SHREE
RENUKA
SUGARS

5th September 2019

Dept. of Corporate Services,
BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400 001.

BSE Scrip Code : 532670

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra(E), Mumbai- 400 051

NSE Symbol : RENUKA

Sub: Annual Report for the financial year 2018-19

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Annual Report of the Company for the financial year 2018-19 along with the notice of 23rd Annual General Meeting of the Company scheduled on Monday, 30th September 2019.

The said Annual Report along with the Notice of 23rd Annual General Meeting is also uploaded on the Company's website at www.renukasugars.com

You are requested to take the above on your records.

Thanking you,

Yours faithfully,
For Shree Renuka Sugars Limited

Deepak Manerikar
Company Secretary

Encl: As above

SHREE RENUKA SUGARS

A Wilmar Subsidiary

Working towards a sustainable future

Annual Report 2018-19

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Forward-looking statement

This Report and other statements – written and oral – that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

FY19

A Year of Transformation

Operating Revenue (₹ Crore)

4,296.86

EBITDA (₹ Crore)

399.32

against loss of ₹133.6 Crore p.y.

Earnings per Share (₹)

(1.99)

against (29.63) p.y.

Improved Credit Rating

(ICRA) BBB+ from (ICRA) D

Cane crushed (MT)

4,189,590

32% increase y-o-y

Ethanol sold (₹ Crore)

528.6

115% increase y-o-y

Sustainable development is the need of the hour. An increasing number of organisations are realigning their processes to minimise environmental damage and developing products such that the needs of the future generations are not compromised.

At Shree Renuka Sugars Limited (SRSL), thinking and acting in a sustainable manner is a matter of course. For us, sustainability implies achieving continuous improvements and pursuing our social and ecological goals, while simultaneously attaining our economic objectives. We are striving every day to establish sustainability throughout our value chain. Made from superior quality sugarcane, our sugar is manufactured through a stringent quality controlled and a sulphur-free refining process. We have also taken a step to reduce our carbon footprint by manufacturing fuel-grade ethanol, a biofuel that has proven to reduce Greenhouse Gas (GHG) emissions compared to petroleum-based fuels.

Our sustainability initiatives also extend to the communities surrounding us. We believe that profitability must go hand in hand with social development. Therefore, we are taking great strides in bringing about the holistic development of the communities.

With an eye on social and ecological interests, we manufacture sugar through safe processes, maintaining transparency in everything we do. We are enhancing our produce with our specialised knowledge and assuming responsibility until our sugar reaches your homes, all the time working towards a sustainable future.

Corporate Identity

Our Business at a Glance

Founded in the year 1995, Shree Renuka Sugars Limited (SRSL) is one of the largest sugar producers and refiners in India.

We operate under three segments – sugar, ethanol and cogeneration. We were India's first sugar player to have ventured into sugar refining and have pioneered the concept of operating sugar manufacturing units on lease. Our manufacturing units include six integrated sugar mills in India and two port-based refineries. We are focusing on growing our presence in ethanol and cogeneration and undertaking power projects at third-party mills on a build-own-operate-transfer (BOOT) basis. Our corporate office is situated in Mumbai (Maharashtra, India) and our Head Office is in Belgaum (Karnataka, India).

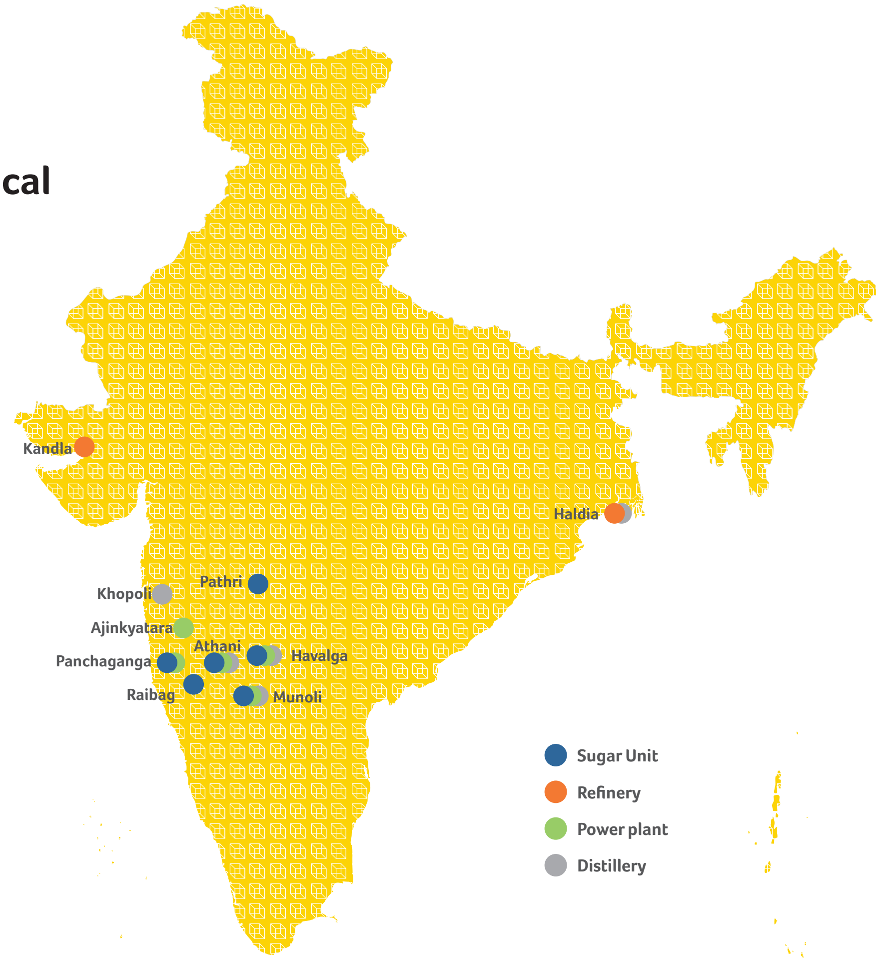
Vision

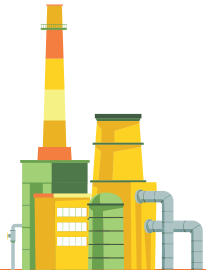
To be among the top three integrated sugar and ethanol companies in the world by harnessing our strengths and realising synergies through our global presence.

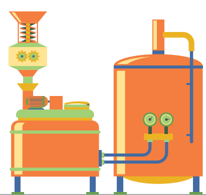
Core strengths

- We are present in one of the world's largest sugar-producing and consuming region, leveraging information flows for sustainable growth
- Our Indian operations are conducted across southern and western parts of the country (where there is higher recovery rate for sugarcane compared with those of other sugarcane-growing regions)
- Our strategically located port-based refineries in India help us cater to the markets in South Asia and the Middle East
- We are the largest supplier of ethanol to oil marketing companies in India
- Madhur is very well established in India, particularly in the western and southern regions

Geographical presence







SUGAR UNIT

Athani Sugar Unit
10,000 TCD

Panchaganga Sugar Unit
6,000 TCD

Munoli Sugar Unit
9,500 TCD

Raibag Sugar Unit
3,000 TCD

Havalga Sugar Unit
7,500 TCD

Pathri Sugar Unit
1,500 TCD

REFINERY

Kandla Refinery
3,000 TPD

Haldia Refinery
2,500 TPD

POWER PLANT

Munoli

Athani

Havalga

Panchaganga

Ajinkyatara

Total power produced
567 Million Kwh

DISTILLERY

Havalga Distillery
210 KLPD

Athani Distillery
300 KLPD

Munoli Distillery
120 KLPD

Khopoli Distillery
300 KLPD

Business Verticals

SUGAR

Divisional revenue (₹ Crore)

3,689.37

77.16% Contribution to total revenue

Segment Overview

Our sugar mills are fully integrated to process sugarcane and manufacture sugar. Molasses, bagasse and press mud are produced as by-products of our operations, which are further used to manufacture allied products. We have six mills in India with a total capacity of 37,500 tonnes of cane crushed per day (TCD) and two port-based sugar refineries with a total capacity of 5,500 tonnes per day (TPD).

Product

White Sugar
This variety of sugar is refined and washed, giving it a white appearance. It doesn't have a distinct molasses flavour and contains 99.9% sucrose. Also called refined sugar, white sugar is the most commonly consumed sugar in most households and is relatively neutral in flavour. It is also consumed by the food industry in various edible processed foods and beverages.

ETHANOL

Divisional revenue (₹ Crore)

528.63

11.06% Contribution to total revenue

Segment Overview

We manufacture potable and fuel-grade ethanol that can be blended with petrol. Our distillery capacity in India is 930 kilo litres per day (KLPD), of which 630 KLPD is from molasses and 300 KLPD from denatured spirit. KBK Chem Engineering, our subsidiary, provides turnkey distillery, ethanol and certain sugar process equipment and biofuel plant solutions.

Product

Ethyl Alcohol
Also called ethanol, ethyl alcohol is produced by two methods – direct fermentation of cane juice or from molasses, which is a by-product of sugar manufacturing process. In India, ethanol was mostly produced from molasses, but this approach has been undergoing transformation. To drive the Ethanol Blending Programme, the Indian Government has recently allowed the use of sugarcane juice or an intermediate product called B-molasses to produce ethanol. There are various industries in which ethanol can be used, which include the alcohol industry, oil marketing companies for blending with petrol and chemical industries, among others.

