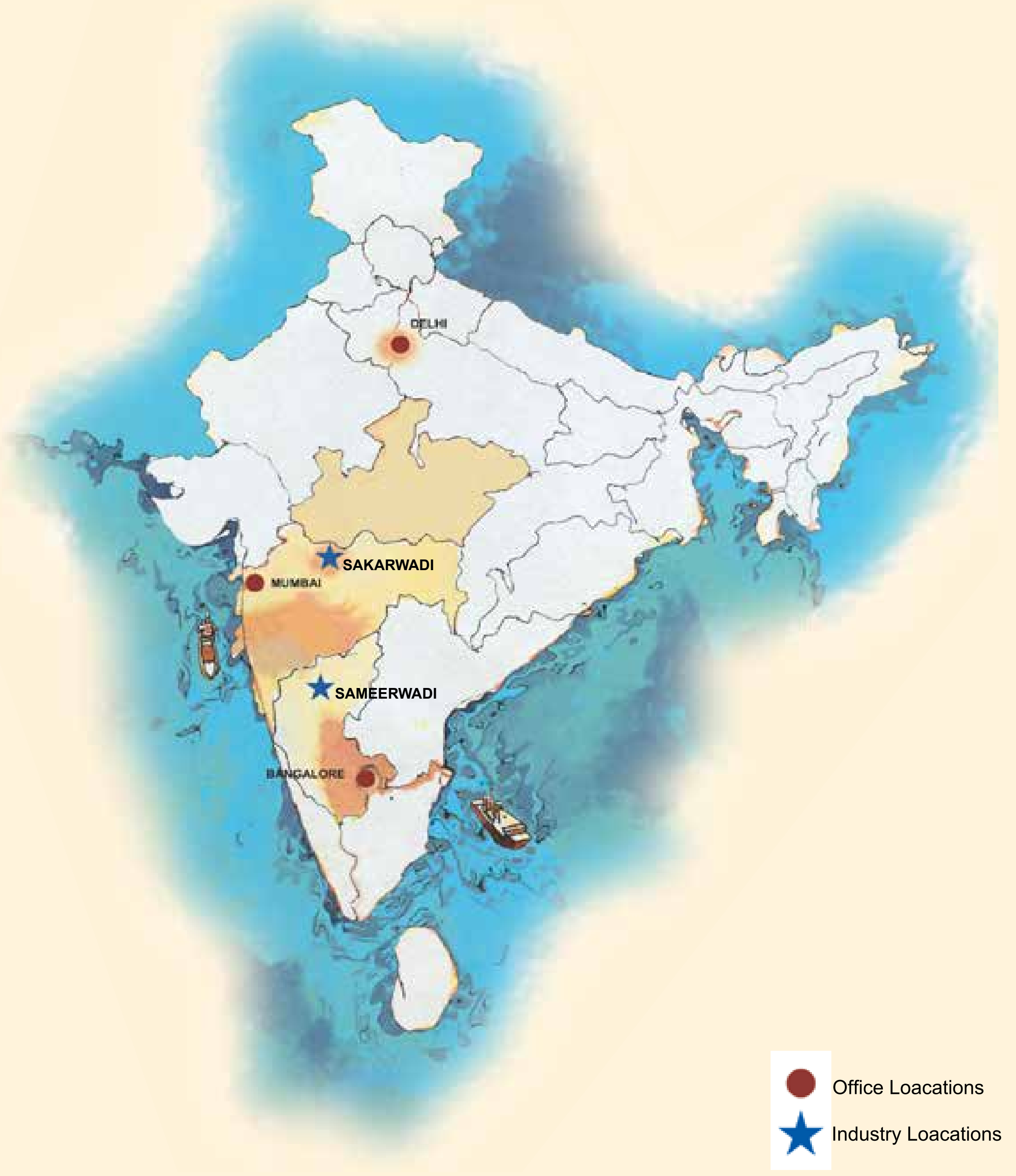
Late Dr Shantilal K Somaiya

1927 - 2010

Godavari Biorefineries Ltd's Global Presence



Locations


DELHI
SAKARWADI
MUMBAI
SAMEERWADI
BANGALORE
Office Loacations
Industry Loacations

Awards

Mr. Bhalachandra Bakshi, Director (Works) - Sameerwadi Unit receiving the award in the hands of Mr. David Rasquinha, Managing Director EXIM Bank in Bengaluru on 15th June, 2018

Shri S.M. Hukkeri, DGM (Cane) receiving Best General Manager- Cane from Bhartiya Sugar, Kolhapur

Certificate

FEDERATION OF KARNATAKA CHAMBERS OF COMMERCE & INDUSTRY

eXport cellence Awards 2018

Best District Exporter Award

Bagalkot

Godavari Biorefineries Limited

K. Ravi — President

D. Suresh Kumar — Chairman

GBL Sameerwadi awarded with Best Exporter Award, Bagalkot District for the year 2018

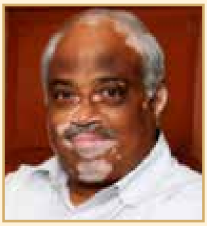
Memorandum Of Understanding for working on a project ‘Biomass For All’, in the presence of the Prime Minister of the Netherlands, Honourable Mark Rutte, and the Minister for Agriculture and Deputy Prime Minister, Carola Schouten

Farmers facilitating Mr. S.N. Bableshwar, Director (Works) at his farewell function

Board of Directors

Mr. Samir S. Somaiya
Chairman & Managing Director

Mr. Vinay Joshi
Executive Director



Mr. S. Mohan
Director - Works (Sakarwadi)

Mr. Bhalachandra R. Bakshi
Director - Works (Sameerwadi)

Mr. Jayendra Shah
Independent Director

Mr. Kailash Pershad
Independent Director

Prof. M. Lakshmi Kantam
Independent Director

Dr. Preeti Rawat
Non - Executive Director

Mr. Werner Wutscher
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

Non - Executive Director

Dr. Preeti Singh Rawat

Mr. Paul Zorner (upto 21st September, 2017)

Mr. Werner Wutscher

Independent Directors

Prof. Mannepalli Lakshmi Kantam (w.e.f. 28th November, 2017)

Mr. Kailash Pershad

Mr. Jayendra Shah

Late Dr. K. V. Raghavan (upto 12th October, 2017)

Director - Works

Mr. Bhalachandra R. Bakshi (Sameerwadi Unit- w.e.f 1st June, 2018)

Mr. Shrinivas Bableshwar (Sameerwadi Unit- upto 14th August, 2018)

Mr. Mohan Somanathan (Sakarwadi Unit)

Investor Nominee Director

Mr. Uday Garg

Chief Financial Officer

Mr. Naresh S. Khetan

Company Secretary

Ms. Swarna S. Gunware (w.e.f. 18th October, 2017)

Ms. Nishi Vijayvargiya (upto 13th October, 2017)

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 6170 2100
Fax : + 91 22 2204 7297
Website: www.godavaribiorefineries.com
Email: investors@somaiya.com

FACTORIES

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

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

AUDITORS

Desai Saksena & Associates (Chartered Accountants)

COST AUDITORS

B J D Nanabhoy & Co. (Cost Accountants)

SOLICITORS & ADVOCATES

Economic Law Practice
Gagrats
Hariani & Co.

REGISTRAR AND TRANSFER AGENTS

Link Intime India Pvt. Ltd.
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai – 400 083
Tel: 91 22 4918 6000
Fax: 91 22 4918 6060
Email: rnt.helpdesk@linkintime.co.in

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
Asian Building, Ground Floor
17. R. Kamani Marg, Ballard Estate,
Mumbai – 400 001

BANKS AND INSTITUTIONS

Andhra Bank

Bank of Baroda

Bank of India

Corporation Bank

Council for Scientific and Industrial Research

Punjab National Bank

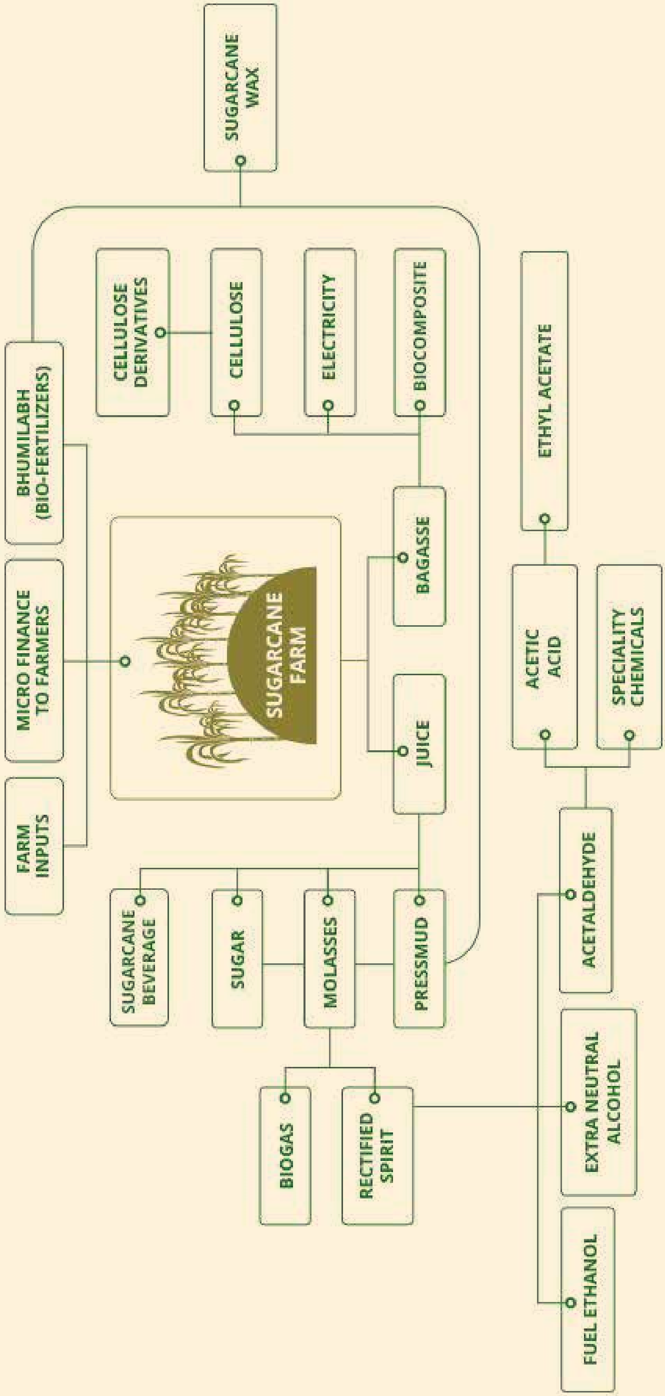
Syndicate Bank

Sugar Development Fund

Union Bank of India

Contents

GBL's Value Chain



Chairman's Outlook

Dear Shareholders,

We are pursuing the goal 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 product, chemically, physically or biologically. It is to create a brand, offer solutions to our customers, and to do so sustainably. It is to contribute to the community.

We have embarked on the journey to transform ourselves and to cater to diverse markets and industries offering customised products. On this path, we have created many products from ethanol, have commissioned a pilot plant to make products from biomass, have also successfully commissioned a pilot plant to produce sugarcane juice concentrate.

Your company also invested in an Incineration boiler that would help the distillery substitute the existing treatment of waste (ie bio-digestion and bio-composting), allowing for operations of 330 days per year. The year gone by (2017-18) your company was able to achieve higher Alcohol production of 36.4 million litres against 20.7 million litres in 2016-17. In 2018-19, your company targets to make more than 70 million litres of alcohol, and going forward your company plans to augment capacity to produce 90 million litres of Alcohol thereby continuing to be a pioneer in Alcohol production. Your company has recently launched a perfumery grade ethanol. We have got our first customers in the UAE for this grade of ethanol.

The increase in alcohol production will come by converting our B Heavy molasses. This is in line with the Government programme to encourage the same. The Government has done this to respond to the newly emerging production of sugar and sugarcane in the country. The production of sugarcane in the country this past year has been the highest in India, and expected to be higher still in 2018-19. The production of sugar this year was 33 million tons, and is expected to be 35 million tons in the 2018-19 season. With the sugar demand in the country remaining at about 25 million tons, this excess sugar needs an outlet. A short term measure is to export at world market prices, (which would be at a loss). To protect falling sugar prices, and to bring some price stability, the Government has announced a minimum price of sugar and reintroduced a release mechanism. But for the medium to longer term, the Government has announced a programme that will link FRP to ethanol price, so long as this ethanol is converted from B Heavy molasses, thus reducing the sugar output. In essence, the Government is converting this sugarcane surplus to meet the energy needs for transportation of the country. To help make this happen, the Government has announced that it will help the upgradation of distilleries by helping raise money at concessional rates, and announced a higher price of ethanol produced from B Heavy molasses in line with the FRP.

We plan to participate in this programme, and as mentioned earlier, target the production of 90 million litres in 2019-20.

The healthy monsoons also helped the sugarcane crushing and the sugar recovery from cane production in your company to increase as compared to last year. Your company ended the season crushing 1.8 Million tons of cane @ 10.96% recovery for sugar season 2017-18 against 1.2 million tons of cane @10.23 % recovery for sugar season 2016-17. To deal with the higher sugar inventories in the country, in addition to the ethanol programme, the Government has also announced additional steps to provide stability and restore viability to the sector. These are:

1. Fixation of minimum selling price of white sugar and linking it to the FRP of cane and minimum conversion cost of white/refined sugar. Currently this minimum selling price fixed at Rs. 29/Kg.

2. Limits to be imposed on stock holding of sugar by mills.

3. 3 million tons of a national buffer stock of sugar, for which they will provide us with the carrying cost.

4. Allocated mill wise minimum indicative export quotas (MIEQ) of 2 million tons of sugar for export during SS 2017-18. For Company, It will be 12,977 Mt.

5. With export of minimum quota, extended financial assistance to sugar mills @ Rs. 5.50/qtl of cane crushed during season to offset the cost of cane.

The chemical division is performing well and is backed by strong demand from customers. We see many global trends that seem to be favouring this sector. These are:

1. Customers have expressed renewed and strong interest in sourcing products that are renewable, sustainable, and adhering to the 'green chemistry' principles.

2. The increase in crude prices to over $ 70, is improving the competitiveness of chemicals made from renewable sources.

3. The renewed growth in Europe, USA, Asia and the rest of the world is helping demand.

Your Company 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. We have also received the Responsible Care Certificate from the Indian Chemical Council. We are one the few companies in India to have received this certificate.

Your company is planning to make bagasse based chemicals. To make this happen, the company has invested heavily in energy efficiency and generated surplus bagasse from 40,000 tons in 2016-17 to 1,40,000 tons in 2017-18. Currently, this will be used for added power generation in the coming couple of years, and then as a feedstock for making our cellulose based products. Our aim is to work on conversion of biomass to cellulose, hemicellulose, lignin, and their derivatives. Our surplus bagasse will be used to make these products at an industrial scale. We have been engaging with customers to get product approvals, and we have made progress on this front by receiving customer approvals.

Currently your company manufactures over 20 products from sugarcane, and has many more products in the pipeline.

Your company made a Rights Issue of Rs. 33.25 crores, that was partly subscribed in March 2018, and the balance will be subscribed to this year. The capital raised will be used for augmenting ethanol capacity in Karnataka and for augmenting Working capital needs.

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 to demonstrate new techniques, that would improve productivity, optimize resource use, and maintain soil fertility. We have also started examining the interface of older and traditional techniques and modern science with KIAAR. In addition we are beginning to study the internet of things in agriculture.

I am delighted to say that your company won FKCCI Award for Best Exporter Bagalkot District" for the year 2018, competing against all industries in the Bagalkot district.

Before I conclude, I would like to pay my respects to Dr Raghavan, who passed away this past year. He was an active member of our Board and was associated with us for over 15 years, and he chaired our Board sub committee on Research, giving us guidance, direction and assistance.

Samir Somaiya
Chairman and Managing Director
(2017-2018)

Jivāna™

Our Products

Dear Shareholders,

Your Directors have pleasure in presenting the Sixty Third Annual Report on the business and operations of the Company and the audited financial accounts for the year ended 31st March, 2018.

FINANCIAL PERFORMANCE

(₹ in Lakhs)

Particulars	2017-18	2016-17
Sales (Net of Excise Duty)	**1,21,802**	98,515
Profit / (Loss) before Exceptional items, Depreciation, Interest and Tax	**10,691**	7,929
Exceptional Items	**-**	1,026
Profit / (Loss) before Depreciation, Interest and Tax	**10,691**	6,903
Finance costs	**8,753**	7,956
Profit / (Loss) after Interest but before Depreciation and Tax	**1,938**	(1,053)
Depreciation & Amortization	**4,868**	4,978
Profit / (Loss) Before Tax	**(2,930)**	(6,030)
Taxes (Income)/Expense	**(817)**	(2,163)
Profit / (Loss) After Tax	**(2,113)**	(3,867)

DIVISION WISE SALES TURNOVER

(₹ in Lakhs)

Divisions	2017-18	2016-17
Sugar	**54,384**	49,862
Cogeneration	**3,646**	2,579
Chemicals	**48,169**	34,788
Distillery	**15,603**	11,286
Total	**1,21,802**	98,515

On a standalone basis, your company has achieved sales turnover of Rs. 1,21,802 Lakhs for the financial year 2017-18 as compared to the turnover of Rs.98,515 Lakhs in the previous year an increase of 23.6 % over previous year. On consolidated basis, the turnover in current year was Rs. 1,24,667 Lakhs.

The smart recovery in the turnover was due to increased sugar production coupled with improved performance of Distillery and Chemicals division. Increase in our sugar production is in sync with more than 50% increase in All India sugar production as well as better agro-climatic conditions in North Karnataka.

On a standalone basis, your company has reported loss after tax of Rs. 2,113 Lakhs as against the loss of Rs. 3,867 Lakhs (As per Ind AS) in the previous financial year 2016-17. On consolidated basis, loss after tax was Rs. 1,907 Lakhs for the current year.

DIVIDEND

In view of loss incurred during the year, your Directors regret their inability to recommend any dividend for FY 2017-18.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors' state that:

a) In the preparation of the annual financial statements for the year ended 31st March, 2018 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, 2018 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.

INDIAN SUGAR INDUSTRY OUTLOOK

Sugar Season (SS) 2017-18 commenced with an opening stock of sugar at around 40 Lac MT. Initial estimates of All India sugar production were at about 260 Lac MT. However, due to improved agro-climatic conditions in the States of Maharashtra, Karnataka and Uttar Pradesh, which account for over 75% of the sugar production, all India production in the current SS till 30th June 2018 was 322 Lac MT compared to over 200 Lac MT produced last year on the corresponding date. Total sugar production in SS 2017-18 (Oct – Sep) is expected to be about 323 lac MT.

(₹ in Lakhs)

States	Sugar Production (in Lac tons)*	
	2016-17	2017-18
Maharashtra	**42.01**	107.22
Karnataka	**20.51**	36.55
Uttar Pradesh	**87.73**	120.41
All India basis	**200.77**	321.97

Source: Indian Sugar Mills Association (ISMA) **Production figures is for the period of October-June*

State of Uttar Pradesh, which normally used to produce about 65 Lac MT to 70 Lac MT per annum is now expected to produce 100 Lac MT every year assuming normal agro-climatic conditions. This is due to higher sugarcane yield / acre and higher sugar recovery with improved sugarcane varieties. With this substantial increase in sugar production, All India sugar balance sheet shows very high closing stock of over 100 lac MT as on 30th September 2018.

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

(in Lakhs Tons)

Sugar Balance Sheet for Sugar Season	2016-17	2017-18 (E)
Opening stock as on 1st Oct	**77.52**	38.76
Production during the season	**202.85**	323.00
Imports	**4.46**	1.84
Total Availability	**284.83**	363.60
Off-take for		
i) Internal Consumption	**245.61**	255.00
ii) Exports	**0.46**	5.00
Total off-take	**246.07**	260.00
Closing stock as on 30th September	**38.76**	103.60

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

The domestic demand of sugar is currently about 250-255 lac MT p.a, while the sugar production has shown a quantum jump to about 325 lac MT p.a. Production in SS 2018-19 is also expected to be around 325 lac MT per annum.

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. Increase in import duty on sugar from 50% to 100%.
2. Removing export duty on sugar and implementing Minimum Indicative Export Quota (MIEQ) scheme in order to export 2 million MT of sugar.
3. Re-introduction of monthly sugar sales quota for the sugar factories.
4. Announcing minimum selling price for sugar effective June 2018.
5. Announcing aggressive Ethanol Blending Program (EBP) policy whereby sugar factories are encouraged to convert B Heavy molasses and sugarcane juice into Ethanol and suck the surplus sugar out of the market.

6. Financial assistance scheme for establishing new distilleries or expansion of existing distilleries to increase the ethanol production in line with the EBP of the government.

These measures have helped in maintaining the sugar prices above the Minimum Selling Price (MSP) of Rs.29 per kg. However, these measures are not adequate in view of the huge sugar surplus of over 200 lac MT expected as on 30th September 2019. The aggressive ethanol policy will help in medium term. However due to mismatch between sugarcane price at Fair & remunerative price (FRP) and revenue from sugar and its primary by-products has severely stressed the financials of the sugar companies. This problem is further compounded by the increase of FRP announced by Government from Rs. 2,550/MT linked to 9.5% basic sugar recovery for the SS 2017-18 to Rs. 2,750/MT linked to 10% basic sugar recovery.

While the increase in ethanol price under EBP will partially mitigate the financial problems of the industry, the gap between sugarcane price and revenue from sugar and its primary by-products is too big and would continue to put stress on the finances of the sugar mills.

It is necessary for the Government to make further interventions to help the Indian sugar industry, which is the back bone of Indian rural economy and Indian agronomic eco system. These interventions could be:

1. Announcing aggressive sugar exports policy to help the industry export minimum 50-60 lac MT till October 2019. This policy needs to be announced at an early date in order to help the sugar mills in planning their production for SS 2018-19 to meet the requirements of the international sugar market.
2. Government of India and / or State Governments need to provide subsidy to the mills in the State to the extent of difference between FRP and price payable as per the revenue sharing formula of Dr. Rangarajan committee and as per The Karnataka Sugarcane (Regulation of Purchase and Supply) Act, 2013.
3. To allow the sugar mills to pay FRP in instalments in view of the limited sugar sales every month under monthly release order system and the mismatch between revenue from sugar and sugarcane price at FRP.
4. Benefits of reduced GST on ethanol need to be passed on to sugar factories.
5. Pricing of Ethanol from B Heavy Molasses needs to be aligned to the FRP for sugarcane.
6. Minimum buffer stock of 30-40 lac MT needs to be maintained for next 2 years.
7. Government of India need to persuade the neighbouring countries like Bangladesh, China and Srilanka to import Indian sugar, which they normally import from other countries.

Performance of Sameerwadi sugar factory during SS 2017-18

Sameerwadi sugar factory crushed 18.17 lac MT of sugarcane during SS and F.Y. 2017-18 with sugar production of 19.92 lac quintals – an increase of 53 % in sugarcane crushing & 64 % increase in sugar production. This could be achieved due to favourable agro-climatic conditions, aggressive sugarcane development efforts and better yield of sugar from sugarcane.

Sameerwadi sugar factory continued to maintain its number One position in terms of highest sugarcane crushing and sugar production in Southern India as single unit during 2017-18.

In view of the normal monsoon rains during the current year and good water stock in the dams supplying water to Sameerwadi catchment areas, we expect improved sugarcane availability and sugar production in SS 2018-19.

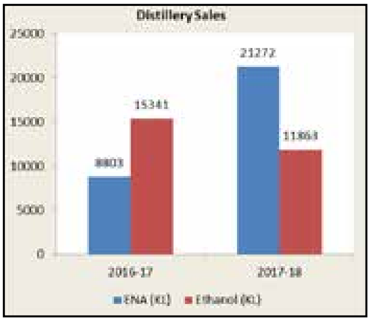
Sugar sales improved from Rs. 49,862 Lakhs in previous year to Rs. 54,384 Lakhs in the current year (i.e.; increase of 9 % over previous year). Our sugar sales realisation per unit continued to be better in view of the wide acceptability of our sugar quality in different market segments including institutional customers, whole-sale trade and retail trade. We are planning to consolidate our position in these market segments by undertaking further marketing initiatives.

Jivana - Our Retail Brand:

Company is selling sugar, salt and turmeric under the brand name "Jivana". We are currently marketing Jivana products in the States of Gujarat, Rajasthan, Maharashtra and Karnataka. There were initial teething issues which affected our sales during the year. However, we have addressed these issues and have also widened our product base to include Jaggery and Raw Sugar to our existing basket of products. We see an opportunity for growth in these segments. We have also planned interesting offerings in the near future to make "Jivana" a trustworthy and household name.

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.

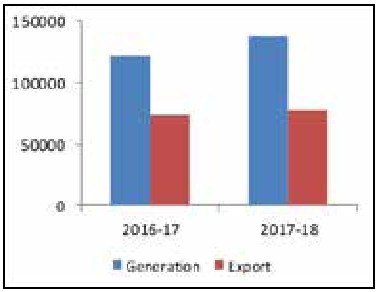


2017-18:

The total sale of Distillery division for the year is Rs 15,654 Lakhs against last year's sale of 11,901 Lakhs i.e; an increase of 31.5% over previous year. The Company has contracts with Oil Marketing Companies for 285 Lakhs litres of Ethanol against previous year's 70 Lakhs litres.

Distillery Division commissioned the incineration boiler of 40 MT/Hr and 4 MW turbines to generate power from August 2017. With the commissioning of this boiler we have started incinerating the distillery effluent in the boiler resulting into saving of fuel namely bagasse. This has helped us achieve Zero Liquid Discharge & operate the distillery for at-least 300 days. Hence we have also achieved better capacity utilization of Distillery and substantial reduction in power & fuel cost, an evolving trend under stabilization.

COGENERATION/POWER DIVISION:



Cogeneration division has Generated 137,619 MWh and Exported 77,670 Mwh in the current year as compared to the power Generation of 121,710 and Exported 74,023 MWh in the previous year. This increase is due to higher sugarcane crushing and resultant higher Bagasse availability. Company sold its power to KPTCL under Power Purchase Agreement (PPA).

We have enhanced the Capacity of the Boilers and increased the steam Generation of Unit-1 and Unit-2 Boilers by about 8%. This season we have run the Boiler continuously at higher loads. This helped us to stop running of the low pressure sugar Boilers and save more Bagasse.

We have Installed Bagasse dryer for Unit-1 Boiler during this season. This has improved Boiler efficiency and reduced the Bagasse consumption.

SAKARWADI CHEMICAL DIVISION:

Sakarwadi Chemical Division has recorded sales turnover of ₹ 48,169 Lakhs for the FY 2017-18 against the previous year sales turnover of ₹ 34,788 Lakhs i.e. increase in sales turnover by about 38.5%. Export sales for Sakarwadi Chemical Division for FY 2017-18 were Rs.22,599 Lakhs against the previous year Export sales of Rs. 16,254 Lakhs an increase of about 39%. This was possible primarily due to increase in Ethyl Acetate production and better sales realization from it and speciality chemicals.

Chemicals produced in Sakarwadi serve industries like printing ink & packaging, paints & coatings, adhesives, agrochemical, dyes, pharmaceutical intermediates, APIs, flavour & fragrance, food, personal care & cosmetics, mining, construction etc. Company has identified new market opportunities in line with new trends/ customer preferences evolving in India / worldwide.

As we are Ethanol based chemical manufacturer, we had to fill the gap between domestic demand and supply of alcohol through imports.

Factors that helped to improve the chemical business performance are:

- Continuous assessment of chemical market and scrupulously monitoring of the procurement & marketing strategies.
- Change in channel of sales in the domestic market i.e. shift from traditional dealer channel to direct sale to the customer.
- Improvements in overall conversion costs with focus on Utilities and achieving better quality specs.

NEW PROJECTS:

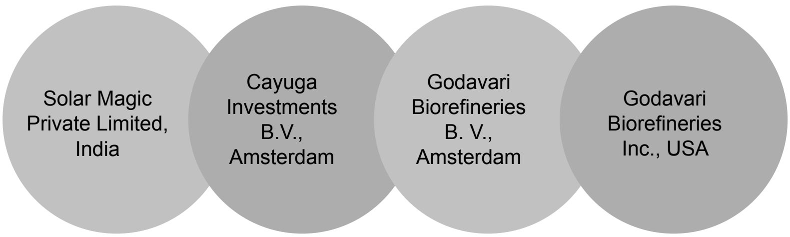
- Ministry of Environment, Forest and Climate Change (MOEF) granted Terms of Reference (TOR) for undertaking Environmental Impact Assessment (EIA) for new projects at Sameerwadi . This is a major milestone as it paves way for unleashing Chemical's manufacturing vision to bring action on ground. We are taking further effective steps for approval and planning.

