



RUCHI SOYA INDUSTRIES LIMITED

CIN : L15140MH1986PLC038536

Head Office :
301, Mahakosh House,
7/5, South Tukoganj,
Nath Mandir Road,
INDORE - 1 (M.P.) India
Phone : 4065012, 2513281-82-83
Fax : 91-731-4065019
E-mail : ruchisoya@ruchisoya.com

RSIL/2019

20th November, 2019

BSE Ltd.
Floor No. 25th
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Ltd.,
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (E),
Mumbai – 400 051

Dear Sir/Madam,

Sub. : Standalone Financial Statements of the Company for the period ended 31st August, 2019

In accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we submit herewith the Standalone Financial Statement of the Company which comprise the Balance Sheet as at 31st August, 2019, Statement of Profit & Loss, statement of changes in equity and Cash Flow for the period ended 31st August, 2019 with Statutory Auditors Limited Review Report for your information and records.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For **RUCHI SOYA INDUSTRIES LIMITED**


COMPANY SECRETARY

Encl: As above.

Ruchi Soya Industries Limited
Standalone Balance Sheet as at August 31, 2019

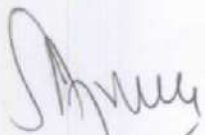
Special Purpose Financial Statements

₹ in Lakh

Particulars	Notes	As at August 31, 2019
I. ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	3	3,65,431.91
(b) Capital work-in-progress	3	2,976.97
(c) Intangible assets	4	1,51,584.93
(d) Financial Assets		
(i) Investments	5(a)	1,128.83
(ii) Loans	5(b)	3,526.03
(iii) Others	5(c)	961.98
(e) Other non-current assets	6	8,872.18
Total Non-current assets		5,34,482.83
(2) Current assets		
(a) Inventories	7	1,11,190.46
(b) Financial Assets		
(i) Investments	8(a)	1,664.56
(ii) Trade receivables	8(b)	27,404.57
(iii) Cash and cash equivalents	8(c)	42,669.99
(iv) Bank balances other than (iii) above	8(d)	22,049.93
(v) Loans	8(e)	110.03
(vi) Others	8(f)	571.58
(c) Other Current Assets	9	53,110.96
Assets Classified as held for Sale	10	367.56
Total Current assets		2,59,139.64
Total Assets		7,93,622.47
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	11	6,529.41
(b) Other Equity	12	(4,47,658.56)
Total Equity		(4,41,129.15)
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	13	1,557.72
(ii) Other financial liabilities	13(b)	12.41
(b) Other non-current liabilities	14	529.66
(c) Provision	15	685.18
Total Non-Current Liabilities		2,784.97
(2) Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	16(a)	7,27,980.20
(ii) Trade Payables		
(a) Total Outstanding due to Micro and small enterprises.	16(b)	414.12
(b) Total Outstanding due to creditors other than Micro and small enterprises.	16(b)	2,25,727.68
(iii) Other financial liabilities	16(c)	2,66,943.64
(b) Other current liabilities	17	10,547.86
(c) Provisions	18	180.15
Liabilities directly associated with assets classified as held for sale	19	173.00
Total Current liabilities		12,31,966.65
Total Equity and Liabilities		7,93,622.47

See accompanying Notes to the financial statements from 1 to 39

For Ruchi Soya Industries Limited



Shailendra Ajmera
Monitoring Agent




Anil Singhal
Chief Financial Officer



R. L. Gupta
Company Secretary

Place: Mumbai
Date: 09 November, 2019

Ruchi Soya Industries Limited

Statement Of Standalone Profit And Loss for the period ended August 31, 2019

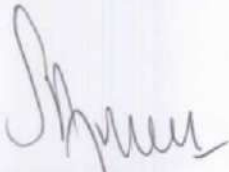
Special Purpose Financial Statements

₹ in Lakh

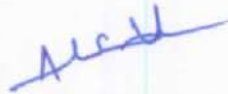
Particulars	Notes	For the period ended August 31, 2019
INCOME		
I Revenue from Operations	20	5,31,524.81
II Other Income	21	2,185.54
III Total Income (I+II)		5,33,710.35
IV EXPENSES		
Cost of materials consumed	22	4,45,869.58
Purchases of Stock-in-Trade	23	11,534.75
Changes in inventories of finished goods, work-in-progress and stock in trade	24	11,069.01
Employee Benefits Expense	25	6,676.73
Finance Costs	26	306.59
Depreciation and amortisation Expenses	27	5,645.07
Provision for Doubtful Debts, Advances, Bad Debts and Others	28	634.86
Other Expenses	29	44,806.20
Total Expenses (IV)		5,26,542.80
V Profit/(loss) before tax (III-IV)		7,167.55
VI Tax expense		-
VII Profit/(loss) for the period (V-VI)		7,167.55
VIII Other Comprehensive Income	30	
Items that will not be reclassified to statement of profit or loss		(476.67)
IX Total comprehensive income for the period (VII+VIII)		6,690.88
X Earnings per equity share of face value of ₹ 2 each		
Basic and Diluted earnings per share (Not Annualised)		
a Basic (in ₹)		2.20
b Diluted (in ₹)		2.20

See accompanying Notes to the financial statements from 1 to 39

For Ruchi Soya Industries Limited



Shailendra Ajmera
Monitoring Agent

Anil Singhal
Chief Financial Officer



R. L. Gupta
Company Secretary

Place: Mumbai
Date: 09 November, 2019



Ruchi Soya Industries Limited
Statement Of Standalone Changes in Equity (SOCIE) for the period ended on August 31, 2019

Special Purpose Financial Statements

a. Equity share capital

	August 31, 2019	
	No. of Shares	Amount
Balance at the beginning of the reporting year	3,341.01	6,682.01
Changes in Equity share capital during the period	-	-
	3,341.01	6,682.01
Less : 76,30,115 Treasury Equity Shares [Refer Note 11(g)]	76.30	152.60
Balance at the end of the reporting period	3,264.71	6,529.41

b. Other Equity

(i) As at August 31, 2019 [Refer Note 12]

₹ in Lakh

Particulars	Note Reference	Reserves and Surplus					Retained Earnings	Total
		Capital Redemption Reserve	Securities Premium account	General Reserve	Capital Reserve	Equity Instruments through Other Comprehensive Income		
Balance at the beginning of the reporting year		8,770.98	45,186.45	41,815.51	3,328.75	(9,591.29)	(5,43,859.84)	(4,54,349.44)
Profit/(Loss) for the period		-	-	-	-	-	7,167.55	7,167.55
Other Comprehensive Income for the period	30	-	-	-	-	(321.72)	(154.95)	(476.67)
Total comprehensive income for the period		-	-	-	-	(321.72)	7,012.60	6,690.88
Balance at the end of the reporting period		8,770.98	45,186.45	41,815.51	3,328.75	(9,913.01)	(5,36,847.24)	(4,47,658.56)

For Ruchi Soya Industries Limited


Shailendra Ajmera
 Monitoring Agent




Anil Singhal
 Chief Financial Officer


R. L. Gupta
 Company Secretary



Place: Mumbai
 Date: 09 November, 2019

Ruchi Soya Industries Limited
Statement of Standalone Cash flows for the period ended on August 31, 2019

Special Purpose Financial Statements

₹ in Lakh

Particulars	For the period ended August 31, 2019
(A) Cash flow from operating activities	
Profit/(Loss) before tax	7,167.55
Adjustments to reconcile profit before tax to net cash used in operating activities	
Depreciation and amortisation Expenses	5,645.07
Net Loss on Sale/Discard of Fixed Assets	28.40
Impairment on investments and Fair value adjustments (net)	57.58
Interest Income	(1,086.19)
Finance costs	306.59
Provision for Doubtful Debts, Loans and advances	634.86
Provision for Gratuity and compensated absences	7.88
Unwinding income of investment	(42.78)
Liabilities no longer required written back	(346.44)
Operating profit before working capital changes	12,372.52
Working capital adjustments	
(Increase)/ Decrease in inventories	14,894.67
(Increase)/ Decrease in trade and other receivables	1,782.34
Increase/ (Decrease) in trade and other payables	(7,140.84)
Cash generated from operations	21,908.69
Income Tax paid	(103.67)
Net cash flows from operating activities	21,805.02
(B) Cash flow from investing activities	
Payment for Purchase and Construction of Property, Plant and Equipment	(670.44)
Proceeds from sale of Property, Plant and Equipment	6.74
(Increase)/ Decrease in Other Balance with Banks	5,151.32
Interest income	894.94
Net cash flows from investing activities	5,382.56
(C) Cash flow from financing activities	
Finance Cost	(296.94)
Payment of Lease Liabilities	(22.97)
Net cash flows from financing activities	(319.91)
Net increase / (decrease) in cash and cash equivalents	26,867.67
Cash and cash equivalents at the beginning of the year	15,802.32
Cash and cash equivalents at the end of the period	42,669.99
Reconciliation of Cash and Cash equivalents with the Balance Sheet	
Cash and Bank Balances as per Balance Sheet [Note 8c]	
Cash in hand	55.04
Bank balances (including bank deposits)	42,614.95
Cash and Cash equivalents as restated as at the period end	42,669.99

Note: -

1 The above statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flow".

For Ruchi Soya Industries Limited

Shailendra Ajmera
 Monitoring Agent


Anil Singhal
 Chief Financial Officer


R. L. Gupta
 Company Secretary

 Place: Mumbai
 Date: 09 November, 2019

Note 1-2

1 CORPORATE INFORMATION

Ruchi Soya Industries Limited (the Company) is a Public Limited Company engaged primarily in the business of processing of oil-seeds and refining of crude oil for edible use. The Company also produces oil meal, food products from soya and value added products from downstream and upstream processing. The Company is also engaged in trading in various products and generation of power from wind energy. The Company has manufacturing plants across India and is listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company's registered office is at Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (E), Mumbai - 400065, Maharashtra. These special purpose financial statements have been prepared in order to ensure compliance with the terms of the resolution plan which requires preparation of statement of accounts as on effective date i.e. 6th September 2019. However, the accounting software SAP (ERP) of the Company cannot generate the Trial Balance and other requisite statements, required to prepare financial statements, on any date other than month end date. Accordingly, these financial statements have been prepared as on 31st August, 2019 which is the nearest month end date closest to the effective date

The accompanying special purpose financial statements which comprise the Balance Sheet as at 31st August, 2019 and the statement of Profit and Loss, statement of changes in equity and cash flows for the period then ended, including a summary of significant accounting policies and other explanatory information of the Company. These special purpose financial statements have been prepared with reference to the requirements of monitoring committee to prepare statement of accounts as on 31st August 2019. The special purpose financial statements are prepared in accordance with recognition and measurement principles given in Ind AS 34 and in accordance with generally accepted accounting principles in India. As these financial statements are prepared for special purposes no comparative figures are given in the special purpose financial statements and only significant accounting policies with relevant notes have been disclosed.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

a Statement of Compliance

The financial statement of the Company have been prepared to comply with Indian Accounting Standard including the rules notified under the relevant provisions of the Companies Act, 2013.

b Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All amounts have been rounded to the nearest lakh, unless otherwise indicated.

c Basis of Measurement

These financial statements have been prepared on a historical cost convention basis, except for the following:

- (i) Certain financial assets and liabilities that are measured at fair value.
- (ii) Assets held for sale- Measured at the lower of (a) carrying amount and (b) fair value less cost to sell.
- (iii) Net defined benefit plans- Plan assets measured at fair value less present value of defined benefit obligation.