Organic Manure
We try and utilise all by-products of our sugar manufacturing process. The press mud/filter cake obtained as waste is mixed with effluents from our distillery operations to manufacture organic manure, which is eco-friendly as well as cost-effective than chemical fertilisers.

COGENERATION

Divisional revenue (₹ Crore)

404.49

8.46% Contribution to total revenue

Segment Overview

We have power plants at Munoli, Athani, Havalga, Panchaganga, Ajinkyatara units. that uses bagasse, the by-product from our sugar manufacturing process to produce power while the power plants at Haldia and Kandla run on coal. We produce 567 Million Kwh of power, 49% of which is consumed for captive consumption which powers all our plants and the remaining power is sold to the state electricity grid. Most of our cogeneration process is based on renewable energy, which provides a significant reduction in GHG emissions.

Listing and Market Capitalisation

Our shares are listed and actively traded on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) and as on 31st March 2019, our market capitalisation was ₹1945.57 Crore.

Milestones

1998-2003

1998
Acquired assets of Nizam Sugars Ltd. in Andhra Pradesh and established SRSL

2000
Commissioned a cogeneration plant at Munoli, Karnataka

2001
Commissioned a 60 KLPD distillery at Munoli

2003
Leased the first co-operative mill

2004-2009

2005
Completed Initial Public Offering (IPO) and established a greenfield sugar mill at Athani, Karnataka

2007
Acquired KBK Chem Engineering Pvt. Ltd. in Maharashtra

2008
Commissioned a 2,000 TPD sugar refinery at Haldia, West Bengal

2009
Commissioned a cogeneration facility in Maharashtra's Panchganga Co-operative Sugar Mill on BOOT basis

2010-2015

2010
Acquired 100% stake in Renuka Vale do Ivai S/A and 50.34% stake in Renuka do Brasil S/A (Equipav Group)

2011
Commissioned a 3,000 TPD port-based refinery near Kandla, Gujarat

2012
Increased stake in Renuka do Brasil S/A to 59.4%

2014
Partnered with Wilmar Sugar Holdings Pte. Ltd., involving an equity infusion for equal stakes with the existing promoters

2016-2019

2018
Wilmar Sugar Holdings Pte. Ltd. acquired majority stake in the Company

2019
Wilmar Sugar Holding Pte.Ltd has become the holding Company by acquiring 58.34% of stake

Letter to the Shareholders

From the Executive Chairman's Desk

The nation's sugar sector has turned a new leaf in the history by encouraging its ethanol programme. The huge leap in the amount of blending from 2.1% in FY2016-17 to 7.2% in FY2018-19 is commendable. The sector has also witnessed favourable policy support from the Government such as stabilising the Minimum Sale Price of sugar. The Government has also worked towards keeping cane arrears to a minimum despite the glut in FY2018-19. The sugar sector is looking forward to better times.

Dear Shareholders,

FY19 has been an extremely eventful year for India's economy as well as the sugar sector. Despite the global slowdown, India's GDP still grew at 6.8% in FY2018-19. The business environment was stable and shall continue such with the re-election of the existing Government with a huge majority. Policy deviations are expected to be consistent and the same agenda of growth is likely to continue. The disruptive decision of implementing 'one nation one tax initiative', the Goods and Services Tax, overcame its initial hiccups and has strengthened the nation's fundamentals. The monetary disruption due to demonetisation in the previous fiscal has also been contained.

REVIEW OF FY2018-19

Renuka had a good financial year 2019. The performance of the Company was much superior to previous years' both in crushing, refining and ethanol production. We crushed 41.89 million metric tonnes of cane in the year under review as compared to 31.62 million metric tonnes in FY2017-18. Our refinery operations in Kandla grew by 20 bps y-o-y. The refinery refined 1.1 million metric tonnes of raw sugar in FY2018-19 as compared to 0.83 million metric tonnes in FY2017-18. This is the highest quantity of sugar refined since the inception of the plant. We produced 121,129 kilo litres of ethanol in the year under review as compared to 75,277 kilo litres in FY2017-18.

Our Company also showed a robust commercial performance. Our refinery gross margins improved from 9.81% to 18.2% year-on-year. Our distillery margins were at 40.5% with the robust government support and our ethanol production was also up by 61%. Renuka's Madhur brand, the flagship sugar brand in India, increased its market reach with wider distribution in Haryana, Madhya Pradesh, Andhra Pradesh, Telangana and Punjab. Plans are afoot to grow Madhur in newer geographies with a steep curve.

PERSPECTIVE ON THE UPCOMING FISCAL

In the coming year, sugar production could reduce due to dry weather and lower water availability in parts of Maharashtra and Karnataka. It is estimated that sugar production may fall from 33.2 million metric tonnes to 28.2 million metric tonnes in 2020, a reduction of 19.6% year-on-year. However, with huge opening stock of 14.5 million metric tonnes in the FY 2019-20 season as against a normal stock requirement of 5 million tonnes, surplus shall continue to put pressure on the market. I expect the drive towards exports to continue and the ethanol blending programme to keep gaining momentum due to the push on maximising production of ethanol from B-molasses and sugarcane juice. We also believe that the Government shall continue with Minimum Sugar Prices policy to arrest any scope of downward spiral of sugar prices in this sectoral glut.

HALTING THE UNENDING CYCLE

The sugar sector is highly cyclical. Currently, with the development of new cane-growing techniques and the availability of superior cane varieties and fertilisers, there has been continuous surplus cane production in the nation. To break this excess production, the Government is undertaking various steps to ensure all the industry stakeholders remain profitable. One such step is the updated National Policy on Biofuels-2018, which envisages a target of 20% blending of ethanol in petrol by 2030. The policy has widened the scope of diverting sugar stocks for ethanol procurement. The Government is taking numerous steps to bring about this change in the sector such as increasing ethanol prices, allowing the use of B-heavy molasses for ethanol manufacture and encouraging mills to create additional distillery capacities by announcing soft loans at subsidised interest rates worth almost ₹10,500 Crore.

OPTIMISTIC ABOUT A SUSTAINABLE GROWTH

Sugar being an agro-based industry receives good support from the Government policies. We have aligned our growth strategy in line with the nation's objective by growing further in the areas of ethanol manufacturing and distribution. We have leveraged the ethanol-friendly policies of the Government and are planning to grow our ethanol production capacities from 930 KLPD to 1020 KLPD.

We are also actively conducting numerous cane development activities such as enlightening our growers of the new methods of cane plantation and irrigation, and providing them with pesticides, organic manure and crops at subsidised rates. We also encourage farmers to develop model plots on their farms to propagate the idea of growing numerous seasonal crops in the fields along with cane for additional gains and the sustainability of their livelihoods.

Our cogeneration activities testifies our drive towards ensuring a sustainable future for our Company. We are producing green energy from bagasse and using it captively to power our operations. We sell leftover power to the state electricity grid.

I personally believe that India's sugar sector is set on a path of growth. With changes in sectoral strategy and favourable Government initiatives, we are looking at exciting times ahead. We will continue to leverage our core competencies and create value for our shareholders and continue our journey of growth towards a sustainable future.

Lastly, I want to thank all our stakeholders who have been supporting us during our good and bad times and have been part of this eventful journey with us.

Warm regards,

Atul Chaturvedi
Executive Chairman

Business Model

Creating Sustainable Value

Every element of our business model is unique to our Company and has a role to play in our long-term success. Our strategy is designed to achieve responsible and profitable growth for our business and create sustainable value for our stakeholders.

Our business capitals

FINANCIAL CAPITAL Funds available or invested in own or third-party businesses obtained through borrowings, provision of services and the supply of products to our customers

HUMAN CAPITAL Composed of our employees, their expertise, experience and capacity for innovation. It includes their alignment with our good governance practices and ethical values

INTELLECTUAL CAPITAL Consists of intangible assets such as the value of our brand, the accumulated technical knowledge and our ability to innovate in the development of new products, services, and technologies, aimed at the perpetuity of our business

SOCIAL AND RELATIONSHIP CAPITAL The ethical relationship we maintain with our stakeholders – customers, shareholders/investors, suppliers, regulatory bodies, society and government. This capital shows our ability to share values and improve individuals' and collective well-being

MANUFACTURED CAPITAL Consists of our facilities and units, including buildings, mills, systems and applications

NATURAL CAPITAL Consists of all environmental, renewable and non-renewable resources used or impacted by our business and that support our prosperity. It mostly includes water, air, land, forests, biodiversity and ecosystem

Value created

Creating value for our shareholders and other stakeholders

- Maximising shareholder value
- Sustained long-term business growth and profitability

Developing and supporting professional growth

- Diverse workforce, with multiple opportunities to advance their career
- Attracting and retaining talented employees

Becoming a market leader in terms of our scale and offerings

- Increasing the scale of our operations depending upon the needs and demands of the market
- Establishing strong brand equity and trust

Contributing to the development of communities within our area of operations

- Contributing to the socioeconomic development of the communities we operate in through social responsibility initiatives
- Enabling the development of the areas in and around our mills

Making a difference through premium product offerings

- Providing quality products, enhancing customer experience across our regional footprint
- Helping in the nation's vision of achieving 20% ethanol blending by 2030