- Ministry of Environment, Forest and Climate Change (MOEF) branch office at Bangalore granted Environmental Clearance (EC) for Cane Juice. We plan to implement the project for mini juice plant in current year.
- We had applied for permission to Karnataka government under the Karnataka Udyog Mitra (KUM) program for setting up of ethanol based specialty chemicals plant and Bagasse based bio-refinery at Sameerwadi. We have received approval from State High Level Clearance Committee for same.
- Karnataka State Pollution Control Board (KSPCB) has granted "Consent For Establish (CFE)" for 120 Kilo Litre Per Day (KLPD) Distillery.
- Research and Development Department along with team at the plant taken trials for by-products from waste materials for which we have received approval from Maharashtra Pollution Control Board (MPCB).
- We are evaluating the options for recommencement of production at our distillery at Sakarwadi. We are approaching concerned government authorities for obtaining necessary clearance.

The company remains optimistic for the future and is determined to keep working towards achieving the objective of creating unique bio refinery by adding value from the feedstock used by it. With favourable government initiatives to deal with the problem of mismatch between the sugarcane price and revenue from sugarcane in the sugar sector , we hope to reach our goal faster.

SUBSIDIARIES & ASSOCIATE COMPANIES

As on 31st March, 2018, your Company had four (direct and indirect) subsidiaries (One in India and three overseas), the company does not have any joint venture 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., Amsterdam (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 Accounting Standard 21 issued by the Institute of Chartered Accountants of India (ICAI) , 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. 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 2017-18.

MEETINGS

During the financial year under review, five meetings of the Board of Directors were held on 30th May, 2017, 27th September, 2017, 28th November, 2017, 12th December, 2017 and 14th March, 2018. Particulars of Directors, their attendance at the Board Meetings held during the Financial Year 2017-18 are as under:

Name of the Director	Category of the Director	Number of Board Meetings held during the FY 2017-18	Number of Board Meetings attended during the FY 2017-18
Mr. Samir S. Somaiya DIN - 00295458	Chairman & Managing Director	5	5
Mr. Vinay V. Joshi DIN - 00300227	Executive Director	5	4
Dr. Preeti Singh Rawat DIN - 07154417	Non-Independent, Non-Executive	5	5
Mr. Paul Zorner DIN - 01888805	Non-Independent, Non-Executive (upto w.e.f. 21st September, 2017)	5	-
Mr. Werner Wutscher DIN - 06456562	Non-Independent, Non-Executive	5	3
Dr. K. V. Raghavan DIN - 00144054	Independent, Non-Executive	5	1
Mr. Kailash Pershad DIN - 00503603	Independent, Non-Executive	5	5
Mr. Jayendra Shah DIN - 00084759	Independent, Non-Executive	5	3
Mr. S. N. Bableshwar DIN - 05101183	Director – Works (Sameerwadi Unit)	5	5
Mr. Mohan Somanathan DIN - 03184356	Director – Works (Sakarwadi Unit)	5	5
Mr. Uday Garg DIN - 03285941	Nominee Director Non-Executive	5	5
Prof. Mannepalli Lakshmi Kantam -DIN- 07831607	Independent Additional Director	5	2

DIRETORS AND KEY MANAGERIAL PERSONNEL

Mr. Paul Zorner has tendered his resignation from the Board of Directors of your company w.e.f. 21st September, 2017 due to pre-occupation. The Board places on record its appreciation for the assistance and guidance provided by Mr. Paul Zorner during his tenure as Director of the Company.

During the year, Dr. K. V. Raghvan, the Independent Non- Executive Director of our company passed away. Dr. K.V. Raghavan was the member of the Board of The Godavari Sugar Mills Ltd who was later appointed as the Director of the Company on 12th September 2009. He was also member of the Audit and Research Committees. He was an active member of Board and was associated with us for over 15 years. He was a technical man to the core and separately studied the world of industrial biotechnology and Biorefining and had balanced beautifully the regulatory views with strong technical reasoning, while providing outsider's perspective on regulatory issues. The Company was enriched with his valuable guidance, direction and assistance. The Board noted deep appreciation for the valuable services rendered by Dr. K. V. Raghavan during his long tenure as a Director of the Company.

Prof. Mannepalli Lakshmi Kantam was appointed as Additional Non-Executive Independent Director of the Company by the Board w.e.f. 28th November, 2017 to hold office up to the date of forthcoming Annual General Meeting. Being eligible, Prof. Mannepalli Lakshmi Kantam offered herself to be appointed as the Independent Director of your Company.

Prof. Mannepalli Lakshmi Kantam, Non- Executive Independent Director, in accordance with section 149(1) read along with rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 is required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation. Her appointment be considered by the shareholders for a term upto five consecutive years.

The Company has received consent from the director to be appointed as independent director for a consecutive term of five years. Declaration of independence as per section 149(7) is also received from Prof. Mannepalli Lakshmi Kantam. Notice under Section 160 of the Companies Act, 2013 have been received from Member proposing her candidature as an Independent Director of the Company.

Your directors recommend appointment of Prof. Mannepalli Lakshmi Kantam as Independent director of the Company.

On 15th May, 2018, Mr. S.N. Bableshwar has tendered his resignation from the post of Director (Works) - Sameerwadi of the Company due to his advanced age. He will be relieved from end of business hours of 14th August, 2018. The Board places on record its appreciation for the assistance and guidance provided by Mr. S.N. Bableshwar during his tenure as Director of the Company.

In the Board Meeting held on 25th May, 2018, Shri Bhalachandra R. Bakshi was appointed as Additional Non-Executive Director of the Company by the Board w.e.f. 1st June, 2018. In the same Board Meeting he was appointed as a whole time Director designated as Directors (Works)- Sameerwadi for a period of three years with effect from 1st June, 2018 as per the recommendation of the Nomination and Remuneration Committee, subject to approval of the members at the ensuing Annual General Meeting.

Further, during the year Ms. Nishi VijayVargiya has resigned from the post of Company Secretary on 13th October, 2017 and Ms. Swarna S. Gunware was appointed as Company Secretary w.e.f. 18th October, 2017.

Currently your Board comprises of ten (10) Directors including three (3) Independent Directors, four (4) Executive Director and Three (3) 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 and Listing Regulations.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Vinay V. Joshi, Executive Director and Mr. Werner Wutscher, Non-Executive Director of the Company, retires by rotation at the ensuing AGM, and being eligible, have offered themselves for re-appointment.

In compliance with the requirements of section 203 of the Companies Act, 2013, Mr. Samir Somaiya, Chairman & Managing Director, Mr. Naresh Khetan, Chief Financial Officer and Ms. Swarna S. Gunware, Company Secretary & Compliance Officer 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 Independent Directors of your Company, in a separate meeting held without presence of other Directors and management evaluated performance of the Chairman, Managing Director and other Non-Independent Directors along with performance of the Board and its Committees based on various criteria recommended by Nomination & Remuneration Committee. A report on such evaluation done by Independent Directors was taken on record by the Board and further your Board, in compliance with requirements of Companies Act, 2013, evaluated performance of all Independent Directors based on various parameters including attendance, contribution etc.

BOARD COMMITTEES

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

Audit Committee:

Currently the Audit Committee of the Board comprises of four (4) Directors including Mr. Kailash Pershad, as Chairman, Prof. Mannepalli Lakshmi Kantam, Mr. Jayendra Shah and Mr. Uday Garg as its Members.

During the year under review, five (5) meetings of the Audit Committee were held on 30th May, 2017, 27th September, 2017, 28th November, 2017, 12th December, 2017 and 14th March, 2018.

Nomination & Remuneration Committee:

The Nomination and Remuneration Committee comprises of Mr. Kailash Pershad as Chairman , Mr. Uday Garg and Mr. Jayendra Shah as its Members.

During the year under review the Committee met thrice on 30th May, 2017, 27th September, 2017 and 14th March, 2018.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Mr. Jayendra Shah as Chairman, Mr. S Mohan and Prof. Mannepalli Lakshmi Kantam as its Members.

During the year under review the Committee met on 25th May, 2017.

Share Transfer & Allotment Committee (STAC) :

The STAC comprises of Mr Samir Somaiya as Chairman, Mr. Vinay V. Joshi, Mr. S. N. Bableshwar and Mr Mohan Somanathan, as its Members.

During the year under review, STAC met three (3) times on 12th June, 2017, 21st July, 2017 and 31st March, 2017

WHISTLE BLOWER & VIGIL MECHANISM

As per section 177, Rule 7 of the Companies Act, 2013 a comprehensive Whistle Blower and 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 (copy of which is uploaded on the website of the Company) safeguards whistleblowers from reprisals or victimization.

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, 2018, the issued, subscribed and paid up share capital of your Company stood at ₹ 37,63,76,330 (Rupees Thirty Seven Crores Sixty Three Lakhs Seventy Six Thousand Three Hundred Thirty Only) comprising 3,76,37,633 (Three Crores Seventy Six Lakhs Thirty Seven Thousand Six Hundred Thirty Three only) Equity shares of ₹ 10/- each.

During the year under review, your Company had issued 6,85,286 Equity Shares of 10/- each on a right basis at a price of ₹ 225/- each.

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.

CORPORATE SOCIAL REPONSIBILITY

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.

RELATED PARTY TRANSACTIONS

The Details of transactions entered into with the Related Parties is annexed to this report as Annexure I.

CONSERVATRION 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.

REASEARCH 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 notes to accounts referred to in the Auditors' Report for the financial year ended 31st March, 2018 are self explanatory and, therefore, do not call for any further comments. The observations and comments given in 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: M/s. Desai Saksena & Associates, Chartered Accountants (Firm's Registration Number: 102358W), Mumbai have been appointed as Statutory Auditors of the Company at an Annual General Meeting held on 26th September, 2014 for a term of four consecutive years from the financial year 2014-15 to the financial year 2017-2018. The Statutory Auditor will complete its tenure on conclusion of the 63rd Annual General Meeting.

As envisaged under Section 139 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 the Company is proposed to appoint M/s Verma Mehta & Associates, Chartered Accountants, (Firm Registration No. 112118W) in place of M/s. Desai Saksena & Associates, Chartered Accountants at the ensuing Annual General Meeting.

M/s. Verma Mehta & Associates have expressed their willingness to be appointed and confirmed that their appointment, if made, would be in accordance with the conditions specified in Rule 4(1) of the Companies (Audit and Auditors) Rules, 2014.

Accordingly, approval of shareholders is being sought at this AGM, for appointment of M/s Verma Mehta & Associates, Chartered Accountants as Statutory Auditors of the Company from the conclusion of this AGM until the conclusion of the 68th AGM of the Company.

Secretarial Auditor: During the year, Secretarial Audit was carried out by Mr. Tushar Shridharani, Practising 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.

Cost Auditors: 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 2018-19. 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.

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. 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

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.

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 Association, 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.

Your Directors also acknowledge the support extended by the employees for their dedicated service contribution to the Company.

For and on behalf of the Board of Directors

Sd/-
Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 25th May 2018
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:

Help A Child To Study Project: 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 electricity and stays in hut etc.. About 56% of our scholarship went to girl child. During the year we have sponsored 673 students and total scholarships from 2001 is 6256.

Total no of students sponsored since 2001.

No.	Year	Sponsored Students	Sponsored Amount
1	2001	2	74500
2	2002	9	114700
3	2003	21	175000
4	2004	18	25000
5	2005	46	442500
6	2006	138	849000
7	2007	260	1445300
8	2008	351	1245180
9	2009	406	2704000
10	2010	550	3661885
11	2011	618	4012450
12	2012	676	4115940
13	2013	642	4329950
14	2014	624	4548421
15	2015	548	4346380
16	2016	674	4808845
17	2017	673	5449891
Total		**6256**	**42348942**

Student Beneficiary of the project with her mother in front of her house

Scholarship Award Function:

We conduct scholarship award ceremony every year during August / September by inviting all the beneficiary students of the project. During the function the student are awarded with first installment scholarship cheque, text books and laptops for their project works / assignments. We also felicitate students that have done extremely well in their studies so as to motivating them and other students as well.

Mr. Samir S. Somaiya awarding Scholarship cheque to one of the Medicine beneficiary student

Mr. Samir S. Somaiya awarding laptop to one of the Engineering beneficiary student

Laptop distribution:

The project provides laptops to the final year BE, MBA and MCA and students for their project as most of the students are unable to purchase the same. The laptops will be distributed on student's personal account on returnable basis.

Felicitation:

Every year during scholarship award function we will also felicitate outstanding student of the project such as gold medallist, University blues, National level participants etc to motivate other students.

Mr. Samir S. Somaiya felicitating Ms.Jyoti for securing first rank for Karnataka University in CET Exam

Mr. Samir S. Somaiya awarding text books to one of the beneficiary student

Book Bank:

Help A Child Project have more than 1000 books representing Science, Arts, Commerce and CET books for 11th and 12th standard. These books are being distributed to the beneficiaries of the project on returnable basis every year. Once the final exams over, these books would be collected and are being distributed to next batch students.

Career Counseling:

The career counseling programs, personality development, resume writing, interview skills etc. was organized for the benefit our project beneficiaries in association with CONNECT -NGO as most of our students do not have wider exposure about different courses available after 12th and degree. At present our students opts only few courses as a result of which most of our arts students are unemployment.


Students at workshop

2. Supports to Somaiya Vidyavihar Schools:


Financial assistance for construction of library for Kannada high school


Financial assistance extended for construction of new head master and staff room

The Company supports 2 Marathi medium, 2 Kannada medium, 2 English medium and other residential schools in Maharashtra and Karnataka thereby supporting more than 4500 students that 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.

3. Early Childhood Education through Anganwadis (Preprimary schools)

List of Anganwadi centers

No.	Village Name	Taluka	District	No of kids
1	Saidapur	Mudhol	Bagalkot	22
2	Nagaral	Mudhol	Bagalkot	30
3	Mahalingpur	Mudhol	Bagalkot	23
4	Kesaragoppa	Mudhol	Bagalkot	25
5	Uttur	Mudhol	Bagalkot	24
6	Bisnal	Mudhol	Bagalkot	22
7	Marapur	Mudhol	Bagalkot	25
8	Madabhavi	Mudhol	Bagalkot	21
9	Navalagi	Jamakhandi	Bagalkot	28
10	Chimmad	Jamakhandi	Bagalkot	22
11	Awaradi	Gokak	Belgaum	20
12	Shivapur	Gokak	Belgaum	30
13	Hallur	Gokak	Belgaum	22
14	Rangapur	Gokak	Belgaum	26
15	Aralimatti	Gokak	Belgaum	20
16	Sultanapur	Raybag	Belgaum	26
			Total	**386**

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

With a mission to provide nutrition value to under- privileged children in the age group of 0-6 years; we have joined hands with the State Governments to support Anganwadi Project. We support 16 Anganwadi Centres called SOMAIYA SHISUVIHAR in 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 380 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)

Health Camps:

Cataract screening / operation camp:

The Company conducted free cataract screening camp at Sameerwadi in association with M.B.Huralikoppi Trust, Hubli. Patients screened at the camp were operated at Huralikoppi Trust's Ashoka Hospital, Hubli at free of cost in different batches. 184 (80 female and 104 male) patients from Sameerwadi and surrounding villages took the benefit this camp. Out of which 82 patients were operated at above hospital.


Patient examination during the Eye camp

General health check-up camp for school children

We had also arranged for general health check-up camp for the primary and high school students in Karnataka and Maharashtra including Kannada, Marathi and English medium students. More than 4500 students were examined at the camp.

V. Self-Employment Training Program

The Company conducts self-employment programs such as, tailoring classes, bakery training, painting class, vermi composting etc.

Tailoring classes:

When women are empowered, it has a multiplying positive impact on the health and progress of their families and communities. We run 20 tailoring centers in different locations in Bagalkot and Belgaum dist. of Karnataka every year around 400 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 Rs 3000/- per month. This allows them to take care of their children while supplementing the family income thus making a better life for her and her children.

Candidates at tailoring class

Donation of Govt. Higher primary school at Halyaltaluk

The Company is currently constructing 2 class rooms at Higher Primary School & compound wall for Govt. High school at Bhasgavati village in Halyaltaluk of Karwar Dist. The estimated cost for the same would be around 25 lakhs.

self-employment / tailoring centers:				
No.	**Village name**	**Taluka**	**District**	**No of women**
1	Madabhavi	Mudhol	Bagalkot	18
2	Mallapur	Mudhol	Bagalkot	19
3	Dhawaleshwar	Mudhol	Bagalkot	18
4	Sanaganatti	Mudhol	Bagalkot	18
5	Belagali	Mudhol	Bagalkot	20
6	Sameerwadi	Mudhol	Bagalkot	30
7	Chimmad	Jamakhandi	Bagalkot	20
8	Navalagi	Jamakhandi	Bagalkot	20
9	Aski	Jamakhandi	Bagalkot	20
10	Yaragatti	Jamakhandi	Bagalkot	19
11	Handigund	Raybag	Belgaum	16
12	Itnal	Raybag	Belgaum	20
13	Gurlapur	Gokak	Belgaum	20
14	Hallur	Gokak	Belgaum	18
15	Munnyal	Gokak	Belgaum	20
16	Rangapur	Gokak	Belgaum	19
17	Awaradi	Gokak	Belgaum	20
18	Shivapur	Gokak	Belgaum	18
19	Khanatti	Gokak	Belgaum	20
20	Aralimatti	Gokak	Belgaum	20
			Total	**393**

Success Story:

Beneficiary I D No. : 2907

Beneficiary Name : Channamma M. Bugadi

Sponsored Course : B.C.A.

Brief family history

Then: Channamma lost her father due to some disease when she was just 2 years old. She has 3 older sisters which were married at an early age and has not studied beyond 7th grade. Her mother is a daily wage labourer who earns very less. Due to financial burden, Channamma is staying with her maternal uncle.

Annual income: Rs.18,000/- per year

Now: Channamma successfully completed her bachelors in Computer Application and working as an Executive in one of the best hospital viz. Narayan Heart Foundation, Bangalore. Now, she is taking care of her mother

Annual income: Rs.2.5 lakhs per year

ANNEXURE I

Details of 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.	Jasmine Trading Co. Pvt. Ltd.	Property on Leave and License	Associate Company	1 year	Leave and License for the period of 1 year	30-05-2017	Nil
2.	Somaiya Properties & Investments Pvt. Ltd.	Property on Leave and License	Associate Company	1 year	Leave and License for the period of 1 year	30-05-2017	Nil
3.	Arpit Limited	Property on Leave and License	Associate Company	1 year	Leave and License for the period of 1 year	30-05-2017	Nil
4	Somaiya Chemicals Industries Pvt. Ltd.	Property on Leave and License	Associate Company	1 year	Leave and License for the period of 1 year	30-05-2017	Nil
5	K.J.Somaiya & Sons Pvt. Ltd.	Property on Leave and License	Associate Company	1 year	Leave and License for the period of 1 year	30-05-2017	Nil
6	Godavari Biorefineries INC.	Commission paid for sale of goods	Step Down Subsidiary Company	1 year	3% on FOB Value	30-05-2017	Nil
7	Godavari Biorefineries B. V.	Commission / Sales / License / Re-imbursement /Liaisoning fees	Step Down Subsidiary Company	1 year	N.A.	30-05-2017	Nil
8	Ms. Harinakshi Somaiya	Salary	Sister of Mr. Samir S. Somaiya, CMD	1 year	General Manager (Communication & Development)	30-05-2017	Nil
9	The Book Centre Ltd.	Printing & art work of stationary and reports etc.	Associate Company	1 year	As per PO issued, for each transaction	30-05-2017	Nil
10	Pentokey Organy (India) Ltd.	Purchase of goods/capital	Associate Company	1 year	As per PO issued, for each transaction	30-05-2017	Nil
11	Pentokey Organy (India) Ltd.	Sale of goods	Associate Company	1 year	As per Term Agreed, for each transaction	30-05-2017	Nil
12	Arpit Ltd.	Sale of goods	Associate Company	1 year	As per Term Agreed, for each transaction	30-05-2017	Nil
13	Mrs. Maya S. Somaiya	Purchase of goods	Mother of Mr. Samir S. Somaiya, CMD	1 year	As per FRP declared by Government / Cane price paid to sugar farmers whichever is higher	30-05-2017	Nil
14	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	30-05-2017	Nil
15	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	30-05-2017	Nil

Annexure "I" to the Boards' Report

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
16	K.J. Somaiya & Sons Pvt. Ltd.	Royalty paid for use of Trademark	Associate Company	1 year	If turnover is upto 1000 Cr Royalty @ 0.1% on Sales, Above 1000 Cr And upto 2500 Cr, 0.075% on Sales	30-05-2017	Nil
17	Filmedia Communications System Pvt. Ltd	Service Charges paid for manpower services	Associate Company	1 year	NA	30-05-2017	Nil
18	Solar Magic Pvt. Ltd.	Unsecured Loans	Wholly owned Subsidiary Company	1 year	NA	30-05-2017	Nil
19	Solar Magic Pvt. Ltd.	Purchase of goods	Wholly owned Subsidiary Company	1 year	As per PO issued, for each transaction	30-05-2017	Nil
20	Solar Magic Pvt. Ltd.	Interest Received	Wholly owned Subsidiary Company	1 year	Interest Received	30-05-2017	7-8% per annum
21	Acharya Travels	Air Ticket Bookings	Mrs. Amrita Somaiya, Wife of Mr. Samir S. Somaiya, is Partner in the firm.	1 year	As per PO term agreed, for each transaction	30-05-2017	Nil
22	Design Craft [Division of Somaiya Agencies Pvt. Ltd. (SAPL)]	Purchase of Gift Articles and Books	Mr. Samir Somaiya is Director of SAPL.	1 year	As per Maximum Retail Price	30-05-2017	Nil
23	Zenith Commercial Agency Pvt. Ltd. (Gayatri Salt Works)	Purchase of Salt	Associate Company	1 year	As per PO issued, for each transaction	30-05-2017	Nil
24	K. J. Somaiya Institute of Applied Agricultural Research	Purchase of Seeds etc.	Associate	1 year	NA	30-05-2017	Nil
25	K. J. Somaiya Institute of Applied Agricultural Research	Donation	Associate	1 year	NA	30-05-2017	Nil
26	SomaiyaVidyavihar / Somaiya Medical Trust	Donation	Associate	1 year	NA	30-05-2017	Nil
27	Mr. Samir Somaiya	Sale of Goods	Chairman & Managing Director	1 year	NA	30-05-2017	Nil
28	K.J.Somaiya Institute of Management Studies	Payment for Leadership Development Programme	Associate	N.A.	Nil	30-05-2017	Nil
29	K.J Somaiya Institute of Engineering (Information Technology)	Mobile application	Associate	N.A.	Nil	30-05-2017	Nil
30	Solar Magic Pvt. Ltd	Investments	Wholly owned Subsidiary	NA	Arm's Length Price	30-05-2017	Nil
31	Cayuga Investments BV	Investments	Wholly owned Subsidiary	NA	Arm's Length Price	30-05-2017	Nil
32	Arpit Ltd.	Purchases	Associate Company	NA	Arm's Length Price	30-05-2017	Nil

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.

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 Division: Energy Conversation 2017-18**

Sr. No	Description of Energy conservation Implemented	Remarks/Result
1	**For Unit-1 Co-gen plant**	
	a) Modification of Unit-1, 24 MW BHEL Turbine Rotor with new Rotor and new internals.	Unit-1, 24 MW BHEL Turbine old Rotor replaced with new Rotor and new internals to increase the LP steam to the Process from 80 TPH to 107 TPH by reduce the steam to the condenser from 33 TPH to 10 TPH. Which is stopped running of the sugar low pressure Boiler and saving of bagasse 14.2 T/Hr
	b) For Unit-1 Boiler feed water pump 6.6 HT drive replaced by 415 V LT drive with VFD	Earlier for Boiler for make up water purpose, starting 300 KW 6.6 KV Motor. Now installed 160 KW VFD drives for Bolier feed pump, 46 %, Energy saving & We can start with DG set, system with this safety increased.
	c) 2X 18.5 KW DOL feeder for Condensate transfer pump	Now installed one number 37 KW VFD drives for condensate Transfer pump. BY this we are saving 25 % of Energy since VFD drive
	d) 1X315 KW VFD drive installed for unit1 ID fan. Earlier 6.6 KV 250 KW Motor	By installing 1X315 KW VFD drive to ID fan ,10% of Energy saving and We can start with DG set. With this safety increased. This Motor can be used as a unit2 spare Motor for Unit2 during emergency.
	e) 1X132 KW Secondary air fan VFD drives	Earlier 1X110 KW star delta starters are working. For Energy saving purpose installed 2X132 KW VFD drives. 25% Energy saving from these drives. We can start with DG set, system with this safety increased
	f) 66/21 Kg/cm2 PRDS to supply the steam from Cogen Boiler to run the Sugar Turbine	To supply the 21 Kg/cm2 steam about 8 TPH from Unit-1 Cogen Boiler through 66 / 21 Kg/cm2 PRDS Boiler to run the Sugar Turbine. Which intern stopped running of the Sugar low pressure Boiler which saved the Bagasse about 1.14 TPH.
2	**For Unit-2 Co-gen plant**	
	a) 87/21 Kg/cm2 PRDS to supply the steam from Cogen Boiler to run the Sugar Turbine	To supply the 21 Kg/cm2 steam about 12 TPH from Unit-2 Cogen Boiler through 87 / 21 Kg/cm2 PRDS Boiler to run the Sugar Turbine. Which intern stopped the running of Sugar low pressure Boiler which saved the Bagasse about 0.86 TPH.
	b) 2X132 KW Secondary air fan VFD drives	Earlier 2X110 KW star delta starters are working. For Energy saving purpose installed 2X132 KW VFD drives. 25% Energy saving from these drives We can start with DG set, system with this safety increased
3	**Incineration Power Plant**	
	a) Installation of 40 TPH Incineration / Spent wash Boiler and 4 MW Turbine to run the 200 KLPD distillery unit.	Installation of 40 TPH Incineration / Spent wash Boiler and 4 MW Turbine to supply the steam about 40 TPH to run the 200 KLPD distillery unit. Which intern stopped the running of Sugar plant low pressure Boiler which saved the Bagasse about 21.05 TPH

4	**Street Light and plant lighting**	
	a. In co-gen plant total 12 numbers of Mercury vapor lamps of 250 Watt replaced by 150 Watt Induction lamp at TG floor ,	Energy saving /day , 12 Hours consideration : 14. Kwh
	b. 25 no’s of fittings in Rc1 trench ,replaced 35 watts induction lamp in place of 70 watt Sodium vapor .	Energy saving /day ,12 Hours consideration : 10.5 Kwh
	c. In co-gen plant RC1 and silicon yard ,10 numbers of 100 watts induction lamp street light replaced in place of 250 watt Sodium vapor fittings	Energy saving /day ,12 Hours consideration : 18.0 Kwh
	d. Co gen plant Flood light 10 numbers 200 watt induction lamp replaced in place of 250 watt Sodium vapor	Energy saving /day ,12 Hours consideration : 6.00 Kwh
5	Sale of Bagasse	
	a) Sale of 1.15 MT of Bagasse to the outside party instead of running the Cogen Plant during the off season.	With all the above projects implementation we have saved around 1.4 Lac MT bagasse during the cane crushing season 2017-18, Out of which we have Sold 1.15 lac MT Bagasse to the outside party instead of running the Cogen plant during the off season which is economically viable and avoided the water consumptions, Boiler flue gas heat additions to the atmosphere, Generation of the Ash by running the plant.