Determining the Fair Value

While measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

d Use of Estimates and Judgement

The preparation of financial statements in accordance with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are known or materialised. The most significant estimates and assumptions are described below:

(i) Judgements

Information about judgements made in applying accounting policies that have the significant effect on amounts recognised in the financial statement are as below:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.



(ii) **Assumptions and Estimations**

Information about assumption and estimation uncertainties that have significant risk of resulting in a material adjustment are as below:

1 Impairment test 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 Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

2 Allowance for bad debts

The Management makes estimates related to the recoverability of receivables, whose book values are adjusted through an allowance for Expected losses/ Provision for Doubtful debts. Management specifically analyzes accounts receivable, customers' creditworthiness, current economic trends and changes in customer's collection terms when assessing the adequate allowance for Expected losses/ Provision for Doubtful debts, which are estimated over the lifetime of the debts.

3 Recognition and measurement of Provisions and Contingencies

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

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

4 Recognition of Deferred Tax Assets

The Management makes estimates as regards to availability of future taxable profits against which unabsorbed depreciation/ tax losses carried forward can be used.

5 Measurements of Defined benefit obligations plan

The Cost of the defined benefit plan and other post-employment benefits and the present value of such 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, mortality rates and attrition rate. 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.

6 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

7 Income Taxes

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the period in which such determination is made.

8 Useful lives of Property, plant and equipment

The Company has estimated its useful lives of Property Plant and Equipment based on the expected wear and tear, industry trends etc. In actual, the wear and tear can be different. When the useful lives differ from the original estimated useful lives, the Company will adjust the estimated useful lives accordingly. It is possible that the estimates made based on existing experience are different to the actual outcomes within the next financial period and could cause a material adjustment to the carrying amount of Property, Plant and Equipment.

e Current and non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- (a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Expected to be realised within twelve months after the reporting period, or
- (d) 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 classified as current when it is:

- (a) Expected to be settled in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Due to be settled within twelve months after the reporting period, or
- (d) 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.



(B) SIGNIFICANT ACCOUNTING POLICIES

a PROPERTY, PLANT AND EQUIPMENT:

(i) Recognition and measurement

Property, Plant and equipment are measured at cost (which includes capitalised borrowing costs) less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and depreciated accordingly.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of profit or loss.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

- (ii) On transition to Ind AS as on April 1, 2015 the Company has elected to measure certain items of Property, Plant and Equipment [Freehold Land, Building and Plant and Equipments] at Fair Value. For other Property, Plant and Equipment these are measure at cost as per Ind AS.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iv) Depreciation, Estimated useful life and Estimated residual value

Depreciation is calculated using the Straight Line Method, pro rata to the period of use, taking into account useful lives and residual value of the assets. The useful life of assets & the estimated residual value, which are different from those prescribed under Schedule II to the Companies Act, 2013, are based on technical advice as under:

Assets	Estimated useful lives	Estimated Residual Value
Building	3 to 84 years	5 Percent
Plant & Equipments	6 to 46 years	5 to 27 percent
Windmills	30 years	19 percent
Furniture and Fixture	5 to 10 years	As per Schedule II
Motor Vehicles	7 to 8 years	As per Schedule II

Depreciation is computed with reference to cost.

The assets residual value and useful life are reviewed and adjusted, if appropriate, at the end of each reporting period. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the statement of Profit and Loss.

b INTANGIBLE ASSETS

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(i) Recognition and measurement

Computer softwares have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses.

Acquired brands / Trademarks have indefinite useful life and as on transition date April 1, 2015 have been Fair valued based on reports of expert valuer. The same are tested for impairment, if any, at the end of each accounting period.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, when incurred is recognised in statement of profit or loss.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in statement of profit or loss. Computer software are amortised over their estimated useful life or 5 years, whichever is lower.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.



c Impairment of assets

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the statement of profit and loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

d FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options.

(i) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at Fair Value Through Other Comprehensive Income-[FVTOCI], or Fair Value Through Profit and Loss-[FVTPL] and
- those measured at Amortised Cost.[AC]

In case of investments

In Equity Instruments

- For subsidiaries, associates and Joint ventures - Investments are measured at cost and tested for impairment periodically. Impairment (if any) is charged to the Statement of Profit and Loss.
- For Other than subsidiaries, associates and Joint venture - Investments are measured at Fair value through Other Comprehensive Income [FVTOCI].

In Mutual fund

Measured at Fair value through Profit and Loss (FVTPL).

Guarantee Commission

Guarantees extended to subsidiaries, associates and Joint ventures are Fair Valued.

Debt instruments

The Company measures the debt instruments at Amortised Cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest [SPPI] are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of the hedging relationship, is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the Effective interest rate method.

Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from financial asset, or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset and has transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained the control of the financial asset. Where the Company retains the control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

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

- a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

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

- Trade receivables which do not contain a significant financing component.

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

- For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. Expected Credit Loss Model is used to provide for impairment loss.

(ii) Financial liabilities

Classification

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit and loss-[FVTPL]; and
- those measured at amortised cost. [AC]

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.



Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss [FVTPL]

Financial liabilities at fair value through profit or loss [FVTPL] include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to statement of profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised 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 recognised in the statement of profit or loss.

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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such 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.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

e INVENTORIES

Inventories are measured at the lower of cost and net realisable value after providing for obsolescence, if any, except for Stock-in-Trade [which are measured at Fair value] and Realisable by-products [which are measured at net realisable value]. The cost of inventories is determined using the weighted average method and includes expenditure incurred in acquiring inventories, production or conversion and other costs incurred in bringing them to their respective present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The comparison of cost and Net Realisable value is made on an item by item basis.

Net realisable value is estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to selling prices of finished products.

f CASH AND CASH EQUIVALENT

For the purpose of presentation in the statement of the cash flows, cash and cash equivalent includes the cash on hand, deposits held at call with financial institutions other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

g CONTRIBUTED EQUITY

Equity shares are classified as equity. Incidental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.



I Dividends

Provision is made for the amount of any dividend declared, being appropriately approved by shareholders, on or before the end of the reporting period but not distributed at the end of the reporting period.

II Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares, (excluding treasury shares).

(ii) Diluted earnings per share

Diluted earnings per share is calculated by dividing Profit/(Loss) attributable to equity holders (adjusted for amounts directly charged to Reserves) before/after Exceptional Items (net of tax) by Weighted average number of Equity shares (excluding treasury shares) considered for basic earnings per share including dilutive potential Equity shares.

h BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective interest method. Processing/Upfront fee are treated as prepaid asset netted off from borrowings. The same is amortised over the period of the facility to which it relates.

Preference shares are classified as liabilities. The dividends on these preference shares, if approved, by shareholders in the forthcoming Annual General Meeting, are recognised in profit or loss as finance costs, in the year when approved.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any non cash assets transferred or liability assumed, is recognised in Statement of profit or loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of liabilities for at least twelve months after the reporting period.

Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the same is classified as current unless the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as a consequence of the breach.

i TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid at the period end. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

j FOREIGN CURRENCY

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies of the Company at the exchange rate prevailing at the date of the transactions. Monetary assets (other than investments in companies registered outside India) and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Investments in companies registered outside India are converted at rate prevailing at the date of acquisition. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Difference on account of changes in foreign currency are generally charged to the statement of profit & loss except the following:

The Company has availed the exemption available under Para D13AA of Ind AS - 101 of "First time adoption of Indian Accounting Standards". Accordingly, exchange gains and losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such asset.

k Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services. The Company also derives revenue from power generation through wind energy.

In Compliance with Ind AS 20 on Government Grants and consequent to issuance of Education Material by The Institute of Chartered Accounts of India on Ind AS 115, the amount of export incentives have been reclassified from "Other Operating Revenue" to "Other Income".

(i) Sale of Goods/ Services

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and receivable is recognized when it becomes unconditional.

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and claims, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.



Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

(ii) Other Operating Revenue

Income from sale of wind power is recognised on the basis of units wheeled during the period. Incomes from carbon credits are recognised on credit of Carbon Emission Reduction (CER) by the approving authority in the manner in which it is unconditionally available to the generating Company.

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit or loss after due consideration of certainty of utilization/receipt of such incentives.

(iii) Other Income

Other income is comprised primarily of interest income, dividend income, gain/loss on investments and gain/loss on foreign exchange and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Claims for export incentives/ duty drawbacks, duty refunds and insurance are accounted when the right to receive payment is established.

I GOVERNMENT GRANTS

(i) 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 the attached conditions.

(ii) Government grant relating to purchase of Property, Plant and Equipment are included in "Other current/ non-current liabilities" as Government Grant - Deferred Income and are credited to Profit or loss on a straight line basis over the expected life of the related asset and presented within "Other operating Income".

m EMPLOYEE BENEFITS

(l) During Employment benefits

(a) Short term employee benefits

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

(b) Share-based payment transactions

Equity settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimate, if any, is recognised in Statement of profit and loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserves.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(ii) Post Employment benefits

(a) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which a Company pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered Provident Fund scheme.