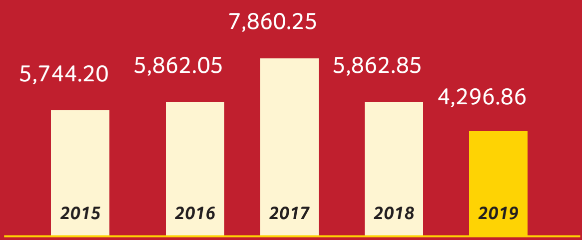
Minimising our impact on the environment

- Focusing on reducing airborne effluents formed as a result of our manufacturing operations
- Continuing to maintain the environmental balance in the areas around our manufacturing operations through Zero Liquid Discharge (ZLD) and greenbelt initiatives

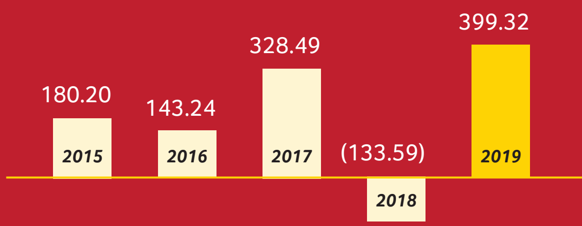
On a Steady Growth Path

Financial overview

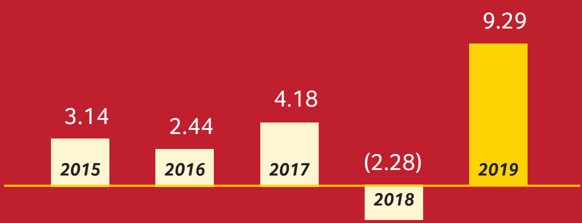
REVENUES (₹ CRORE)



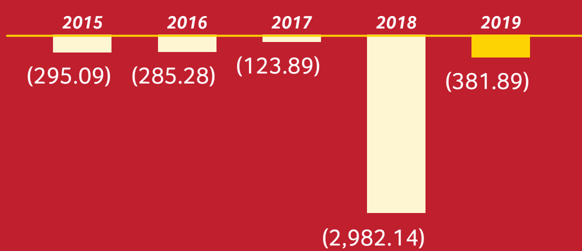
EBITDA (₹ CRORE)



EBITDA MARGIN (%)



NET PROFIT/(LOSS) (₹ CRORE)



Key ratios

FINANCIAL RATIOS (FY19)

Raw material costs/ total turnover
81.29%

Interest/ total turnover
12.59%

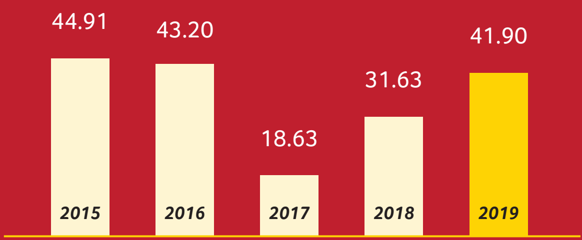
Net profit/ total turnover
(8.89%)

Cash profit/ total turnover
9.29%

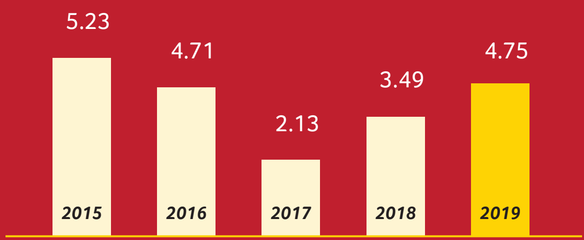
Capital output ratio (turnover/ average capital employed)
167.26%

Growth in production

SUGARCANE CRUSHED (LAKH TONNES)

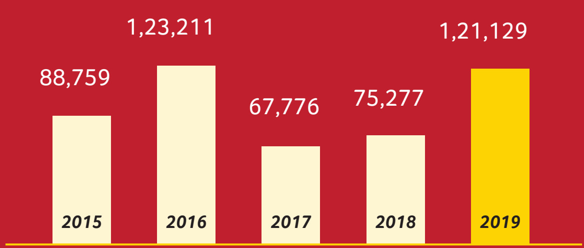


SUGAR PRODUCED (LAKH TONNES)



SUGAR RECOVERY (%)

ALCOHOL PRODUCED (KILO LITRES)



BALANCE SHEET RATIOS (FY19)

Debt-equity ratio
4.92%

Inventory turnover
109 DAYS

Debt service coverage ratio
0.61%

Quick ratio
0.13%

Interest service coverage ratio
0.75%

Our Turnaround Story

FY2018-19 was a milestone year for us in reversing the trend of de-growth, we grew both organically and inorganically. Several factors were responsible for this turnaround growth which consist of both internal and sectoral drivers.

Our turnaround story began with Wilmar acquiring a majority stake in our business in 2018. Infusion of their capital helped us restructure our debts.

With the restructuring of debts and support of Wilmar, we could improve on production volumes in all the verticals during the year. We also crushed 4,189,590 MT of sugarcane in FY 2018-19 which is 32% more than the previous year's. Our Kandla refinery processed 1.1 million metric tonnes of raw sugar in FY2018-19 as compared to 0.83 million metric tonnes in FY2017-18. Ethanol production increased by almost 61% to 121,129 kilolitres, while power generation increased by 7.5% to 567 million kwh.

The second major driver was the structural change implemented by the Government, allowing sugar companies manufacture ethanol from B heavy molasses and sugarcane juice. The ethanol sales grew by 115% during the year to ₹528.6 Crore contributing to almost 11% of the total revenue of the Company.

All the above factors led to an increase in our EBITDA which showed a robust rebound from a loss of ₹133.6 Crore in FY2017-18 to ₹399.3 Crore in the current year and substantial reduction of our losses to ₹381.9 Crore from ₹2,982.1 Crore in FY2017-18. We also generated a positive quarterly PBT and PAT in December 2018 after eight successive quarter losses.

Besides this, the active support of the Government of India to the sugar sector also helped us in achieving a turnaround. Key policy interventions in FY19:

1. New Ethanol Policy
2. Sugar Release Mechanism
3. Increase in Minimum Support Price of sugar
4. Incentives to sugarcane growers

32%
Increase in sugarcane crushed

33%
Increase in sugar refined

61%
Increase in ethanol production

(ICRA) BBB+
Improvement in rating from (ICRA) D

115%
Increase in ethanol sales

About the Brand

Sweet, Refined and Sparkling White

Launched in 2007, Madhur Sugar is the nation's leading brand. It is pure, hygienic and meets international quality standards. We have developed a product for Indian consumers that is 'untouched by hand' and is manufactured using a sulphur-free process.

Based on our research, only 3% Indian households consume branded refined sugar, while the rest consumes loose sugar. We thus launched our brand Madhur Sugar, refined white sugar that contains 99.9% sucrose and is available across all channels in the western and southern markets. Since its launch, Madhur Sugar has become a popular brand on major ecommerce platforms as well as various modern trade chains due to its taste and purity.

In the year under review, we increased the pace of our branding activities and widened our distribution in South India and began distribution in North India. We are increasing our footprint specifically in the states of Haryana, Madhya Pradesh, Andhra Pradesh, Telangana and Punjab.

We also initiated communication with our existing patrons and prospective consumers through various approaches such as print media and outdoor activities, among others. Our communication was directed towards increasing consumer awareness regarding the difference between loose sugar and Madhur.

Sugar quick facts

Sugar works well to heal cuts and stop bleeding

Sprinkling sugar on top of a lipstick helps set the lipstick and extend its application

Sugar mixed with soap acts as an abrasive agent and can be used on greasy hands

Sugar is used to make a thin sheet of hard candy which is used in movie stunt scenes where people are shown to jump through glass

Upcoming Plans

Charting the Future of India's Sugar Sector

Surplus sugar production, falling sugar prices and rising arrears to farmers demanded a serious change in the nation's sugar policy. In view of all these factors, the Government embarked on a mission to find an alternative use to the excess sugarcane. It started diverting cane to the production of renewable fuels, primarily ethanol.

Through the Ethanol Blending Programme (EBP), the Government proposed blending of 20% ethanol with petroleum by 2030. Ethanol blending has risen to a record high of 6.2% in FY2019, but we still have a long way to go to achieve the Government's target blending percentage of 20%.

However, these figures are also proof of the vast opportunity for sugar players like us. India's EBP could be a powerful tool to stabilise sugar prices and increase farmers' income. It can further help to reduce India's dependence on foreign crude oil.

In the year under review, the total quantity of ethanol that was required by Oil Manufacturing Companies (OMCs) was 329.261 Crore Litres out of which the quantity allocated to us was 11.322 Crore Litres. To capitalise on these existing market opportunities from the growing importance of ethanol as well as to position ourselves favourably for the upcoming growth of the distillery sector, we expanded our distillery capacities in the year under review with plans to expand these capacities further in the coming fiscal. The increase in capacities will be funded partly through internal accruals and partly by procuring soft loans.

We have also installed incineration boilers at our distillery units which will increase the number of days of production of the distilleries leading to higher production. At our Havalga unit, the capacity will increase from 210 KLPD to 300 KLPD in addition to the increase in the number of days of production.