- **Chemical Division:**

1. Replacement of Conventional steam jet ejector by Dry Vaccum pumps resulted in net savings of Rs. 19 Lakhs /year.
2. Ethyl Acetate Plant
   a) For better separation of alcohol in wash column, we installed Chiller cooler PHE to Wash column feed, which resulted in consistent quality through purification column & able to run plant maximum days even with condenser fouling.
   b) The batch distillation of ethyl alcohol for removing higher boils was replaced by continuous column to simultaneously remove the low & high boil impurities from alcohol feed.
   c) The existing ceramic packing creates very high pressure drop in reaction column which is being replaced with SS intalox packing & wire mesh packing to ensure optimum pressure drop in reaction column & optimize steam input in reaction kettle.
   d) With above all modification the specific steam consumption of EA-140TPD plant reduced from 3.1 Ton/Ton to 2.8 Ton/Ton. With this steam savings around 42MT/Day & savings Rs.0.58 Lakhs/day. The modification in EA-150TPD is in progress.
3. Use of Coal Additives in boiler for Coal Saving :-

   We have done the trial with Coal additive which regulates the release of carbon due to which uniform & synchronized heat generation takes place and heat intensity increases. And with this we found 7% reduction in coal consumption i.e. around 14MT/day which resulted in net saving of Rs.140 Lakhs/year.
4. Conventional low efficiency lamps are being replaced in phased manner with energy saving efficient bulbs.
5. The steps taken by the company for utilizing alternate source of energy : Converting Solar energy in power. With this we are generating 14000 Kw/Year @Rs.7/Kw the net saving per year is around Rs.0.98Lakhs/year. Investment-Rs.7.0 Lakhs.

   The Capital investment in energy conservation equipment during the year 2017-18 was Rs. 686 Lakhs.

B. 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. Cancer Biology

7. Other value added products (Juice)

8. Operational excellence by increasing throughput / debottlenecking existing assets.

A new area being explored by R&D is developing biocomposite from Sugar cane bagasse and natural resin.

Specific process developed during the period.

Processes for various acetaldehyde based vinyl ethers were developed .

- New grade of resin free wax was developed for specific application.
- R&D has augmented its presence in the materials sector by acquiring the proprietary know-how of manufacturing "Bio-composite" based on Sugarcane bagasse and resin based biocomposite material. It has the ability to replace wood and other composites/ plastics. Our material is made from renewable, biobased content and is devoid of the major petrochemicals and toxins that make up alternative materials.

2. Benefits derived as a result of above R&D:

- In house Improved process for Diethyl Acetal was developed.
- Various modifications on mining chemicals were done to adopt to customer needs.
- Adoption of incineration boiler at Distillery to utilize caloric value of the spent wash and generation power.
- R&D is involved in developing many new molecules and analogues of its lead molecule that can extend life of cancer patients where current medications are insufficient.
- 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.

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

R&D acquired basic Know-how for Biocomposites as part of "Technology Acquisition" from a USA based innovative company. The know-how carries propriety patents with a license to practice assigned to Company with a carve out of bedding sector on worldwide exclusive basis.

4. Expenditure incurred on Research and Development:

(₹ in Lakhs)

	Year ended March 31, 2018	Year ended March 31, 2017
a) Capital	**681.16**	52.00
b) Recurring	**1016.46**	1072.65
Total	**1,697.62**	1,124.65

Annexure "II" to the Boards' Report

A. Foreign Exchange Earnings and Outgo:

(₹ in Lakhs)

	Year ended March 31, 2018	Year ended March 31, 2017
Foreign exchange earned in terms of actual inflows	**23,544.15**	18,898.01

For and on behalf of the Board of Directors

Sd/-
Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 25th May, 2018
Place: Mumbai

Annexure III

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members -
Godavari Biorefineries Limited
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 audit period covering the financial year ended on 31st March, 2018 (“Audit Period”) complied with the statutory provisions, to the extent applicable, listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

1. The Companies Act, 2013 (“the Act”) and the rules made thereunder;
2. The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder;
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to the Foreign Direct Investment and Overseas Direct Investment;
4. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
5. 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.

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. The Electricity Act, 2003
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

During the Audit Period; the following Acts, Regulations and Guidelines were not applicable to the Company.

1. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
2. 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.
3. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
4. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
5. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
6. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

9. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder with respect to External Commercial Borrowings.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive and Non-Executive 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 at Board Meetings and Committee Meetings were carried out unanimously.

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 : 25th May, 2018

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) EMPLOYED THROUGHOUT THE PERIOD AND RECEIPT OF REMUNERATION IN THE AGGREGATE OF NOT LESS THAN ₹ 120 Lakhs PER ANNUM.

Name of the Employee	Designation and Nature of Duties	Remuneration Received (₹ in Lakhs)	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
Mr. Samir S. Somaiya	Chairman & Managing Director	218.99	Contractual	B.S. Chemical Engineering, Cornell M. Chemical Engineering, Cornell MBA, Cornell MPA, Harvard 21 years of experience.	29th September, 2009	50 years	The Godavari Sugar Mills 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 AGGEGRATE OF NOT LESS THAN ₹ 8.5 LAKHS 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 and on behalf of the Board of Directors

Sd/-
Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 25th May, 2018
Place: Mumbai

Annexure V

Extract of Annual Return

as on the financial year ended on 31st March, 2018

[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**	Yes (with respect to Non-Convertible Debentures on Bombay Stock Exchange - BSE)
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	43.86%
2.	Ethyl Acetate	20116	26.16 %

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 WTC Schiphol Airport D Tower, 11th Floor, Schiphol Boulevard 359 1118 BJ Schiphol Amsterdam The Netherlands.	KVK No 34319213	Subsidiary	100%	2(87)
Godavari Biorefineries B.V., WTC Schiphol Airport D Tower, 11th Floor, Schiphol Boulevard 359 1118 BJ Schiphol Amsterdam The Netherlands.	KVK No: 34325188	Step-Down Subsidiary of Cayuga Investments B.V.	100%	2(87)
Godavari Biorefineries Inc., 200 Centennial Avenue, Suite # 260, Piscataway, NJ 08854	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

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	-	41,60,815	41,60,815	11.26	44,43,865	1,49,950	45,93,815	12.21	0.95
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	243,76,649	243,76,649	65.97	198,33,679	47,20,770	245,54,449	65.24	-0.73
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	**285,37,464**	**285,37,464**	**77.23**	**242,77,544**	**48,70,720**	**291,48,264**	**77.44**	**0.21**
2. Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	-	**285,37,464**	**285,37,464**	**77**	**242,77,544**	**48,70,720**	**291,48,264**	**77.44**	**0.21**
B. Public Shareholding									
1. Institutions.									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Foreign Company)	49,26,983	-	49,26,983	13.33	49,26,983	-	49,26,983	13.09	-0.24
Sub-total (B)(1):-	**49,26,983**	**-**	**49,26,983**	**13.33**	**49,26,983**	**-**	**49,26,983**	**13.09**	**-0.24**
2.Non-Institutions									
a) Bodies Corp.									
i) Indian	-	1,12,500	1,12,500	0.3	-	1,57,500	1,57,500	0.42	0.11
ii) Overseas		0	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	600	22,74,170	22,74,770	6.15	750	22,74,020	23,04,256	6.12	-0.03
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	11,00,630	11,00,630	2.98	-	11,00,630	11,00,630	2.92	-0.06
c) Others (specify) Trust	-	-	-	-					
Sub-total (B)(2):-	**600**	**34,87,300**	**34,87,900**	**9.43**	**750**	**35,32,150**	**35,62,386**	**9.46**	**0.03**
Total Public Shareholding									
(B)=(B)(1)+(B)(2)	**49,27,583**	**34,87,300**	**84,14,883**	**22.76**	**49,27,733**	**35,32,150**	**84,89,369**	**22.56**	**-0.21**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**49,27,583**	**320,24,764**	**369,52,347**	**100**	**292,05,277**	**84,02,870**	**376,37,633**	**100**	**0**

(ii) Shareholding of Promoters

Sr. No.	Shareholder’s Name	Shareholding at the beginning of the year			Share holding 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	0.32	-	1,20,000	0.32	-	-0.01
2	Sindhur Construction Pvt. Ltd.	26,05,120	7.05	-	26,16,120	6.95	-	-0.10
3	Arpit Limited	73,000	0.20	-	86,000	0.23	-	0.03
4	Filmedia Communication Systems Pvt. Ltd.	7,00,000	1.89	-	7,09,000	1.88	-	-0.01
5	K.J. Somaiya and Sons Pvt. Ltd.	3,71,250	1.00	-	5,13,850	1.37	-	0.36
6	Karnataka Organic Chemicals Pvt. Ltd.	2,50,000	0.68	-	2,50,000	0.66	-	-0.01
7	Somaiya Agencies Pvt. Ltd.	85,49,965	23.14	-	85,49,965	22.72	-	-0.42
8	Somaiya Chemicals Industries Pvt. Ltd.	20,000	0.05	-	20,800	0.06	-	0.00
9	Zenith Commercial Agencies Pvt. Ltd.	6,30,000	1.70	-	6,30,000	1.67	-	-0.03
10	Lakshmiwadi Mines & Minerals Pvt. Ltd	51,93,462	14.05	-	52,30,762	13.90	-	-0.16
11	Sakarwadi Trading Company Pvt. Ltd	53,63,552	14.51	-	54,85,552	14.57	-	0.06
12	Jasmine Trading Co. Pvt. Ltd.	1,45,000	0.39	-	3,42,400	0.91	-	0.52
13	Shri Samir S. Somaiya Karta of S K Somaiya HUF.	1,49,950	0.41	-	1,49,950	0.40	-	-0.01
14	Shri Samir Shantilal Somaiya	36,67,815	9.93	-	44,43,865	11.81	-	1.88
	Total	**278,39,114**	**75.34**	**-**	**291,48,264**	**77.44**	**-**	**2.11**

(iii) Change in Promoters’ Shareholding

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase / Decrease in Promoters Share holding 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	Somaiya Properties and Investments Pvt. Ltd.	1,20,000	0.32	-	-	No Change	1,20,000	0.31
2	Sindhur Construction Pvt. Ltd.	26,05,120	7.05	-	-	11,000 Equity Shares of ₹ 10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215/- per Equity Share.	26,16,120	6.95
3	Arpit Limited	73,000	0.20	-	-	13,000 Equity Shares of ₹ 10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215/- per Equity Share	86,000	0.22
4	Filmedia Communication Systems Pvt. Ltd.	7,00,000	1.89	-	-	9,000 Equity Shares of ₹ 10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215/- per Equity Share	7,09,000	1.88
5	K.J. Somaiya and Sons Pvt. Ltd.	5,02,850	1.36	-	-	11,0000 Equity Shares of ₹ 10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215/- per Equity Share.	5,13,850	1.36
6	Karnataka Organic Chemicals Pvt. Ltd.	2,50,000	0.68	-	-	No Change	2,50,000	0.66
7	Somaiya Agencies Pvt. Ltd.	85,49,965	23.14	-	-	No Change	85,49,965	22.71
8	Somaiya Chemicals Industries Pvt. Ltd.	20,000	0.06	-	-	800 Equity Shares of ₹ 10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215/- per Equity Share.	20,800	0.05
9	Zenith Commercial Agencies Pvt. Ltd.	6,30,000	1.70	-	-	No Change	6,30,000	1.67
10	Lakshmiwadi Mines & Minerals Pvt. Ltd	52,19,762	14.13	-	-	11,000 Equity Shares of ₹ 10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215/- per Equity Share.	52,30,762	13.89
11	Sakarwadi Trading Company Pvt. Ltd	53,63,552	14.51	-	-	1,22,000 Equity Shares of ₹ 10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215 per Equity Share.	54,85,552	14.57
12	Jasmine Trading Co. Pvt. Ltd.	3,42,400	0.93	-	-	No Change	3,42,400	0.90
13	Shri Samir S. Somaiya Karta of S K Somaiya HUF.	1,49,950	0.41	-	-	No Change	1,49,950	0.39
14	Shri Samir Shantilal Somaiya	40,10,865	10.85	-	-	4,33,000 Equity Shares of ₹ 10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215/- per Equity Share.	44,43,865	11.80
	Total	**285,37,464**	**77.23**				**291,48,264**	**77.44**

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

Sr. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase / (Decrease) During 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	Mandala Capital AG Limited	49,26,983	13.33%	49,26,983	13.09%	-	-0.24%
2	Smt. Mayadevi Shantilal Somaiya	5,27,680	1.43%	5,27,680	1.40%	-	-0.03%
3	Dr. S K Somaiya (Harinakshi Somaiya(B.) Trust)	3,00,000	0.81%	3,00,000	0.80%	-	-0.01%
4	Ankit Raj Organo Chemicals Limited	1,12,500	0.30%	1,12,500	0.30%	-	-0.01%
5	Shri Vijay V. Mithani	68,750	0.19%	68,750	0.18%	-	0.00%
6	Shri Upendra V. Mithani	68,750	0.19%	68,750	0.18%	-	0.00%
7	The Book Centre Limited	-	0.00%	45,000	0.12%	45,000.00	0.12%
8	Smt. Savitriben H. Daiya	19,350	0.05%	19,350	0.05%	-	0.00%
9	Smt. Nirupama K. Maskai	19,350	0.05%	19,350	0.05%	-	0.00%
10	Smt. Pratima K Somaiya	19,350	0.05%	19,350	0.05%	-	0.00%
	Total	**60,62,713**	**16.41%**	**61,07,713**	**16.23%**	**45,000.00**	**-0.18%**

(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 PromotersShare holding 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	40,10,865	10.85	44,43,865	11.8	4,33,000 Equity Shares of ₹10/- each were allotted by Godavari Biorefineries Ltd on 31st March, 2018 at a Premium of ₹ 215/- per Equity Share.	44,43,865	11.8

V. INDEBTEDNESS

Indebtedness Of The Company Including Interest Outstanding / Accrued but Not Due For Payment

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Fixed Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	52,752	37,976	636	91,363
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,631	1,747	8	3,386
Total (i+ii+iii)	**54,382**	**39,723**	**644**	**94,749**
Change in Indebtedness during the financial year				
· **Addition**				
Principal Amount	6,863	37,419	1,735	46,017
Interest accrued but not due	597	1,898	31	2,526
· **Reduction**				
Principal Amount	(6,003)	(37,457)	-	(43,460)
Interest accrued but not due	(20)	(1,748)	(27)	(1,795)
Net Change	**1,437**	**113**	**1,738**	**3,288**
Indebtedness at the end of the financial year				
i) Principal Amount	53,612	37,938	2,371	93,920
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,208	1,898	12	4,117
Total (i+ii+iii)	**55,819**	**39,836**	**2,383**	**98,037**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNAL

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 S. N. Bableshwar**	**Shri S. Mohan**	
1	Gross salary					
	*(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,89,43,690	55,96,765	32,14,991	18,63,981	**2,96,19,427**
	**(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600	-	-	**79,200**
	(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	12,96,000	5,30,424	-	1,47,000	**19,73,424**
	Total (A)	**2,02,79,290**	**61,66,789**	**32,14,991**	**20,10,981**	**3,16,72,051**
	Ceiling as per the Act	The said limits have been doubled as have been approved by Special Resolution of the Shareholders at the Annual General Meeting held on 28th September, 2017				

** Includes leave encashment & LTA availed during this year and provided for in the books.*

B. Remuneration To Other Directors:

(Amount in ₹)

Particulars of Remuneration	Name of Director								Total Amount
	K.V Raghavan	Kailash Pershad	Jayendra Shah	Preeti Singh Rawat	Uday Garg	Paul Zorner	M Lakshmi Kantam	Werner Wutscher	
Fees for attending board/ committee meetings	80,800	2,40,600	1,80,600	1,40,200	2,60,600	-	1,40,000	3,000	10,45,800
Commission									
Others, please specify									
TOTAL	**80,800**	**2,40,600**	**1,80,600**	**1,40,200**	**2,60,600**	**-**	**1,40,000**	**3,000**	**10,45,800**
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 ₹ 20,000/- as sitting fees for Board/ Committee meetings.								

- Mr. Paul Zorner has tendered his resignation from the Board of Directors of the company w.e.f. 21st September, 2017 due to pre-occupation.
- Dr. K. V. Raghavan passed away on 12th October, 2017
- Prof. Mannepalli Lakshmi Kantam was appointed as Additional Non-Executive Independent Director of the Company by the Board w.e.f. 28th November, 2017

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	Company Secretary	CFO	
		Nishi VijayVargiya	Swarna Gunware	Naresh Khetan	
1	Gross salary *(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,16,214	3,34,501	54,35,800	**67,86,515**
	**(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	**-**
	(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	58,488	15,374	1,80,000	**2,53,862**
	Total (A)	**10,74,702**	**3,49,875**	**56,55,400**	**70,79,977**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board of Directors

Sd/-
Samir S. Somaiya
Chairman and Managing Director
DIN - 00295458

Date: 25th May 2018
Place: Mumbai

Auditors’ Report

Independent Auditors' Report

To the Members of Godavari Biorefineries Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Godavari Biorefineries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

Auditor's Responsibility

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

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

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We are also responsible to 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

   d) In our opinion, the aforesaid standalone 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 as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 standalone Ind AS financial statements- Refer Note 33 Bi),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.

      iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018.

For DESAI SAKSENA & ASSOCIATES
Chartered Accountants
Firm's Registration No.: 102358W

Alok K. Saksena
Partner
Membership No.: 35170

Place : Mumbai
Date : 25th May 2018

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 2018, 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 2018 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) (Rs. in Lakhs)
The Central Escise Act, 1944	Excise Duty	2009-2011, 2008-2011, 2015-16	Commissioner of Central Excise	319.74
	Excise Duty	2004-05, 2014-2016, 2012-13 and 2016-17	CESTAT	268.03
The Central Excise Act, 1944	Excise Duty	2004-05	High Court	22.32
		2005-06, 2006-2007	Commissioner of State Excise	164.4
Customs Act, 1962	Customs Duty	2013-14	CESTAT	12.03
Electricity Duty Act, 1958	Electricity Duty	2000-2001 to 2005-2006	Government of Maharashtra	34.59
Income Tax Act, 1961	Income Tax	2012-2013	Commissioner of Income Tax (Appeals) Mumbai	2.27

(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 DESAI SAKSENA & ASSOCIATES
Chartered Accountants
Firm's Registration No.: 102358W

Alok K. Saksena
Partner
Membership No.: 35170

Place : Mumbai
Date : 25th May 2018

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 Sub-section 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, 2018 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, 2018, 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 DESAI SAKSENA & ASSOCIATES
Chartered Accountants
Firm's Registration No.: 102358W

Alok K. Saksena
Partner
Membership No.: 35170

Place : Mumbai
Date : 25th May 2018

(₹ in Lakhs)

Particulars	Notes	March 31, 2018	March 31, 2017	March 31, 2016
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	3	74,280.15	68,880.45	70,295.53
(b) Capital Work-in-Progress	3	612.32	7,859.59	1,933.39
(c) Other Intangible Assets	4	0.34	0.45	0.53
(d) Financial Assets				
(i) Investments	5	1,378.21	669.56	360.50
(ii) Loans	5	761.68	300.58	227.45
(iii) Other Financial Assets	5	330.66	230.21	267.60
(e) Deferred Tax Asset (Net)	11	1,524.91	668.38	-
(f) Other Non-Current Assets	10	1,112.96	1,285.66	2,997.73
		80,001.23	**79,894.88**	**76,082.73**
Current assets				
(a) Inventories	6	62,451.85	49,813.76	47,363.61
(b) Financial Assets				
(i) Investments	5	-	5.82	4.16
(ii) Trade Receivables	7	12,758.10	6,108.38	10,631.75
(iii) Cash and Cash Equivalents	8	267.87	206.78	955.75
(iv) Bank Balances Other than (iii) above	9	4,044.91	3,206.84	2,446.49
(v) Other Financial Assets	5	676.38	1,178.42	290.04
(c) Other Current Assets	10	5,040.54	4,078.43	4,326.76
		85,239.64	**64,598.43**	**66,018.56**
TOTAL		**165,240.87**	**144,493.31**	**142,101.29**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	12	3,763.76	3,695.23	3,573.77
(b) Other Equity	13	31,103.26	32,189.40	33,814.53
		34,867.02	**35,884.63**	**37,388.30**
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	13,822.80	16,033.25	19,861.74
(ii) Other Financial Liabilities	15	8.98	14.76	15.13
(b) Provisions	18	120.50	106.10	92.25
(c) Deferred Tax liabilities (Net)	11	-	-	1,474.54
(d) Other Non-Current Liabilities	17	837.86	1,389.42	2,578.76
		14,790.14	**17,543.53**	**24,022.42**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	75,117.55	68,115.31	53,116.54
(ii) Trade Payables	16			
Micro, Small and Medium Enterprises		-	-	-
Others		28,522.29	11,568.73	16,544.19
(iii) Other Financial Liabilities	15	9,914.30	10,133.55	9,675.55
(b) Other Current Liabilities	17	1,631.95	1,005.45	1,140.97
(c) Provisions	18	397.62	242.11	213.33
		115,583.71	**91,065.15**	**80,690.57**
TOTAL		**165,240.87**	**144,493.31**	**142,101.29**
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 43			

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman & Managing Director
DIN: 00295458

Vinay V. Joshi
Executive Director
DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

Standalone Statement of Profit and Loss for the year Ended on 31st March, 2018

(₹ in Lakhs)

Particulars	Notes	2017 -2018	2016-2017
REVENUE			
Revenue from Operations	20	123,295.44	104,318.05
Other Income	21	474.49	862.51
Total Revenue (I)		**123,769.93**	**105,180.56**
EXPENSES			
Cost of materials consumed	22	98,581.41	70,474.49
Purchases of stock-in-trade	23	270.34	174.88
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	24	(12,820.12)	(330.00)
Excise duty		1,493.41	5,802.70
Employee benefits expense	25	7,408.51	7,214.43
Finance costs	26	8,752.61	7,956.11
Depreciation and amortization expense	27	4,868.44	4,977.98
Other expenses	28	18,144.93	13,914.96
Total Expenses (II)		**126,699.53**	**110,185.54**
Profit/(loss) before exceptional items (I-II)		**(2,929.60)**	**(5,004.98)**
Exceptional Items	29	-	1,025.52
Profit/(loss) before tax		**(2,929.60)**	**(6,030.49)**
Tax expense:			
Current tax		-	-
Adjustment of tax relating to earlier periods		-	4.29
Deferred tax		(817.09)	(2,167.77)
Profit/(loss) for the period		**(2,112.51)**	**(3,867.02)**
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		(127.64)	80.44
Income tax effect		39.44	(24.86)
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:		-	-
Other Comprehensive income for the year, net of tax		(88.20)	55.58
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(2,200.71)**	**(3,811.43)**
Earnings per share for profit attributable to equity shareholders			
Basic and Diluted EPS	31	(5.72)	(10.68)
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 43		

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
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DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

Standalone Cash Flow for the Year Ended 31st March, 2018

(₹ in Lakhs)

Particulars	2017 -2018	2016-2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Loss before tax	**(2,929.60)**	**(6,030.49)**
Adjustments for:		
Depreciation and amortisation expense	4,868.44	4,977.98
Loss on Sale of Property,Plant and Equipment	36.67	-
Sundry Debit/Credit Balances Written Off/Back (Net)	17.02	(3.57)
Allowance for Doubtful Debts / Advances	219.22	250.59
Allowance on investments	-	(150.84)
Write down of inventories (stores)	40.00	-
Interest income classified as investing cash flows	(214.28)	(322.88)
Financial Guarantee Income	(8.65)	(9.04)
Interest and finance charges	8,752.62	7,956.11
Profit on sales of Investment	(0.70)	(0.77)
Government grant income	(23.35)	(23.35)
Unrealised foreign currency (gain)/loss	21.25	(87.48)
Change in operating assets and liabilities:		
Trade payables	16,749.26	(4,680.65)
Other liabilities	1,221.03	170.43
Provisions	169.91	123.06
Trade receivables	(6,455.22)	4,490.33
Inventories	(12,678.11)	(2,450.13)
Other assets	(2,515.40)	729.49
Cash generated from operations	**7,270.11**	**4,938.79**
Less: Income taxes paid	(21.70)	(20.37)
Net cash inflow from operating activities	**7,248.41**	**4,918.42**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of property, plant and equipment (net)	**(3,082.89)**	**(9,489.31)**
Proceed from sale of property, plant and equipment	25.41	1.11
Payment for share application money to subsidiary	**-**	(700.00)
Payment for investment in subsidiary	**-**	(150.00)
Proceed from sale of investment	6.52	-
Interest received	145.19	310.04
Net cash outflow from investing activities	**(2,905.77)**	**(10,028.16)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of non current borrowings	(6,000.77)	(5,679.12)
Proceeds of non current borrowings	28.81	41.98
(Decrease) / Increase in current borrowings	8,528.56	15,483.50
Issue of share capital including share premium (net)	1,183.13	2,307.74
Interest and finance charges paid	(8,021.27)	(7,793.33)
Net cash inflow / (outflow) from financing activities	**(4,281.54)**	**4,360.77**
Net increase / (decrease) in cash and cash equivalents	61.09	(748.97)
Cash and Cash Equivalents at the beginning of the financial year	206.78	955.75
Cash and Cash Equivalents at end of the year	**267.87**	**206.78**
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	163.85	122.41
- Deposits with original maturity of less than three months	91.77	76.82
Cash on hand	12.25	7.55
Balances per statement of cash flows	**267.87**	**206.78**

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 conform to this year's classification.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements 1 to 43

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman & Managing Director
DIN: 00295458

Vinay V. Joshi
Executive Director
DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

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, 2017			
Numbers	**35,737,747**	1,214,600	36,952,347
Amount	**3,573.77**	121.46	3,695.23
March 31, 2018			
Numbers	**36,952,347**	685,286.00	37,637,633
Amount	**3,695.23**	68.53	3,763.76

B Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	
As at April 1, 2016	15,308.68	1,865.38	573.50	16,066.97	33,814.53
Profit for the period	-	-	-	(3,867.02)	(3,867.02)
Other Comprehensive Income	-	-	-	55.58	55.58
Total Comprehensive Income for the year	-	-	-	(3,811.43)	(3,811.44)
Issue of equity shares	2,186.31	-	-	-	2,186.31
As at March 31, 2017	17,494.99	1,865.38	573.50	12,255.54	32,189.40
Profit for the period	-	-	-	(2,112.51)	(2,112.51)
Other Comprehensive Income	-	-	-	(88.20)	(88.20)
Total comprehensive income for the year	-	-	-	(2,200.71)	(2,200.71)
Issue of equity shares (net)	1,114.56	-	-	-	1,114.56
As at March 31, 2018	18,609.55	1,865.38	573.50	10,054.83	31,103.26

Significant Accounting Policies and Notes on
Accounts form an integral part of the financial statements. 1 to 43

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman & Managing Director
DIN: 00295458

Vinay V. Joshi
Executive Director
DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

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, 2018. 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 are unlisted and debentures (bonds) are listed on Bombay Stock Exchange in India. 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, chemicals, distillery and other bio products and generation of power.

The financial statements were approved by the Board of Directors and authorised for issue on May 25, 2018.

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").

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to Note 43 for information on how the company has adopted Ind AS.

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 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.

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 and commerical feasibility 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. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets 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 (INR), 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.

Initial Recognition

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

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(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 (OCI)

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.

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)

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 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(GST)/ 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 Goods & Service Tax (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.

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 and the company do not have further managerial involvement.

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

The earned leave obligations are presented as current liabilities in the balance sheet as the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(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.

(u) 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 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.

(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.

3. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2017	Additions	Deductions/ Adjustments	As at March 31, 2018	As at March 31, 2017	During the period	Deductions/ Adjustments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Free Hold Land*	24,334.84	-	-	24,334.84	-	-	-	-	24,334.84	24,334.84
Building	4,122.89	967.93	-	5,090.81	211.72	233.70	-	445.42	4,645.39	3,911.16
Plant and Equipments	44,902.47	9,016.97	(169.62)	53,749.82	4,647.33	4,502.39	(110.96)	9,038.76	44,711.22	40,255.19
Furniture and Fixtures	41.93	138.36	(8.24)	172.04	14.99	19.48	(7.84)	26.63	145.42	26.94
Vehicles	317.29	61.77	(2.97)	376.10	57.54	61.35	(0.02)	118.87	257.23	259.75
Office Equipments	68.38	121.10	-	189.48	19.89	28.40	-	48.28	141.20	48.49
Computer Hardwares	69.54	23.92	(3.13)	90.33	25.48	23.02	(3.01)	45.48	44.85	44.07
	73,857.34	**10,330.06**	**(183.96)**	**84,003.43**	**4,976.94**	**4,868.33**	**(121.83)**	**9,723.44**	**74,280.15**	**68,880.45**
Capital Work in Progress	7,859.59	2,377.82	(9,625.09)	612.32	-	-	-	-	612.32	7,859.59
Total	**81,716.93**	**12,707.88**	**(9,809.06)**	**84,615.75**	**4,976.94**	**4,868.33**	**(121.83)**	**9,723.44**	**74,892.46**	**76,740.04**

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2016 (Deemed Cost)	Additions	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	During the period	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
Free Hold Land*	24,332.95	1.89	-	24,334.84	-	-	-	-	24,334.84	24,332.95
Building	4,057.10	65.78	-	4,122.89	-	211.72	-	211.72	3,911.16	4,057.10
Plant and Equipments	41,511.38	3,391.09	-	44,902.47	-	4,647.33	-	4,647.33	40,255.19	41,511.38
Furniture and Fixtures	34.99	6.94	-	41.93	-	14.99	-	14.99	26.94	34.99
Vehicles	256.98	61.59	(1.27)	317.29	-	58.46	(0.92)	57.54	259.75	256.98
Office Equipments	49.56	18.82	-	68.38	-	19.89	-	19.89	48.49	49.56
Computer Hardwares	52.57	16.97	-	69.54	-	25.48	-	25.48	44.08	52.57
	70,295.53	**3,563.07**	**(1.27)**	**73,857.34**	**-**	**4,977.86**	**(0.92)**	**4,976.94**	**68,880.45**	**70,295.53**
Capital Work in Progress	1,933.39	7,568.90	(1,642.70)	7,859.59	-	-	-	-	7,859.59	1,933.39
Total	**72,228.92**	**11,131.97**	**(1,643.97)**	**81,716.93**	**-**	**4,977.86**	**(0.92)**	**4,976.94**	**76,740.05**	**72,228.92**

* 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 INR 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**
Refer Note 14 on Borrowings, for Assets offered as Security against various Loans

ii. **Borrowing Cost Capitalised**
The amount of borrowing cost capitalised during the year ended March 31, 2018 was INR 582.02 Lakhs (March 31, 2017 INR 1,676.00 Lakhs). 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 33 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4. INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at March 31, 2017	Additions	Deductions/ Adjustments	As at March 31, 2018	As at March 31, 2017	During the period	Deductions/ Adjustments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Patents	0.56	-	-	0.56	0.11	0.11	-	0.22	0.34	0.45
Total	**0.56**	**-**	**-**	**0.56**	**0.11**	**0.11**	**-**	**0.22**	**0.34**	**0.45**

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2016 (Deemed Cost)	Additions	Deductions/ Adjustments	As at March 31, 2017	As at April 1, 2016	During the period	Deductions/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
Patents	0.53	0.03	-	0.56	-	0.11	-	0.11	0.45	0.53
Total	0.53	0.03	-	0.56	-	0.11	-	0.11	0.45	0.53

5. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
(A) INVESTMENTS			
Non Current			
(1) Investments carried at fair value through Profit and Loss			
Unquoted			
Investments in Preference Shares - Other			
3,57,604 Nonassessable shares of $0.001 par value of e2e Material INC, USA in Series B preferred Stock (March 31, 2017: 3,57, 604, April 1, 2016: 3,57,604)	134.65	134.65	134.65
Less : Loss allowance	(134.64)	(134.64)	(134.64)
	0.01	**0.01**	**0.01**
(2) Investments carried at Cost			
Unquoted			
Investments in Equity Instruments of Subsidiaries			
5,02,761 Equity Shares of EURO 1 each in Cayuga Investment B.V. (March 31, 2017: 4,45,000, April 1, 2016: 4,45,000)	1,001.92	301.92	301.92
Less : Loss allowance	-	-	(150.00)
	1,001.92	**301.92**	**151.92**
34,50,000 Equity Shares of INR 10 each in Solar Magic Private Limited (March 31, 2017: 34,50,000, April 1, 2016: 19,50,000)	371.57	362.92	203.87
Investments in Equity Instruments of Associate			
210 Equity Shares of INR 100 each in The Book Centre Limited (March 31, 2017: 210, April 1, 2016: 210)	0.21	0.21	0.21
Quoted			
Investments in Equity Instruments of Associate			
25,000 Equity Shares of INR 10 each in Pentokey Organy (India) Limited (March 31, 2017: 25,000, April 1, 2016: 25,000)	4.50	4.50	4.50
Total	**1,378.21**	**669.56**	**360.50**
Aggregate amount of quoted investments	4.50	4.50	4.50
Aggregate amount of unquoted investments	1,508.35	799.70	640.65
Aggregate amount of impairment in the value of investments	134.64	134.64	284.64
Investments carried at fair value through profit and loss	**0.01**	**0.01**	**0.01**
Investments carried at cost	**1,378.20**	**669.55**	**360.49**
Current			
Investments carried at fair value through Profit and Loss			
Quoted			
Investments in Mutual Funds			
NIL units of State Bank of India PSU FUND (March 31, 2017: 50,000, April 1, 2016: 50,000)	-	5.82	4.16
Total	-	**5.82**	**4.16**
Aggregate amount of quoted investments	-	5.82	4.16
Market value of quoted investments	-	5.82	4.16
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impairment in the value of investments	-	-	-

5. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
(B) LOANS			
Non Current			
Unsecured, considered good unless otherwise stated			
Loans to Solar Magic Private Limited (Subsidiary)	761.68	300.58	227.45
Total	**761.68**	**300.58**	**227.45**
(C) OTHER FINANCIAL ASSETS			
Unsecured, considered good unless otherwise stated			
Financial assets carried at amortised cost			
Security and Other Deposits	330.66	230.21	267.60
Total	**330.66**	**230.21**	**267.60**
Current			
(i) Financial assets carried at amortised cost			
Unsecured, considered good unless otherwise stated			
Security Deposits	13.00	46.33	23.04
Share Application Money	-	700.00	-
Claim receivables	663.38	432.09	180.76
(ii) Financial assets carried at fair value through profit and loss			
Derivatives not designated as hedge - Foreign Exchange forward contracts	-	-	86.24
Total	**676.38**	**1,178.42**	**290.04**

6. INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
(Valued at lower of Cost and Net Realisable value)			
Raw materials			
In stock	8,672.64	8,933.38	6,154.71
In transit	-	-	356.16
Work-in-process	64.11	31.67	29.99
Finished goods			
In stock	51,322.20	38,873.25	38,500.02
In transit	338.73	-	44.89
Traded goods	72.56	126.11	150.82
Stores, chemicals and spares	1,981.61	1,849.34	2,127.01
Total	**62,451.85**	**49,813.76**	**47,363.61**

Refer Note 14 on Borrowings, for Assets offered as Security against various Loans

During the year ended March 31, 2018, INR 40 Lakhs (March 31, 2017: Reversal of INR 3 Lakhs) was recognised as an expense for inventories carried at net realisable value.

7. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Trade Receivables from customers	12,679.76	5,489.33	7,930.41
Receivables from step down subsidiary	49.46	605.91	2,445.66
Receivables from other Related parties (Refer Note 34)	28.88	13.14	255.68
	12,758.10	**6,108.38**	**10,631.75**
Breakup of Security details			
Unsecured, considered good	12,758.10	6,108.38	10,631.75
Doubtful	144.68	115.06	53.58
	12,902.78	**6,223.44**	**10,685.33**
Allowance for bad and doubtful debts			
Doubtful	144.68	115.06	53.58
	144.68	**115.06**	**53.58**
	12,758.10	**6,108.38**	**10,631.75**

Refer Note 14 on Borrowings, for Assets offered as Security against various Loans
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 INR 28.88 Lakhs (Previous year 13.14 Lakhs)

8. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Balances with Banks:			
- On current accounts	163.85	122.41	880.69
- Deposits with original maturity of less than three months	91.77	76.82	56.97
Cash on hand	12.25	7.55	18.09
	267.87	**206.78**	**955.75**

9. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Deposits with banks to the extent held as margin money	3,424.78	2,909.98	1,055.56
Other Deposits with banks	620.13	296.86	1,390.93
	4,044.91	**3,206.84**	**2,446.49**

10. OTHER ASSETS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Capital Advances	41.24	108.95	1,143.41
Advances other than Capital advances			
- Advances for Supplies and Services	328.06	549.41	744.61
Others			
- Payment of Taxes (Net of Provisions)	294.96	272.44	754.61
- Balances with Statutory, Government Authorities	448.70	354.86	355.09
Total	**1,112.96**	**1,285.66**	**2,997.73**
Current			
Advances other than Capital advances			
- Advances to Suppliers	3,905.83	2,422.51	1,668.01
Others			
- Prepaid expenses	244.37	177.36	221.03
- Balances with Statutory, Government Authorities*	561.74	1,076.18	997.79
- Export Incentive/Benefits - MEIS and Others	328.60	402.38	1,439.93
Total	**5,040.54**	**4,078.43**	**4,326.76**

**Includes Good and Service Tax (GST) ,Cenvat and VAT Credit receivables*

11. INCOME TAX

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Deferred Tax			
Deferred tax relates to the following:			
Temporary difference in the carrying amount of property, plant and equipment	(9,233.67)	(8,303.54)	(8,736.79)
Provision for employee benefits	-	107.60	94.42
Temporary difference in the carrying amount of financial instruments at amortised cost	-	(55.77)	22.63
Impairment on financial assets at amortised cost	45.14	27.82	10.37
Unabsorbed Depreciation and Business Losses	10,694.94	8,846.39	7,161.92
Others	18.50	45.88	(27.09)
Net Deferred Tax Assets / (Liabilities)	1,524.91	668.38	(1,474.54)

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017
Movement in deferred tax liabilities/assets		
Opening balance as of April 1	**668.38**	(1,474.54)
Tax income/(expense) during the period recognised in profit or loss	**817.09**	2,167.78
Tax income/(expense) during the period recognised in OCI	**39.44**	(24.86)
Closing balance as at March 31	**1,524.91**	668.38

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Unrecognised deferred tax assets			
Unrecognised tax credits (MAT Entitlement)	**1,211.19**	1,211.19	1,211.19

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 liablities 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, 2018 and March 31, 2017 are as follows:

i. Income tax recognised in profit or loss

(₹ in Lakhs)

Particulars	2017 - 2018	2016 - 2017
Current income tax charge	**-**	-
Adjustment in respect of current income tax of previous year	**-**	4.29
Deferred tax		
Relating to origination and reversal of temporary differences	**(817.09)**	(2,167.77)
Income tax expense recognised in profit or loss	**(817.09)**	(2,163.48)

ii. Income tax recognised in OCI

Particulars	2017 - 2018	2016 - 2017
Net loss/(gain) on remeasurements of defined benefit plans	**39.44**	(24.86)
Income tax expense recognised in OCI	**39.44**	(24.86)

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2018 and March 31, 2017

Particulars	2017 - 2018	2016 - 2017
Accounting profit before income tax	**(2,929.60)**	(6,030.49)
Enacted tax rate in India	**30.90%**	30.90%
Income tax on accounting profits	**(905.25)**	(1,863.42)
Tax Effect of		
Depreciation	**607.88**	(102.72)
Expenses not allowable or considered separately under Income Tax	**300.78**	163.74
Expenses allowable and others	**(205.36)**	(304.13)
Losses carried forward to future years	**(614.67)**	(14.39)
Income not taxable under income tax	**(0.47)**	(46.85)
Tax expense relating to earlier years	**-**	4.29
Tax at effective income tax rate	**(817.09)**	(2,163.48)

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%).

12. SHARE CAPITAL

(₹ in Lakhs)

Particulars	Equity Share of INR 10 each		Preference Share of INR 100 each	
	Number	Amount	Number	Amount
i. Authorised Share Capital				
At April 1, 2016	**42,000,000**	4,200.00	1,800,000	1,800.00
Increase/(decrease) during the year				
At March 31, 2017	**42,000,000**	4,200.00	1,800,000	1,800.00
Increase/(decrease) during the year				
At March 31, 2018	**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 share holders are also subject to restrictions as presribed 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.

(₹ in Lakhs)

Particulars	Number	Amount
ii. Issued Capital		
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2016	**35,737,747**	3,573.77
Issued during the period	**1,214,600**	121.46
At March 31, 2017	**36,952,347**	3,695.23
Issued during the period	**685,286**	68.53
At March 31, 2018	**37,637,633**	3,763.76

(₹ in Lakhs)

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number	% holding	Number	% holding
iii. Details of shareholders holding more than 5% shares in the company				
Equity shares of INR 10 each fully paid				
Somaiya Agencies Private Limited	**8,549,965**	23.14	8,549,965	23.14
Sakarwadi Trading Company Private Limited	**5,485,552**	14.84	5,363,552	14.51
Lakshmiwadi Mines and Minerals Private Limited	**5,205,762**	14.09	5,219,762	14.13
Mandala Capital AG Limited	**4,926,983**	13.33	4,926,983	13.33
Samir Shantilal Somaiya	**4,443,865**	12.03	4,010,865	10.85
Sindhur Construction Private Limited	**2,616,120**	6.95	2,605,120	7.05
Trustees of Sameerwadi Sugarcane Farmer's Welfate Trust	**-**	-	-	-

(₹ in Lakhs)

Name of the shareholder	As at April 1, 2016	
	Number	% holding
Equity shares of INR 10 each fully paid		
Somaiya Agencies Private Limited	**8,549,965**	23.92
Sakarwadi Trading Company Private Limited	**4,981,952**	13.94
Lakshmiwadi Mines and Minerals Private Limited	**5,193,462**	14.53
Mandala Capital AG Limited	**4,765,033**	13.33
Samir Shantilal Somaiya	**3,667,815**	10.26
Sindhur Construction Private Limited	**2,605,120**	7.29
Trustees of Sameerwadi Sugarcane Farmer's Welfate Trust	**2,269,600**	6.35

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 (previous period of five years ended March 31, 2017: NIL)

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

13. OTHER EQUITY

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Reserves and Surplus			
Securities Premium Reserve	**18,609.55**	17,494.99	15,308.68
General Reserve	**1,865.38**	1,865.38	1,865.38
Retained Earnings*	**10,054.83**	12,255.54	16,066.97
Capital Redemption Reserve	**573.50**	573.50	573.50
	31,103.26	32,189.40	33,814.53

* 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 INR 23,727.24 Lakhs was recognised in property, plant and equipment. The Valuation was carried out by registered approved valuer.

(₹ in Lakhs)

	March 31, 2018	March 31, 2017
(a) Securities Premium Reserve		
Opening balance	**17,494.99**	15,308.68
Add/(Less):		
Premium on share issue (Net)	**1,114.56**	2,186.31
Closing balance	**18,609.55**	17,494.99
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		
Opening balance	**1,865.38**	1,865.38
Add/(Less):	**-**	-
Closing balance	**1,865.38**	1,865.38
General Reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.		
(c) Retained Earnings		
Opening balance	**12,255.54**	16,066.97
Net Profit/(Loss) for the period	**(2,112.51)**	(3,867.02)
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of gains (losses) on defined benefit plans	**(127.64)**	80.44
Income tax effect	**39.44**	(24.86)
Closing balance	**10,054.83**	12,255.54
(d) Capital Redemption Reserve (CRR)		
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.		

14. BORROWING

(₹ in Lakhs)

Particulars		March 31, 2018	March 31, 2017	April 1, 2016
Non Current Borrowings				
Secured				
(a) Debentures (Bonds)				
Principal outstanding		**6,500.00**	6,500.00	6,500.00
Interest accured		**1,060.22**	651.95	305.26
(b) Term Loans				
From Banks		**3,713.09**	8,809.87	12,934.26
From Others				
Sugar Development Fund		**4,028.45**	4,266.62	4,564.20
Others		**50.09**	41.60	20.38
Unsecured				
(c) Term Loans from Others				
Council of Scientific and Industrial Research (Refer Note 33B(I))		**485.00**	485.00	485.00
Deferred Cane Purchase Tax		**775.85**	693.47	619.85
(d) Public Deposits		**2,104.85**	578.53	94.20
	(A)	**18,717.54**	22,027.04	25,523.15
Current Maturity of Non Current Borrowings				
Term Loans				
From Banks		**3,525.89**	5,425.21	5,090.21
From Others				
Sugar Development Fund		**1,346.07**	555.27	555.27
Others		**22.78**	13.31	15.93
	(B)	**4,894.74**	5,993.79	5,661.41
	Total (A)-(B)	**13,822.80**	16,033.25	19,861.74
Current Borrowings				
Secured				
(a) From Banks				
Cash Credit / Packing Credit		**38,413.40**	31,581.39	24,347.74
Unsecured				
(b) Loans repayable on demand from Banks		**36,437.92**	36,476.00	28,766.00
(c) Public Deposits		**266.23**	57.92	2.80
	Total	**75,117.55**	68,115.31	53,116.54

Non Current Borrowings

Details of Terms of repayment for Long Term Secured Borrowings

(₹ in Lakhs)

		March 31, 2018		March 31, 2017		April 1, 2016	
		Current	**Non - Current**	Current	Non - Current	Current	Non - Current
1	**Andhra Bank** (Repayable in 4 equal quarterly installments, last Installment falling due on March 2019.)	**51.50**	**-**	51.50	51.50	51.50	115.88
2	**Union Bank of India** (Repayable in 2 equal quarterly installments, last Installment falling due on July 2018.)	**432.00**	**-**	892.00	432.00	892.00	1,324.00
3	**Union Bank of India** (Repayable in 1 equal half yearly installments, last Installment falling due on June 2018.)	**108.00**	**-**	216.00	108.00	216.00	324.00
4	**Bank of India** (Repayable in 14 equal Monthly installments, last Installment falling due on May 2019.)	**2,010.00**	**335.00**	2,010.00	2,345.00	1,675.00	4,355.00
5	**Bank of India** (Repayable in 1 equal quarterly installments, last Installment falling due on June 2018.)	**209.00**	**-**	892.00	209.00	892.00	1,101.00
6	**Corporation Bank** (Repayable in 3 equal quarterly installments, last Installment falling due on October 2018.)	**511.01**	**-**	684.00	511.00	684.00	1,195.00
7	**Punjab National Bank** (Repayable in 1 equal half yearly installments, last Installment falling due on June 2018.)	**204.39**	**-**	679.72	204.36	679.71	884.07
8	**Sugar Development Fund** (Repayable in 5 equal yearly installments, last Installment falling due on June 2023.)	**790.80**	**3,163.22**	-	3,954.02	-	3,954.02
9	**Sugar Development Fund** (Repayable in 3 equal half yearly installments, last Installment falling due on June 2019.)	**555.27**	**277.63**	555.27	832.90	555.27	1,388.17
10	**Hire Purchase Finance**	**22.77**	**27.61**	13.30	28.30	15.93	4.45
11	**IDBI Trusteeship Services Ltd** (Bullet payment on June 2021) Call Option after three years (June 2018)	**-**	**7,560.22**	-	7,151.95	-	6,805.26
	Total	**4,894.74**	**11,363.68**	5,993.79	15,828.03	5,661.41	21,450.85

Nature of Securities:

Loan covered in Sr. No. 1 to 5, 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 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. Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka. #

Loan covered in Sr.No. 6, First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka, Second Pari Passu Charge on Curent Assets of Sugar & Cogen Division. #

Loan covered in Sr.no. 7 First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karantaka and second Pari Pasu Charge on Property, Plant & Equipment of Sakarwadi, Maharashtra and second pari passu charge on current Asset of Sugar Division. #

Loan covered in Sr.No. 8 & 9, 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 ie 1 to 9 are excluding, exclusive Property, Plant & Equipment, charged to IDBI Trusteeship Services Ltd.

Loan covered in Sr.No. 10, Exclusive Charge on Assets purchased under Hire purchase arrangements.

Debenture (Bonds) covered in Sr.No. 11 , Exclusive Charge on the Property, Plant & Equipment Of Capital Investment Programme as per the agreement dated 09th July, 2015 and First Pari Passu Charge on Property, Plant & Equipment at Sakarwadi @ Rs. 10% p.a (with effect from 01st July, 2017 at the rate 16% p.a.) inclusive of Withholding tax.

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 14.75% (Previous Year 4% to 15%).

Current Borrowings

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Secured			
(a) From Banks			
Cash Credit / Packing Credit	**38,413.40**	31,581.39	24,347.74
Unsecured			
(b) Loans repayable on demand from Banks	**36,437.92**	36,476.00	28,766.00

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 Guranatee of SPIPL. #

 # Note : Charges on Property, Plant & Equipment at Sameerwadi, Karnataka and Sakarwadi, Maharashtra as mentioned above ie 1 to 9 are excluding, exclusive Property, Plant & Equipment, charged to IDBI Trusteeship Services Ltd.

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

Interest for above Cash credit Rupee loans varies from 12.20% to 13.30% (Previous Year 12.60% to 13.20%)

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, 2016	**19,861.74**	61,695.64	81,557.38
Cash Inflows	**41.98**	45,021.55	45,063.53
Cash Outflows	**(5,679.12)**	(29,538.47)	(35,217.59)
	14,224.60	77,178.72	91,403.32
Interest Expense			7,956.11
Interest Paid			(7,793.33)
Other non cash adjustments	**1,310.00**	-	1,310.00
Net Debt as at March 31, 2017	**15,534.60**	77,178.72	92,876.10
Cash Inflows	**28.81**	46,158.45	46,187.26
Cash Outflows	**(6,000.77)**	(37,629.88)	(43,630.65)
	9,562.64	85,707.28	95,432.71
Interest Expense			8,752.61
Interest Paid			(8,021.27)
Other non cash adjustments	**727.87**	-	727.87
Net Debt as at March 31, 2018	**10,290.51**	85,707.28	96,891.92

15. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Financial Liabilities at amortised cost			
Other payable	**8.98**	14.76	15.13
Total	**8.98**	14.76	15.13
Current			
(i) Financial Liabilities at amortised cost			
Current maturities of long term debts	**4,894.74**	5,993.78	5,661.41
Interest accrued but not due on borrowings	**3,056.83**	2,733.76	2,917.69
Security Deposits	**136.74**	117.78	114.06
Other payable	**1,766.72**	1,140.96	982.39
	9,855.03	9,986.28	9,675.55
(ii) Financial Liabilities carried at fair value through profit and loss			
Derivatives not designated as hedge - Foreign Exchange forward contracts	**59.28**	147.27	-
	59.28	147.27	-
Total	**9,914.30**	10,133.55	9,675.55

16. TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Trade Payables to Micro, Small and Medium Enterprises	**-**	-	-
Trade Payables to Related Parties (Refer Note 34)	**46.86**	81.24	27.61
Trade Payables to Others	**28,475.43**	11,487.49	16,516.60
Total	**28,522.29**	11,568.73	16,544.19

17. OTHER LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Government Grants			
- Deferred Cane Purchase Tax	**158.37**	238.85	321.24
- Sugar Development Fund	**505.43**	809.77	1,075.57
- BOI SEFASU	**4.36**	147.80	965.54
- For depreciable assets	**169.70**	193.00	216.41
	837.86	1,389.42	2,578.76
Current			
Advance received from Customers	**971.33**	150.42	144.97
Government Grants			
- Deferred Cane Purchase Tax	**80.49**	82.38	73.64
- Sugar Development Fund	**253.04**	265.80	257.69
- BOI SEFASU	**143.44**	328.39	489.35
- For depreciable assets	**23.35**	23.41	23.35
Statutory Liabilities	**160.31**	155.04	151.97
Total	**1,631.95**	1,005.45	1,140.97

18. PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Provision for employee benefits (Refer Note 32)			
Leave encashment	**120.50**	106.10	92.25
Total	**120.50**	106.10	92.25
Current			
Provision for employee benefits (Refer Note 32)			
Gratuity	**135.93**	20.14	25.87
Leave encashment	**261.69**	221.97	187.46
Total	**397.62**	242.11	213.33

19. GOVERNMENT GRANTS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017
Opening balance	**2,089.41**	3,422.78
Grants received during the year	**-**	-
Released to statement of profit and loss	**(751.23)**	(1,333.37)
Closing Balance	**1,338.18**	2,089.41

20. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Sale of products (inclusive of excise duty)	**123,295.44**	104,318.05
	123,295.44	104,318.05

Sale of goods includes excise duty collected from customers of INR 1,493.41 Lakhs (March 31, 2017: INR 5,802.70 Lakhs).

21. OTHER INCOME

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Interest income on bank fixed deposits	**214.28**	322.88
Other Non Operating Income		
Fair value gain on financial instruments at fair value through profit and loss	**87.99**	-
Government Grants Income	**23.35**	23.35
Financial Guarantee Income	**8.65**	9.04
Foreign Exchange Fluctuation Gain	**-**	253.70
Miscellaneous Income	**140.22**	253.54
	474.49	862.51

22. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Cost of Material Consumed	**98,581.41**	70,474.49
	98,581.41	70,474.49

23. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Purchases of Stock-In-Trade	**270.34**	174.88
	270.34	174.88

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

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Inventories as at the beginning of the year		
Work - in - process	**31.68**	29.99
Finished goods	**38,873.25**	38,544.93
Total	**38,904.92**	38,574.92
Less : Inventories as at the end of the year		
Work - in - process	**64.11**	31.68
Finished goods	**51,660.93**	38,873.25
Total	**51,725.04**	38,904.92
Net decrease / (increase) in inventories	**(12,820.12)**	(330.00)

25. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Salaries, wages and bonus	**6,071.11**	6,128.88
Directors' Remuneration	**326.44**	305.46
Contribution to provident and other funds	**560.71**	449.35
Staff welfare expenses	**450.25**	330.74
	7,408.51	7,214.43

26. FINANCE COST

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Interest Expense on		
Term Loan	**1,175.93**	1,895.13
Cash Credit	**2,873.71**	2,671.67
Others	**4,702.97**	3,389.31
	8,752.61	7,956.11

27. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Depreciation on tangible assets	**4,868.33**	4,977.87
Amortisation on intangible assets	**0.11**	0.11
	4,868.44	4,977.98

28. OTHER EXPENSES

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Manufacturing Expenses		
Power and Fuel	**6,154.87**	3,632.51
Repairs and maintenance		
Plant and Machinery	**2,083.26**	2,092.33
Buildings	**104.92**	78.97
Others	**548.25**	655.99
Stores, consumables and packing material	**2,256.08**	1,569.35
Packing, forwading and storage	**1,658.40**	1,021.94
	12,805.78	9,051.09
Selling Expense	**1,925.25**	1,100.18
Administration Expense		
Payments to auditors (Refer note below)	**26.00**	24.20
Contribution to Scientific Research Institution	**95.00**	75.00
Insurance	**161.71**	129.60
Professional Charges	**487.03**	741.66
Net loss on disposal of property, plant and equipment	**36.67**	(0.77)
General Expenses (Including travelling,telephone, etc.)	**2,037.32**	2,088.10
Director's Fees	**10.46**	9.72
Rent, Rates and taxes	**349.59**	407.03
Foreign exchange fluctuation loss	**180.47**	-
Loss Allowance on Receivables	**29.62**	61.48
Fair value loss on financial instrument at Fair value through profit and loss	**-**	232.69
	3,413.91	3,763.89
Total	**18,144.93**	13,914.96

Details of Payments to Auditors

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
As auditor		
Audit Fee	**26.00**	24.20
	26.00	24.20

29. EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Interest paid to others*	**-**	1,025.52
	-	1,025.52

**Includes interest paid pursuant to SEBI Order dated January 1, 2016, aggregating to INR 1025.52 Lakhs (net of interest capitalised in capital)*

30. RESEARCH AND DEVELOPMENT COSTS

The Company 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, 2018 INR 1,016.47 Lakhs (March 31, 2017: INR 1,072.65 Lakhs) details of which are as follows:

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
i. On Revenue Account :		
Manufacturing Expenses		
Stores, Spares and Tools consumed	**138.55**	74.19
Payments to and provision for employees		
- Salaries, Wages, Bonus, Allowances, contribution to provident and other funds etc.	**376.77**	390.51
Other Expenses		
- Legal and Professional charges	**102.04**	260.85
- Other Expenses	**399.11**	347.10
Total	**1,016.47**	1,072.65
ii. On Capital Account	**681.16**	52.00
Total Research & Development Expenditure (i + ii)	**1,697.63**	1,124.65

31. EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
(a) Basic earnings per share (INR)	**(5.72)**	(10.68)
(b) Diluted earnings per share	**(5.72)**	(10.68)
(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	**(2,112.51)**	(3,867.02)
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	**(2,112.51)**	(3,867.02)
Adjustments for calculation of Diluted earnings per share:	**-**	-
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**(2,112.51)**	(3,867.02)
(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	**36,954,224**	36,221,209
Adjustments for calculation of Diluted earnings per share:	**-**	-
Weighted average number of equity shares used as the denominator in calculating Diluted earnings per share	**36,954,224**	36,221,209

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.

32. EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

Particulars	March 31, 2018			March 31, 2017		
	Current	Non Current	Total	Current	Non Current	Total
Leave Encashment	**261.69**	**120.50**	**382.19**	221.97	106.10	328.06
Gratuity	**135.93**	**-**	**135.93**	20.14	-	20.14
Total Employee Benefit Obligation	**397.62**	**120.50**	**518.12**	242.11	106.10	348.20

(i) Leave Encashment

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

The amount of the provision of INR 261.69 Lakhs (March 31, 2017: INR 221.97 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employement 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 April 1, 2016	**1,390.97**	1,365.10	25.87
Current service cost	**135.12**	-	135.12
Interest expense/(income)	**105.57**	105.03	0.53
Adjustment to Opening Fair Value of Plan Asset	**-**	(22.51)	22.51
Total amount recognised in profit or loss	**240.69**	82.52	158.17
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	**-**	2.57	(2.57)
(Gain)/Loss from change in financial assumptions	**77.96**	-	77.96
Experience (gains)/losses	**(155.83)**		(155.83)
Total amount recognised in other comprehensive income	**(77.87)**	2.57	(80.44)
Employer contributions	**-**	83.47	(83.47)
Benefit payments	**(142.78)**	(142.78)	-
As at March 31, 2017	**1,411.02**	1,390.88	20.14
Current service cost	**72.36**	-	72.36
Past Service Cost -(vested benefits)	**45.05**	-	45.05
Interest expense/(income)	**95.43**	100.04	(4.61)
Adjustment to Opening Fair Value of Plan Asset	**-**	44.16	(44.16)
Total amount recognised in profit or loss	**212.84**	144.20	68.64
Remeasurements			
Retrun of plan assets, excluding amount included in interest (income)	**-**	2.23	(2.23)
(Gain)/Loss from change in financial assumptions	**(58.07)**	-	(58.07)
Experience (gains)/losses	**187.93**	-	187.93
Total amount recognised in other comprehensive income	**129.86**	2.23	127.64
Employer contributions	**-**	80.48	(80.48)
Benefit payments	**(160.17)**	(160.17)	-
As at March 31, 2018	**1,593.55**	1,457.62	135.93

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

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Present value of funded obligations	**1,593.55**	1,411.02	1,390.97
Fair value of plan assets	**1,457.62**	1,390.88	1,365.10
Deficit of funded plan	**135.93**	20.14	25.87
Unfunded plans	**-**	-	-
Deficit of gratuity plan	**135.93**	20.14	25.87

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

(₹ in Lakhs)

	March 31, 2018	March 31, 2017
Other Insurance Contracts (LIC of India) (100%)	**1,457.62**	1,390.88

The significant actuarial assumptions were as follows:

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Mortality	**IALM (2006-08) Ult.**	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest/ Discount Rate	**7.67%**	7.17%	8.00%
Rate of Increase in Compensation	**4.00%**	4.00%	4.00%
Expected average remaining service	**14.08**	14.35	13.91
Retirement age	**60 Years**	60 Years	60 Years
Emplyoee Attrition Rate	**"Upto Age 45: 2% 46 and above: 1%"**	"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, 2018 is shown below:

(₹ in Lakhs)

Assumptions	Discount rate		Salary escalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
March 31, 2018				
Impact on defined benefit obligation	**(41.05)**	**184.30**	183.74	(42.70)
% Impact	**-2.58%**	**11.57%**	11.53%	-2.68%
March 31, 2017				
Impact on defined benefit obligation	**(92.86)**	**106.96**	104.22	(92.84)
% Impact	**-6.58%**	**7.58%**	7.39%	-6.58%

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

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

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017
Expected Outgo First	**276.22**	221.98
Expected Outgo Second	**182.24**	219.40
Expected Outgo Third	**144.92**	235.21
Expected Outgo Fourth	**194.96**	234.37
Expected Outgo Fifth	**166.88**	247.23
Expected Outgo Six to Ten years	**1,055.90**	306.02
Total expected payments	**2,021.12**	1,464.21

The average duration of the defined benefit plan obligation at the end of the reporting period is 14.08 years (March 31, 2017: 14.35 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 contructive obligation. The expense recognised during the period towards defined contribution plan is INR 360.77 Lakhs (March 31, 2017: INR 343.41 Lakhs)

33. 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)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Property, plant and equipment	**1,347.86**	2,252.62	4,406.93

B. Contingent Liabilities

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
i. Excise duty,Service Tax and others (Excluding Interest and Penalty)	**786.52**	429.14	414.61
ii. Bank Guarantee	**1,524.76**	1,026.58	1,656.05
iii. Letter of Credits	**4,394.34**	754.90	1,841.56

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.

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 is demanding repayment of the financial assistance and the matter is presently under Arbitration. If the Arbitration Award goes against the Company, the Company will be required to repay INR 485 Lakhs plus applicable interest. The company is constantly following up with CSIR for concluding the arbitration, but there is no response from them.

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 and will continue till December 2019. Plants growth has been reported with detoxificaiton via bacterial assisted phytoremediation under progress. Hearing posted for 21st May 2018.

III.Sale of Extra Neutral Alcohol (ENA) to Bottling Plant: The Company has sold ENA to various customer 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 voluntered 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 / August of 2017 followed by reminders. However in view of differnce of opinion, GST Council has referred the matter to Advocate General of India for his opinion. GST Council is yet o communicate its decision on the matter as on date.

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, 2018	March 31, 2017	April 1, 2016
Guarantee/security given by the Company for loan taken by:			
Solar Magic Private Limited (Sustainable Agriculture, Food Security and Linkage)	**98.46**	125.89	123.29
Solar Magic Private Limited (Corporation Bank)	**494.79**	468.00	454.53
Solar Magic Private Limited (Ratnakar Bank Limited)	**3.63**	9.08	13.82

34. 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 :		
Subsidairy	Solar Magic Private Limited	India
	Cayuga Investment B.V.	Netherlands
Fellow Subsidairy	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)	
	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)	
	Paul Zorner (Non Executive Director - till September 21, 2017)	
	K V Raghavan (Independent Director - till 12th October, 2017)	
	Lakshmikantam Mannpalli (Additional Director - w.e.f November 28, 2017)	
	N. S. Khetan (Chief Financial Officer)	
	Swarna S Gunware (Company Secretary - w.e.f October 18, 2017)	
	Nishi Vijayvargia (Company Secretary - till October 13, 2017)	
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	2017 - 2018	2016 - 2017
Solar Magic Private Limited	Investments in Equity Shares	**-**	150.00
	Loans and Advances Given	**461.11**	73.12
	Interest income Received	**55.02**	25.92
	Purchases	**9.58**	24.51
Cayuga Investments B.V.	Investments in Equity Shares	**700.00**	-
	Share Application Money	**-**	700.00
Godavari Biorefineries INC.	Commission/ Reimbursement of Expenses	**158.25**	77.83
Godavari Biorefineries B.V.	Commission/ Reimbursement of Expenses	**286.83**	143.34
	Sales	**174.21**	2,374.43
The Book Centre Limited	Purchases	**31.85**	40.22
Pentokey Organy (India) Limited	Purchases	**215.28**	56.85
	Sales	**194.68**	-
K.J, Somaiya Institute of Applied Agricultural Research	Purchases	**27.81**	14.28
	Donation paid	**95.00**	75.00
Amrita Travel Private Limited	Purchases	**24.06**	34.10
Zenith Commercial Agency Private Limited	Purchases	**7.85**	40.06
Arpit Limited	Purchases	**6.25**	0.61
	Rent paid	**1.41**	1.03
	Sales	**288.66**	1,048.77
Somaiya Agencies Private Limited	Purchases	**1.31**	0.64
Jasmine Trading Co. Private Limited	Rent paid	**109.75**	99.29
	Inter Corporate Deposits Received	**-**	375.00
	Inter Corporate Deposits Repaid	**-**	375.00
	Interest Paid on Inter Corporate Deposits	**-**	6.57
Somaiya Properties & Investments Private Limited	Rent paid	**66.90**	59.68
Somaiya Chemicals Industries Private Limited	Rent paid	**2.09**	2.09
	Advance Given	**35.00**	-
K. J.Somaiya & Sons Private Limited	Rent paid	**16.55**	14.24
	Royalty paid	**137.64**	106.30
	Inter Corporate Deposits Received	**-**	250.00
	Inter Corporate Deposits Repaid	**-**	250.00
	Interest Paid on Inter Corporate Deposits	**-**	5.18
Filmedia Communications System Private Limited	Service Charges paid	**7.22**	6.17
Sakarwadi Trading Company Limited	Inter Corporate Deposits Received	**-**	175.00
	Inter Corporate Deposits Repaid	**-**	175.00
	Interest Paid on Inter Corporate Deposits	**-**	4.83
K.J.Somaiya Institute of Management Studies and Research	Training Expenses paid	**7.04**	7.58
Somaiya Vidyavihar	Donation paid	**31.90**	68.94
Samir S. Somaiya	Remuneration paid	**203.65**	202.40
	Loans and Advances Received	**-**	600.00

NAME	NATURE OF TRANSACTION	2017 - 2018	2016 - 2017
	Loans and Advances Repaid	**-**	600.66
	Purchases	**15.47**	16.56
	Sales	**-**	0.47
Vinay V. Joshi	Remuneration paid	**75.23**	61.27
Shrinivas N. Bableshwar	Remuneration paid	**47.25**	28.20
Mohan Somanathan	Remuneration paid	**35.18**	16.95
Shri N S Khetan	Remuneration paid	**61.07**	56.16
Nishi Vijayavargia	Remuneration paid	**8.64**	10.76
Harinakshi Somaiya	Salary paid	**5.01**	5.01
	Purchases	**0.89**	1.76
Maya S. Somaiya	Purchases	**2.60**	5.33
Swarna S Gunware	Remuneration paid	**3.50**	-
Somaiya Agencies Private Limited	Purchases	**1.31**	0.64
Shri Jayendra Shah	Director's fees paid	**1.81**	2.02
Shri K V Raghavan	Director's fees paid	**0.81**	2.02
Shri Kailash Pershad	Director's fees paid	**2.81**	2.42
Shri Lakshmikantam Mannpalli	Director's fees paid	**1.40**	-
Dr. Preeti Rawat	Director's fees paid	**1.00**	0.81
Shri Uday Garg	Director's fees paid	**2.61**	1.82
Shri Werner Wutscher	Director's fees paid	**0.03**	0.20
Shri Paul Zorner	Director's fees paid	**-**	0.44

(iii) Outstanding balances arising from Investments /sales/purchases of goods and services

(₹ in Lakhs)

Name	**March 31, 2018**	March 31, 2017	April 1, 2016
Investments			
Solar Magic Private Limited *	**345.00**	345.00	195.00
Cayuga Investments BV	**1,001.92**	301.92	151.92
(* Excludes IND AS adjustments)			
Trade Receivables			
Solar Magic Private Limited	**-**	1.20	-
Godavari Biorefineries BV	**49.46**	604.71	2,445.66
Somaiya Properties & Investments Pvt. Ltd.	**0.03**	-	-
Arpit Limited	**28.85**	13.14	23.70
Pentokey Organy (India) Limited	**-**	-	231.98
Trade Payables			
Solar Magic Private Limited	**0.40**	-	1.20
Godavari Biorefineries INC.	**21.87**	12.44	12.44
Godavari Biorefineries BV	**19.04**	66.37	66.37
The Book Centre Ltd.	**0.08**	1.68	10.11
Somaiya Agency Pvt Ltd	**-**	0.19	-
K.J.Somaiya & Sons Pvt. Ltd.	**4.21**	-	-
K.J.Somaiya Institute of Management Studies and Research	**1.26**	0.56	-

(iv) Loans to related parties

(₹ in Lakhs)

Name	March 31, 2018	March 31, 2017	April 1, 2016
Solar Magic Private Limited	**761.69**	300.58	227.45

(v) Other Debit / (Credit) balances with related parties

(₹ in Lakhs)

Name	March 31, 2018	March 31, 2017	April 1, 2016
Samir S. Somaiya	**(1.36)**	(1.36)	(1.36)
Somaiya Chemicals Industries Pvt. Ltd.	**35.00**	-	-
Amrita Travel Private Limited	**22.50**	-	-

(vi) Key management personnel compensation

(₹ in Lakhs)

Name	2017 - 2018	2016 - 2017
Directors' sitting fees	**10.46**	9.72
Short term employee benefits	**439.52**	375.74
Post-employment benefits	**-**	-
Other long term employee benefits	**-**	-
	449.98	385.46

The amount of post employment benefits and long term employee benefits cannot be separately identified from the composit figure advised by the actuary/valuer.

(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 INR 576.62 Lakhs (March 31, 2017: INR 602.98 Lakhs). For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2017: 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.

35. 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, Cogeneration, Chemicals, Distillery

No operating segments have been agrregated 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, 2018

(₹ in Lakhs)

Particulars	Sugar	Cogen	Chemicals	Distlliery	Interunit Transfer	Unallocated	Total
Revenue							
External Sales Revenue	55,204.68	3,646.51	48,790.17	15,654.09	-	-	123,295.44
Inter-segment	7,852.48	6,574.86	-	7.14	(14,434.49)	-	-
Total revenue	**63,057.16**	**10,221.37**	**48,790.17**	**15,661.23**	**(14,434.49)**	**-**	**123,295.44**
Other Non Operating Income							
Other Income	84.25	-	130.03	-	-	260.21	474.49
Total revenue	**63,141.41**	**10,221.37**	**48,920.20**	**15,661.23**	**(14,434.49)**	**260.21**	**123,769.93**
Operating Profit Before Interest and Exceptional items	(1,145.94)	377.94	1,327.91	5,387.62	-	(252.15)	5,695.38
Interest and Exceptional items	-	-	-	-	-	8,752.62	8,752.62
Tax Expenses	-	-	-	-	-	(856.53)	(856.53)
Net Profit / (Loss)	-	-	-	-	-	-	(2,200.71)
Segment Asset	54,106.08	2,503.65	24,370.88	6,169.38	-	3,198.08	90,348.07
Capital assets including CWIP	32,316.17	11,009.39	16,833.86	13,685.95	-	1,047.43	74,892.80
Total Segment Asset	**86,422.25**	**13,513.04**	**41,204.74**	**19,855.33**	**-**	**4,245.51**	**165,240.87**
Total Segment Liabilities	**98,959.83**	**1,936.29**	**26,645.36**	**2,832.37**	**-**		**130,373.85**
Other disclosures							
Capital expenditure	452.95	581.35	453.13	8,147.28	-	695.35	10,330.06
Segment Depreciation	2,098.90	906.27	686.17	1,073.43	-	103.67	4,868.44
Non cash expenses other than Depreciation	(0.98)	-	36.50	1.14	-	-	36.67

Year ended March 31, 2017

(₹ in Lakhs)

Particulars	Sugar	Cogen	Chemicals	Distlliery	Interunit Transfer	Unallocated	Total
Revenue							
External Sales Revenue	52,972.97	2,579.46	36,864.14	11,901.48	-	-	104,318.05
Inter-segment	7,728.89	3,947.74	34.97	-	(11,711.60)	-	-
Total revenue	**60,701.86**	**6,527.21**	**36,899.11**	**11,901.48**	**(11,711.60)**	**-**	**104,318.05**
Other Non Operating Income							-
Other Income	218.24	24.78	286.84	0.73	-	331.93	862.51
	218.24	24.78	286.84	0.73	-	331.93	862.51
Total revenue	**60,920.10**	**6,551.98**	**37,185.94**	**11,902.21**	**(11,711.60)**	**331.93**	**105,180.57**
Segment Result							
Operating Profit Before Interest and Exceptional items	836.47	(537.72)	1,579.79	1,799.06	-	(646.01)	3,031.59
Interest and Exceptional items	-	-	-	-	-	8,981.63	8,981.63
Excess / (short) provision for Income tax	-	-	-	-	-	4.29	4.29
Tax Expenses	-	-	-	-	-	(2,142.90)	(2,142.90)
Net Profit / (Loss)	-	-	-	-	-	-	(3,811.43)
Segment Asset	39,798.81	2,155.31	20,640.85	4,188.60	-	969.24	67,752.82
Capital assets including CWIP	33,518.77	11,594.03	18,302.40	12,848.09	-	477.21	76,740.49
Total Segment Asset	**73,317.58**	**13,749.34**	**38,943.25**	**17,036.69**	**-**	**1,446.45**	**144,493.31**
Segment Liabilities	**82,322.32**	**3,075.25**	**20,854.48**	**2,356.62**	**-**	**-**	**108,608.68**
Other disclosures							
Capital expenditure	1,921.19	776.82	746.78	43.11	-	75.20	3,563.10
Segment Depreciation	2,539.99	834.21	888.76	623.80	-	91.22	4,977.98
Non cash expenses other than Depreciation	(0.77)	-	-	-	-	-	(0.77)

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, 2018	March 31, 2017
India	**100,549.76**	86,393.92
Outside India	**22,745.68**	17,924.13
	123,295.44	104,318.05

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, 2018 and March 31, 2017 were as follows:

(₹ in Lakhs)

Name	2017 - 2018		2016 - 2017	
	Number of Customers	**Revenue**	Number of Customers	Revenue
Sugar	**2**	**15,028.27**	1	5,442.61
Cogen	**4**	**3,222.91**	2	2,509.99
Chemical	**1**	**5,053.10**	-	-
Distillery	**1**	**7,500.02**	1	8,321.80
		30,804.30		16,274.40

36. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

(₹ in Lakhs)

Particulars	Carrying Amount			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
FINANCIAL ASSETS						
Amortised cost						
Trade Receivables	12,758.10	6,108.38	10,631.75	12,758.10	6,108.38	10,631.75
Loans	761.68	300.58	227.45	761.68	300.58	227.45
Cash and Cash Equivalents	267.87	206.78	955.75	267.87	206.78	955.75
Other Bank Balances	4,044.91	3,206.84	2,446.49	4,044.91	3,206.84	2,446.49
Security Deposits	343.66	276.54	290.64	343.66	276.54	290.64
Other Financial Assets	663.38	1,132.09	180.76	663.38	1,132.09	180.76
FVTPL						
Investments in Preference Shares	0.01	0.01	0.01	0.01	0.01	0.01
Investments in Mutual Funds	-	5.82	4.16	-	5.82	4.16
Derivative financial assets	-	-	86.24	-	-	86.24
Total	18,839.61	11,237.04	14,823.25	18,839.61	11,237.04	14,823.25
FINANCIAL LIABILITIES						
Amortised cost						
Borrowings	93,835.09	90,142.33	78,639.70	93,835.09	90,142.33	78,639.70
Trade Payables	28,522.29	11,568.73	16,544.19	28,522.29	11,568.73	16,544.19
Other financial liabilities	4,969.27	4,007.26	4,029.26	4,969.27	4,007.26	4,029.26
FVTPL						
Derivative financial liabilities	59.28	147.27	-	59.28	147.27	-
Total	127,385.93	105,865.60	99,213.16	127,385.93	105,865.60	99,213.16

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 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 determing 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, 2018 Fair value measurement using			Total	March 31, 2017 Fair value measurement using			Total
	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								
Quoted Mutual Funds	-	-	-	-	5.82	-	-	5.82
Investments in Preference Shares	-	-	0.01	0.01	-	-	0.01	0.01
Total Financial Assets	-	-	0.01	0.01	5.82	-	0.01	5.83
Financial Liabilities								
Derivatives - Foreign Exchange forward contract	-	59.28	-	59.28	-	147.27	-	147.27
Total Financial Liabilities	-	59.28	-	59.28	-	147.27	-	147.27

(₹ in Lakhs)

Particulars	April 1, 2016 Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets				
Financial Investments at FVTPL				
Quoted Mutual Funds	4.16	-	-	4.16
Investments in Preference Shares	0.01	-	-	0.01
Derivatives - Foreign Exchange forward contract	-	86.24	-	86.24
Total Financial Assets	4.17	86.24	-	90.41

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.

37. 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 31,2018	**12,318.83**	**439.27**	12,758.10
As at March 31,2017	**5,933.11**	**175.27**	6,108.38
As at April 1,2016	**10,286.71**	**345.04**	10,631.75

iii. Reconciliation of loss allowance provision - Trade receivables

(₹ in Lakhs)

Particulars	
Loss allowance on April 1, 2016	53.58
Changes in loss allowance	61.48
Loss allowance on March 31, 2017	115.06
Changes in loss allowance	29.62
Loss allowance on March 31, 2018	144.68

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 6,081.49 Lakhs (March 31, 2017: INR 5,122.83 Lakhs, April 1, 2016: INR 4,101.08 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 Maturitties of Financial Liabilities:

(₹ in Lakhs)

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31, 2018				
Non-derivatives				
Borrowings	93,835.09	80,012.29	13,032.00	790.80
Trade payables	28,522.28	28,522.28	-	-
Other financial liabilities	4,969.27	4,960.29	8.98	-
Total non derivative liabilities	127,326.63	113,494.86	13,040.98	790.80
Derivatives				
Foreign exchange forward contracts	59.28	59.28	-	-
Total derivative liabilities	59.28	59.28	-	-
March 31, 2017				
Non-derivatives				
Borrowings	90,142.33	74,109.09	14,451.65	1,581.60
Trade payables	11,568.73	11,568.73	-	-
Other financial liabilities	4,007.26	3,992.51	14.76	-
Total non derivative liabilities	105,718.33	89,670.32	14,466.40	1,581.60
Derivatives				
Foreign exchange forward contracts	147.27	147.27	-	-
Total derivative liabilities	147.27	147.27	-	-
April 1, 2016				
Non-derivatives				
Borrowings	78,639.70	58,777.96	17,489.34	2,372.40
Trade payables	16,544.19	16,544.21	-	-
Other financial liabilities	4,029.26	4,014.14	15.13	-
Total non derivative liabilities	99,213.15	79,336.31	17,504.46	2,372.40
Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-
Total derivative liabilities	99,213.15	79,336.31	17,504.46	2,372.40

(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 (INR). 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, 2018			
Trade Receivables	3,662.56	1,664.94	5,327.49
Trade Payables	(9,198.32)	(19.46)	(9,217.78)
Forward contracts for receivables	(93.21)	(1,531.12)	(1,624.33)
Forward contracts for payables	4,075.08	-	4,075.08
Net exposure to foreign currency risk	(1,553.89)	114.36	(1,439.53)
March 31, 2017			
Trade Receivables	1,890.23	1,166.35	3,056.58
Trade Payables	(6,065.94)	(17.76)	(6,083.69)
Forward contracts for receivables	(873.55)	(777.61)	(1,651.16)
Forward contracts for payables	5,077.16	-	5,077.16
Net exposure to foreign currency risk	27.90	370.99	398.88
April 1, 2016			
Trade Receivables	1,031.68	2,398.08	3,429.76
Trade Payables	(2,412.99)	-	(2,412.99)
Forward contracts for receivables	(976.84)	(2,348.92)	(3,325.75)
Forward contracts for payables	2,407.32	-	2,407.32
Net exposure to foreign currency risk	49.17	49.17	98.34

(b) Foreign currency sensitivity

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

(₹ in Lakhs)

	2017-18		2016-17	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(13.75)	13.75	0.28	(0.28)
EURO	1.14	(1.14)	3.71	(3.71)
Net Increase/(decrease) in profit or loss	(12.61)	12.61	3.99	(3.99)

(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 strucutring 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 31,2018	1	+ / (-)	15.17
For year ended March 31,2017	1	+ / (-)	9.78

38. CAPITAL MANAGEMENT

For the purpsoe 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, 2018	March 31, 2017	April 1, 2016
Borrowings	**93,835.09**	90,142.33	78,639.70
Trade payables	**28,522.29**	11,568.73	16,544.19
Other payables	**5,028.55**	4,154.53	4,029.26
Less: Cash and cash equivalents	**(267.87)**	(206.78)	(955.75)
Less: Other bank balance	**(4,044.91)**	(3,206.84)	(2,446.49)
Net Debt	**123,073.14**	102,451.98	95,810.91
Equity share capital	**3,763.76**	3,695.23	3,573.77
Other equity*	**31,103.26**	32,189.40	33,814.53
Total Equity	**34,867.02**	35,884.64	37,388.30
Total Equity and Net Debt	**157,940.17**	138,336.62	133,199.21
Gearing ratio*	**77.92**	74.06	71.93

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.
* Inculding Revaluation Reserves

39. EVENTS AFTER THE REPORTING PERIOD

At Sakarwadi there was fire in Croto Filling Shed on April 20, 2018. In this regard, company has filed a tentative claim of INR 500 Lakhs with Insurance company.

40. 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, 2018	March 31, 2017	April 1, 2016
Principal amount due to suppliers under MSMED Act, 2006*	**-**	-	-
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	**-**	-	-

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

(₹ in Lakhs)

Name of the Party	Nature	Purpose	Rate of interest	March 31, 2018	March 31, 2017	April 1, 2016
Solar Magic Private Limited	Loan	Working Capital	8.00%	761.69	300.58	227.45
Solar Magic Private Limited	Corporate Gurantee, Comfort Letter	Working Capital	-	596.88	602.98	591.63

42. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued in February 2016 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after April 1, 2018. The Company will adopt the new standard on the required effective date.

43. FIRST TIME ADOPTION OF IND AS

These are the company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

i. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets covered by Ind AS 38 - Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value except for land which are measure at fair value on the date of transition.

ii. Estimates

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in ccordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from Impairment of financial assets based on expected credit loss model.

The estimates used by the company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS and as of March 31, 2017.

iii. Investments in subsidiaries and associates

In separate financial statements, a first-time adopter that subsequently measures an investment in a subsidiary, joint ventures or associate at cost , may measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its separate opening Ind AS balance sheet. Selection of fair value or previous GAAP carrying amount for determining deemed cost can be done for each subsidiary, associate and joint venture.

The company elects to carry all its investments in subsidiaries and associates at previous GAAP carrying amount as deemed cost.

iv. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordinlgy, the classification and measurement of financial assets have been done on the basis of the facts and circumstances that existed at the date of transition and end of comparative year.

v. Government loans

A first-time adopter is required to apply the requirements in Ind AS 109 and Ind AS 20 prospectively to government loans existing at the date of transition to Ind AS. However, a first-time adopter may choose to apply the requirements of Ind AS 109 and Ind AS 20 to government loans retrospectively, if the information needed to do so had been obtained at the time of initially accounting for that loan.

Accordingly, the measurement principals for government loans have been applied prospectively by the Company.