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(b) Defined benefit plans

The Company pays gratuity to the employees who have completed five years of service with the company at the time when employee leaves the Company. The gratuity is paid as per the provisions of Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post employment are charged to Other Comprehensive Income.

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of reporting period are discounted to the present value.

n INCOME TAXES

Income tax expense comprises current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in the other comprehensive income or in equity.

(l) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or subsequently enacted at the Balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



(ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax is recognised to the extent that it is probable that future taxable profit will be available against which they can be used.

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

Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Company.

o **BORROWING COSTS**

General and specific Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation. All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

p **LEASES**

(i) **Determining whether an arrangement contains a lease**

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

As a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

A lease for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

q **Non- Current assets held for sale:**

Non Current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their (a.) carrying amount and (b.) fair value less cost to sell. Non current asset are not depreciated or amortised while they are classified as held for sale.



r Provisions and contingent liabilities

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

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

s Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker.

t Biological Assets

Biological Assets are measured at fair value less costs to sell, with any changes therein recognised in the Statement of Profit & Loss.



Note - 3

Property, plant and equipment

Particulars	₹ in Lakh										
	Freshhold land	Lease Hold Land	Buildings [Refer Note 3a (iii) below]	Plant & Equipment [Refer Note 3a (iii) below]	Windmills	Furniture & Fixtures	Vehicles	Office Equipments	Right to use	Total	Capital work-in-progress
A. Period ended August 31, 2019											
Gross carrying amount											
Opening gross carrying amount as at 1 April, 2019	1,60,661.55	1,430.81	60,065.86	1,63,610.04	55,067.75	1,643.08	1,711.33	3,606.36	-	4,47,796.78	2,691.30
Add : Additions	-	-	17.97	137.32	-	0.87	-	52.22	85.13	293.51	531.65
Less : Disposals	-	-	2.50	43.02	-	0.21	4.78	27.33	-	77.84	-
Less : Transfers	-	-	-	-	-	-	-	-	-	-	245.98
Closing gross carrying amount	1,60,661.55	1,430.81	60,081.33	1,63,704.34	55,067.75	1,643.74	1,706.55	3,631.25	85.13	4,48,012.45	2,976.97
Accumulated depreciation and impairment											
Opening accumulated depreciation and impairment as at 1 April, 2019	-	410.20	9,452.51	39,909.11	20,939.59	1,371.77	1,548.47	3,357.02	-	76,988.67	-
Add : Depreciation charge during the period	-	11.97	888.96	3,852.26	771.06	29.63	23.28	38.43	18.98	5,634.57	-
Less : Disposals/ Adjustments	-	-	0.41	11.76	-	0.15	4.60	25.78	-	42.70	-
Closing accumulated depreciation and impairment	-	422.17	10,341.06	43,749.61	21,710.65	1,401.25	1,567.15	3,369.67	18.98	82,580.54	-
Net carrying amount	1,60,661.55	1,008.64	49,740.27	1,19,954.73	33,357.10	242.49	139.40	261.58	66.15	3,65,431.91	2,976.97

Note 3a

(i) Property Plant and Equipment include assets having carrying value of ₹ 16,107.07/- Lakh representing plant & equipments and building which are not wholly used. The Company is in the process of finding alternate use of such assets.
(ii) Buildings include ₹ 0.02/- Lakh being cost of Shares in Co-operative Societies. Title deeds in respect of shares amounting to ₹ 0.01/- Lakh are in the process of transfer.

(iii) Assets Given on lease

Particulars	₹ in Lakh		
	Buildings	Plant & Equipment	Total
A. Period ended August 31, 2019			
Gross carrying amount			
Opening gross carrying amount as at 1 April, 2019	4.35	3.18	7.53
Additions	-	-	-
Closing gross carrying amount	4.35	3.18	7.53
Accumulated depreciation and impairment			
Opening accumulated depreciation and impairment as at 1 April, 2019	0.04	0.47	0.51
Depreciation charge during the period	0.06	0.07	0.13
Closing accumulated depreciation and impairment	0.10	0.54	0.64
Closing net carrying amount	4.25	2.64	6.89



Note - 4
Intangible assets

₹ in Lakh

Particulars	Trade Marks/ Brands	Computer Software	Total
A. Period ended August 31, 2019			
Gross carrying amount			
Opening gross carrying amount as at 1 April, 2019	1,51,584.00	1,403.38	1,52,987.38
Additions	-	6.13	6.13
Closing gross carrying amount	1,51,584.00	1,409.51	1,52,993.51
Accumulated amortisation			
Opening accumulated amortisation	36.00	1,362.08	1,398.08
Amortisation charge during the period	-	10.50	10.50
Closing accumulated amortisation	36.00	1,372.58	1,408.58
Closing net carrying amount	1,51,548.00	36.93	1,51,584.93



₹ in Lakh

As at
August 31, 2019

Note - 5a

FINANCIAL ASSETS

Non-Current Financial Investments

Investments In Subsidiaries and Joint Ventures (Measured at cost) [Refer Note 5a - D(a) below]

A Investment in Equity Instruments: (fully paid up)

**a) In Subsidiary companies
- Unquoted**

i) 99,40,700 Equity Shares of ₹10/- each fully paid in Ruchi Worldwide Limited	-
ii) 60,00,000 Equity Shares of USD 1 each fully paid up in Ruchi Industries Pte Limited	-
iii) 28,543 Equity Shares of 1,000 United Arab Emirates Dirhams (AED) each fully paid up in Ruchi Ethiopia Holdings Limited	-
iv) 10,000 Equity Shares of ₹10/- each fully paid up in Mrig Trading Private Limited	1.00
v) 60,60,000 Equity Shares of ₹10/- each fully paid in RSIL Holdings Private Limited	348.10

b) In Joint Venture

22,060 Equity Shares of ₹10/- each fully paid in Ruchi J-Oil Private Limited (under liquidation)	154.26
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c) Investments in Other Entities

Investment in Limited Liability Partnership (LLP)	-
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Total 503.36

**B Investment in Equity Instruments - Other than in Subsidiary, Associate and Joint Venture companies
(Designated at Fair value through Other Comprehensive Income (FVTOCI) [Refer Note 30 (A) 1 (ii)]**

a) Quoted

i) 8,83,500 Equity Shares of ₹10/- each fully paid up in National Steel & Agro Industries Limited	15.29
ii) 4,00,000 Equity Shares of ₹10/- each fully paid up in Anik Industries Limited	33.20
iii) 2,73,24,239 Equity Shares of ₹1/- each fully paid up in Ruchi Infrastructure Limited	535.55
iv) 17,71,700 Equity Shares of ₹10/- each fully paid up in Ruchi Strips & Alloys Limited	33.14
v) 1,19,300 Equity Shares of ₹10/- each fully paid up in Sarthak Global Limited	6.20
vi) 1,80,000 Equity Shares of ₹ 2/- each fully paid up in Blue Chip India Limited	0.59
vii) 35,000 Equity Shares of ₹10/- each fully paid up in Sharadraj Tradelink Limited	-
viii) 21,500 Equity Shares of ₹10/- each fully paid up in Hereld Commerce Limited	0.41

b) Unquoted

i) 25,000 Equity shares of ₹10/- each fully paid-up in Ruchi Infotech Limited	-
ii) 6,00,000 Equity shares of ₹10/- each fully paid-up in Ruchi Acroni Industries Limited	-
iii) 35,000 Equity shares of ₹10/- each fully paid-up in E-DP Marketing (P) Limited [Formerly known as E-Ruchi Marketing (P) Limited]	-
iv) 16,100 Equity Shares of ₹10/- each fully paid up in National Board of Trade Private Limited	-

Total 624.38



₹ in Lakh

Note - 6

As at
August 31, 2019

Other non-current assets

Unsecured, considered good (unless otherwise stated)

Capital Advances	395.48
Other loans and Advances	
-Advance Income-Tax including tax deducted at source (Net of Provisions)	4,042.83
-Deposits paid under Protest	4,241.57
-Prepaid expenses	192.30
	<u>8,872.18</u>

₹ in Lakh

Note - 7

As at
August 31, 2019

Inventories

(As valued and certified by the Management)

(At lower of cost and net realisable value except for stock-in-trade measured at fair value and realisable by-products at net realisable value)

a) Raw Materials (including packing material)	
Goods in transit	2,930.01
others	57,565.14
b) Work-in-progress	487.28
c) Finished goods	
Goods in transit	371.80
others (Net of Provision for write down of Inventory)	40,234.18
d) Stock- in- Trade (in respect of goods acquired for trading) [Refer Note (i) below]	47.27
e) Realisable by-products	2,133.77
f) Stores and Spares	5,068.57
g) Consumables	2,352.44
	<u>1,11,190.46</u>

Note:

(i) The following inventories are measured at Fair Value

(₹ In Lakh)

August, 2019

Particulars	Fair Value
Stock-in-trade	47.27

Valuation Techniques : Stock-in-Trade are measured at fair value are based on quotations of Commodity Exchange (NCDEX), as well as quotations from Solvent Extractor's Association of India (Non Government Organisation) recognised by Ministry of Agriculture, Government of India.