CURRENT ETHANOL CAPACITY

Havalga Plant

210 KLPD

Athani Plant

300 KLPD

Munoli Plant

120 KLPD

Khopoli Plant

300 KLPD

POST EXPANSION CAPACITIES

Havalga Plant

300 KLPD

Athani Plant

300 KLPD

Munoli Plant

120 KLPD

Khopoli Plant

300 KLPD

Corporate Information

BOARD OF DIRECTORS

Mr. Atul Chaturvedi
Executive Chairman
(w.e.f. 02.07.2018 upto 29.09.18 & w.e.f. 30.10.2018)

Mr. Vijendra Singh
Executive Director

Mr. Surender Kumar Tuteja
Independent Director

Mr. Madhu Rao
Independent Director

Mr. Dorab Mistry
Independent Director

Mr. Bhupatrai Premji
Independent Director

Dr. Bharat Kumar Mehta
Independent Director

Mr. Jean-Luc Bohbot
Non-Executive Director

Mr. Stephen Ho Kiam Kong
Non-Executive Director

Mr. Narendra Murkumbi
Non-Executive Director
(w.e.f. 01.07.2018)

Ms. Priyanka Mallick
Independent Director
(w.e.f. 08.02.2019)

Mr. Rajeev Kumar Sinha
Additional Director (Nominee of IDBI Bank Ltd.)
(w.e.f. 06.08.2019)

CHIEF FINANCIAL OFFICER

Mr. Sunil Ranka
(w.e.f. 03.05.2018)

COMPANY SECRETARY

Mr. Deepak Manerikar
(w.e.f. 30.10.2018)

AUDITORS

S R B C & Co LLP Chartered Accountants

Registered Office
2nd & 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road, Nehru Nagar,
Belagavi-590010, Karnataka ***(w.e.f. 01.08.2019)***

Corporate Office
7th Floor, Devchand House, Shiv Sagar Estate,
Dr. Annie Besant Road, Worli, Mumbai - 400 018.
Tel: 91-22-2497 7744/4001 1400

BANKERS

Axis Bank Ltd.
Exim Bank of India
ICICI Bank Ltd.
IDBI Bank Ltd.
Kotak Mahindra Bank Ltd.
State Bank of India
RBL Bank Ltd.
Yes Bank Ltd.
Bank of America

PLANT LOCATIONS (INDIA)

Unit I: Munoli Sugar, Distillery, Cogeneration and Sugar Refinery Munoli, Taluka: Saundatti, Dist: Belagavi, Karnataka

Unit II: Athani Sugar, Distillery, Cogeneration and Sugar Refinery Taluka: Athani, Dist: Belagavi, Karnataka

Unit III: Havalga Sugar, Distillery, Cogeneration and Sugar Refinery, Taluka: Afzalpur, Dist: Gulbarga, Karnataka

Unit IV: Raibag (Leased) Sugar Taluka: Raibag, Dist: Belagavi, Karnataka

Unit V: Pathri Sugar Deonandra, Taluka: Pathri, Dist: Parbhani, Maharashtra

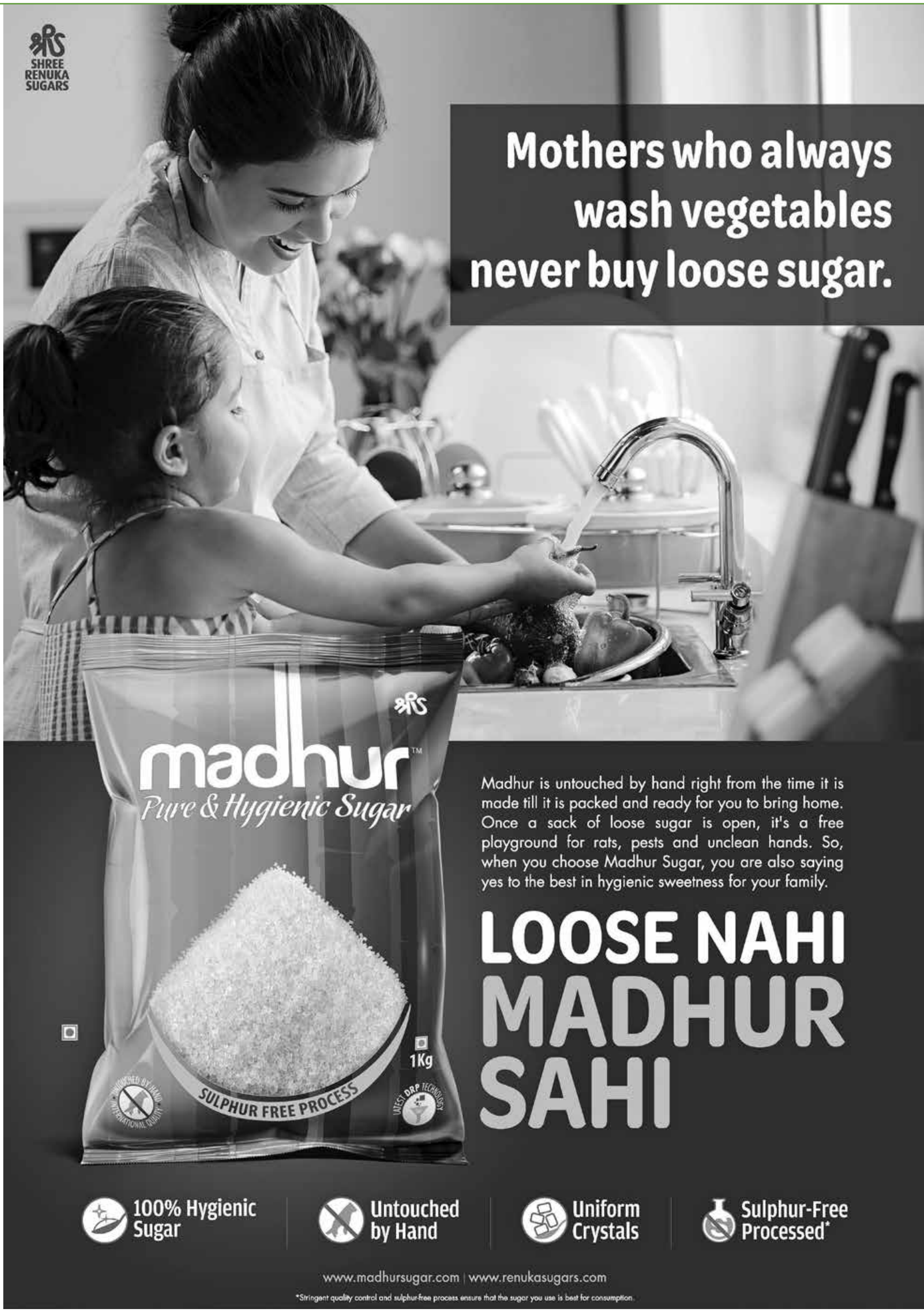
Unit VI: Ajinkyatara (BOOT) Cogeneration, Shahunagar, Shendre Tal/Dist: Satara, Maharashtra

Unit VII: Panchaganga (Leased, BOOT) Sugar & Cogeneration Ganganagar, Ichalkaranji, Taluka: Hatkanangle, Dist: Kolhapur, Maharashtra

Unit E1: Khopoli Ethanol Distillery Donvat, Taluka: Khalapur, Maharashtra

Unit R1: Haldia Sugar Refinery & Cogeneration Kolkata, West Bengal

Unit R2: Kandla Sugar Refinery & Cogeneration Kandla, Gujarat


SHREE RENUKA SUGARS
Mothers who always wash vegetables never buy loose sugar.
madhur™
Pure & Hygienic Sugar
1Kg
SULPHUR FREE PROCESS
Madhur is untouched by hand right from the time it is made till it is packed and ready for you to bring home. Once a sack of loose sugar is open, it's a free playground for rats, pests and unclean hands. So, when you choose Madhur Sugar, you are also saying yes to the best in hygienic sweetness for your family.
LOOSE NAHI
MADHUR
SAHI
100% Hygienic Sugar
Untouched by Hand
Uniform Crystals
Sulphur-Free Processed*
www.madhursugar.com | www.renukasugars.com
*Stringent quality control and sulphur-free process ensure that the sugar you use is best for consumption.

Management Discussion and Analysis

Economic review

Global scenario

Following an encouraging beginning, global growth slowed considerably towards the second half of fiscal 2019, as macro headwinds became increasingly challenging. Global growth momentum moderated due to multiple factors such as escalating US-China trade tension, credit tightening in China and tepid growth in the Eurozone, among others.

Worldwide growth remained strong, at 3.8% in the first half of 2018, but declined to 3.2% in the second half of the year [Source: International Monetary Fund (IMF)]. The ripple effect is likely to spill over to the first half of 2019 as well. Growth is likely to pick up in the second half of 2019, reaching 3.3%, driven by significant monetary policy adjustments by major economies. However, several downside risks may have a decelerating impact on global growth, going forward.

India

India's growth rate moderated in FY 2018-19 to 6.8% vis-à-vis 7.2% in FY 2017-18 due to sluggish growth of agriculture and allied sectors, along with demand slowdown and tepid private consumption. However, the government continued to usher in structural policy reforms, which are expected to yield benefit to the economy in the medium to long term.

Reforms such as a formalised tax structure, enhanced focus on infrastructure creation and gradual reduction of short-term impact of Government reforms in the areas of taxation etc., have strengthened the economy, catalysed domestic demand and improved growth prospects.