43. FIRST TIME ADOPTION OF IND AS

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

i. Reconciliation of equity as at date of transition (April 1, 2016)

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	1	**46,568.29**	23,727.24	70,295.53
(b) Capital Work-in-Progress		**1,933.39**	-	1,933.39
(c) Intangible Assets		**0.53**	-	0.53
(d) Financial Assets				
(i) Investments	2, 10	**351.63**	8.87	360.50
(ii) Loans		**227.45**	-	227.45
(iii) Other Financial Assets		**267.60**	-	267.60
(e) Other Non-Current Assets		**2,997.73**	-	2,997.73
		52,346.61	23,736.12	76,082.73
Current assets				
(a) Inventories		**47,363.61**	-	47,363.61
(b) Financial Assets				
(i) Investments		**4.16**	-	4.16
(ii) Trade Receivables	4	**10,810.79**	(179.04)	10,631.75
(iii) Cash and Cash Equivalents		**955.75**	-	955.75
(iv) Bank Balances Other than (iii) above		**2,446.49**	-	2,446.49
(v) Other Financial Assets	11	**203.80**	86.24	290.04
(c) Other Current Assets		**4,326.76**	-	4,326.76
		66,111.36	(92.80)	66,018.56
TOTAL		**118,457.97**	23,643.32	142,101.29
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		**3,573.77**	-	3,573.77
(b) Other Equity	7	**11,512.09**	22,302.44	33,814.53
		15,085.86	22,302.44	37,388.30
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	9	**23,044.76**	(3,183.02)	19,861.74
(ii) Other Financial Liabilities		**15.13**	-	15.13
(b) Provisions		**92.25**	-	92.25
(c) Deferred Tax liabilities (Net)	3	**301.15**	1,173.39	1,474.54
(d) Other Non-Current Liabilities	9	**-**	2,578.76	2,578.76
		23,453.29	569.13	24,022.42
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		**53,116.54**	-	53,116.54
(ii) Trade Payables		**-**	-	-
Micro, Small and Medium Enterprises		**-**	-	-
Others	11	**16,616.46**	(72.26)	16,544.19
(iii) Other Financial Liabilities		**9,675.55**	-	9,675.55
(b) Other Current Liabilities	9	**296.95**	844.02	1,140.97
(c) Provisions		**213.33**	-	213.33
		79,918.82	771.76	80,690.57
TOTAL		**118,457.97**	23,643.32	142,101.29

ii. Reconciliation of equity as at March 31, 2017

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	1	**45,153.21**	23,727.24	68,880.45
(b) Capital Work-in-Progress		**7,859.59**	-	7,859.59
(c) Other Intangible Assets		**0.45**	-	0.45
(d) Financial Assets		**-**	-	-
(i) Investments	2, 10	**651.64**	17.92	669.56
(ii) Loans		**300.58**	-	300.58
(iii) Other Financial Assets		**230.21**	-	230.21
(e) Deferred Tax Asset (Net)	3	**1,154.69**	(486.31)	668.38
(f) Other Non-Current Assets		**1,285.65**	-	1,285.65
		56,636.02	23,258.85	79,894.88
Current assets				
(a) Inventories		**49,813.76**	-	49,813.76
(b) Financial Assets				
(i) Investments	2	**5.00**	0.82	5.82
(ii) Trade Receivables	4	**6,283.66**	(175.27)	6,108.38
(iii) Cash and Cash Equivalents		**206.78**	-	206.78
(iv) Bank Balances Other than (iii) above		**3,206.84**	-	3,206.84
(v) Other Financial Assets		**1,178.42**	-	1,178.42
(c) Other Current Assets		**4,078.43**	-	4,078.43
		64,772.89	(174.45)	64,598.43
TOTAL		**121,408.92**	23,084.39	144,493.31
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		**3,695.23**	-	3,695.23
(b) Other Equity	7	**9,202.96**	22,986.44	32,189.40
		12,898.20	22,986.44	35,884.63
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	9	**17,906.26**	(1,873.00)	16,033.25
(ii) Other Financial Liabilities		**14.76**	-	14.76
(b) Provisions		**106.10**	-	106.10
(c) Other Non-Current Liabilities	9	**-**	1,389.42	1,389.42
		18,027.11	(483.58)	17,543.53
Current Liabilities			-	-
(a) Financial Liabilities				
(i) Borrowings		**68,115.31**	-	68,115.31
(ii) Trade Payables				
Micro, Small and Medium Enterprises		**-**	-	-
Others	11	**11,834.44**	(265.72)	11,568.73
(iii) Other Financial Liabilities	11	**9,986.28**	147.27	10,133.55
(b) Other Current Liabilities	9	**305.46**	699.99	1,005.45
(c) Provisions		**242.11**	-	242.11
		90,483.60	581.55	91,065.15
TOTAL		**121,408.92**	23,084.39	144,493.31

iii. Reconciliation of total comprehensive income for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
REVENUE				
Revenue from operations (net)		**98,515.35**	5,802.70	104,318.05
Other income	9, 10, 11	**576.42**	286.09	862.51
Total Revenue (I)		**99,091.77**	6,088.79	105,180.56
EXPENSES				
Cost of materials consumed		**70,474.49**	-	70,474.49
Purchases of stock-in-trade		**174.88**	-	174.88
Changes in inventories of finished goods, work-in-process and Stock-in-Trade		**(330.00)**	-	(330.00)
Excise duty on sale of goods	5	**-**	5,802.70	5,802.70
Employee benefits expense	6	**7,133.99**	80.44	7,214.43
Finance costs		**7,956.11**	-	7,956.11
Depreciation and amortization expense		**4,977.98**	-	4,977.98
Other expenses	4, 11	**13,625.79**	289.17	13,914.96
Total Expenses (II)		**104,013.23**	6,172.31	110,185.54
Profit/(loss) before exceptional items and tax (I-II)		**(4,921.46)**	(83.52)	(5,004.98)
Exceptional Items		**1,025.52**		1,025.52
Profit/(loss) before tax		**(5,946.98)**	(83.52)	(6,030.49)
Tax expense:				
Current tax		**-**	-	-
Adjustment of tax relating to earlier periods		**4.29**	-	4.29
Deferred tax	3	**(1,455.83)**	(711.94)	(2,167.77)
Profit/(loss) for the period		**(4,495.43)**	628.01	(3,867.02)
			-	-
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	6	**-**	80.44	80.44
Income tax effect		**-**	(24.86)	(24.86)
Other Comprehensive income for the year, net of tax		**-**	55.58	55.58
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(4,495.43)**	684.00	(3,811.43)

iv. Reconciliation of total equity as at March 31, 2017 and April 1, 2016

(₹ in Lakhs)

Particulars	Note	March 31, 2017	April 1, 2016
Total equity (shareholder's funds) as per previous GAAP		**12,898.20**	15,085.86
Adjustments:			
Fair Valuation of property, plant and equipment for deemed cost on date of transition (April 1, 2016) (Net of taxes)	1	**22,514.88**	22,514.88
Accounting for Government Grant	9	**(216.41)**	(239.76)
Expected credit loss on trade receivables	4	**(90.03)**	(33.55)
Fair valuation of derivative instruments	11	**33.20**	13.02
Fair valuation of investment	2	**0.82**	-
Fair valuation of financial guarantees	10	**17.92**	8.87
Effect of deferred tax on Ind AS adjustments	3	**726.06**	38.98
Total adjustments		**22,986.43**	22,302.44
Total equity as per Ind AS		**35,884.63**	37,388.30

v. Reconciliation of total comprehensive income for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	Note	March 31, 2017
Profit after tax as per previous GAAP		(4,495.44)
Adjustments:		
Accounting for Government Grant	9	23.35
Expected credit loss on trade receivables	4	(56.48)
Fair valuation of derivative instruments	11	20.19
Fair valuation of investment	2	0.82
Fair valuation of financial guarantees	10	9.04
Acturial (gain)/ Loss on employee defined benefit fund recognised in Other Comprehensive Income	6	(80.44)
Effect of deferred tax on Ind AS adjustments	3	711.94
Total adjustments		628.42
Profit after tax as per Ind AS		(3,867.02)
Other Comprehensive Income(Net of tax)	8	55.58
Total comprehensive income as per Ind AS		(3,811.43)

vi. Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017

There are no material adjustments to the Statement of Cash flows as reported under the previous GAAP.

C. Notes to first-time adoption:

Note 1: Property, Plant and Equipment

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 INR 22,514.88 Lakhs was recognised in property, plant and equipment. This amount has been recognised against retained earnings.

Note 2: Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2017.

Note 3: Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Note 4: Loss allowance on Trade Receivables

Under Indian GAAP, the company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

Note 5: Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

Note 6: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Note 7: Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note 8: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 9: Government Grants

"Under Ind AS, below market interest rate borrowings from Government is treated as grant received from Government. The grants in the form of benefit of below market interest rate borrowings is recognised as the difference between the initial carrying amount of the borrowing in accordance with Ind AS 109 and the proceeds received. Subsequently, the benefit is recognised in the statement of profit and loss on a systematic basis over the period in which related costs are recognised.

Also, grant relating to fixed assets are recognised in the cost of the assets with corresponding credit to the deferred government grant on the liability side. The deferred grant is recognised in the statement of profit and loss in the ratio of depreciation charged on the asset over the useful life."

Note 10: Derivative Instruments

Foreign currency forward contracts, which were not accounted at fair value under Indian GAAP, has been accounted as derivative instruments as fair value through profit and loss under Ind AS. On the date of transition, these derivative contracts are fair valued on the date of transition with corresponding impact in retained earnings and subsequently in profit and loss for the comparative year.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 43

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman & Managing Director
DIN: 00295458

Vinay V. Joshi
Executive Director
DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

Consolidated Financial Statement

Auditors’ Report

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
Godavari Biorefineries Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of Godavari Biorefineries Limited (hereinafter referred to as the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group") comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, and the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of cash flows and the consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions ofthe Act for safeguarding the assets of the Group, and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give

a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and based on the unaudited financial statements of three subsidiaries furnished to us by the Management referred to in sub-paragraphs (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the one audited and two unaudited financial statements of three subsidiaries furnished to us by the Management as noted in "Other Matters" paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2018, and its consolidated loss, (including other consolidated comprehensive income), consolidated statement consolidated statement of changes in equity, and its cash flow for the year ended on that date.

Other Matters

a) The consolidated Ind AS financial statements include the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs.13.07 crore as at March 31, 2018, total revenues of Rs.9.54 crore and net cash outflows amounting to RS.2.23 crore 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 are unaudited and 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 sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on these one audited and two unaudited financial statements.

These 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 inrespect of said subsidiaries located outside India is based on the conversion adjustments prepared by the management of the parent and audited by us.

(b) The comparative financial statements for the year ended March 31, 2017 in respect of three 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 these 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 unaudited financial statements 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 unaudited financial statements of three 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 unidted financial statements of three 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 prescribedunder Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on March 31, 2018 taken on record by the Board of Directors of the Parent and our report as statutory auditor's of its subsidiary company, incorporated in India, none of the directors of the respective companies, are disqualified as on March 31, 2018 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 unaudited financial statements of three subsidiaries 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 positionof 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 disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018.

For DESAI SAKSENA & ASSOCIATES
Chartered Accountants
Firm's Registration No.: 102358W

Alok K. Saksena
Partner
Membership No.: 35170

Place : Mumbai
Date : 25th May 2018

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 theCompanies 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, 2018, 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 respective Board of Directors of the Parent, its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 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 respective 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, its subsidiary company, which are companies 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 underSection 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, its subsidiary company, which are companies 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, 2018, based on the internal control over financial reporting criteria established by the respective companiesconsidering the essential components of internal control stated in the Guidance Note.

For DESAI SAKSENA & ASSOCIATES
Chartered Accountants
Firm's Registration No.: 102358W

Alok K. Saksena
Partner
Membership No.: 35170

Place : Mumbai
Date : 25th May 2018

GODAVARI BIOREFINERIES LIMITED

Consolidated Balance Sheet As at 31st March, 2018

(₹ in Lakhs)

Particulars	Notes	March 31, 2018	March 31, 2017	March 31, 2016
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	4	74,521.96	69,137.75	70,568.30
(b) Capital Work-in-Progress	4	612.32	7,859.59	1,933.39
(c) Other Intangible Assets	5	10.76	0.63	0.80
(d) Investments	6	4.71	4.71	4.71
(e) Financial Assets				
(i) Investments	6A	0.01	0.01	0.01
(ii) Other Financial Assets	6B	330.66	230.21	267.60
(f) Deferred Tax Asset (Net)	12	1,538.60	702.01	-
(g) Other Non-Current Assets	11	1,128.73	1,298.87	3,015.76
		78,147.75	**79,233.78**	**75,790.57**
Current assets				
(a) Inventories	7	62,640.67	50,072.25	48,871.15
(b) Financial Assets				
(i) Investments	6A	-	5.82	4.16
(ii) Trade Receivables	8	13,962.10	6,175.07	9,262.93
(iii) Cash and Cash Equivalents	9	399.49	563.04	1,186.17
(iv) Bank Balances Other than (iii) above	10	4,044.91	3,206.84	2,446.49
(v) Other Financial Assets	6B	787.33	530.19	297.43
(c) Other Current Assets	11	5,062.22	4,149.06	4,332.59
		86,896.71	**64,702.27**	**66,400.92**
TOTAL		**165,044.45**	**143,936.05**	**142,191.49**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	13	3,763.77	3,695.23	3,573.77
(b) Other Equity	14	29,975.75	30,826.36	33,017.94
		33,739.52	**34,521.59**	**36,591.71**
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	13,865.34	16,092.72	19,940.66
(ii) Other Financial Liabilities	16	8.98	14.76	15.13
(b) Provisions	19	120.50	106.10	92.25
(c) Deferred Tax liabilities (Net)	12	-	-	1,427.39
(d) Other Non-Current Liabilities	18	837.86	1,389.42	2,578.75
		14,832.68	**17,603.00**	**24,054.18**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	75,612.34	68,548.81	53,579.70
(ii) Trade Payables	17			
Micro, Small and Medium Enterprises		-	-	-
Others		28,703.53	11,697.98	16,723.93
(iii) Other Financial Liabilities	17	10,004.22	10,246.38	9,757.22
(b) Other Current Liabilities	18	1,754.54	1,076.17	1,271.43
(c) Provisions	19	397.62	242.12	213.32
		116,472.27	**91,811.46**	**81,545.60**
TOTAL		**165,044.45**	**143,936.05**	**142,191.49**
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 43			

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman & Managing Director
DIN: 00295458

Vinay V. Joshi
Executive Director
DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

Consolidated Statement of Profit and Loss for the year Ended on 31st March, 2018

(₹ in Lakhs)

Particulars	Notes	2017 -2018	2016-2017
REVENUE			
Revenue from Operations	21	124,666.93	106,590.83
Other income	22	635.36	672.93
Total Revenue (I)		**125,302.29**	**107,263.76**
EXPENSES			
Cost of materials consumed	23	98,631.29	70,447.48
Purchases of stock-in-trade	24	1,478.81	1,979.86
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	25	(12,810.61)	(199.08)
Excise duty		1,493.41	5,802.70
Employee benefits expense	26	7,545.56	7,395.88
Finance costs	27	8,834.17	8,028.69
Depreciation and amortization expense	28	4,887.05	4,997.05
Other expenses	29	17,947.79	14,407.60
Total Expenses (II)		**128,007.47**	**112,860.18**
Profit/(loss) before exceptional items (I-II)		**(2,705.18)**	**(5,596.42)**
Exceptional Items	30	-	1,025.52
Profit/(loss) before tax		**(2,705.18)**	**(6,621.94)**
Tax expense:			
Current tax		20.11	-
Adjustment of tax relating to earlier periods		-	4.29
Deferred tax		(817.09)	(2,155.00)
Profit/(loss) for the period		**(1,908.20)**	**(4,471.23)**
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		(127.64)	80.44
Income tax effect		39.44	(24.86)
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		31.19	71.41
Other Comprehensive income for the year, net of tax		(57.01)	126.99
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(1,965.21)**	**(4,344.24)**
Earnings per share for profit attributable to equity shareholders			
Basic EPS and Diluted EPS	32	(5.16)	(12.34)
Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.	1 to 43		

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman & Managing Director
DIN: 00295458

Vinay V. Joshi
Executive Director
DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

(₹ in Lakhs)

Particulars	2017 -2018	2016-2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Loss before income tax from:	**(2,705.18)**	**(6,621.94)**
Adjustments for:		
Depreciation and amortisation expense	4,887.05	4,997.05
Loss on Sale of Property,Plant and Equipment	36.67	-
Sundry Debit/Credit Balances Written Off/Back (Net)	17.02	(3.57)
Allowance for Doubtful Debts / Advances	219.22	250.59
Write down of inventories (stores)	40.00	-
Interest income classified as investing cash flows	(304.83)	(370.91)
Interest and finance charges	8,834.17	8,028.69
Profit on sales of Investment	(0.70)	(0.77)
Government grant income	(23.35)	(23.35)
Unrealised foreign currency (gain)/loss	31.06	72.14
Other adjustments	-	(33.63)
Change in operating assets and liabilities:		
Trade payables	17,005.57	(5,025.95)
Other liabilities	694.14	(1,046.83)
Provisions	42.26	123.09
Trade receivables	(8,006.24)	2,837.27
Inventories	(12,608.42)	(1,201.10)
Other assets	(1,893.52)	982.51
Cash generated from operations	**6,264.91**	**2,963.29**
Less: Income taxes (paid) refund received	**-**	4.29
Net cash inflow from operating activities	**6,264.91**	**2,959.00**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of property, plant and equipment (net)	(3,096.19)	(9,493.64)
Proceed from sale of property, plant and equipment	25.41	1.11
Payment for investments	-	(0.89)
Proceed from sale of investment	6.52	-
Interest received	242.64	336.67
Net cash outflow from investing activities	**(2,821.62)**	**(9,156.75)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from (Repayment of) non current borrowings	(3,342.38)	(3,489.62)
(Decrease) / Increase in current borrowings	7,063.53	14,969.11
Issue of share capital including share premium (net)	1,183.13	2,307.75
Interest and finance charges paid	(8,511.09)	(8,212.62)
Net cash inflow (outflow) from financing activities	**(3,606.81)**	**5,574.62**
Net increase (decrease) in cash and cash equivalents	(163.53)	(623.13)
Cash and Cash Equivalents at the beginning of the financial year	563.04	1,186.17
Cash and Cash Equivalents at end of the year	**399.49**	**563.04**

(₹ in Lakhs)

Particulars	2017 -2018	2016-2017
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	295.27	478.55
- Deposits with original maturity of less than three months	91.78	76.82
Cash on hand	12.44	7.67
Balances per statement of cash flows	**399.49**	**563.04**

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 conform to this year's classification.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 43

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman & Managing Director
DIN: 00295458

Vinay V. Joshi
Executive Director
DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

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, 2017			
Numbers	35,737,747	1,214,600	**36,952,347**
Amount	3,573.77	121.47	**3,695.24**
March 31, 2018			
Numbers	36,952,347	685,286	**37,637,633**
Amount	3,695.23	68.54	**3,763.77**

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, 2016	**15,308.68**	**1,865.38**	**573.50**	**15,270.38**	**-**	**33,017.94**
Profit for the period	-	-	-	(4,471.23)	-	**(4,471.23)**
Other comprehensive income	-	-	-	55.58	71.41	**126.99**
Total comprehensive income for the year	-	-	-	(4,415.65)	71.41	(4,344.24)
Issue of equity shares	2,186.28	-	-	-	-	**2,186.28**
Prior period adjustment				(33.62)		**(33.62)**
As at March 31, 2017	**17,494.96**	**1,865.38**	**573.50**	**10,821.11**	**71.41**	**30,826.36**
Profit for the period	-	-	-	(1,908.20)	-	**(1,908.20)**
Other comprehensive income	-	-	-	(88.20)	31.19	**(57.01)**
Total comprehensive income for the year	-	-	-	(1,996.41)	31.19	(1,965.21)
Issue of equity shares	1,114.60	-	-	-	-	1,114.60
As at March 31, 2018	**18,609.56**	**1,865.38**	**573.50**	**8,824.71**	**102.60**	**29,975.75**

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 43

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
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Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

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, 2018. 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 are unlisted and debentures (bonds) are listed on Bombay Stock Exchange in India. 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, , chemicals, distillery and other bio products and generation of power.

The financial statements were approved by the Board of Directors and authorised for issue on May 25, 2018.

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").

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to Note 42 for information on how the company has adopted Ind AS.

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 owenership 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 there 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 and joint ventures 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. Leashold 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 and commerical feasibility 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.

(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.

Initial Recognition

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

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets and

- the contractual cash flow characteristics of the financial asset.

(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 (OCI)

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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

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 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(GST)/ 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.

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 and the company do not have further managerial involvement.

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

The earned leave obligations are presented as current liabilities in the balance sheet as the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

(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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(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.

(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, 2017"	Additions	Deductions/ Adjustments	"As at March 31, 2018"	"As at March 31, 2017"	During the period	Deductions/ Adjustments	"As at March 31, 2018"	"As at March 31, 2018"	"As at March 31, 2017"
Free Hold Land	24,334.84	-	-	24,334.84	-	-	-	-	24,334.84	24,334.84
Building	4,248.20	967.93	-	5,216.13	216.50	237.71	-	454.20	4,761.93	4,031.71
Plant and Equipments	45,052.22	9,016.97	(169.62)	53,899.57	4,661.19	4,514.05	(110.96)	9,064.29	44,835.45	40,391.08
Furniture and Fixtures	43.14	138.36	(7.75)	173.76	15.33	19.80	(7.84)	27.28	146.47	27.81
Vehicles	317.29	61.77	(2.97)	376.10	57.54	61.35	(0.02)	118.87	257.23	259.75
Office Equipments	68.38	121.10	-	189.48	19.89	28.40	-	48.28	141.20	48.49
Computer Hardwares	69.54	23.92	(3.13)	90.33	25.48	23.02	(3.01)	45.48	44.85	44.07
	74,133.62	**10,330.06**	**(183.47)**	**84,280.21**	**4,995.92**	**4,884.32**	**(121.83)**	**9,758.41**	**74,521.96**	**69,137.75**
Capital Work in Progress	7,859.59	2,377.82	(9,625.09)	612.32	-	-	-	-	612.32	7,859.59
Total	**81,993.22**	**12,707.88**	**(9,808.56)**	**84,892.53**	**4,995.92**	**4,884.32**	**(121.83)**	**9,758.41**	**75,134.28**	**76,997.34**

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	"As at April 1, 2016 (Deemed Cost)"	Additions	Deductions/ Adjustments	"As at March 31, 2017"	"As at April 1, 2016"	During the period	Deductions/ Adjustments	"As at March 31, 2017"	"As at March 31, 2017"	"As at April 1, 2016"
Free Hold Land *	24,332.95	1.89	-	24,334.84	-	-	-	-	24,334.84	24,332.95
Building	4,182.42	65.78	-	4,248.20	-	216.50	-	216.50	4,031.71	4,182.42
Plant and Equipments	41,657.60	3,394.62	(0.00)	45,052.22	-	4,661.19	-	4,661.19	40,391.08	41,657.61
Furniture and Fixtures	36.21	6.94	0.00	43.14	-	15.33	-	15.33	27.81	36.21
Vehicles	256.98	61.59	(1.27)	317.29	-	58.46	(0.92)	57.54	259.75	256.98
Office Equipments	49.56	18.82	-	68.38	-	19.89	-	19.89	48.49	49.56
Computer Hardwares	52.57	16.97	-	69.54	-	25.48	-	25.48	44.07	52.57
	70,568.30	**3,566.60**	**(1.27)**	**74,133.62**	**-**	**4,996.84**	**(0.92)**	**4,995.92**	**69,137.75**	**70,568.30**
Capital Work in Progress	1,933.39	7,568.90	(1,642.70)	7,859.59	-	-	-	-	7,859.59	1,933.39
Total	**72,501.69**	**11,135.50**	**(1,643.97)**	**81,993.22**	**-**	**4,996.84**	**(0.92)**	**4,995.92**	**76,997.34**	**72,501.69**

* 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 INR 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**
Refer Note 14 on Borrowings, for Assets offered as Security against various Loans

ii. **Borrowing Cost Capitalised**
The amount of borrowing cost capitalised during the year ended March 31, 2018 was INR 582.02 Lakhs (March 31, 2017 INR 1,676.00 Lakhs). 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)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	"As at March 31, 2017"	Additions	Deductions/ Adjustments	"As at March 31, 2018"	"As at March 31, 2017"	During the period	Deductions/ Adjustments	"As at March 31, 2018"	"As at March 31, 2018"	"As at March 31, 2017"
Patents	0.83	-	-	0.83	0.20	0.20	-	0.40	0.43	0.63
Others	-	12.91	-	12.91	-	2.58	-	2.58	10.33	-
Total	**0.83**	**12.91**	**-**	**13.74**	**0.20**	**2.78**	**-**	**2.98**	**10.76**	**0.63**

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	"As at April 1, 2016 (Deemed Cost)"	Additions	Deductions/ Adjustments	"As at March 31, 2017"	"As at April 1, 2016"	During the period	Deductions/ Adjustments	"As at March 31, 2017"	"As at March 31, 2017"	"As at April 1, 2016"
Patents	0.80	0.03	-	0.83	-	0.20	-	0.20	0.63	0.80
Total	**0.80**	**0.03**	**-**	**0.83**	**-**	**0.20**	**-**	**0.20**	**0.63**	**0.80**

6. INVESTMENTS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Investments in Associates			
Quoted			
25,000 Equity shars of INR 10/- each of Pentokey Organy (India) Limited (March 31, 2017: 25,000, April 1, 2016: 25,000)	4.50	4.50	4.50
Unquoted			
210 Equity shares of INR 10/- each of The Book Centre Limited (March 31, 2017: 210, April 1, 2016: 210)	0.21	0.21	0.21
	4.71	**4.71**	**4.71**

6A. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
(A) INVESTMENTS			
Non Current			
Investments carried at fair value through Profit and Loss			
Unquoted			
Investments in Preference Shares - Other			
3,57,604 Nonassessable shares of $0.001 par value of e2e Material INC, USA in Series B preferred Stock (March 31, 2017: 3,57,604, April 1, 2016: 3,57,604)	134.65	134.65	134.65
Less : Loss allowance	(134.64)	(134.64)	(134.64)
Total	**0.01**	**0.01**	**0.01**
Aggregate amount of unquoted investments	134.65	134.65	134.65
Aggregate amount of impairment in the value of investments	(134.64)	(134.64)	(134.64)
Investments carried at fair value through profit and loss	**0.01**	**0.01**	**0.01**
Current			
Investments carried at fair value through Profit and Loss			
Quoted			
Investments in Mutual Funds			
State Bank of India PSU FUND (March 31, 2017: 50,000 units, April 1, 2016: 50,000 units)	-	5.82	4.16
Total	-	5.82	4.16
Aggregate amount of quoted investments	-	5.82	4.16
Investments carried at fair value through profit and loss	**-**	**5.82**	**4.16**
(B) OTHER FINANCIAL ASSETS			
Non Current			
Unsecured, considered good unless otherwise stated			
Financial assets carried at amortised cost			
Security and other deposits	330.66	230.21	267.60
Total	**330.66**	**230.21**	**267.60**
Current			
(i) Financial assets carried at amortised cost			
Unsecured, considered good unless otherwise stated			
Security Deposits	20.13	55.82	23.04
Interest accrued on deposits	103.82	41.63	7.39
Claim receivables	663.38	432.09	180.76
Other financial assets	-	0.65	-
(ii) Financial assets carried at fair value through profit and loss			
Derivatives not designated as hedge - Foreign Exchange forward contracts	-	-	86.24
Total	**787.33**	**530.19**	**297.43**

7. INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
(Valued at lower of Cost and Net Realisable value)			
Raw materials			
In stock	8,692.05	8,983.31	6,216.11
In transit	-	-	356.17
Work-in-process	64.11	31.68	29.99
Finished goods			
In stock	51,324.60	38,901.22	38,809.86
In transit	338.73	-	44.89
Traded Goods	239.54	306.70	1,280.35
Stores, consumables and packing material	1,981.63	1,849.34	2,133.77
Others	-	-	-
Total	**62,640.67**	**50,072.25**	**48,871.15**

Refer Note 14 on Borrowings, for Assets offered as Security against various Loans

During the year ended March 31, 2018, INR 40 Lakhs (March 31, 2017: Reversal of INR 3 Lakhs) was recognised as an expense for inventories carried at net realisable value.

8. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Trade Receivables from customers	13,933.22	6,161.93	9,007.25
Receivables from other related parties (Refer Note 35)	28.88	13.14	255.68
	13,962.10	**6,175.07**	**9,262.93**
Breakup of Security details			
Unsecured, considered good	13,962.10	6,175.07	9,262.93
Doubtful	144.68	115.06	53.58
	14,106.77	**6,290.13**	**9,316.51**
Impairment Allowance (allowance for bad and doubtful debts)			
Doubtful	144.68	115.06	53.58
	144.68	**115.06**	**53.58**
	13,962.10	**6,175.07**	**9,262.93**

Refer Note 14 on Borrowings, for Assets offered as Security against various Loans

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 INR 28.88 Lakhs (Previous year 13.14 Lakhs).

9. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Balances with banks:			
- On current accounts	295.27	478.55	1,110.89
- Deposits with original maturity of less than three months	91.78	76.82	56.97
Cash on hand	12.44	7.67	18.31
Total	**399.49**	**563.04**	**1,186.17**

10. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Deposits with banks to the extent held as margin money	3,424.78	2,909.98	1,055.56
Other Deposits with banks	620.13	296.86	1,390.93
Total	**4,044.91**	**3,206.84**	**2,446.49**

11. OTHER ASSETS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Capital Advances	41.24	108.95	1,143.40
Advances other than Capital advances			
- Security Deposits	8.78	3.91	4.49
- Advances to Suppliers	328.06	549.41	744.62
- Advances to Related Parties	-	5.68	5.68
Others			
- Payment of Taxes (Net of Provisions)	295.58	273.03	755.22
- Balances with Statutory, Government Authorities	455.07	357.89	362.35
Total	**1,128.73**	**1,298.87**	**3,015.76**
Current			
Advances other than Capital advances			
- Security Deposits	0.26	-	-
- Advances to suppliers	3,908.25	2,479.60	1,668.69
Others			
- Prepaid expenses	259.30	190.67	225.92
- Balances with Statutory, Government Authorities*	565.81	1,076.43	997.78
- Export Incentive - Sugar cane	328.60	402.36	1,439.93
- Other current assets	-	-	0.27
Total	**5,062.22**	**4,149.06**	**4,332.59**

**Includes Good and Service Tax (GST) ,Cenvat and VAT Credit receivables*

12. INCOME TAX

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Deferred Tax			
Deferred tax relates to the following:			
Provision for employee benefits	-	107.60	94.42
Impairment on financial assets at amortised cost	45.14	27.82	10.37
Temporary difference in the carrying amount of financial instruments at amortised cost	-	(55.77)	22.63
Temporary difference in the carrying amount of property, plant and equipment	(9,233.67)	(8,303.54)	(8,736.79)
Unabsorbed Depreciation and Business Losses	10,694.94	8,880.01	7,209.08
Others	32.19	45.89	(27.10)
Net Deferred Tax Assets / (Liabilities)	**1,538.60**	**702.01**	**(1,427.39)**

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017
Movement in deferred tax liabilities/assets		
Opening balance as of April 1	**702.01**	**(1,427.39)**
Tax income/(expense) during the period recognised in profit or loss	797.16	2,154.25
Tax income/(expense) during the period recognised in OCI	39.44	(24.86)
Closing balance as at March 31	**1,538.60**	**702.01**

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Unrecognised deferred tax assets			
Unrecognised tax losses	81.90	93.57	97.24
Unrecognised tax credits	1,211.19	1,211.19	1,211.19

The group 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 liablities 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 lossses carried forward by the Group.