₹ in Lakh

Note - 8a

As at
August 31, 2019

Current investments

A Investments in Mutual Funds measured at fair value through Profit and Loss [FVTPL]

Quoted

i) 1,00,000 Units of SBI Magnum Multicap fund- Growth of ₹10 each.	47.20
ii) 60,681.871 Units of SBI Magnum Equity Fund -Regular plan- Growth of ₹ 42.97 each.	61.96
iii) 50,000 Units of SBI Infrastructure Fund-Regular plan Growth of ₹10/- each	7.20
iv) 774.446 Units of PNB Principal Emerging Blue Chip Fund - Regular plan Growth of ₹ 21.68/- each.	0.73

B Investment in Preference Shares measured at Amortised cost

Unquoted

10,46,435 6% Non Cumulative, Non Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up in GHI Energy Private Limited	774.03
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C Investment in Government or Trust securities measured at Amortised Cost [AC]

Unquoted

National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	8.37
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D Investments in Unquoted share measured at fair value through Profit and Loss [FVTPL]

4,40,050 Equity Shares of ₹10/- each fully paid up in GHI Energy Private Limited	765.07
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TOTAL 1,664.56



Note - 8b	₹ in Lakh
	As at August 31, 2019
Trade Receivables	
Considered good- Unsecured	28,801.11
Considered having significant increase in credit risk	-
Credit impaired	6,54,495.49
	<u>6,83,296.60</u>
Less: Allowance for credit impaired/Expected credit loss	6,55,892.03
	<u><u>27,404.57</u></u>

Note - 8c	₹ in Lakh
	As at August 31, 2019
Cash and cash equivalents	
Balances with Banks	
i) In Current Accounts	5,907.78
ii) In Deposit Accounts with less than or equal to 3 months maturity	36,707.17
Cash in hand	55.04
	<u>42,669.99</u>

Note :
(a) Confirmations from banks (current, term deposits and earmarked dividend account) in respect of bank balances aggregating to debit balances of ₹ 44,026.74/- Lakh have not been received from the banks.

Note - 8d	₹ in Lakh
	As at August 31, 2019
Bank balances Other than cash and cash equivalents above	
Earmarked Unclaimed Dividend Accounts [Refer Note 8c (a)]	17.31
In Current Accounts [Refer Note (i) Below]	0.95
In Deposit Accounts [Refer Note 8c (a)]	
Original Maturity less than or equal to 3 months	
- Against Margin Money [Under lien] [Refer Note (i) Below]	20,511.33
More than 3 months but less than or equal to 12 months maturity	
- Against Margin Money [Under lien]	1,256.61
- Others	263.73
	<u>22,049.93</u>

Note :
(i) Deposits with bank includes Earnest money deposit and Performance deposit aggregating to ₹ 20,025.00/- Lakh received from successful resolution applicant.

Note - 8e	₹ in Lakh
	As at August 31, 2019
Loans	
Unsecured, considered good	
Security and Other Deposits	6.35
Loans to Related parties	3.35
Loan to employees	100.33
	<u>110.03</u>



Note - 8f

Other Financial assets

	₹ in Lakh As at August 31, 2019
Unsecured considered good	
Interest Accrued but not due	
On Fixed Deposits with Banks	371.53
On Other deposits	2.05
Derivative Assets	
- Commodity Contracts	198.00
	<u>571.58</u>

Note - 9

Other Current Assets

	₹ in Lakh As at August 31, 2019
a) Advances recoverable in cash or in kind or for value to be received	
Unsecured- Considered good	20,271.00
Unsecured- Credit impaired	49,327.47
	<u>69,598.47</u>
Less: Allowance for credit impaired	49,327.47
	<u>20,271.00</u>
b) Gratuity excess of Planned assets over obligations	171.20
c) Balances with government authorities	22,878.62
d) Other Receivables	9,385.24
e) Prepaid expenses	404.90
	<u>53,110.96</u>

Note - 10

Assets Classified as held for Sale

	₹ in Lakh As at August 31, 2019
Property, Plant & Equipment [Refer Note 3]	357.56
Other Advances	10.00
	<u>367.56</u>

Note:

The Company has entered into an agreement on December 5, 2016 to sale 18.1890 acres land situated at Taluka Alibag, District Raigad for consideration of ₹ 345.77/- Lakh. As per the terms of the agreement, the Company is required to bear the conversion expenses upto ₹ 3.75/- Lakh per acre and also carry out certain improvements over the said land which shall be reimbursed by the purchaser. The Company has received part of the consideration by way of advance payment. The Company has also entered into contract for the purpose of undertaking the improvements agreed upon and paid an advance to the contractor. The land agreed to sold and the advances paid for improvement are classified as Assets Classified as held for sale [Refer Note 10] and the amount of advance received from the buyer has been classified as Liabilities directly associated with assets classified as held for sale [Refer Note 19].



₹ in Lakh
As at
August 31, 2019

Note - 11

Equity share capital

(a) Authorised

i) Equity Shares

1,01,02,50,000 of face value of ₹2/- each

20,205.00

ii) Cummulative Redeemable Preference Share

51,00,000 of face value ₹100/- each

5,100.00

25,305.00

(b) Issued, Subscribed and paid-up

Equity Shares

33,41,00,722 of face value of ₹2/- each fully paid-up [Refer Note (a) of SOCIE]

6,682.01

Less: 76,30,115 Treasury Equity Shares [Refer Note 11(g)]

152.60

6,529.41

(c) Rights, Preferences and Restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Lock in Restrictions

None of the shares are subject to lock in restrictions.

(e) Details of shares held by shareholders holding more than 5% shares in the Company.

Particulars	August 31, 2019	
	No. of Shares	%
EQUITY SHARES		
Soyumm Marketing Private Limited	4,25,35,159	12.73%

(f) For reconciliation of number of shares outstanding at the beginning and at the end of the year - [Refer Note (a) of SOCIE.]

(g) Pursuant to Schemes u/s. 391-394 ,of then applicable The Companies Act, 1956 approved by the Hon'ble High Court of judicature at Mumbai and Delhi in an earlier year, 76,30,115 Equity shares of the Company are held by a Trust for the benefit of the Company and its successor. The investment Cost of acquisition of these treasury shares have been netted of from the Equity Shares Capital and Securities premium account as per the provisions of Ind AS.



Note - 12

₹ in Lakh

As at

August 31, 2019

Other Equity

A	Capital Redemption Reserve	8,770.98
B	Securities Premium Account	45,186.45
C	General Reserve	41,815.51
D	Capital Reserve	3,328.75
E	Equity Instruments through Other Comprehensive Income [Refer Note 30 (A) I (ii)]	(9,913.01)
F	Retained Earnings	(5,36,847.24)
	TOTAL	(4,47,658.56)
A	Capital Redemption Reserve	
	Balance as at the beginning of the year	8,770.98
	Add/Less: Movement during the period	-
	Balance as at the end of the period	8,770.98
B	Securities Premium Account	
	Balance as at the beginning of the year	45,186.45
	Add/Less: Movement during the period	-
	Balance as at the end of the period	45,186.45
C	General Reserve	
	Balance as at the beginning of the year	41,815.51
	Add/Less: Movement during the period	-
	Balance as at the end of the period	41,815.51
D	Capital Reserve	
	Balance as at the beginning of the year	3,328.75
	Add/Less: Movement during the period	-
	Balance as at the end of the period	3,328.75
E	Equity Instruments through Other Comprehensive Income [Refer Note 30 (A) I (ii)]	
	Balance as at the beginning of the year	(9,591.29)
	Add/Less: Movement during the period	(321.72)
	Balance as at the end of the period	(9,913.01)
F	Retained Earnings	
	Balance as at the beginning of the year	(5,43,859.84)
	Add: Net Profit/(Loss) for the period	7,167.55
	Less:	
	- Remeasurement of the defined benefit plans through other comprehensive income [Refer Note 30 (A) I (i)]	154.95
	Balance as at the end of the period	(5,36,847.24)
		(4,47,658.56)

G NATURE AND PURPOSE OF RESERVES

- (i) **Capital Redemption Reserve**
Capital Redemption Reserve was created out of profits of the Company for the purpose of redemption of shares.
- (ii) **Securities Premium Account**
Securities Premium account is created on recording of premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- (iii) **General Reserve**
The same is Created out of Surplus profits transferred as per the provisions of the Act, it is utilised as per provisions of the Act.
- (iv) **Capital Reserve**
Capital Reserve amounting to ₹ 3,228.75/- Lakh was created on :
a) amalgamation with Palm tech India Ltd by ₹ 1,087.07/- Lakh, and
b) On 3,53,25,000 share warrants issued in an earlier year to the promoter/promoter group on preferential basis by ₹ 2,241.69/- Lakh. Holders of 64,00,000 warrants exercised the option and were allotted equity shares during the year. Holders of balance 2,89,25,000 warrants did not exercise their option which was further lapsed, on expiry on 18 months from the date of issue of warrants. Consequently, the amount of ₹ 2,241.69/- Lakh paid by these warrant holders were forfeited and transferred to capital reserve.
- (v) **Equity Instruments through Other Comprehensive Income**
The company has elected to recognise changes in fair value of certain class of investments in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted on derecognition of investment.
- (vi) **Retained Earnings**
The same is created out of profits over the years and shall be utilised as per the provisions of the Act.



Note - 13

Borrowings

A	Term Loans from Banks [Refer Note D (I), (ii) and E below]	
	Secured	
	- Rupee Loans	
	- Foreign Currency Loans	
B	Deferred payment liabilities	
	Unsecured	
	- Deferred Sales Tax Liability [Refer Note F below]	1,389.99
C	Cumulative Redeemable Preference Shares [Refer Note G below]	
	Unsecured	
	2,00,000 of face value of ₹ 100/- each fully paid-up	167.73
		1,557.72