The government's policy measures to bolster the investment climate and public consumption will bring the country back on its steady growth trajectory. Income support to farmers, hikes in the purchasing price of food grains and relief to taxpayers earning less than ₹5 lakhs are likely to boost the household income of the rural population.

India also has an opportunity to strengthen its recent economic gains by initiating more integration in the global value chain. Factors such as a young working population, improving business climate and renewed focus on export expansion would support this opportunity.

Global sugar sector

Globally, sugar is manufactured from both sugar beet and sugarcane, with sugarcane as the major contributor (approximately 80% of the global production). It is currently grown on numerous diversified agro-ecological zones of 120 countries of the world with the leading producers being India, Brazil, China and Thailand, among others. Global sugar production for the Marketing Year (MY) 2019 is likely to increase by 2 million tons to 181 million (raw value) as higher production in Brazil and the European Union (EU) offset a decline in India. The world's sugar demand is expected to rise on account of growth in markets such as Egypt, India, Indonesia and Pakistan.

Countries producing sugarcane and beet

Source of sugar	Sugarcane	Beet	Both
Total number of countries	70	40	10

(Source: Investopedia)

Major sugar-producing nations

Brazil

Brazil remains one the world's largest sugar producers. However, due to a long dry spell in the country, along with ageing cane crop, sugar yields are estimated to have declined, which lead to a reduction in production. In the MY beginning April 2018 till March 2019, the cumulative volume of cane crushed declined by 3.9%, compared to the previous year. Also, Brazil produced more ethanol than sugar.

Thailand

Thailand produced record sugar levels in 2018, aided by an expansion in acreage and favourable weather conditions. The country's sugar consumption is marginally up on account of demand for direct sugar consumption and food-processing. However, with the lowering of sugar prices globally, the nation is gradually shifting to ethanol manufacture.

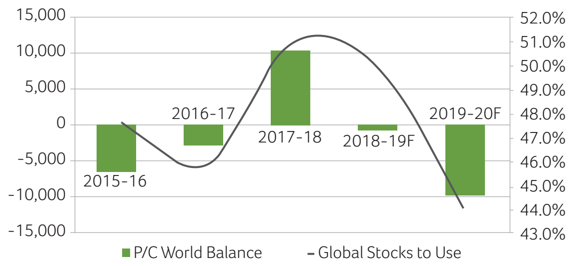
China

Sugarcane accounts for 80% of sugar production in China and sugar from sugar beet make up the balance. According to the China Sugar Association (CSA), the country's sugar production is steadily declining. The nation produced 2.63 MT of sugar in January 2019, which is 6% lower than the 2.8 MT produced in the same period last year.

European Union (EU)

Post the abolition of sugar quotas in the EU, 2018 was the first year, when sugar production increased by an average 20% vis-à-vis the previous years. However, in the current sugar season of FY 2018-19, the plantation trend of sugar beet indicates a decline, resulting from a price slump.

Global Surplus Deficit



Price trends

The global sugar sector has been plagued by surplus sugar supply relative to the demand. This has resulted in a glut, exerting a downward pressure on prices. There are forecasts of this trend of surplus production reversing and an easing of sugar prices from the season starting from 1st of October 2019.

International sugar price (₹)

Sugar	2018-19*	2017-18	2016-17	2015-16
NY#11-Raw Sugar – c/lb	12.55	13.1	17.4	16.6
London 5 – White Sugar – USD/MT	338	357.7	476.3	461.3

* 2018-19 prices are average for the period from October 2018 to July 2019

Outlook

According to Rabobank, global sugar production is expected to decline and lead to a deficit of 4.3 MT in the sugar season of FY 2019-20. After two years of surplus sugar production, this deficit is expected to reduce the pressure on sugar prices, which could start to rise according to a survey conducted by Reuters.

India's sugar sector

India has become the world's largest sugar producer beating Brazil and is also the largest sugar consumer. Excess sugar production in the last couple of years has resulted in surplus sugar supply. The main factor which can be attributed to this exponential rise in sugar production is the introduction of an early maturing cane variety, the Co 0238 (Karan 4). This cane variety gives very high cane yield and sugar recovery. This variety was released in 2009-10 and currently, in Uttar Pradesh, the plantation of this variety is above 90%, which has increased the sugar production upto 12 to 13 MMT per year. This has contributed to the highest ever sugar production in India in the last 2 seasons.

The country's sugarcane arrears surpassed ₹20,000 Crore in FY 2018-19 due to which Government of India has increased the Minimum Selling Price (MSP) of sugar from ₹29 per kilo to ₹31 per kilo. This will generate additional revenue for sugar mills and help them in the payment of cane price arrears. As on 31st March 2019, the quantity of sugar produced is 28.34 MMT as against 29.68 MMT as on 31st March 2018. The small reduction in the production is due to delay in start of the crushing operations in the cane producing states like Uttar Pradesh, Karnataka and Maharashtra.

Indian sugar – Supply and demand

Fig in MMT	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20(E)
Opening Stocks	7.5	9.1	7.8	3.9	10.7	14.3
Production	28.3	25.1	20.3	32.5	33.1	28.4
Imports	0	0	0.4	0.2	0	0
Supply	35.8	34.2	28.5	36.6	43.8	42.7
Domestic demand	(25.6)	(24.8)	(24.6)	(25.4)	(26)	(26.5)
Exports	(1.1)	(1.7)	0	(0.5)	(3.5)	(5)
Offtake	(26.7)	(26.5)	(24.6)	(25.9)	(29.5)	(31.5)
Closing Stocks	9.1	7.8	3.9	10.7	14.3	11.2
Stock as a percentage of domestic demand	35.50	31.30	15.80	42.20	55.10	42.20
Stock use in months	3.9	3.7	2.3	4.0	5.2	4.7

(Source: ISMA, Industry Analysis – 2018-19, Preliminary estimates from ISMA)

Sugar price trends

Sugar prices depend on sugar demand and supply. In India, a year of high sugar production has always been inevitably followed by low sugar production in the next couple of years. However, in the preceding eight years, this cycle has been disrupted. High cane prices offered by the government have led to an increasing number of farmers in key sugar-producing states to cultivate cane. For FY 2018-19, keeping in mind the interest of sugarcane farmers, the Government of India has fixed the Fair and Remunerative Price of sugar (FRP) at ₹275 per quintal.

Retail prices of sugar in India's leading metropolitan cities as on April 2019 comprise:

Delhi: ₹39 per kg	Kolkata: ₹37 per kg
Mumbai: ₹40 per kg	Chennai: ₹37 per kg

(Source: Price Monitoring Cell, Department of Consumer Affairs)

Factors affecting sugar prices

Factors	Outcomes	Impact on prices
Low acreage	Drought-hit farmers to shift to other crops in major cane-cultivating states	Increase
Payment arrears	Pending and delayed payments lead farmers to shift to other crops, resulting in reduced cane production	Increase
Monsoons	Poor monsoons decline sugar production and lower ending inventories	Increase
Increase in consumption	Enhanced sugar consumption leads to dependence on sugar stocks	Increase
Government policies	Government interventions to control sugar price inflation leads to stabilisation of prices	Decrease

(Source: Elearn Markets)

Ethanol

Molasses is a viscous by-product obtained from raw sugar during the manufacturing process. Cane-based ethanol can be produced in three different ways – directly from cane juice, and from B-heavy and C molasses. In 2003, the government had launched the Ethanol Blending Programme (EBP) on a pilot basis, which was subsequently extended to the Notified 21 states and 4 Union Territories to promote the use of alternative and environment-friendly fuels.

The programme was implemented as a long-term strategy to reduce India's dependency on crude imports and insulate the nation from global oil price volatility as well as give the domestic sugar sector a boost by diverting excess sugar stocks towards ethanol manufacture. While the programme initially targeted a 10% blending of petrol with the biofuel by 2022, the new Bio-fuel Policy, 2018 has fixed a target of achieving 20% ethanol blending with petrol by 2030.

Ethanol blending has risen to a record high of 6.2% in FY2018-19, indicating all relevant efforts undertaken by the government have bolstered biofuel purchase. On an average, ethanol blending achieved last year in 2017-18 was 4.22% per litre of petrol. Based on the nation's current fuel consumption, it is estimated that we need 3.3 billion litres of ethanol to achieve the targeted blending of 10% by 2020.

For the first time since implementation, in 2018, the Government has allowed ethanol production from 'B' heavy molasses and sugarcane juice, as well as from damaged food grains. With this provision, mills can divert cane juice for ethanol manufacturing during surplus years. which will maintain the earnings of sugar mills and help them make full and timely payments to farmers, and avoid carrying cost of high inventory of sugar.

Quantity of ethanol required and procured by Oil Marketing Companies (OMCs)

Fact Sheet

(Quantity in mn litres)

Source of sugar	Required by OMCs	Offered by Sugar Mills	Finalised by OMCs	Procured
2014-15	1,559	1,311	887	674
2015-16	2,656	1,473	1,316	1,110
2016-17	2,809	1,172	807	665
2017-18	3,136	1,763	1,588	1,505
2018-19*	3,292	3,100	2,687	1,501

*as of August, 2019

Compiled by research bureau

Source ISMA

Government policies aiding domestic sugar industry

India's sugar industry, an important agro-based sector, impacts the livelihood of about five crore sugarcane farmers and around five lakh workers directly employed in sugar mills. This sector enjoys extensive focus from the government owing to its deep and wide-ranging socio-economic impact.