Major Components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are as follows:

i. Income tax recognised in profit or loss

(₹ in Lakhs)

Particulars	2017 - 2018	2016 - 2017
Current income tax charge	20.11	-
Adjustment in respect of current income tax of previous year	-	4.29
Deferred tax		
Relating to origination and reversal of temporary differences	(817.09)	(2,155.00)
Income tax expense recognised in profit or loss	**(796.98)**	**(2,150.71)**

ii. Income tax recognised in OCI

Particulars	2017 - 2018	2016 - 2017
Net loss/(gain) on remeasurements of defined benefit plans	39.44	(24.86)
Income tax expense recognised in OCI	39.44	(24.86)

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2018 and March 31, 2017

Particulars	2017 - 2018	2016 - 2017
Accounting profit before income tax	(2,705.18)	(6,621.94)
Enacted tax rate in India	30.90%	30.90%
Income tax on accounting profits	**(835.90)**	**(2,046.18)**
Tax Effect of		
Depreciation	607.15	(105.83)
Expenses not allowable or considered separately under income tax	302.45	166.55
Expenses allowable and others	(205.36)	(304.13)
Brought forward losses adjusted	(12.46)	-
Losses carried forward to future years	(614.67)	0.65
Income not taxable under income tax	(0.47)	(46.85)
Tax expense relating to earlier years	-	4.29
Difference in income tax expense of subsidiary companies	(139.94)	120.74
Others	83.02	60.04
Tax at effective income tax rate	**(816.18)**	**(2,150.71)**

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

(₹ in Lakhs)

Particulars	Equity Share of INR 10 each		Preference Share of INR 100 each	
	Number	Amount	Number	Amount
i. Authorised Share Capital				
At April 1, 2016	42,000,000	4,200.00	1,800,000	1,800.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2017	42,000,000	4,200.00	1,800,000	1,800.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2018	**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 share holders are also subject to restrictions as presribed 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.

(₹ in Lakhs)

Particulars	Numbers	Amount
ii. Issued Capital		
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2016	**35,737,747**	**3,573.77**
Issued during the period	1,214,600	121.47
At March 31, 2017	**36,952,347**	**3,695.23**
Issued during the period	685,286	68.53
At March 31, 2018	**37,637,633**	**3,763.77**

(₹ in Lakhs)

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number	% holding	Number	% holding
iii. Details of shareholders holding more than 5% shares in the company				
Equity shares of INR 10 each fully paid				
Somaiya Agencies Private Limited	8,549,965	23.14	8,549,965	23.14
Sakarwadi Trading Company Private Limited	5,485,552	14.84	5,363,552	14.51
Lakshmiwadi Mines and Minerals Private Limited	5,205,762	14.09	5,219,762	14.13
Mandala Capital AG Limited	4,926,983	13.33	4,926,983	13.33
Samir Shantilal Somaiya	4,443,865	12.03	4,010,865	10.85
Sindhur Construction Private Limited	2,616,120	6.95	2,605,120	7.05
Trustees of Sameerwadi Sugarcane Farmer's Welfate Trust	-	-	-	-

(₹ in Lakhs)

Name of the shareholder	As at April 1, 2016	
	Number	% holding
Equity shares of INR 10 each fully paid		
Somaiya Agencies Private Limited	8,549,965	23.92
Sakarwadi Trading Company Private Limited	4,981,952	13.94
Lakshmiwadi Mines and Minerals Private Limited	5,193,462	14.53
Mandala Capital AG Limited	4,765,033	13.33
Samir Shantilal Somaiya	3,667,815	10.26
Sindhur Construction Private Limited	2,605,120	7.29
Trustees of Sameerwadi Sugarcane Farmer's Welfate Trust	2,269,600	6.35

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 (previous period of five years ended March 31, 2017: NIL)

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

14. OTHER EQUITY

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Reserves and Surplus			
Securities Premium Reserve	18,609.56	17,494.96	15,308.68
General Reserve	1,865.38	1,865.38	1,865.38
Retained Earnings *	8,824.71	10,821.11	15,270.38
Capital Redemption Reserve	573.50	573.50	573.50
	29,873.15	**30,754.95**	**33,017.94**

* 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 INR 23,727.24 Lakhs was recognised in property, plant and equipment. The Valuation was carried out by registered approved valuer.

(₹ in Lakhs)

	March 31, 2018	March 31, 2017
(a) Securities Premium Reserve		
Opening balance	17,494.96	15,308.68
Add/(Less):		
Premium on share issue (Net)	1,114.60	2,186.28
Closing balance	**18,609.56**	**17,494.96**

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		
Opening balance	1,865.38	1,865.38
Add/(Less): Changes during the year	-	-
Closing balance	**1,865.38**	**1,865.38**

General Reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserveavailable to the Company.

(₹ in Lakhs)

	March 31, 2018	March 31, 2017
(c) Retained Earnings		
Opening balance	10,821.11	15,270.38
Net Profit/(Loss) for the period	(1,908.20)	(4,471.23)
Add/(Less):		
Prior period expnese	-	(33.62)
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of gains (losses) on defined benefit plans	(127.64)	80.44
Income tax effect	39.44	(24.86)
Closing balance	**8,824.71**	**10,821.11**
(d) Capital Redemption Reserve (CRR)		
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.		

ii. Components of Other Comprehensive Income

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Exchange differences on translating the financial statements of a foreign operation	**102.60**	71.41	-
	102.60	71.41	-

15. BORROWINGS

(₹ in Lakhs)

Particulars		March 31, 2018	March 31, 2017	April 1, 2016
Non Current Borrowings				
Secured				
(a) Debentures (Bonds)				
Principal outstanding		6,500.00	6,500.00	6,500.00
Interest accured		1,060.22	651.95	305.26
(b) Term Loans				
From Banks		3,713.09	8,809.87	12,934.26
From Others				
Sugar Development Fund		4,028.45	4,266.62	4,564.20
Others		148.55	167.49	143.66
Unsecured				
(c) Term Loans from Others				
Council of Scientific and Industrial Research (Refer Note 34 (I))		485.00	485.00	485.00
Deferred Cane Purchase Tax		775.85	693.47	619.85
(d) Term Loans from Bank		3.63	9.08	5.19
(e) Public deposits		2,104.84	578.52	94.21
(f) Loans from related parties		-	-	-
	(A)	**18,819.63**	**22,162.00**	**25,651.63**
Current Maturity of Non Current Borrowings				
Term Loans				
From Banks		3,525.89	5,425.21	5,090.21
From Others				
Sugar Development Fund		1,346.07	555.27	555.27
Others		82.33	88.80	65.49
	(B)	**4,954.29**	**6,069.28**	**5,710.97**
	Total (A)-(B)	**13,865.34**	**16,092.72**	**19,940.66**
Current Borrowings				
Secured				
(a) Loans repayable on demand From Banks		38,908.20	32,014.89	24,802.27
Unsecured				
(b) Loans repayable on demand from Banks		36,437.92	36,476.00	28,774.63
(c) Public deposits		266.22	57.92	2.80
	Total	**75,612.34**	**68,548.81**	**53,579.70**

Non Current Borrowings

Details of Terms of repayment for Long Term Secured Borrowings

(₹ in Lakhs)

		March 31, 2018		March 31, 2017		April 1, 2016	
		Current	Non - Current	Current	Non - Current	Current	Non - Current
1	**Andhra Bank** (Repayable in 4 equal quarterly installments, last Installment falling due on March 2019.)	51.50	-	51.50	51.50	51.50	115.88
2	**Union Bank of India** (Repayable in 2 equal quarterly installments, last Installment falling due on July 2018.)	432.00	-	892.00	432.00	892.00	1,324.00
3	**Union Bank of India** (Repayable in 1 equal half yearly installments, last Installment falling due on June 2018.)	108.00	-	216.00	108.00	216.00	324.00
4	**Bank of India** (Repayable in 14 equal Monthly installments, last Installment falling due on May 2019.)	2,010.00	335.00	2,010.00	2,345.00	1,675.00	4,355.00
5	**Bank of India** (Repayable in 1 equal quarterly installments, last Installment falling due on June 2018.)	209.00	-	892.00	209.00	892.00	1,101.00
6	**Corporation Bank** (Repayable in 3 equal quarterly installments, last Installment falling due on October 2018.)	511.01	-	684.00	511.00	684.00	1,195.00
7	**Punjab National Bank** (Repayable in 1 equal half yearly installments, last Installment falling due on June 2018.)	204.39	-	679.72	204.36	679.71	884.07
8	**Sugar Development Fund** (Repayable in 5 equal yearly installments, last Installment falling due on June 2023.)	790.80	3,163.22	-	3,954.02	-	3,954.02
9	**Sugar Development Fund** (Repayable in 3 equal half yearly installments, last Installment falling due on June 2019.)	555.27	277.63	555.27	832.90	555.27	1,388.17
10	**Hire Purchase Finance**	22.77	27.61	13.30	28.30	15.93	4.45
11	**IDBI Trusteeship Services Limited** (Bullet payment on June 2021) Call Option after three years (June 2018)	-	7,560.22	-	7,151.95	-	6,805.26
12	**Sustainable Agro Commercial Finance Limited** (Repayable in 1 Annual Installments)	50.38	-	75.51	50.38	49.57	73.72
	Total	**4,945.12**	**11,363.68**	**6,069.30**	**15,878.41**	**5,710.98**	**21,524.57**

Nature of Securities:

Loan covered in Sr. No. 1 to 5, 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 on certain Assets of Somaiya Properties and Investments Pvt Ltd. (SPIPL) (Formerly known as The Godavari Sugar Mills Pvt Ltd). Corporate Guarantee of SPIPL. Second Pari Passu charge on Current Asset of Sugar Division at Sameerwadi, Karnataka. #

Loan covered in Sr.No. 6, First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karnataka, Second Pari Passu Charge on Curent Assets of Sugar & Cogen Division. #

Loan covered in Sr.no. 7 First Pari Passu Charge on Property, Plant & Equipment of Sameerwadi, Karantaka and second Pari Pasu Charge on Property, Plant & Equipment of Sakarwadi, Maharashtra and second pari passu charge on current Asset of Sugar Division. #

Loan covered in Sr.No. 8 & 9, 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 ie 1 to 9 are excluding, exclusive Property, Plant & Equipment, charged to IDBI Trusteeship Services Ltd.

Loan covered in Sr.No. 10, Exclusive Charge on Assets purchased under Hire purchase arrangements.

Debenture (Bonds) covered in Sr.No. 11 , Exclusive Charge on the Property, Plant & Equipment Of Capital Investment Programme as per the agreement dated 09th July, 2015 and First Pari Passu Charge on Property, Plant & Equipment at Sakarwadi @ Rs. 10% p.a (with effect from 01st July, 2017 at the rate 16% p.a.) inclusive of Withholding tax.

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

The Company has availed 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 in Sr.no.12 Secured by Corporate Guarantee of Godavari Biorefineries Limited.

Interest for above loans varies from 4% to 14.75% (Previous Year 4% to 15%).

Current Borrowings

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Secured			
(a) From Banks			
Cash Credit / Packing Credit	38,908.20	32,014.89	24,802.27
Unsecured			
(b) Loans repayable on demand from Banks	36,437.92	36,476.00	28,774.63

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 Guranatee of SPIPL. #

 # Note : Charges on Property, Plant & Equipment at Sameerwadi, Karnataka and Sakarwadi, Maharashtra as mentioned above ie 1 to 9 are excluding, exclusive Property, Plant & Equipment, charged to IDBI Trusteeship Services Ltd.

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

Interest for above Cash credit Rupee loans varies from 12.20% to 13.30% (Previous Year 12.60% to 13.20%)

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, 2016	**19,990.22**	**62,159.66**	**82,149.89**
Cash Inflows	209.71	46,113.63	46,323.34
Cash Outflows	(5,848.98)	(30,651.58)	(36,500.56)
	14,350.95	**77,621.71**	**91,972.66**
Interest Expense			8,025.17
Interest Paid			(7,861.11)
Other non cash adjustments	1,309.99	-	1,309.99
Net Debt as at March 31, 2017	15,660.94	77,621.71	93,446.71
Cash Inflows	48.41	47,574.73	47,623.13
Cash Outflows	(6,053.24)	(38,984.87)	(45,038.11)
	9,656.11	**86,211.57**	**96,031.73**
Interest Expense			8,831.11
Interest Paid			(8,100.33)
Other non cash adjustments	727.88	-	727.88
Net Debt as at March 31, 2018	**10,383.98**	**86,211.57**	**97,490.39**

16. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Financial Liabilities at amortised cost			
Other Payables	8.98	14.76	15.13
Total	**8.98**	**14.76**	**15.13**
Current			
(i) Financial Liabilities at amortised cost			
Current maturities of long term debts	4,954.29	6,069.29	5,710.97
Interest accrued and due on borrowings	1.58	2.14	0.86
Interest accrued but not due on borrowings	3,056.83	2,733.76	2,917.69
Security Deposits	136.72	117.78	114.06
Other Payables	1,795.52	1,176.14	1,013.64
	9,944.94	**10,099.11**	**9,757.22**
(ii) Financial Liabilities carried at fair value through profit and loss			
Derivatives not designated as hedge - Foreign Exchange forward contracts	59.28	147.27	-
	59.28	147.27	-
Total	**10,004.22**	**10,246.38**	**9,757.22**

17. TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Trade Payables to Micro, Small and Medium Enterprises	-	-	-
Trade Payables to Related Parties (Refer Note 35)	5.55	3.63	-
Trade Payables to Others	28,697.98	11,694.35	16,723.93
Total	**28,703.53**	**11,697.98**	**16,723.93**

18. OTHER LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Government Grants			
- Deferred Cane Purchase Tax	158.37	238.85	321.24
- Sugar Development Fund	505.43	809.77	1,075.56
- BOI SEFASU	4.36	147.80	965.54
- Depreciable assets	169.70	193.00	216.41
Total	**837.86**	**1,389.42**	**2,578.75**
Current			
Advance received from Customers	1,092.18	169.81	151.06
Government Grants			
- Deferred Cane Purchase Tax	80.49	82.38	73.64
- Sugar Development Fund	253.04	265.80	257.70
- BOI SEFASU	143.44	328.40	489.35
- Depreciable assets	23.35	23.41	23.34
Statutory Liabilities	162.04	206.37	276.34
Total	**1,754.54**	**1,076.17**	**1,271.43**

19. PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non Current			
Provision for employee benefits			
Leave encashment	120.50	106.10	92.25
Total	**120.50**	**106.10**	**92.25**
Current			
Provision for employee benefits			
Gratuity	135.93	20.14	25.87
Leave encashment	261.69	221.98	187.45
Total	**397.62**	**242.12**	**213.32**

20. GOVERNMENT GRANTS

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017
Opening balance	2,089.41	3,422.77
Grants received during the year	-	-
Released to statement of profit and loss	(751.23)	(1,333.37)
Closing Balance	**1,338.18**	**2,089.41**

21. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Sale of products (inclusive of excise duty)	124,666.93	106,590.83
	124,666.93	**106,590.83**

Sale of goods includes excise duty collected from customers of INR 1,493.41 Lakhs (March 31, 2017: INR 5,802.70 Lakhs)

22. OTHER INCOME

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Interest income on		
Bank fixed deposits	159.26	296.96
Loans to others	145.57	73.95
Other Non Operating Income		
Fair value gain on financial instruments at fair value through profit and loss	87.99	-
Net gain on disposal of property, plant and equipment	-	0.77
Government Grants	23.35	23.35
Foreign Exchange Fluctuation Gain	-	253.88
Sundry balances written back	42.07	-
Miscellaneous Income	177.12	24.02
	635.36	**672.93**

23. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Cost of Material Consumed	98,631.29	70,474.49
	98,631.29	70,474.49

24. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Purchases of Stock-In-Trade	1,478.81	1,979.86
	1,478.81	**1,979.86**

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

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Inventories as at the beginning of the year		
Work - in - process	31.68	29.99
Finished goods	38,901.20	38,606.51
Stock-in-trade	150.95	248.27
Total	**39,083.82**	**38,884.77**
Less : Inventories as at the end of the year		
Work - in - process	64.11	31.68
Finished goods	51,663.33	38,901.22
Stock-in-trade	166.99	150.95
Total	**51,894.43**	**39,083.84**
Net decrease / (increase) in inventories	**(12,810.61)**	**(199.08)**

26. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Salaries, wages and bonus	6,083.11	6,310.32
Contribution to provident and other funds	560.71	449.35
Director's Remuneration	451.50	305.46
Staff welfare expenses	450.24	330.74
	7,545.56	**7,395.88**

27. FINANCE COST

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Interest Expense on:		
Term Loan	1,175.93	1,894.91
Cash Credit	2,873.71	2,671.67
Others	4,781.48	3,458.37
Bank Charges	3.05	3.74
	8,834.17	**8,028.69**

28. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Depreciation on tangible assets	4,884.27	4,996.85
Amortisation on intangible assets	2.78	0.20
	4,887.05	**4,997.05**

29. OTHER EXPENSES

(₹ in Lakhs)

Particulars		2017 - 2018	2016 -2017
Manufacturing Expenses			
Import clearing charges		7.57	99.25
Labour charges		12.62	11.33
Power and Fuel		6,161.63	3,639.33
Repairs and maintenance			
Building		104.92	78.97
Plant and Machinery		2,083.26	2,092.33
Others		549.04	658.29
Packing, forwading and storage		-	1,125.22
Stores, consumables and packing material		3,915.73	1,569.63
Godown Rent		26.88	5.02
Conveyance expenses		0.49	0.52
Other Charges		1.48	1.29
	A	**12,863.61**	**9,281.16**
Selling and Distribution Expenses			
Selling Expense			
	B	**1,480.15**	**879.01**
Administration and Other Expenses			
Payments to auditors (Refer note below)		33.38	27.89
Loading & Unloading Expenses		3.02	1.65
Postage and Telephone		1.14	1.05
Insurance		172.40	133.54
Legal and professional fees		526.46	790.28
Net loss on disposal of property, plant and equipment		36.67	-
Rates and taxes		356.03	433.06
Software expenses		0.35	0.18
Travelling & conveyance expenses		24.06	311.32
Printing & Stationery		0.69	0.20
Bank charges		5.75	0.28
Foreign exchange fluctuation loss		202.01	-
Contribution to Scientific Research Institution		95.00	75.00
Recognition of loss in inventory		29.24	
Director Fees		10.46	9.72
Loss Allowance on Receivables		62.50	56.48
Fair value loss on financial instrument at Fair value through profit and loss		-	232.69
General Expenses (Including travelling,telephone, etc.)		2,044.87	2,174.09
	C	**3,604.03**	**4,247.42**
	(A+B+C)	**17,947.79**	**14,407.60**

Details of Payments to Auditors

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
As auditor		
Audit Fee	33.38	27.89
	33.38	**27.89**

30. EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
Interest paid to others*	-	1,025.52
	-	1,025.52

**Includes interest paid pursuant to SEBI Order dated January 1, 2016, aggregating to INR 1025.52 Lakhs (net of interest capitalised in capital)*

31. RESEARCH AND DEVELOPMENT COSTS

The Company 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, 2018 INR 1,016.47 Lakhs (March 31, 2017: INR 1,072.65 Lakhs) details of which are as follows:

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
i. On Revenue Account :		
Manufacturing Expenses		
Stores, Spares & Tools consumed	138.55	74.19
Payments to and provision for employees		-
- Salaries, Wages, Bonus, Allowances, contribution to provident and other funds etc.	376.77	390.51
Other Expenses		
- Legal & Professional charges	102.04	260.85
- Other Expenses	399.11	347.10
Total	**1,016.47**	**1,072.65**
ii. On Capital Account	681.16	52.00
Total Research and Development Expenditure (i + ii)	**1,697.64**	**1,124.65**

32. EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	2017 - 2018	2016 -2017
(a) Basic earnings per share (INR)	**(5.16)**	(12.34)
(b) Diluted earnings per share	**(5.16)**	(12.34)
(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	**(1,908.20)**	(4,471.23)
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	**(1,908.20)**	(4,471.23)
Adjustments for calculation of Diluted earnings per share:	**-**	-
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**(1,908.20)**	(4,471.23)
(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	**36,954,224**	36,221,209
Adjustments for calculation of Diluted earnings per share:	**-**	-
Weighted average number of equity shares used as the denominator in calculating Diluted earnings per share	**36,954,224**	36,221,209

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)

Particulars	March 31, 2018			March 31, 2017		
	Current	Non Current	Total	Current	Non Current	Total
Leave Encashment	261.69	120.50	382.19	221.98	106.10	328.07
Gratuity	135.93	-	135.93	20.14	-	20.14
Total Employee Benefit Obligation	**397.62**	**120.50**	**518.12**	**242.11**	**106.10**	**348.21**

(i) Leave Encashment

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

The amount of the provision of INR 261.69 Lakhs (March 31, 2017: INR 221.98 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employement 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 April 1, 2016	1,390.97	1,365.10	25.87
Current service cost	135.12	-	135.12
Interest expense/(income)	105.57	105.03	0.53
Adjustment to Opening Fair Value of Plan Asset	-	(22.51)	22.51
Total amount recognised in profit or loss	**240.69**	**82.52**	**158.17**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	2.57	(2.57)
(Gain)/Loss from change in financial assumptions	77.96	-	77.96
Experience (gains)/losses	(155.83)		(155.83)
Total amount recognised in other comprehensive income	**(77.87)**	**2.57**	**(80.44)**
Employer contributions	-	83.47	(83.47)
Benefit payments	(142.78)	(142.78)	-
As at March 31, 2017	**1,411.02**	**1,390.88**	**20.14**
Current service cost	72.36	-	72.36
Past Service Cost -(vested benefits)	45.05	-	45.05
Interest expense/(income)	95.43	100.04	(4.61)
Adjustment to Opening Fair Value of Plan Asset	-	44.16	(44.16)
Total amount recognised in profit or loss	**212.84**	**144.20**	**68.64**
Remeasurements			
Retrun of plan assets, excluding amount included in interest (income)	-	2.23	(2.23)
(Gain)/Loss from change in financial assumptions	(58.07)	-	(58.07)
Experience (gains)/losses	187.93	-	187.93
Total amount recognised in other comprehensive income	**129.86**	**2.23**	**127.64**
Employer contributions	-	80.48	(80.48)
Benefit payments	(160.17)	(160.17)	-
As at March 31, 2018	**1,593.55**	**1,457.62**	**135.93**

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

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Present value of funded obligations	1,593.55	1,411.02	1,390.97
Fair value of plan assets	1,457.62	1,390.88	1,365.10
Deficit of funded plan	**135.93**	**20.14**	**25.87**
Unfunded plans	-	-	-
Deficit of gratuity plan	**135.93**	**20.14**	**25.87**

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

(₹ in Lakhs)

	March 31, 2018	March 31, 2017
Other Insurance Contracts (LIC of India) (100%)	1,457.62	1,390.88

The significant actuarial assumptions were as follows:

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest/ Discount Rate	7.67%	7.17%	8.00%
Rate of Increase in Compensation	4.00%	4.00%	4.00%
Expected average remaining service	14.08	14.35	13.91
Retirement age	60 Years	60 Years	60 Years
Emplyoee Attrition Rate	"Upto Age 45: 2% 46 and above: 1%"	"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, 2018 is shown below:

(₹ in Lakhs)

Assumptions	Discount rate		Salary escalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
March 31, 2018				
Impact on defined benefit obligation	(41.05)	184.30	183.74	(42.70)
% Impact	-2.58%	11.57%	11.53%	-2.68%
March 31, 2017				
Impact on defined benefit obligation	(92.86)	106.96	104.22	(92.84)
% Impact	-6.58%	7.58%	7.39%	-6.58%

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

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

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017
Expected Outgo First	276.22	221.98
Expected Outgo Second	182.24	219.40
Expected Outgo Third	144.92	235.21
Expected Outgo Fourth	194.96	234.37
Expected Outgo Fifth	166.88	247.23
Expected Outgo Six to Ten years	1,055.90	306.02
Total expected payments	**2,021.12**	**1,464.21**

The average duration of the defined benefit plan obligation at the end of the reporting period is 14.08 years (March 31, 2017: 14.35 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 contructive obligation. The expense recognised during the period towards defined contribution plan is INR 360.77 Lakhs (March 31, 2017: INR 343.41 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)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Property, plant and equipment	1,347.86	2,252.62	4,406.93

B. Contingent Liabilities

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
i) Excise duty,Service Tax and others (Excluding Interest and Penalty)	786.52	429.14	414.61
ii) Bank Guarantee	1,524.76	1,026.58	1,656.05
iii) Letter of Credits	4,394.34	754.90	1,841.56

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.

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 is demanding repayment of the financial assistance and the matter is presently under Arbitration. If the Arbitration Award goes against the Company, the Company will be required to repay INR 485 Lakhs plus applicable interest. The company is constantly following up with CSIR for concluding the arbitration, but there is no response from them.

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 and will continue till December 2019. Plants growth has been reported with detoxificaiton via bacterial assisted phytoremediation under progress. Hearing posted for 21st May 2018.

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

The Company has sold ENA to various customer 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 voluntered 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 / August of 2017 followed by reminders. However in view of differnce of opinion, GST Council has referred the matter to Advocate General of India for his opinion. GST Council is yet o communicate its decision on the matter as on date.