D (I)	Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	August 31, 2019
	Rupee Loans					
	Term loan from State Bank of India	MCLR +11.60% p.a.	a) Secured by first exclusive charge on movable and immovable fixed assets of the Company's unit located at Village Bhuvad, Tehsil Anjar, District Kutch, Gujarat. b) Collateral Second charge over the entire current assets including stocks of raw material and finished goods, receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Company.	2018-2019	Repayable in 20 equal quarterly installments (commenced from March 2014) of the sanctioned amount of ₹ 6,500 lakh.	2,949.77
	Corporate Loan IV from State Bank of India	MCLR + 11.60% p.a.	a) Secured by an Extension of exclusive first charge on movable and immovable fixed assets located at Shriganganagar (Rajasthan), Kota (Rajasthan) and Chennai (Tamil Nadu) and extension of first pari passu charge on movable and immovable fixed assets located at Haldia (West Bengal), Mangalore (Karnataka) Patalganga & Nagpur (Maharashtra), and Mangliya (Madhya Pradesh) and b) Collateral Second charge over the entire current assets including stocks of raw material and finished goods receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Company.	2017-2018	Repayable in 20 equal quarterly installments (commenced from June 2013) of the sanctioned amount of ₹ 30,000 lakh.	10,381.91
	Corporate Loan V from State Bank of India	MCLR + 11.60% p.a.	a) Secured by first exclusive charge/extension of exclusive charge on movable and immovable fixed assets of the Company's unit located at Shriganganagar A 69-70 & C 366-367, RIICO Udyog Vihar, Kota RIICO Industrial Area Bundi, Chennai Kannigalpur Village, Talahvali Chanda Mangliya village Indore, Mangliya b) Secured by Extension of first pari passu charge on movable and immovable fixed assets of the Company's unit located at Haldia, Mangalore Bikampady Industrial Area, Patalganga & Nagpur. Collateral Security : Second charge over the entire current assets including stocks of raw material and finished goods, receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Company.	2018-19	Repayable in 20 quarterly installments (commenced from June 2014) of sanctioned amount of ₹ 30,000 lakh out of that first four installment shall be of ₹ 1,000 lakh each, next twelve installments shall be of ₹ 1,500 lakh each, and last four installment shall be of ₹ 2,000 lakh each.	19,656.79
	Term loan from State Bank of India	MCLR +11.60% p.a.	Secured by a hypothecation of (a) Wind power receivables of the Company against supply of power from the 22.50 MW wind power project at Palsodi, Ratlam, Madhya Pradesh to MP Power trading Co. Limited and 2.50 MW Wind power project at Shinband, Dhule, Maharashtra to Maharashtra state electricity distribution Company Limited and (b) The movable fixed assets of the company relating and pertaining to the 22.50 MW wind power project at Palsodi, Ratlam, Madhya Pradesh and 2.50 MW windpower project at Shindbad, Dhule, Maharashtra.	2025-26	Repayable in 40 equal quarterly installments (commenced from June 2015) of sanctioned amount of ₹ 6,000 lakh	4,173.45
	Foreign Currency Loans					
	ECB II in foreign currency from DBS Bank Ltd.	LIBOR 6 months + 490 bps p.a.	Secured by a first charge over the fixed assets, both present and future, of manufacturing Refinery unit(s) at Kandla (Gujarat).	2016-17	Repayable in 6 semi annual installments (commenced from September, 2014) of 13%, 13%, 13%, 13% 24% & 24% of sanctioned amount of USD 200 lakh.	6,728.79
	ECB III in foreign currency from DBS Bank Ltd.	LIBOR 6 months + 570 bps p.a.	Secured by a first charge over the fixed assets, both present and future, of manufacturing units at Guna (Madhya Pradesh), Daloda (Madhya Pradesh), Baran (Rajasthan), Gadarpura (Madhya Pradesh) and Refinery unit(s) at Kandla (Gujarat).	2017-18	Repayable in 5 semi annual installments (commenced from March, 2016) of 16.66%, 20%, 20%, 20% & 23.34% of sanctioned amount of USD 300 lakh.	17,522.91
	ECB III in foreign currency from Standard Chartered Bank	LIBOR 3 months + 540 bps p.a.	Secured by first and exclusive charge on movable fixed assets, both present and future, of refinery at Kakinada (Andhra Pradesh).	2016-17	Repayable in 18 quarterly installments (commenced from June, 2012) of sanctioned amount of USD 158.95 lakh.	3,486.09
	Long Term Maturity Of Finance Lease Obligation					
	Vehicle Loan from HDFC Bank	9.51% p.a.	Hypothecation of vehicles aquired out of the said loan	2018-19	Repayable in 60 equal monthly installments (commenced from July 2013) of the sanctioned amount of ₹ 81 lakh.	12.47
	Total Non Current Borrowing					64,912.18
	Classified under					
	Long term debts classified under other financial liabilities [Refer Note 16 (c)]					57,476.73
	Current maturities of finance lease obligations [Refer Note 16 (c)]					12.47
	Interest accrued [Refer Note 16 (c)]					7,422.98
	Non-current borrowings as per balance sheet					
	BBR- Bank Base Rate					
	MCLR-Marginal cost of funds based lending Rate					
	LIBOR-London Interbank Offered Rate					

(ii) The Company has not satisfied debt covenants as prescribed in the bank agreements, hence the said borrowings are classified under Other current financial liabilities under Note 16 c.



E The Company has defaulted in repayment of the loans which remained outstanding, are as follows:

₹ in Lakh

Particulars of Loans	Amount of continuing default as on August 31, 2019		Due date for payment
	of Principal Amount	of Interest accrued up to 15th December, 2017	
Corporate Loan IV from State Bank of India	8,992.62	1,382.29	As per recall notice issued dated 7th April, 2017
Corporate Loan V from State Bank of India	17,000.01	2,656.78	As per recall notice issued dated 7th April, 2017
Term loan from State Bank of India	2,578.66	371.11	As per recall notice issued dated 7th April, 2017
Term loan from State Bank of India	3,531.02	642.43	As per recall notice issued dated 7th April, 2017
ECB III in foreign currency from DBS Bank Ltd.	16,023.95	2,074.55	As per recall notice issued dated 23rd September, 2016
ECB II in foreign currency from DBS Bank Ltd.	6,153.20		As per recall notice issued dated 23rd September, 2016
ECB III in foreign currency from Standard Chartered Bank	3,190.27	295.82	As per recall notice issued dated 25th January, 2017
Total	57,476.73	7,422.98	

F Deferred Payment Liability is on account of Deferred Sales tax denotes interest free sales tax deferral under Schemes of State Governments of Andhra Pradesh & Tamil Nadu. The same are repayable in annual and monthly instalments beginning from June 2014 in case of Andhra Pradesh and from August 2015 in case of Tamil Nadu respectively. In respect of this, sales tax dues are not paid after 15th December 2017 amounting to ₹ 4,528.63/- Lakh.

G Rights, Preferences and Restrictions attached to shares

(I) Preference Shares: 6% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 100/- each were issued pursuant to the Scheme of Amalgamation and Arrangement between Sunshine Oleochem Limited, Ruchi Soya Industries Limited and their respective shareholders sanctioned by the Hon'ble High Court of Judicature of Mumbai in an earlier year on the same terms and conditions as originally issued by Sunshine Oleochem Limited.

These preference shares are redeemable as follows:

- a) First installment of ₹33/- per preference share on completion of 144 months from March 31, 2009.
- b) Second installment of ₹33/- per preference share on completion of 156 months from March 31, 2009.
- c) Third installment of ₹34/- per preference share on completion of 168 months from March 31, 2009.

(II) Reconciliation of number of shares:-

Particulars

Preference Shares

Balance at the beginning of the year

Add: Shares issued during the period

Balance at the end of the period

As at
August 31, 2019

2,00,000

2,00,000

Details of shares held by shareholders holding more than 5% Preference shares in the Company:-

Particulars	August 31, 2019	%
PREFERENCE SHARES		
Ruchi Infrastructure Limited	2,00,000	100

H For status of unconfirmed balances refer Note 16a (E).



Note - 13(b)

As at August 31, 2019

Other financial liabilities

Lease liabilities

12.41

12.41

₹ in Lakh

Note - 14

As at August 31, 2019

Others non current liabilities

(a) Government Grants - Deferred Income [Refer Note (i) below]

527.99

(b) Other Liabilities

1.67

529.66

Note:

(i) Government Grants - Deferred Income

Opening Balance

600.63

Less: Released to profit and loss [Refer Note 20(C) (i)]

21.36

Closing balance

579.27

Classified under Non-Current Liabilities [Refer Note 14 (a)]

527.99

Classified under Current Liabilities [Refer Note 16 (c)]

51.28

Note - 15

As at August 31, 2019

Provisions

i) Provision for Compensated absences

685.18

685.18



Note - 16 a

₹ in Lakh

As at
August 31, 2019

Borrowings

A Loans repayable on demand

i) Secured

From Banks

Working Capital Loans

7,25,950.20

From Others

Working Capital Loans

2,000.00

B i) Intercompany Deposit

30.00

7,27,980.20

Particulars	Interest Rate	Security	Terms of Repayment
Working Capital Loans from Consortium Bank	Export Packing Credit Loans and other working capital loans (Ranging from 10.15% p.a. to 20.15% p.a.)	First pari passu charge within the Working capital Consortium Member banks over the current assets, both present and future, of the Company and second pari passu charge within the Working capital Consortium Member banks over the movable and immovable fixed assets, both present and future. Personal guarantee of promoter director.	Repayable on demand during the facility tenure of 12 months.
Working Capital Loans from DBS Bank	At mutually agreed rate on each drawdown	Specific charge on current assets financed by DBS Bank's facility. Personal guarantee of promoter director.	Repayable on demand during the facility tenure of 12 months.
Working Capital Loans from Edelweiss Asset Reconstruction Company Limited (Earlier IDFC Bank Limited)	At mutually agreed rate on each drawdown	Exclusive charge on the current assets created by IDFC Bank's facility.	Repayable on demand during the facility tenure of 12 months.
Working Capital Loans from HDFC Bank	At mutually agreed rate on each drawdown	Specific charge on stocks and book debts for INR 200 Million. Personal Guarantee of Mr. Dinesh Shahra	Repayable on demand during the facility tenure of 12 months.
Working Capital Loans from Standard Chartered Bank	At mutually agreed rate on each drawdown	Specific charge on stocks and book debts. Personal Guarantee of Mr. Dinesh Shahra	Repayable on demand during the facility tenure of 12 months.

D The Company has defaulted in repayment of the loan which remain outstanding are as follows:

Particulars of Loans	Amount of continuing default as on August 31, 2019 ₹ in Lakh		Due date for payment
	of Principal Amount	of Interest accrued	
Export Packing Credit / Cash Credit	1,36,055.06	14,279.47	September 16, 2016 to December 15, 2017
Inland Letter of Credit	59,160.86	4,056.61	October 25, 2016 to December 15, 2017
Foreign Bill Discounting	4,599.36	646.26	August 2, 2016 to December 15, 2017
Buyers Credit	1,13,423.87	9,492.79	August 4, 2016 to December 15, 2017
Foreign Letter of Credit	3,99,222.01	33,483.15	September 6, 2016 to December 15, 2017
Short Term Loan	15,501.51	2,344.01	May 7, 2016 to December 15, 2017
Total	7,27,962.67	64,302.29	

E Confirmations from banks in respect of bank balances aggregating to credit balances of ₹ 7,96,244.74 Lakh have not been received from the banks. The account balances and the interest and other charges have been accounted on the basis of informations available with the Company.