The Government of India and state governments have been very supportive in their policies to help the sugar sector and the cane grower community. Some of the policies comprise the implementation of Minimum Support Price (MSP) for the cane, providing loans to mills to repay farmer arrears in times of distress, implementation of sugar quota for internal consumption and export and encouraging research and development.

Some of the more recent initiatives undertaken by the Government of India comprise:

- The government has fixed the sugar MSP at ₹31 per kg.
- For FY 2017-18, an assistance of ₹5.50 per quintal of cane crushed was announced, amounting to

₹1,540 Crore to mills. This has been raised to ₹13.88 per quintal for FY 2018-19, costing ₹4,100+ Crore to the exchequer.

- Around ₹1,200 Crore was allocated for the creation of 30 lakh tonnes of buffer stock of sugar. The Centre asked mills to export 5 lakh tonnes of sugar during MY 2018-19 by compensating them for the expenditure they incur towards internal transport, freight, handling and other charges. The total costs was estimated at ₹ 1.375 Crore.
- The government has doubled the import duty on sugar to 100% and scrapped the export duty.
- In FY 2018-19, the government announced a package of ₹8,500 Crore for the industry, which included soft loans of ₹4,440 crore to sugar mills for creating ethanol capacity. The government is bearing an interest subvention of ₹1,332 Crore for this purpose. Additionally, under the National Policy on Bio-fuels of 2018, the diversion of B-heavy molasses and sugarcane juice to produce ethanol has been allowed in surplus seasons.
- The Centre has approved a 25% higher price for ethanol produced directly from sugarcane juice for blending in petrol to reduce surplus sugar production and reduce oil imports.

Outlook

Sugar production is expected to drop to a three-year low in 2019-20 sugar season due to dry weather conditions, dampening production in certain parts of sugar growing regions in Maharashtra and Karnataka. The deficit in sugar production is expected to decrease overseas shipments and support global prices that fell by 21% in 2018.

About Shree Renuka Sugars Limited

Shree Renuka Sugars Limited (SRSL) is a global agribusiness and bioenergy corporation. Its presence spans three segments – sugar, ethanol and power generation. SRSL is one of the world's largest sugar-producing and sugar-refining companies, and one of the top sugar producers in India, with presence in four states across 11 locations. SRSL pioneered the concept of operating sugar-manufacturing assets on lease in India.

With a substantial biofuel manufacturing capacity, the Company is also one of the largest producers of fuel-grade ethanol. Besides sugar and ethanol, SRSL also generates electricity from bagasse (a by-product of sugar manufacture) to run its own units; and also sell to the power grid. It undertakes power projects at third-party mills on a build-own-operate-transfer (BOOT) basis. Through its strengths and synergies, SRSL aspires to be among the world's top-three integrated sugar and ethanol companies.

Business highlights

Operational

- In FY19, we crushed 4,189,590 MT of sugarcane, a 32% increase from 3,162,820 MT crushed during the previous year.
- Total recoverable sugar (yield) per MT of sugarcane improved from 11.03% in FY18 to 11.34% FY19.
- The total sugar produced (mills and refinery) increased by 12% from 1,413,549 MT in FY18 to 1,503,442 MT in FY19.
- Total power generation (mills and refinery) and ethanol production increased by 7.49% and 61%, respectively to 567 million Kwh and 121,129 kilo litres respectively in FY19.

Financial

Our accounts were prepared, based on accounting standards laid down under Section 133 of the Companies Act, 2013.

Profit and loss statement

- Our operating revenue stood at ₹ 4,296.86 crore vis-à-vis ₹ 5862.85 crore in FY 2017-18. This was on account of lower trading sales by ₹ 696.94 crore and reduction in domestic sales by ₹ 977.57 crore, primarily due to quota-based release mechanism introduced by the Government of India effective from June 2018. Ethanol sales grew 115% vis-à-vis that of last year and volumes were up by 61% and aided by the commencement of B Heavy molasses-based ethanol giving better realisations.
- Operating expenses for the year reduced to ₹ 464.93 crore as against ₹ 522.11 crore in FY 2017-18 due to operational cost savings in mill and refinery, and less provisioning requirements for doubtful assets in FY 2018-19.
- Our Company generated EBITDA of ₹ 399.3 crore vis-à-vis loss of ₹133.6 crore last year.
- Our Company generated quarterly positive PBT and PAT in Dec 2018 after 8 successive quarter losses. As a result, the net loss during the year was down to ₹ 381.9 crore from ₹ 2,982.1 crore in FY 2017-18.

Balance Sheet

- Net worth: Our net worth decreased from ₹ 891.54 crore in FY 2017-18 to ₹ 546.45 crore in FY 2018-19. This decline is due to cash losses during the year.
- Borrowings: Our borrowings comprise long-term borrowings (current and non-current) and short-term borrowings, as on 31st March 2019, and stood at ₹ 2,686.95 crore vis-à-vis ₹ 2,363.85 crore last year.

Working capital management

- Current assets: Current assets as on 31st March 2019 stood at ₹ 2,190.11 crore. Current ratio is 0.51 as on 31st March 2019.

- Inventories: Inventories increased by 76% from ₹ 929.65 crore in 2017-18 to ₹ 1,642.89 crore in FY 2018-19, primarily due to regulated offtake of sugar stock as per government quota .
- Current liabilities: Current liabilities increased by ₹ 796.16 crore and stood at ₹ 4,323.65 crore on 31st March 2019 vis-à-vis 3,527.49 crore due to extended suppliers credit and advances from customers.

Risk management

To earn sustainable and reasonable returns and steadily improve shareholder value, SRSL ensures timely identification and effective mitigation of risks. Some of the key risks that we face comprise:

- Fluctuations in sugar demand and supply
- Other factors which could affect demand and supply such as price fluctuations and interest rate movements, among others
- Seasonal uncertainties which could impact sugarcane production
- Sudden unfavourable shifts in government policies and regulations
- Increased logistics costs
- Abrupt work stoppages owing to union strikes
- High employee attrition rate

Risk management: We aim to review our risk management policies regularly, which enable us to easily identify risks which pose a threat to our business operations and their effective mitigation. Our risk management policies ensure that our external and internal risks are minimised through a periodic risk analysis.

Internal controls and adequacy

The Company has formulated a well-defined and structured internal control system, commensurate to the size and nature of its business. Stringent procedures ensure high accuracy in recording, as well as provide reliable financial and operational information, while meeting statutory compliances and safeguarding assets from unauthorised use. The Company's internal team and an independent internal audit firm monitor business operations and any deviations are immediately brought to the notice of the Management and Audit Committee for timely correction.

A comprehensive Annual Audit Plan, spanning all factories and locations of the Company, is drafted, updated and approved by the Audit Committee of the Board regularly. This is followed by an audit conducted by Independent Chartered Accountants.

These audits also test the effectiveness of mitigation initiatives implemented to defend the Company from various internal and external risks. A wide spectrum of strategies are devised as a follow-up measure to protect the Company from such uncertain events. Special audits are also conducted as directed by the management. The Company's robust IT architecture safeguards sensitive data and accelerates the audit process.

Audit Committee

The Audit Committee of the Board of Directors evaluates the observations made by internal auditors. Such observations pertain to the adequacy of control mechanism, recommendations for corrective actions and implementation of compliance-related matters. The Company's operations and adherence to the laid-down guidelines are also overseen by the Committee. It has implemented SAP at all its units to ensure effective IT security and systems, ensuring real-time availability of information at various locations.

Human quotient at the core

Our teams translate our Board strategies into on-ground reality and help strengthen our brand recall. We continually strive to nurture an environment that encourages cross-pollination of ideas and drives a sense of ownership and commitment.

We have institutionalised transparent Human Resource (HR) policies and integrated capacity-building systems. We work towards developing a culture of professionalism, integrity and ethical behaviour in our organisation. In order to strengthen this culture, we have put in place an effective whistle-blowing policy for directors and employees to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

Our objective is to build a culture of continuous learning and high performance through the implementation of several training programmes. We have established technical colleges to recruit, train and employ students who can't afford education. At the supervisor level, we have undertaken regular awareness programmes and technical trainings to build a team of competent subject matter experts and create synergy to ensure optimal functioning across units.

As on 31st March 2019, the Company employed 1,926 people across all locations. As a part of the larger corporate community, we strive to uphold fair management practices and harmonious industrial relations.

Environment, health and safety

We are committed to adhering strictly to the norms and compliance standards of Environment, Health and Safety (EHS) set by the Government of India. We comply with mandatory standards and are particularly mindful of the impact of our operations on the environment.

To become more responsible as a company, we make regular investments to recycle effluents and reduce our carbon footprint.

Worker safety and welfare are among our priorities, and for this purpose we have implemented safety measures across our manufacturing locations. We also arrange for regular safety training workshops to keep workers apprised of the latest industry safety standards. Through our corporate social responsibility vehicle, we educate employees on fitness and health, while also undertaking initiatives pertaining to community healthcare and education.

Green initiatives

Sugar manufacture is deeply dependent on natural resources, such as water and energy. Sugar manufacturing process produces effluents, which should be treated before being released into the environment. As one of the leading sugar players in the nation, we deem it our responsibility to be focused on environment and sustainability initiatives.