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

35. 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
	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)	
	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)	
	Paul Zorner (Non Executive Director - till September 21, 2017)	
	K V Raghavan (Independent Director - till 12th October, 2017)	
	Lakshmikantam Mannpalli (Additional Director - w.e.f November 28, 2017)	
	N. S. Khetan (Chief Financial Officer)	
	Swarna S Gunware (Company Secretary - w.e.f October 18, 2017)	
	Nishi Vijayvargia (Company Secretary - till October 13, 2017)	
	R Rangarajan (Director)	
	Prajesh Mistry (Director)	
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	2017 - 2018	2016 - 2017
The Book Centre Limited	Purchases	31.85	40.22
Pentokey Organy (India) Limited	Purchases	215.28	56.85
	Sales	194.68	-
K.J, Somaiya Institute of Applied Agricultural Research	Purchases	27.81	14.28
	Donation paid	95.00	75.00
Amrita Travel Private Limited	Purchases	24.06	34.10
Zenith Commercial Agency Private Limited	Purchases	7.85	40.06
Arpit Limited	Purchases	6.25	0.61
	Rent paid	1.41	1.03
	Sales	288.66	1,048.77
Somaiya Agencies Private Limited	Purchases	1.31	0.64
Jasmine Trading Co. Private Limited	Inter Corporate Deposits Received	-	375.00
	Inter Corporate Deposits Repaid	-	375.00
Jasmine Trading Co. Private Limited	Interest Paid on Inter Corporate Deposits	-	6.57
	Rent paid	109.75	99.29
Somaiya Properties & Investments Private Limited	Rent paid	68.14	61.05
Somaiya Chemicals Industries Private Limited	Rent paid	2.09	2.09
	Advance Given	35.00	-
K. J.Somaiya & Sons Private Limited	Rent paid	16.55	14.24
	Royalty paid	137.64	106.30
	Inter Corporate Deposits Received	-	250.00
	Inter Corporate Deposits Repaid	-	250.00
	Interest Paid on Inter Corporate Deposits	-	5.18
Filmedia Communications System Private Limited	Service Charges paid	7.22	6.17
Sakarwadi Trading Company Limited	Inter Corporate Deposits Received	-	175.00
	Inter Corporate Deposits Repaid	-	175.00
	Interest Paid on Inter Corporate Deposits	-	4.83
K.J.Somaiya Institute of Management Studies and Research	Training Expenses paid	7.04	7.58
Somaiya Vidyavihar	Donation paid	31.90	68.94
Samir S. Somaiya	Remuneration paid	203.65	202.40
	Loans and Advances Received	-	600.00
	Loans and Advances Repaid	-	600.66
	Purchases	15.47	16.56
	Sales	-	0.47
Vinay V. Joshi	Remuneration paid	75.23	61.27
Shrinivas N. Bableshwar	Remuneration paid	47.25	28.20
Mohan Somanathan	Remuneration paid	35.18	16.95
N S Khetan	Remuneration paid	61.07	56.16
Nishi Vijayavargia	Remuneration paid	8.64	10.76

R Rangarajan	Remuneration paid	21.82	55.15
Prajesh Mistry	Remuneration paid	79.62	49.79
Harinakshi Somaiya	Salary paid	5.01	5.01
	Purchases	0.89	1.76
Maya S. Somaiya	Purchases	2.60	5.33
Swarna S Gunware	Remuneration paid	3.50	-
Jayendra Shah	Director's fees paid	1.81	2.02
K V Raghavan	Director's fees paid	0.81	2.02
Kailash Pershad	Director's fees paid	2.81	2.42
Lakshmikantam Mannpalli	Director's fees paid	1.40	-
Dr. Preeti Rawat	Director's fees paid	1.00	0.81
Uday Garg	Director's fees paid	2.61	1.82
Werner Wutscher	Director's fees paid	0.03	0.20
Paul Zorner	Director's fees paid	-	0.44

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

(₹ in Lakhs)

Name	March 31, 2018	March 31, 2017	April 1, 2016
Trade Receivables			
Somaiya Properties & Investments Private Limited	0.03	-	-
Arpit Limited	28.85	13.14	23.70
Pentokey Organy (India) Limited	-	-	231.98
Trade Payables			
The Book Centre Limited	0.08	1.68	10.11
Somaiya Agency Private Limited	-	0.19	-
K.J.Somaiya & Sons Private Limited	4.21	-	-
K.J.Somaiya Institute of Management Studies and Research	1.26	0.56	-

(iv) Other Debit / (Credit) balances with related parties

(₹ in Lakhs)

Name	March 31, 2018	March 31, 2017
Samir S. Somaiya	(1.36)	(1.36)
Somaiya Chemicals Industries Pvt. Ltd.	35.00	-
Amrita Travel Private Limited	22.50	-

(v) Key management personnel compensation

(₹ in Lakhs)

Name	March 31, 2018	March 31, 2017
Director sitting fees	10.46	9.72
Short term employee benefits	535.95	480.68
Post-employment benefits	-	-
Other long term employee benefits	-	-
	546.41	**490.40**

The amount of post employment benefits and long term employee benefits cannot be separately identified from the composit figure advised by the actuary/valuer.

(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 576.62 Lakhs (March 31, 2017: INR 602.98 Lakhs). For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2017: 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.

36. 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 agrregated 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, 2018

(₹ in Lakhs)

Particulars	Sugar	Cogen	Chemicals	Distlliery	Interunit Transfer	Unallocated	Total
Revenue							
External customers	56,533.47	3,646.51	48,810.41	15,654.09	-	22.46	124,666.93
Inter-segment	7,852.48	6,574.86	7.14	-	(14,434.49)	-	-
Total revenue	**64,385.95**	**10,221.37**	**48,817.55**	**15,654.09**	**(14,434.49)**	**22.46**	**124,666.93**
Other Non Operating Income							
Other Income	202.18	-	172.98	-	-	260.20	635.36
	202.18		**172.98**	**-**	**-**	**260.20**	**635.36**
Total revenue	64,588.13	10,221.37	48,990.53	15,654.09	(14,434.49)		125,302.29
Segment Result							
Operating Profit Before Interest and Exceptional items	(980.52)	377.94	1,505.29	5,387.62	-	(161.35)	6,128.99
Interest and Exceptional items	-	-	-	-	-	8,834.17	8,834.17
Tax Expenses	-	-	-	-	-	(796.98)	(796.98)
Net Loss	-	-	-	-	-	-	**(1,908.20)**
Segment Asset	54,527.35	2,503.65	23,500.96	6,169.38	-	3,198.08	89,899.42
Capital assets including CWIP	32,565.57	11,009.39	16,833.86	13,685.95	-	1,050.26	75,145.03
Total Segment assets	**87,092.92**	**13,513.04**	**40,334.82**	**19,855.33**	**-**	**4,248.34**	**165,044.45**
Total Segment liabilities	**99,910.71**	**1,936.29**	**26,625.60**	**2,832.36**	**-**		**131,304.95**
Other disclosures							
Capital expenditure	465.86	581.35	453.13	8,147.28	-	695.34	10,342.97
Segment Depreciation	2,116.85	906.27	686.82	1,073.43	-	103.67	4,887.05
Non cash expenses other than Depreciation	(0.98)		36.50	1.15	-	-	36.67

Year ended March 31, 2017

(₹ in Lakhs)

Particulars	Sugar	Cogen	Chemicals	Distlliery	Interunit Transfer	Unallocated	Total
Revenue							
External customers	53,941.49	2,579.46	38,142.52	11,901.48	-	25.87	106,590.83
Inter-segment	7,728.89	3,947.74	34.97	-	(11,711.60)	-	-
Total revenue	**61,670.38**	**6,527.20**	**38,177.49**	**11,901.48**		**25.87**	**106,590.83**
Other Non Operating Income							
other income	258.67	24.78	56.82	0.73	-	331.93	672.93
Segment profit	258.67	24.78	56.82	0.73	-	331.93	672.93
Total revenue	61,929.05	6,551.98	38,234.31	11,902.21	-	-	107,263.75
Segment Result							
Operating Profit Before Interest and Exceptional items	713.53	(537.72)	1,157.95	1,799.06	-	(700.54)	2,432.28
Interest and Exceptional items	-	-	-	-	-	9,054.22	9,054.22
Tax Expenses	-	-	-	-	-	(2,150.71)	(2,150.71)
Net Loss	-	-	-	-	-	-	(4,471.23)
Segment Asset	39,943.33	2,155.30	19,681.52	4,188.60	-	969.33	66,938.08
Capital assets including CWIP	33,773.21	11,594.03	18,305.44	12,848.09	-	477.18	76,997.95
Total Segment assets	**73,716.54**	**13,749.33**	**37,986.96**	**17,036.69**	**-**	**1,446.51**	**143,936.05**
Total Segment liabilities	**83,143.99**	**3,075.24**	**20,838.62**	**2,356.61**	**-**	**-**	**109,414.46**
Other disclosures							
Capital expenditure	1,921.68	776.82	749.83	43.11	-	75.20	3,566.64
Segment Depreciation	2,558.98	834.21	888.85	623.80	-	91.21	4,997.05
Non cash expenses other than Depreciation	(0.77)	-	-	-	-	-	(0.77)

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 reconciliaitons 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.

(₹ in Lakhs)

	2017 - 2018	2016 - 2017
India	101,921.26	88,666.69
Outside India	22,745.67	17,924.14
	124,666.93	**106,590.83**

Revenue from Major Customers

Revenue from customers exceeding 10% of total revenue for the year ended March 31, 2018 and March 31, 2017 were as follows:

(₹ in Lakhs)

Name	March 31, 2018		March 31, 2017	
	Number of Customers	Revenue	Number of Customers	Revenue
Sugar	2	15,028.27	1	5,442.61
Cogen	4	3,222.91	2	2,509.99
Chemical	1	5,053.10	-	-
Distillery	1	7,500.02	1	8,321.80
		30,804.30		**16,274.40**

37. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

(₹ in Lakhs)

Particulars	Carrying Amount			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
FINANCIAL ASSETS						
Amortised cost						
Trade Receivables	13,962.10	6,175.07	9,262.93	13,962.10	6,175.07	9,262.93
Cash and Cash Equivalents	399.49	563.04	1,186.17	399.49	563.04	1,186.17
Other Bank Balances	4,044.91	3,206.84	2,446.49	4,044.91	3,206.84	2,446.49
Security Deposits	350.79	286.03	290.64	350.79	286.03	290.64
Other Financial Assets	767.20	474.37	188.15	767.20	474.37	188.15
FVTPL						
Investments in Preference Shares	0.01	0.01	0.01	0.01	0.01	0.01
Investments in Mutual Funds	-	5.82	4.16	-	5.82	4.16
Derivative financial assets	-	-	86.24	-	-	86.24
Total	**19,524.48**	**10,711.17**	**13,464.78**	**19,524.48**	**10,711.17**	**13,464.78**
FINANCIAL LIABILITIES						
Amortised cost						
Borrowings	94,431.97	90,710.82	79,231.33	94,431.97	90,710.82	79,231.33
Trade Payables	28,703.55	11,697.98	16,723.93	28,703.55	11,697.98	16,723.93
Other financial liabilities	4,999.63	4,044.58	4,061.37	4,999.63	4,044.58	4,061.37
FVTPL						
Derivative financial liabilities	59.28	147.27	-	59.28	147.27	-
	128,194.43	**106,600.65**	**100,016.63**	**128,194.43**	**106,600.65**	**100,016.63**

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.

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 determing 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, 2018 Fair value measurement using			Total	March 31, 2017 Fair value measurement using			Total
	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								
Quoted Mutual Funds	-	-	-	-	5.82	-	-	5.82
Investments in Preference Shares	-	-	0.01	0.01	-	-	0.01	0.01
Total Financial Assets	-	-	0.01	0.01	5.82	-	0.01	5.83
Financial Liabilities								
Derivatives - Foreign Exchange forward contract	-	59.28	-	59.28	-	147.27	-	147.27
Total Financial Liabilities	-	59.28	-	59.28	-	147.27	-	147.27

(₹ in Lakhs)

Particulars	April 1, 2016 Fair value measurement using Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Financial Assets				
Financial Investments at FVTPL				
Quoted Mutual Funds	4.16	-	-	4.16
Investments in Preference Shares	0.01	-	-	0.01
Derivatives - Foreign Exchange forward contract	-	86.24	-	86.24
Total Financial Assets	4.17	86.24	-	90.41

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.

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

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.

38. 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. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Exposure - Trade Receivables

(₹ in Lakhs)

Name	Past Due		Total
	Up to 6 Months	More than 6 Months	
As at March 31,2018	13,499.41	462.69	13,962.10
As at March 31,2017	5,940.77	234.30	6,175.07
As at April 1,2016	8,832.26	430.67	9,262.93

iii. Reconciliation of loss allowance provision - Trade receivables

(₹ in Lakhs)

Name	
Loss allowance on April 1, 2016	**53.58**
Changes in loss allowance	61.48
Loss allowance on March 31, 2017	**115.06**
Changes in loss allowance	29.62
Loss allowance on March 31, 2018	**144.68**

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 6,081.49 Lakhs (March 31, 2017: INR 5,122.83 Lakhs, April 1, 2016: INR 4,101.08 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 group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. 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 Maturitties of Financial Liabilities:

(₹ in Lakhs)

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31, 2018				
Non-derivatives				
Borrowings	94,431.97	80,566.63	13,074.53	790.80
Trade payables	28,703.55	28,703.53	-	-
Other financial liabilities	4,999.63	4,028.75	970.88	-
Total non derivative liabilities	**128,135.15**	**113,298.91**	**14,045.41**	**790.80**
Derivatives				
Foreign exchange forward contracts	59.28	59.28	-	-
Total derivative liabilities	**59.28**	**59.28**	**-**	**-**
March 31, 2017				
Non-derivatives				
Borrowings	90,710.82	74,618.10	14,511.11	1,581.60
Trade payables	11,697.98	11,697.98	-	-
Other financial liabilities	4,044.58	2,534.33	1,510.25	-
Total non derivative liabilities	**106,453.38**	**88,850.41**	**16,021.36**	**1,581.60**
Derivatives				
Foreign exchange forward contracts	147.27	147.27	-	-
Total derivative liabilities	147.27	147.27	-	-
April 1, 2016				
Non-derivatives				
Borrowings	79,231.33	59,290.67	17,568.25	2,372.40
Trade payables	16,723.93	16,723.93	-	-
Other financial liabilities	4,061.37	3,969.12	92.25	-
Total non derivative liabilities	**100,016.63**	**79,983.72**	**17,660.50**	**2,372.40**
Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-
Total derivative liabilities	**100,016.63**	**79,983.72**	**17,660.50**	**2,372.40**

(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 (INR). 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, 2018			
Trade Receivables	3,662.56	1,664.94	5,327.49
Trade Payables	(9,199.11)	(19.46)	(9,218.57)
Forward contracts for receivables	(93.21)	(1,531.12)	(1,624.33)
Forward contracts for payables	4,075.08	-	4,075.08
Net exposure to foreign currency risk	**(1,554.68)**	**114.36**	**(1,440.32)**
March 31, 2017			
Trade Receivables	1,890.23	1,214.91	3,105.14
Trade Payables	(6,066.34)	(17.76)	(6,084.10)
Forward contracts for receivables	(873.55)	(777.61)	(1,651.16)
Forward contracts for payables	5,077.16	-	5,077.16
Net exposure to foreign currency risk	**27.50**	**419.55**	**447.05**
April 1, 2016			
Trade Receivables	1,031.68	2,398.08	3,429.76
Trade Payables	(2,412.99)	-	(2,412.99)
Forward contracts for receivables	(976.84)	(2,348.92)	(3,325.75)
Forward contracts for payables	2,407.32	-	2,407.32
Net exposure to foreign currency risk	**49.17**	**49.17**	**98.34**

(b) Foreign currency sensitivity

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

(₹ in Lakhs)

	2017-18		2016-17	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(15.55)	15.55	0.27	(0.27)
EURO	1.14	(1.14)	4.20	(4.20)
Net Increase/(decrease) in profit or loss	**(14.40)**	**14.40**	**4.47**	**(4.47)**

(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. The management is responsible for the monitoring of the Company' interest rate position. Various variables are considered by the management in strucutring 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 31,2018	1	+ / (-)	15.17
For year ended March 31,2017	1	+ / (-)	9.78

39. CAPITAL MANAGEMENT

For the purpsoe 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, 2018	March 31, 2017	April 1, 2016
Borrowings	94,431.97	90,710.82	79,231.33
Trade payables	28,703.55	11,697.98	16,723.93
Other payables	4,999.63	4,044.58	4,061.37
Less: Cash and cash equivalents	(399.49)	(563.04)	(1,186.17)
Less: Other bank balance	(4,044.91)	(3,206.84)	(2,446.49)
Net Debt	**123,690.75**	**102,683.51**	**96,383.97**
Equity share capital	3,763.77	3,695.23	3,573.77
Other equity *	29,975.75	30,826.36	33,017.94
Total Equity	**33,739.51**	**34,521.59**	**36,591.71**
Total Equity and Net Debt	**157,430.27**	**137,205.10**	**132,975.68**
Gearing ratio *	**78.57**	**74.84**	**72.48**

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.

* Inculding Revaluation Reserves

40. EVENTS AFTER THE REPORTING PERIOD

At Sakarwadi there was fire in Croto Filling Shed on April 20, 2018. In this regard, company has filed a tentative claim of INR 500 Lakhs with Insurance company.

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, 2018	March 31, 2017	April 1, 2016
Principal amount due to suppliers under MSMED Act, 2006	-	-	-
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. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued in February 2016 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after April 1, 2018. The Company will adopt the new standard on the required effective date.

43. FIRST TIME ADOPTION OF IND AS

These are the Group's first Consolidated financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

1. Ind AS optional exemptions

i. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets covered by Ind AS 38 - Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value except for land which are measure at fair value on the date of transition.

ii. Cumulative translation differences

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with Ind AS 21 from the date a subsidiary or equity method investee was formed or acquired. The company elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

Ind AS 101 also permits to continue the accounting policy adopted under Indian GAAP for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. The company has elected to continue with the adopted policy for accounting of exchange differences on long term foreign currency monetory items existing at the period ended March 31, 2016.

iii. Estimates

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation

The estimates used by the company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS and as of March 31, 2017.

iv. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordinlgy, the classification and measurement of financial assets have been done on the basis of the facts and circumstances that existed at the date of transition and end of comparative year.

v. Government loans

A first-time adopter is required to apply the requirements in Ind AS 109 and Ind AS 20 prospectively to government loans existing at the date of transition to Ind AS. However, a first-time adopter may choose to apply the requirements of Ind AS 109 and Ind AS 20 to government loans retrospectively, if the information needed to do so had been obtained at the time of initially accounting for that loan. Accordingly, the measurement principals for government loans have been applied prospectively by the Company.

43. FIRST TIME ADOPTION OF IND AS

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

i. Reconciliation of equity as at date of transition (April 1, 2016)

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	1	46,841.06	23,727.24	70,568.30
(b) Capital Work-in-Progress		1,933.39	-	1,933.39
(c) Intangible Assets		0.80	-	0.80
(d) Investments		4.71	-	4.71
(e) Financial Assets				
(i) Investments		0.01	-	0.01
(ii) Other Financial Assets		267.60	-	267.60
(f) Other Non-Current Assets		3,015.76	-	3,015.76
		52,063.32	**23,727.24**	**75,790.56**
Current assets				
(a) Inventories		48,871.15	-	48,871.15
(b) Financial Assets				-
(i) Investments		4.16	-	4.16
(ii) Trade Receivables	4	9,441.97	(179.04)	9,262.93
(iii) Cash and Cash Equivalents		1,186.17	-	1,186.17
(iv) Bank Balances Other than (iii) above		2,446.49	-	2,446.49
(v) Other Financial Assets	10	211.19	86.24	297.43
(c) Other Current Assets		4,332.59	-	4,332.59
		66,493.72	**(92.79)**	**66,400.92**
TOTAL		**118,557.04**	**23,634.45**	**142,191.49**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		3,573.77	-	3,573.77
(b) Other Equity	7	10,716.02	22,301.91	33,017.94
		14,289.79	**22,301.91**	**36,591.71**
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	9	23,123.69	(3,183.02)	19,940.66
(ii) Other Financial Liabilities		15.13	-	15.13
(b) Provisions		92.25	-	92.25
(c) Deferred Tax liabilities (Net)	3	262.35	1,165.04	1,427.39
(d) Other Non-Current Liabilities	9	-	2,578.75	2,578.75
		23,493.42	**560.77**	**24,054.18**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		53,579.70	-	53,579.70
(ii) Trade Payables				
Micro, Small and Medium Enterprises				
Others	10	16,796.19	(72.26)	16,723.93
(iii) Other Financial Liabilities		9,757.22	-	9,757.22
(b) Other Current Liabilities	9	427.40	844.03	1,271.43
(c) Provisions		213.32	-	213.32
		80,773.82	**771.77**	**81,545.59**
TOTAL		**118,557.04**	**23,634.45**	**142,191.49**

ii. Reconciliation of equity as at March 31, 2017

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	1	45,410.51	23,727.24	69,137.75
(b) Capital Work-in-Progress		7,859.59		7,859.59
(c) Intangible Assets		0.63	-	0.63
(d) Investments accounted for using the equity method		4.71	-	4.71
(e) Financial Assets				
(i) Investments		0.01	-	0.01
(ii) Other Financial Assets		230.21	-	230.21
(f) Deferred Tax Asset (Net)	3	1,188.32	(486.31)	702.01
(g) Other Non-Current Assets		1,298.87	-	1,298.87
		55,992.84	**23,240.94**	**79,233.78**
Current assets				
(a) Inventories		50,072.25	-	50,072.25
(b) Financial Assets				
(i) Investments	2	5.00	0.82	5.82
(ii) Trade Receivables	4	6,350.34	(175.27)	6,175.07
(iii) Cash and Cash Equivalents		563.04	-	563.04
(iv) Bank Balances Other than (iii) above		3,206.84	-	3,206.84
(v) Other Financial Assets		530.19	-	530.19
(c) Other Current Assets		4,149.06	-	4,149.06
		64,876.72	**(174.45)**	**64,702.27**
TOTAL		**120,869.57**	**23,066.48**	**143,936.05**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		3,695.23	-	3,695.23
(b) Other Equity	7	7,857.87	22,968.49	30,826.36
		11,553.10	**22,968.49**	**34,521.59**
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	9	17,965.72	(1,873.00)	16,092.72
(ii) Other Financial Liabilities		14.76	-	14.76
(b) Provisions		106.10	-	106.10
(c) Other Non-Current Liabilities	9	-	1,389.42	1,389.42
		18,086.58	**(483.59)**	**17,603.00**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		68,548.81	-	68,548.81
(ii) Trade Payables				
Micro, Small and Medium Enterprises		-	-	-
Others	10	11,963.67	(265.69)	11,697.98
(iii) Other Financial Liabilities	10	10,099.11	147.27	10,246.38
(b) Other Current Liabilities	9	376.17	699.99	1,076.17
(c) Provisions		242.12	-	242.12
		91,229.89	**581.58**	**91,811.46**
			-	-
TOTAL		**120,869.57**	**23,066.48**	**143,936.05**

iii. Reconciliation of total comprehensive income for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	Notes	IGAAP	Ind-AS Adjustments	Ind-AS
REVENUE				
Revenue from operations (net)		100,788.13	5802.70	106,590.83
Other income	9, 10	395.88	277.05	672.93
Total Revenue (I)		**101,184.01**	**6079.75**	**107,263.76**
EXPENSES				
Cost of materials consumed		70,447.48	-	70,447.48
Purchases of stock-in-trade		1,979.86	-	1,979.86
Changes in inventories of finished goods, work-in-process and Stock-in-Trade		(199.08)	-	(199.08)
Excise duty on sale of goods	5	-	5,802.70	5,802.70
Employee benefits expense	6	7,315.44	80.44	7,395.88
Finance costs		8,028.69	-	8,028.69
Depreciation and amortization expense		4,997.05	-	4,997.05
Other expenses	4,10	14,118.43	289.17	14,407.60
Total Expenses (II)		**106,687.86**	**6,172.31**	**112,860.18**
Loss before exceptional items and tax (I-II)		**(5,503.84)**	**(92.56)**	**(5,596.42)**
Exceptional Items		1,025.52		1,025.52
Loss before tax		**(6,529.37)**	**(92.56)**	**(6,621.94)**
Tax expense:				
Current tax		-	-	-
Adjustment of tax relating to earlier periods		4.29		4.29
Deferred tax	3	(1,451.41)	(703.59)	(2,155.00)
Loss for the period		**(5,082.24)**	**611.03**	**(4,471.23)**
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	6	-	80.44	80.44
Income tax effect		-	(24.86)	(24.86)
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		71.41	-	71.41
Other Comprehensive income for the year, net of tax		71.41	55.58	126.99
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(5,010.84)**	**666.60**	**(4,344.24)**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

iv. Reconciliation of total equity as at March 31, 2017 and April 1, 2016

(₹ in Lakhs)

Particulars	Note	March 31, 2017	April 1, 2016
Total equity (shareholder's funds) as per previous GAAP		11,553.10	14,289.79
Adjustments:			
Fair Valuation of property, plant and equipment for deemed cost on date of transition (April 1, 2016) (Net of taxes)	1	22,514.88	22,514.88
Accounting for Government Grant	9	(216.41)	(239.76)
Expected credit loss on trade receivables	4	(90.03)	(33.55)
Fair valuation of derivative instruments	10	33.20	13.02
Fair valuation of investment	2	0.82	-
Effect of deferred tax on Ind AS adjustments	3	726.03	47.33
Total adjustments		**22,968.49**	**22,301.92**
Total equity as per Ind AS		**34,521.59**	**36,591.71**

v. Reconciliation of total comprehensive income for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	Note	March 31, 2017
Profit after tax as per previous GAAP		**(5,082.24)**
Adjustments:		
Accounting for Government Grant	9	23.35
Expected credit loss on trade receivables	4	(56.48)
Fair valuation of derivative instruments	10	20.19
Fair valuation of investment	2	0.82
Acturial (gain)/ Loss on employee defined benefit fund recognised in Other Comprehensive Income	6	(80.44)
Effect of deferred tax on Ind AS adjustments	3	703.59
Total adjustments		**611.03**
Profit after tax as per Ind AS		(4,471.23)
Other Comprehensive Income(Net of tax)	8	126.99
Total comprehensive income as per Ind AS		**(4,344.24)**

vi. Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017

There are no material adjustments to the Statement of Cash flows as reported under the previous GAAP.

C. Notes to first-time adoption:

Note 1: Property, Plant and Equipment

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 INR 22,514.88 Lakhs was recognised in property, plant and equipment. This amount has been recognised against retained earnings.

Note 2: Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2017.

Note 3: Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Also Under previous GAAP, tax expense in the consolidated financial statements was computed by performing line by line addition of tax expense of the parent and its subsidiaries. No adjustments to tax expense was made on consolidation. Under Ind AS, deferred taxes are also recognised on unrealised profits on transactions with subsidiaries and undistributed profits of joint ventures and associates.

Note 4: Loss allowance on Trade Receivables

Under Indian GAAP, the company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

Note 5: Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

Note 6: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Note 7: Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note 8: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 9: Government Grants

"Under Ind AS, below market interest rate borrowings from Government is treated as grant received from Government. The grants in the form of benefit of below market interest rate borrowings is recognised as the difference between the initial carrying amount of the borrowing in accordance with Ind AS 109 and the proceeds received. Subsequently, the benefit is recognised in the statement of profit and loss on a systematic basis over the period in which related costs are recognised.

Also, grant relating to fixed assets are recognised in the cost of the assets with corresponding credit to the deferred government grant on the liability side. The deferred grant is recognised in the statement of profit and loss in the ratio of depreciation charged on the asset over the useful life."

Note 10: Derivative Instruments

Foreign currency forward contracts, which were not accounted at fair value under Indian GAAP, has been accounted as derivative instruments as fair value through profit and loss under Ind AS. On the date of transition, these derivative contracts are fair valued on the date of transition with corresponding impact in retained earnings and subsequently in profit and loss for the comparative year.

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 43

As per our Report of even date attached

For **DESAI SAKSENA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 102358W

Alok Saksena
Partner
Membership No. 35170

Place : Mumbai
Date : 25th May, 2018

For and on behalf of the Board of Directors

Samir S. Somaiya
Chairman & Managing Director
DIN: 00295458

Vinay V. Joshi
Executive Director
DIN: 00300227

N. S. Khetan
Chief Financial Officer
Membership No: 37264

Swarna S Gunware
Company Secretary
(Membership No:32787)

Place : Mumbai
Date : 25th May, 2018

ANNEXURE to the Consolidated Financial Statements : Form AOC -1
Statement Containing Salient features of the Financial Statement of Subsidiaries , Joitn Ventures and Associates
Purusant to section 129(3) read with rules 5 of Companies (accounts) Rules, 2014.

Particulars	Solar Magic Pvt Ltd		Cayuga Investments B.V		Godavari Biorefineries B.V. **		Godavari Biorefineries Inc **	
	(WOS)		(WOS)					
Reporting period	**31st March, 2018**	**31st March, 2017**	**31st March, 2018**	**31st March, 2017**	**31st March, 2018**	**31st March, 2017**	**31st March, 2018**	**31st March, 2017**
Reporting Currency	INR	INR	EURO	EURO	EURO	EURO	USD	USD
Share Capital	34,500,000	34,500,000	100,192,450	30,192,450	98,178,571	89,602,666	10,267,665	10,267,665
Reserves & Surplus	(25,325,405)	(30,665,788)	11,655,072	53,507,813	(87,017,915)	(94,038,404)	(7,947,750)	(15,568,466)
Total Assets	180,432,726	116,060,457	112,325,027	84,125,782	10,802,630	53,525,518	7,655,752	5,380,313
Total Liabilities	180,432,726	116,060,457	112,325,027	84,125,782	10,802,630	53,525,518	7,655,752	5,379,922
Investments (included inTotal Assets)	-	-	-	-	-	-	-	-
Total Income (incl. Other income)	154,330,120	106,978,742	29,276,549	141,947	50,187,346	373,889,491	15,946,388	7,618,985
Profit/ (Loss)BeforeTax	4,475,452	(4,772,775)	25,979,434	(7,559,671)	8,939,235	(31,808,356)	9,639,761	1,281,423
Provision for Tax	-	-	-	-	-	-	2,010,849	-
Profit (Loss) after Tax	4,475,452	(4,772,775)	26,243,430	(7,559,671)	8,939,235	(31,808,356)	7,628,911	1,281,423
Proposed Dividend (incl.DividendTax)	-	-	-	-	-	-	-	-
Percentage of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

WOS - Wholly Owned Subsidiary
** Step Down Subsidiary being Subsidiary of Cayuga Investment B.V.

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Chemical Plant Bhoomi Pooja by Shri Govind Karjol, MLA Mudhol at 28th April, 2017

Godavari

Biorefineries Ltd

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