Note - 16 b

₹ in Lakh

As at
August 31, 2019

Trade payables due to

Micro and Small Enterprises

414.12

Related parties

56,100.29

Other than Micro and Small Enterprises

1,69,627.39

2,26,141.80

Note:

Trade Payables include ₹ 87,829.78/- Lakh on account of Bills of Exchange drawn by the suppliers on the company (for the goods supplied to company) and discounted by the suppliers with their bankers without recourse basis.



		₹ in Lakh
		As at August 31, 2019
Note - 17		
Other current liabilities		
(a)	Customers' Advances	2,934.95
(b)	Other liabilities (Including Statutory Dues Payable) [Refer Note below]	7,561.63
(c)	Government Grant - Deferred Income [Refer Note 14 (I)]	51.28
		10,547.86

Note:

Regarding Remission of tax under West Bengal Incentive Scheme, 1999 the Company had already received remission of tax, where Company is eligible as per the eligibility certificate which is renewed but, till date Company had not received any approval for additional benefit of ₹ 4,009.39/- Lakh from government of West Bengal which is included in Other liabilities.

Note - 18
Provisions

- i) Provision for Compensated absences

		As at August 31, 2019
		180.15
		180.15

Note - 19**Liabilities directly associated with assets classified as held for sale**

- Other Current Liabilities (Refer Note 10)

		As at August 31, 2019
		173.00
		173.00



	₹ in Lakh
Note - 20	For the period ended August 31, 2019
Revenue from operations	
A Sales of products (including excise duty)	5,28,125.68
B Sale of Services	
Processing charges received	870.96
C Other Operating revenue	
(i) Government grants [Refer Note 14(i)]	21.36
(ii) Income from Power generation	2,506.81
	<u><u>5,31,524.81</u></u>
Note - 21	For the period ended August 31, 2019
Other Income	
A Interest Income (under the effective interest method)	
- On Fixed Deposits	1,012.40
- Others	73.79
B Lease Rental income	23.11
C Other Non-Operating Income	
- Liabilities no longer required written back	346.44
- Unwinding income of investment	42.78
- Other Receipts	200.47
D Export Incentive	486.55
	<u><u>2,185.54</u></u>
Note - 22	For the period ended August 31, 2019
Cost of Materials Consumed	
a) Raw Material	4,24,251.89
b) Packing Material	21,617.69
	<u><u>4,45,869.58</u></u>
Note - 23	For the period ended August 31, 2019
Purchases of Stock-in-Trade	<u><u>11,534.75</u></u>



	₹ in Lakh
Note - 24	For the period ended August 31, 2019
Changes in inventories of Finished goods, Work-in-progress and Stock in Trade	
Finished goods	
Opening Stock	53,798.73
Closing Stock	42,739.75
	<u>11,058.98</u>
Work-in-progress	
Opening Stock	487.15
Closing Stock	487.28
	<u>(0.13)</u>
Traded goods	
Opening Stock	57.43
Closing Stock	47.27
	<u>10.16</u>
	<u>11,069.01</u>
Note - 25	₹ in Lakh
	For the period ended August 31, 2019
Employee benefits expense	
Salary, Waqes and Bonus	5,771.66
Contribution to Provident and Other Funds	352.39
Gratuity	376.42
Leave Compensation Absences	26.41
Staff Welfare expenses	149.85
	<u>6,676.73</u>
Note - 26	₹ in Lakh
	For the period ended August 31, 2019
Finance costs	
Interest Expense	252.84
Other borrowing costs	53.75
	<u>306.59</u>
Note - 27	₹ in Lakh
	For the period ended August 31, 2019
Depreciation, amortisation and Impairment Expense	
Depreciation on Plant, property and Equipment	5,634.57
Amortisation on Intangible assets	10.50
	<u>5,645.07</u>
Note - 28	₹ in Lakh
	For the period ended August 31, 2019
Provision for Doubtful Debts, Advances, Bad Debts and Others	
Provision for Doubtful Debts/ Credit Impaired	104.10
Provision for Advances /Credit Impaired	530.76
	<u>634.86</u>

- (a) **Note:** As per Ind AS -109 on Financial Instruments the Company has applied Expected credit loss model for determining the provision for trade receivable based on the weighted average of credit losses with respective risks of defaults occurring as weights. Further, the Company has also assessed recoverability of trade receivables and made additional provision towards doubtful debts.



Note - 29

₹ in Lakh

For the period ended
August 31, 2019**Other Expenses****Manufacturing Expenses**

Manufacturing expenses	3,799.40
Consumables	3,536.24
Consumption of Stores & Spares parts	1,852.34
Power & Fuel (net of recoveries)	8,265.15
Lease Rental expenses (net of recoveries)	996.14
Repairs and Maintenance	
- Plant & Machinery	926.04
- Buildings	70.78
- Others	269.84
	19,715.93

Selling and distribution expenses

Freight & forwarding (net of recoveries)	13,352.03
Export expenses	306.78
Advertisement & sales promotion	3,824.84
	17,483.65

Establishment and Other expenses

Rates & Taxes	274.98
Insurance (net of recoveries)	624.44
Donations	0.16
Net Loss on Sale/Discard of Fixed Assets	28.40
Net (Gain) on Sale/Loss on foreign currency transaction/translation	341.98
Impairment in value of Investment	57.58
Commission	2,616.16
Travelling & conveyance	368.90
Bank Commission & charges	12.13
Other expenses (Net of recoveries)	3,281.89
	7,606.62
	44,806.20



₹ in Lakh

Note - 30

For the period ended
August 31, 2019

(A) Other Comprehensive Income

I Item that will not be reclassified to profit or loss

(i) Remeasurement of the defined benefit plans [Refer Note 12 F]	(154.95)
(ii) Equity Instruments through Other Comprehensive Income [Refer Note 12 E]	(321.72)
	<u>(476.67)</u>



Note - 31		₹ in Lakh
		As at August 31, 2019
Contingent liabilities and commitments		
A Contingent liabilities		
a)	Claims against the Company not acknowledged as debts (to the extent quantified)	4,736.96
b) Guarantees		
(i)	Outstanding bank Guarantees	2,071.54
(ii)	Outstanding corporate guarantees given on behalf of -Indian Associate (Sanctioned amount ₹ 9,600.00/- Lakh)	3,326.00
c) Other Money for which Company is Contingently liable		
(i)	Disputed Demand:	
	1 Excise Duty	8,355.68
	2 Service Tax	1,610.09
	3 Customs Duty	18,384.98
	4 Income tax	3,093.16
	5 Other Acts	66.62
	6 Sales Tax [Refer Note (ii) below]	81,788.04
(ii)	Deputy State Tax Commissioner Corporate, Rajkot, Gujarat, during inspection under Gujarat Value Added Tax Act-2003 alleged that dealers from whom purchases were made by the Company during FY 2013-2014 to 2017-2018 have not paid tax to government treasury and due to that input credit claimed by the Company is not eligible. It is also alleged that the Company has not done transactions on market price. Therefore, demand of ₹ 13,441.18/- Lakh of Tax and ₹ 28,835.63/- Lakh of penalty aggregating to ₹ 43,276.81/- Lakh have been made against the Company and Company's plants at Kandla which include Refinery, Oleochem and Guargum Division has been impounded. The Company has made submissions and following up the matter with the appropriate authorities. The Company, based on merits of the case, does not expect material liability on this account hence no provision has been made in the books of accounts. Furthermore, Gujarat High Court passed an order in this matter pursuant whereby the retrospective cancellation of registration has stayed and the matter is remanded to Tribunal for further hearing, which is pending.	
(iii)	During an earlier year , the Company had received claims amounting to US\$ 6,62,67,857/- Lakh (to the extent quantified) from two overseas entities (claimants) in respect of performance guarantees purportedly given by the Company as a second guarantor on behalf of an overseas entity in respect of contracts entered into between the claimants and the overseas entity. The Company denies giving the guarantees and has disputed the claims and is has taken appropriate legal actions and making suitable representations in the matter. The Company does not expect that any amount will become payable in respect of the claims made. No provision is made in respect of the same in the books of account.	
(iv)	In relation to trading in Castor seed contracts on National commodity and Derivative Exchange limited (NCDEX), pending investigation by Securities and Exchange Board of India [SEBI], amount of liability, if any, can not be ascertained at this stage.	
(v)	The Competition Commission of India has issued a notice under section 36(2) read with section 41(2) of The Competition Act, 2002 (the Act) into alleged violations of the said Act. The Company has made representation in the matter from time to time. Later a investigation by Director General was initiated under section 26(1) of the Act. The hearing was completed on 28.06.2016 and Competition Commission of India had passed an order clearly stating that there was no contravention of the Provisions of the Act. Aggrieved by the same, the other party filed the writ petition in High Court in Delhi challenging the order of the Competition Commission of India. The final order of the High Court is awaited. Pending receipt of the order, liability, if any, that may arise in this regard cannot be ascertained at this stage.	
(vi)	The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.	
(vii)	EPCG Licences benefit in event of default of Export Obligation	4.25
B Commitments		
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	358.91
b)	Other Commitments	
	Export Obligations in relation to EPCG Benefits	124.75



Note - 32

The National Company Law Tribunal ("NCLT"), Mumbai Bench, vide its order dated 15th December 2017 ("Insolvency Commencement Date") ("NCLT order") admitted company petition nos. 1371&1372/I&BP/NCLT/MAH/2017 ("Company petition"), filed by Standard Chartered Bank and DBS Bank Ltd. for initiation of the Corporate Insolvency Resolution Process ("CIRP") of the Company, u/s 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Vide the NCLT order, the moratorium under Section 14 of the Code came into the effect and Mr. Shailendra Ajmera, with IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568 was appointed as Interim Resolution Professional ("IRP") to, inter alia manage the affairs of the Company in accordance with the provisions of the Code.