Our operations are based on the principles of Reduce, Reuse and Recycle. Our distilleries are Zero Liquid Discharge (ZLD) facilities, our sugar manufacturing units have additional water storage capacity to conserve water and we have a cogeneration plant which takes care of energy requirements.

We also minimise air pollution around our units through the installation of electrostatic precipitators, which control the air quality by bringing down particulate matter content to the standard prescribed limits.

Green Belt Development

It is only large-scale planting of trees that can help minimise air pollution and its concentration levels in the atmosphere. We have grown extensive green belts around our units. As an ongoing activity in developing the belts, we planted 5,311 plants in FY2018-19 and aim to plant 13,000 more in the coming fiscal.

Advantages of developing a green belt around manufacturing units comprise:

- Conservation of biodiversity
- Retention of soil moisture
- Recharge of groundwater
- Moderation of micro-climate
- Acts as a carbon and pollutants sink

Health and safety

During the year, we helped strengthen health and safety initiatives for our employees:

- Started 'safety share' daily and made it a mandatory part of all our Company's presentations
- Developed an extensive health and safety training calendar, alongside conducting numerous learning sessions that address subjects on health and safety across our units.
- Celebrated 'National Safety Week 2019' at our sites, excluding Pathri, Haldia
- Implemented a new work permit system
- Completed specific training on incident investigation
- Completed training on Enablon software and implemented usage in some of our sites

Board's Report

Dear Members,

The Board of Directors presents their Twenty-Third Annual Report and audited financial statements for the financial year ended 31st March 2019.

Standalone Financial Results

The highlights of the standalone financial results are as under:

(₹ in Million)

Particulars	2018-19	2017-18
Total Income	44,703	59,031
Profit /(loss) before financial expenses, depreciation and exceptional items	4,248	(1,431)
Financial expenses	5,410	4,986
Depreciation	2,134	2,322
Profit /(loss) before provision for tax and exceptional items	(3,296)	(8,739)
Exceptional Items	667	27,359
Provision for taxation:		
- Current	-	-
- Deferred Tax	144	6,277
Net Profit/(Loss)	(3,819)	(29,821)
Total comprehensive income/(loss)	(3,452)	(30,440)
Retained Earnings and Items of OCI brought forward from the previous year	(24,023)	6,417
Changes in Retained Earnings	(2,966)	(29,149)
Changes in Items of Other Comprehensive Income (OCI)	(485)	(1,291)
Closing Retained Earnings and Items of OCI	(27,474)	(24,023)

Operating Highlights

The Company received total income of ₹ 44,703 million for the year ended 31st March 2019 as against ₹ 59,031 million for the previous year. The EBITDA for the year under review stood at ₹ 3,993 million as compared to ₹ (1,336) million for the previous year, while the Net Loss stood at ₹ 3,819 million as compared to Net Loss of ₹ 29,821 million for the previous year. Analysis of operating performance is covered under Management Discussion and Analysis which forms part of this Report.

Dividend & Dividend Distribution Policy

As the Company has incurred losses during the year under review, your Directors have not recommended any dividend for the financial year ended 31st March 2019. The Dividend Distribution Policy of the Company may be accessed on the Company's website at www.renukasugars.com

Transfer to Reserves

Debenture Redemption Reserve (DRR) is created to the extent of 25% of the non-convertible debentures (NCDs) equally over the period till maturity of the NCDs, as per the requirements of the applicable laws. However, in view of losses incurred by the Company during the year under review, the Company has not created any DRR on the outstanding amount of NCDs.

The Company has not transferred any amount to reserves on account of the losses incurred during the financial year ended on 31st March 2019.

Fixed Deposits

During the year under review, your Company has not accepted any deposits from public within the meaning of Sections 73 and 74 of the Companies Act, 2013 (the "Act") and the Companies (Acceptance of Deposits) Rules, 2014.

Management Discussion and Analysis Report

The Management Discussion and Analysis (MDA) report on the business and operations of the Company is given in a separate section and forms part of this Annual Report.

Subsidiary Companies and Consolidated Financial Statements

As stipulated by Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ("Listing Regulations"), the

Consolidated Financial Statements have been prepared by the company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements, together with Auditors' Report, form part of the Annual Report.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of each subsidiary, joint venture and joint operations in the prescribed Form AOC-1 is provided in the financial statements forming part of this annual report.

Pursuant to Rule 8 of the Companies (Accounts) Rules, 2014, the highlights of performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the Company during the period under report is provided in the notes on consolidated financial statements forming part of this annual report.

Pursuant to Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of the Company and accounts of each of the subsidiaries of the Company are available on the website of the Company at www.renukasugars.com. These documents will be made available to the Members for inspection at the Registered Office of the Company on all working days except Saturday, Sunday and public holidays, between 9.00 a.m. and 6.00 p.m. upto the date of the ensuing Annual General Meeting. The Company will make available the documents of the subsidiaries upon request by any member of the Company interested in obtaining the same.

During the year under review, no company became a subsidiary of the Company or Joint Venture or Associate Company.

During the year under review, no company ceased to be its subsidiary or Joint Venture or Associate Company.

The Company's Policy for Determining Material Subsidiaries may be accessed on the Company's website at www.renukasugars.com

Share Capital

During the year under review, there was no change in the paid-up share capital of the Company which stands at ₹ 1363,65,25,792 comprising of 191,68,19,292 equity shares of ₹ 1 each fully paid-up, 4,28,08,858 0.01% Optionally Convertible Preference Shares of ₹ 100 each fully paid-up and 7,43,88,207 0.01% Redeemable Preference Shares of ₹ 100 each fully paid-up. As on 31st March 2019, 99.70% of the total paid-up equity share capital of the Company stands in the dematerialized form.

The reclassification of Authorized Share Capital of the Company from ₹ 2515,00,00,000 divided into 290,00,00,000 Equity Shares of ₹ 1 each; 51,01,41,365 0.01% Compulsorily Convertible Preference Shares of ₹ 16.27 each; 9,40,00,000 0.01% Redeemable Preference Shares of ₹ 100 each and 4,55,00,000 0.01% Optionally Convertible Preference Shares of ₹ 100 each to ₹ 2515,00,00,000 divided into 800,00,00,000 Equity Shares of ₹ 1 each and 17,15,00,000 Preference Shares of ₹ 100 each was approved by the shareholders through postal ballot on 19th July 2019.

Directors and Key Managerial Personnel

Pursuant to the provisions of Section 152 of the Act, Mr. Vijendra Singh (DIN: 03537522), Whole-time Director of the Company, is proposed to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

The Board of Directors on recommendation of the Nomination & Remuneration/ Compensation Committee has appointed Ms. Priyanka Mallick (DIN: 06682995) as an Independent Director for a period of 3 years with effect from 8th February 2019.

The term of office of Mr. S K Tuteja (DIN: 00594076) as an Independent Director has been completed on 31st March 2019. The Board of Directors on recommendation of the Nomination & Remuneration/ Compensation Committee has approved re-appointment of Mr. Tuteja as an Independent Director of the Company for a second term of 3 (three) years. During this second term, Mr. Tuteja will also complete the age of 75 years. As per Regulation 17(1A) of Listing Regulations a Company cannot continue the directorship of any person who has attained the age of 75 years unless a special resolution is passed to that effect.

The term of office of Mr. Dorab Mistry (DIN: 07245114) and Mr. Bhupatrai Premji (DIN: 07223590) as an Independent Director will expire on 21st August 2019. The Board of Directors, on recommendation of the Nomination & Remuneration/ Compensation Committee, has approved re-appointment of Mr. Mistry and Mr. Premji as an Independent Director of the Company for a second term of 3 (three) years on the expiry of their current term.

The Board of Directors on recommendation of the Nomination & Remuneration/ Compensation Committee had appointed Mr. Atul Chaturvedi (DIN: 00175355) as an Executive Chairman of the Company with effect from 8th August 2018, which was subject to the approval of the shareholders of the Company in the next General Meeting. His appointment and remuneration was also subject to the approval of the lenders as per the provisions of Part II of Schedule V of the Act. The next General Meeting of the Company i.e. the Annual General Meeting was held on 29th September 2018. Since the prior approval of the lenders of the Company was in process at the time of convening of the Annual General Meeting, the agenda for approval of appointment and remuneration of Mr. Chaturvedi as Executive Chairman of the Company was not included in the agenda of the above said Annual General Meeting. Therefore, Mr. Chaturvedi ceased to be an Executive Chairman of the Company with effect from 30th September 2018.

The Board of Directors on recommendation of the Nomination & Remuneration/ Compensation Committee has again appointed Mr. Chaturvedi as an Executive Chairman of the Company for 3 years with effect from 30th October 2018.

The Board of Directors on recommendation of the Nomination & Remuneration/ Compensation Committee has approved the revision in the remuneration of Mr. Vijendra Singh (DIN: 03537522) with effect from 1st January 2018 till the expiry of his current term i.e. upto 9th May 2020. The revision of remuneration was also subject to the approval of the lenders as per the provisions of Part II of Schedule V of the Act.

The Company has obtained the approval of lenders for appointment and remuneration of Mr. Atul Chaturvedi as Executive Chairman and for the remuneration payable to Mr. Vijendra Singh.