In the first meeting of the Committee of Creditors ("CoC") held on 12th January 2018, Mr. Shailendra Ajmera was confirmed as the Resolution Professional ("RP") for the Company. Pursuant to the NCLT Order, the powers of the Board of Directors of the Company stood suspended and they were vested in the IRP / RP. By an order dated 8th June 2018 the NCLT extended the CIRP time period by 90 more days with effect from 12th June 2018.

The RP filed a Miscellaneous Application 926/2018 ("MA 926/2018") under Section 30(6) of the Code before the Hon'ble NCLT for its consideration of the resolution plan as approved by the CoC by e-voting concluded on 23rd August, 2018. The Hon'ble Supreme Court of India, by its order dated 31st January, 2019 in Civil Appeal no. 8430 of 2018 ("SC Order"), directed re-consideration of all resolution plans afresh by the CoC. In light of the SC order, the Hon'ble NCLT vide order dated 7th February 2019 dismissed the M.A. 926/2018 as withdrawn.

The CoC, in accordance with the directions of the Hon'ble Supreme Court of India, considered the resolution plans as submitted before it afresh. After due deliberations, the CoC approved the resolution plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas ("PAL Resolution Plan"), by e-voting concluded on 30th April, 2019.

The RP filed an application bearing MA No. 1721 of 2019 in the Company Petition under Section 30(6) of the Code before the Hon'ble NCLT for its consideration and approval of the PAL Resolution Plan. The Hon'ble NCLT by its order dated July 24, 2019 conditionally approved the PAL Resolution Plan ("24th July 2019 Order"), subject to the submission of an additional affidavit by the Resolution Applicant accepting the modifications to the PAL Resolution Plan and providing of other information, as directed by the Hon'ble NCLT in the 24th July 2019 Order, by 1st August, 2019.

As directed by the Hon'ble NCLT, necessary filings were made and upon perusal of the said filings and hearing of all the relevant parties, the Hon'ble NCLT, vide its order dated 6th September 2019, approved the PAL Resolution Plan with certain modifications ("Resolution Plan Approval Order") which has been duly accepted by the Resolution Applicant.

With the approval of the PAL Resolution Plan by the Hon'ble NCLT, the PAL Resolution Plan came into operation, and continues to be so until the closing date (defined as the date on which certain actions as envisaged under the PAL Resolution plan are consummated, and which in any case, is not later than 75 days from the date of the Resolution Plan Approval Order) ("Term"), thereby binding the Company, its employees, members, creditors, guarantors and other stakeholders involved in the PAL Resolution Plan by its provisions. During the Term, a monitoring committee has been constituted ("Monitoring Committee") comprising of 3 (three) representatives of the Financial Creditors of the Company, 3 (three) representatives of the Resolution Applicant and Mr. Shailendra Ajmera (the erstwhile RP of the Company) acting as Monitoring Agent per the provisions of the PAL Resolution Plan.

The Monitoring Committee so constituted shall, inter alia, supervise the implementation of the PAL Resolution Plan. During the Term, all decisions which could otherwise have been taken by the board of directors of the Company shall be taken by the Monitoring Committee and the Company's board shall have no authority whatsoever to conduct the business of the Company. The existing board of the Company shall be and remain suspended post the date of the Resolution Plan Approval Order and all powers and duties of the board shall vest with the Monitoring Committee.

These standalone financial statements for the period 31st August 2019 have been prepared by the management of the Company and certified by Mr. Anil Singhal, Chief Financial Officer ("CFO") of the Company.

These standalone Unaudited financial statements were placed before the Monitoring Agent, the CFO and the Company Secretary on 09 November, 2019 for their consideration. Accordingly, the said Unaudited financial results were considered and recommended in the meeting. In view thereof, the Monitoring Agent, in reliance of such examination by and the representations, clarifications and explanations provided by the CFO, has approved the same. The CFO has provided the certifications and representations with responsibility in respect of various secretarial, compliance and broad matters pertaining to the period prior to Insolvency Commencement Date. The Monitoring Agent is relying on the management representation letter dated 09 November, 2019 for all information and confirmations in relation to the day to day functioning of the Company.

The Monitoring Agent as authorised by Monitoring Committee has approved these standalone Unaudited financial statements only to the limited extent of discharging the powers of the suspended board of directors of the Company which have been conferred upon him, pursuant to the operation of and in accordance with the terms of provisions of the PAL Resolution Plan.

Note - 33

The carrying value of tangible assets (including capital work in progress of ₹ 2,976.97 Lakh) and intangible assets as at 31st March 2019 is ₹ 3,68,700.29 Lakh and ₹ 1,51,584.93 Lakh, respectively. Pending implementation of the Resolution Plan, the Company has not taken into consideration any impact of impairment as required by Ind AS 36 on Impairment of Assets, as at 31st August, 2019 in the value of tangible and intangible assets, in preparation of Financial statements.

Note - 34

In respect of Company's borrowings from banks and financial institutions aggregating ₹ 7,96,244.74 Lakh, bank balances (current account and term deposits) aggregating ₹ 44,026.74 Lakh, balance confirmations as at 31st August 2019 has not been received by the Company. As a part of CIRP, creditors of the Company were called upon to submit their claims to the RP in terms of the applicable provision of the Insolvency and Bankruptcy Code, 2016. Claims submitted by financial and operational creditors have been verified and admitted by RP. In respect of claims submitted as on 15th December 2017, the RP has admitted financial and operational creditor claims in the list of creditors filed with the NCLT dated April 26, 2019. No accounting impact in the books of accounts has been made in respect of excess, short or non-receipts of claims for the financial and operational creditors.

Note - 35

(i) The Company has not recognised interest payable, after the insolvency commencement date i.e. 15th December 2017, on borrowings from banks and financial institutions, customer advance, inter corporate deposits and security deposits received. Accordingly, interest amounting to ₹ 70,054.23 Lakh for the period ended 31st August 2019, has not been recognised (₹ 1,91,410.04 Lakh till 31st March 2019). Cumulative interest till 31st August 2019 is ₹ 2,61,464.27 Lakh. The same is not in compliance with Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".



(ii) Certain trade payables, trade receivables and borrowings denominated in foreign currency and outstanding at insolvency commencement date i.e. 15th December 2017 and which continue to remain outstanding as at 31st August, 2019, impact of exchange difference i.e. loss of ₹ 14,172.55 Lakh for period ended 31 August 2019 on the same is not recognised (Loss till 31st March 2019 of Rs. 4,282.99 Lakh). Cumulative foreign exchange difference loss is ₹ 18,455.74 Lakh till 31st August, 2019. The same is not in compliance with Ind AS - 21 on "The Effects of Changes in Foreign Exchange Rates" that requires foreign currency monetary items shall be translated using the closing rate.

(iii) Had provision for interest, exchange difference and bank charges would be recognised, finance cost and total expenses would have been higher and profit for the period and total comprehensive income would have been lower by equivalent amount as mentioned above having consequential impact on other current financial liability and other equity.

Note - 36

The Company is having refund receivable, as on 31st August 2019, amounting to ₹ 4,259.12 Lakh in respect of financial year 2009-10 to 2013-14 for Daloda and Gadawara unit towards investment promotional assistance equivalent to 75% of taxes (Commercial Tax / VAT and Central Sales Tax) paid by the Company as per exemption granted in the industrial promotion policy of Madhya Pradesh. However, Madhya Pradesh Trade and Investment Facilitation Corporation, Bhopal rejected the claim and accordingly, appeal was made to the Hon'ble High Court of Madhya Pradesh. During the last year, Hon'ble High Court of Madhya Pradesh, Indore bench, rejected the Company's claim vide order dated 16 May, 2018. Subsequently, the Company has filed special leave petition before Hon'ble Supreme Court of India for refund of the amount, which has been admitted on 29 August, 2018. No provision for impairment against the aforesaid receivable is considered necessary till the decision of the Hon'ble Supreme Court in this matter.

Note - 37

The Company has incurred cash losses, its liabilities exceeded total assets and its net worth has been fully eroded as on 31st August 2019. In view of the continuing default in payment of dues, certain lenders have sent notices/letters recalling their loans given and called upon the Company to pay entire dues and other liability, receipt of invocation notices of corporate guarantees given by the Company, while also invoking the personal guarantee of promoter director. Few of the lenders also issued wilful defaulter notices and filed petition for winding up of the Company.

As mentioned in note no. 32 above, the Honourable NCLT has approved resolution plan. During the term of plan, monitoring committee shall be constituted which shall supervise the implementation of the Plan, undertake and monitor the management and operations of the Company in ordinary course and on a going concern basis. Since there is a possibility of implementation of resolution plan as stated above, the standalone financial statements is continued to be prepared on going concern basis.

Note - 38

GHI Energy Private Limited was an associate of the Company and with Company's holding 49% of the share capital of GHI Energy Private Limited as appearing in the audited financial statements of GHI Energy Private Limited and that of the Company for the financial year ending 31st March 2019.

From a review of the current details available on the paid up share capital on the website of the Ministry of Corporate Affairs, it came to the notice of the RP that the paid up share capital had increased from what it appeared as on March 31, 2019, as reflected in the said audited financial statements. It further came to the notice of the RP that GHI Energy Private Limited had issued further equity shares on 13 May, 2019, as a result of which Company's shareholding in GHI Energy Private Limited stood reduced from 49% to 19.34%.

However Company, an existing direct shareholder in GHI Energy Private Limited did not receive any notice/minutes of the shareholder's meeting/offer letter prior to the issuance of such shares as is required under the provisions of the Companies Act, 2013, thereby amounting to a contravention thereof as well as a breach of the on-going moratorium applicable to the Company by virtue of the operation of Section 14 of the Insolvency and Bankruptcy Code, 2016.

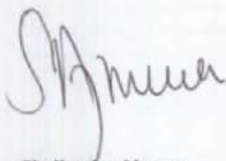
Thereafter, the RP sought additional information in relation to such dilution of investment of the Company in GHI Energy Private Limited and expressed his concerns regarding the same, pursuant to which the board of GHI Energy Private Limited took notice of the same and after due deliberations, on 14th August, 2019, decided to proceed with the reduction of the share capital by cancelling and extinguishing the additional shares issued to the other shareholder, subject to all shareholders' approval. In the extra-ordinary general meeting held on 20th August, 2019, all the shareholders of GHI Energy Private Limited unanimously approved the proposed capital reduction of GHI Energy Private Limited and accordingly a petition has been filed with National Company Law Tribunal, Chennai ("Hon'ble Tribunal") under Section 66 of the Companies Act, 2013 read with National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 for confirmation of the reduction of the share capital of GHI Energy Private Limited, receipt of which has been acknowledged by the Hon'ble Tribunal on 27th August, 2019.

Accordingly, prior to the confirmation of the aforesaid reduction of share capital of GHI Energy Private, the Company continues to hold only 19.34% in GHI Energy Private Limited and, therefore, pending approval of the Hon'ble Tribunal in this matter, Investment in GHI Energy Private Limited which was carried at cost as on 31st March 2019 has now been accounted as per Ind - AS 109 "Financial Instruments" at Fair Value Through Profit and Loss Account as on August 31, 2019. Upon the approval of the capital reduction by the Hon'ble Tribunal and such capital reduction being effective, the paid-up share capital of GHI Energy Private Limited shall stand reduced to the extent of the shares so extinguished and the original shareholding of 49% of RSIL shall stand restored, accordingly same will be accounted as per Ind - AS 27.

Note - 39

Effective 1st April, 2019, the company has adopted Ind AS 116 'Leases' under the modified simplified approach without adjustment of comparatives. The Standard is applied to contracts that remain as at 1st April, 2019. The application of the standard did not have any material impact on the profit for the period.


For Ruchi Soya Industries Limited



Shalendra Ajmera
Monitoring Agent




Anil Singhal
Chief Financial Officer



R. L. Gupta
Company Secretary



Place: Mumbai
Date: 09 November, 2019

Independent Auditor's Limited Review Report on Special Purpose Financial Statements

To
**TO MONITORING COMMITTEE OF
RUCHI SOYA INDUSTRIES LIMITED**

Introduction

1. This limited review report is issued in accordance with the terms of our engagement letter dated 14th October, 2019.
2. We have reviewed accompanying special purpose "Standalone Financial Statements" which comprise the Balance Sheet as at 31st August, 2019 and the statement of Profit and Loss, statement of changes in equity and cash flows for the period then ended, including a summary of significant accounting policies and other explanatory information (hereinafter together referred to as "Statements") of Ruchi Soya Industries Limited ("the Company"), which have been signed under reference to this report. Our responsibility is to express a conclusion on the Statements based on our review.
3. The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, admitted petition for initiation of Corporate Insolvency Process ("CIRP") u/s 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code") filed by financial creditors vide order no. CP1371 & CP1372/I&BP/NCLT/MAH/2017 delivered on 15th December 2017. The NCLT had delivered its orders (refer note no. 32) approving Resolution Plan submitted by consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Pvt Ltd and Patanjali Gramudhyog Nyas. No accounting effects of the said order have been given during the period ended 31st August 2019.

Management Responsibility for the Special Purpose Financial Statements

4. This Statements, which is the responsibility of the Company's management and approved by the monitoring committee, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Scope of Review

5. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Head Office: 714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai - 400 021, India. Tel.: +91 22 3021 8500 • Fax: +91 22 3021 8595

Other Offices: 44 - 46, "C" Wing, Mittal Court, Nariman Point, Mumbai - 400 021, India. Tel.: +91 22 4510 9700 • Fax: +91 22 45109722

URL : www.cas.ind.in

Branch : Bengaluru

6. Basis for Qualified Conclusion

- (i) As mentioned in note no. 33 of the statement, the Company has not recognised impairment, if any, in carrying value of tangible assets, capital work in progress and intangible assets in accordance with requirements of Indian Accounting Standard 36 on "Impairment of Assets". We are unable to obtain sufficient appropriate evidence about the recoverable amount of the Company's tangible assets, capital work in progress and intangible assets. Consequently, we are unable to determine whether any adjustments to carrying value are necessary and consequential impacts on the statement.
- (ii) As mentioned in note no. 34 of the statement:-
- (a) In respect of Company's borrowings from banks and financial institutions aggregating Rs. 7,96,244.74 Lakh and bank (current account and term deposits) balances aggregating Rs. 44,026.74 Lakh, balance confirmations as at 31st August, 2019 are not available.
- (b) As a part of CIRP, creditors of the Company were called upon to submit their claims to the RP in terms of the applicable provision of the Insolvency and Bankruptcy Code, 2016. Claims submitted by financial and operational creditors have been verified and admitted by RP. In respect of claims submitted as on 15th December 2017, the RP has admitted financial and operational creditor claims in the list of creditors filed with the NCLT dated April 26, 2019. No accounting impact in the books of accounts has been made in respect of excess, short or non-receipts of claims for the financial and operational creditors. Hence, we are unable to comment on possible financial impacts of the same.
- (iii) Attention is drawn to note no. 35 of the statement:-
- (a) Regarding non-recognition of interest on borrowing from banks and financial institutions, customer advance, inter corporate deposits and security deposits received, subsequent to insolvency commencement date i.e. 15th December 2017, amounting to Rs. 1,91,410.04 Lakh till 31st March 2019 and Rs. 70,054.23 Lakh for the period ended 31st August 2019. Interest aggregating to Rs. 2,61,464.27 Lakh has not been recognised till date. The same is not in compliance with requirements of Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".
- (b) The Company has not translated certain foreign currency trade payables, trade receivables and borrowings as at 31st August, 2019 using closing exchange rate having an impact on exchange difference Loss of Rs. 14,172.75 Lakh for the period ended 31st August, 2019 (Till 31st March 2019 loss of Rs. 4,282.99 Lakh). Cumulative foreign exchange difference loss of Rs. 18,455.74 Lakh till date. The same is not in compliance with Ind AS - 21 on "The Effects of Changes in Foreign Exchange Rates"



- (c) *Had provision for interest, and exchange difference been recognised, finance cost and total expenses, would have been higher while profit and total comprehensive income for the period ended would have been lower by aggregate amount as mentioned above, having consequential impact on other current financial liability and other equity.*
- (iv) *We have been informed by Resolution Professional that certain information including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors and NCLT. Further, we were informed that NCLT delivered its orders approving the PAL Resolution Plan. Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of that information.*
- (v) *Attention is drawn to note no. 36 of the statement, the Company is having refund receivable, as on 31st August 2019, amounting to Rs. 4,259.12 Lakh in respect of financial year 2009-2010 to 2013-14 for Daloda and Gadawara unit towards investment promotional assistance equivalent to 75% of taxes (Commercial Tax / VAT and Central Sales Tax) paid by the Company as per exemption granted in the industrial promotion policy of Madhya Pradesh. However, Madhya Pradesh Trade and Investment Facilitation Corporation, Bhopal rejected the claim and accordingly, appeal was made to the Hon'ble High Court of Madhya Pradesh. During the year, Hon'ble High Court of Madhya Pradesh, Indore bench, rejected the Company's claim vide order dated 16th May, 2018. Subsequently, the Company has filed special leave petition before Hon'ble Supreme Court of India for refund of the amount, which has been admitted on 29th August, 2018. No provision for impairment against the aforesaid receivable is considered necessary till the decision of the Hon'ble Supreme Court in this matter.*

Qualified Conclusion

7. Based on our review, *except for possible effects of the matters described in the Basis of Qualified Conclusion paragraph 6 above*, nothing has come to our attention that causes us to believe that the accompanying special purpose financial statements does not give a true and fair view of the State of Affairs of the entity as at August 31st, 2019, and of its Results of Operations, statement of changes in equity and its cash flows for the period then ended.

8. Emphasis of Matter

Attention is drawn to note no. 31 A (c) ii of the statement, regarding impounding of three plants at Kandla Gujarat i.e. Edible Oil Refinery, Oleochem Division and Guar gum Division by the Gujarat Commercial Tax Department against their VAT claim of Rs. 43,276.81 Lakh.



Emphasis of Matter – Basis of Preparation

Without qualifying our conclusion, we draw our attention to the note 1 to the special purpose financial statements, which describe the basis of preparation. The special purpose financial statements are not the statutory financial statements of the Company and are not intended to and do not, comply with the presentation and disclosures provisions applicable to the statutory financial statements prepared under the Companies Act, 2013 as those are not considered relevant by the management and intended users of the special purpose financial statements for the purposes for which those have been prepared.

Our conclusion is not modified in respect of the said matters.

9. Material Uncertainty Related to Going Concern

We draw attention to the note no. 37 of the statement, regarding preparation of this statement on going concern basis, which states that the Company has incurred cash losses, its liabilities exceeded total assets and its net worth has been fully eroded as on 31st August 2019. In view of the continuing default in payment of dues, certain lenders have sent notices/letters recalling their loans given and called upon the Company to pay entire dues and other liability, receipt of invocation notices of corporate guarantees given by the Company, while also invoking the personal guarantee of promoter director. Few of the lenders also issued wilful defaulter notices and filed petition for winding up of the Company. Capacity utilization of manufacturing processing facilities is very low. The NCLT had delivered its orders approving Resolution Plan submitted as mentioned in paragraph number no. 3 above. According to NCLT Order, during the term of plan monitoring committee shall be constituted which shall supervise the implementation of the Plan, undertake and monitor the management and operations of the Company in ordinary course and on a going concern basis. Accordingly, the standalone financial statements is continued to be prepared on going concern basis. Our conclusion is not modified in respect of this matter.

10. Other Matter

The special purpose financial statements dealt with by this report have been prepared with reference to the requirements of monitoring committee to prepare statement of accounts as on August 31st 2019.

11. Restriction on Use

Our obligation in respect of this report are entirely separate from and our responsibility and liability is no way changed by, any other role we may have (or may had) as auditors of the Company or otherwise. Nothing in report or anything said or done in the course of or in connection with services that are subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statement of the Company.



This report is addressed to the monitoring committee of the company and has been prepared for and only for the purpose set out in paragraph 10 above. This report should be otherwise used or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility to any other or for any other purpose.

For Chaturvedi & Shah LLP

Chartered Accountants

Registration Number: 101720W/W100355

Vijay Napawaliya

Partner

Membership Number: 109859

UDIN: 19109859AAAADD5654



Place: Mumbai

Date: 09, November, 2019