The approval of the shareholders, through ordinary resolution for appointment of Ms. Priyanka Mallick as an Independent Director, and through special resolutions for reappointment of Mr. Tuteja, Mr. Mistry and Mr. Premji as an Independent Directors, and appointment and remuneration of Mr. Atul Chaturvedi as an Executive Chairman and revision of remuneration of Mr. Vijendra Singh were obtained through postal ballot on 19th July 2019.

The Board of Directors on recommendation of the Nomination & Remuneration/ Compensation Committee has appointed Mr. R K Sinha (DIN: 01334549) as a Nominee Director with effect from 6th August 2019. Necessary resolution seeking approval of members for appointment of Mr. Sinha forms part of the notice convening 23rd Annual General Meeting of the Company.

Mr. Rupesh Saraiya resigned as the Company Secretary & Compliance Officer on 5th October 2018. Mr. Deepak Manerikar, a fellow member of the Institute of Company Secretaries of India, has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 30th October 2018.

The Company has received the declarations from the Independent Directors confirming that they satisfy the criteria of independence as prescribed under Section 149(6) of the Act and under the provisions of Listing Regulations.

During the year under review, Mrs. Vidya Murkumbi (DIN: 00007588), Mr. Sanjay Asher (DIN: 00008221) and Mr. Hrishikesh Parandekar (DIN: 01224244) ceased to be directors of the Company subsequent to their resignation from the directorship of the Company. Mrs. Vidya Murkumbi and Mr. Hrishikesh Parandekar ceased to be Directors with effect from 30th June 2018, and Mr. Sanjay Asher ceased to be Director with effect from 2nd July 2018.

Mr. Narendra Murkumbi (DIN: 00009164) stepped-down from the position of Vice Chairman & Managing Director of the Company effective from end of day on 30th June 2018, upon completion of open offer by Wilmar Sugar Holdings Pte. Ltd. However, Mr. Murkumbi continues as Non-Executive Director of the Company effective from 1st July 2018.

The Board places on record its appreciation towards valuable contribution made by outgoing directors during their tenure as Directors of the Company.

The policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act and Listing Regulations adopted by the Board is appended as Annexure 1 to the Board's Report. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

As on date of this report, Mr. Atul Chaturvedi, Executive Chairman, Mr. Vijendra Singh, Whole-time Director, Mr. Sunil Ranka, Chief Financial Officer and Mr. Deepak Manerikar, Company Secretary, are the Key Managerial Personnel of the Company.

Performance Evaluation

Pursuant to the provisions of the Act, and Listing Regulations, the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. The performance evaluation of the Chairman and Non-Independent Director was carried out by the Independent Directors in their separate meetings. The Board of Directors expressed their satisfaction with the evaluation process.

Meetings of the Board

During the year, five meetings of the Board of Directors were held, the details of which are given in the report on Corporate Governance and forms part of this Annual Report.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

(a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with no material departures;

(b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2019 and of the loss of the Company for the year ended on that date;

(c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the Directors have prepared the annual accounts on a 'going concern' basis;

(e) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively except to the extent mentioned in clause 8 a of annexure 2 of the Auditors' report which forms part of the annual report; and

(f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Auditors and Auditors' Report

M/s. S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) were appointed as Statutory Auditors of the Company at the 21st AGM held on 21st December 2017, for a term of 5 consecutive years to hold office from the conclusion of the 21st AGM till the conclusion of 26th AGM. In accordance with the Section 40 of the Companies (Amendment) Act, 2017, the appointment of Statutory Auditors is not required to be ratified at every AGM. Thus, M/s. S R B C & CO LLP will continue to hold office till the conclusion of 26th AGM.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any adverse qualification, reservation, adverse remark or disclaimer except qualification of the Auditors in clause 8 a of annexure 2 of the Auditors' report which forms part of the annual report.

During the year, the Statutory Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3) of the Act.

Explanation on Comments in the Statutory Audit Report

M/s. S R B C & CO LLP, Statutory Auditors of the Company (The Auditors), have, in their Statutory Audit Report dated 16th May 2019, have qualified their report that the Company did not have robust documentation with respect to access controls and program change controls pertaining to cane management software. These could result in potential misstatement to the financial statements.

Your directors wish to state that with regard to the Cane Management software, the Company has improved the documentation by implementing an electronic work flow tool that regulates and tracks access to the system and also to any changes to the software. This tool has been tested and found to be adequate. With this improvement, your directors believe that the auditor's concerns about a possibility of a misstatement to the financial statements on this count have been satisfactorily addressed.

Secretarial Auditors

Pursuant to the provisions of section 204 of the Act, the Board had appointed M/s. DVD & Associates, Practising Company Secretary (Membership No. F6055/CP No. 6515) to conduct the Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31st March 2019 is annexed herewith at Annexure 2 to this Report. The said report mentions that there was no woman director on the Board of the Company during the period from 1st July 2018 to 7th February 2019 Other observations of the Secretarial Auditor in his report are self-explanatory. Apart from this, the Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

As per Regulation 24A of Listing Regulations, a material unlisted subsidiary of a listed Company is also required to undertake secretarial audit and annex the Secretarial Audit Report along with the Annual Report of the listed company. Accordingly, Secretarial Audit Report of Gokak Sugars Limited, a material unlisted subsidiary of the Company, conducted by M/s. DVD and Associates, Practising Company Secretary (Membership No. F6055/CP No. 6515), is annexed as part of this Report as Annexure 2A. The said report is available on the website of the Company at www.renukasugars.com.

During the year, the Secretarial Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3) of the Act.

Explanation on Comments in the Secretarial Audit Report

M/s. DVD and Associates, Secretarial Auditors of the Company (The Auditors), have, in their Secretarial Audit Report dated 15th July 2019, have qualified their report for vacancy in the office of a Woman Director on the Board of Directors of the Company. There was no woman director on the Board of the Company during the period from 1st July 2018 to 7th February 2019. The Board would like to clarify as follows –

As per Regulation 17(1) of the Listing Regulations, read with

Section 149 of the Act, the Company is required to have at least one Woman Director on the Board of Directors of the Company. As per Regulation 17 of the Listing Regulations, read with Rule 3 of the Companies (Appointment and Qualification of Directors Rules) 2014, any vacancy in the office of the Woman Director is required to be filled-up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy whichever is later.

Mrs. Vidya Murkumbi, who was a Director of the Company since inception, had resigned as the Director and Executive Chairperson of the Company with effect from 30th June 2019, causing a vacancy in the office of a Woman Director on the Board of Directors of the Company. Ever since her resignation, the management was consistently looking out for an incumbent woman candidate for appointment as a Director, who would be well versed with the business of the Company and all matters incidental thereto.

Upon shortlisting of a suitable candidate for appointment as Director of the Company, the Board of Directors, vide resolution passed by circulation, appointed Ms. Priyanka Mallick as Director of the Company with effect from 8th February 2019, on the recommendation of the Nomination and Remuneration/Compensation Committee of the Board of Directors.

Thus, the Company was in non-compliance with the requirements of Section 149 of the Act read with Rule 3 of the aforesaid rules, and Regulation 17 of the Listing Regulations from 1st October 2018 to 7th February 2019.

The Company has paid the requisite penalties to the Stock Exhanges as a reason of this non-compliance, the details of which are given elsewhere in this Report.

The Company is now compliant with the requirement of having Woman Director on the Board.

Cost Auditors

The Board of Directors on the recommendation of the Audit Committee, has appointed M/s. B. M. Sharma & Co, Cost Accountants, as the Cost Auditor to audit the cost records for the financial year ending 31st March 2020. Remuneration payable to the Cost Auditor is subject to ratification by the members of the Company. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. B. M. Sharma & Co, Cost Accountants, forms part of Notice convening 23rd AGM of the Company, along with relevant details, including the proposed remuneration.

In terms of Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Act.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information as per the Companies Act, 2013 and the rules framed thereunder relating to conservation of energy, technology absorption, foreign exchange earnings and outgo forms part of this Report and is annexed hereto at Annexure 3.

Corporate Governance

In compliance with the Regulation 34 read with Schedule V of Listing Regulations, a detailed report on Corporate Governance forms part of this Annual Report. A Certificate from the Practising Company Secretary confirming compliance of the conditions of Corporate Governance as stipulated under the Listing Regulations is appended to the Corporate Governance Report.

Particulars of Employees

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended as Annexure 4 to this Report.

Employee Stock Option Scheme

The Nomination & Remuneration/Compensation Committee of the Board of Directors of the Company, inter alia, administers and monitors the SRSL Employees Stock Option Plan-2011 ("Scheme") of the Company in accordance with applicable SEBI regulations. The disclosure relating to the Scheme and other relevant details are available on the Company's website at www.renukasugars.com

During the year under review, the Company has not granted any fresh Stock Options to the employees.

Contracts and Arrangement with Related Parties

All Contracts/arrangements entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis except for the Contracts/arrangements referred in form AOC-2 annexed hereto as Annexure 5. The details of transactions with related parties are given in notes to the financial statements. Details showing the disclosure of transactions with related parties as required under Ind AS-24 and 2A of Schedule V of SEBI Listing Regulations are set out in the financial statements.

The Company's Policy on Related Party Transactions may be accessed on the Company's website at www.renukasugars.com

Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees given, securities provided and investments made are provided in the notes to the financial statements.

Corporate Social Responsibility

Your Company is committed to Corporate Social Responsibility (CSR) by catering to the needs of the weaker sections of the society. Pursuant to the provisions of the Section 135 of the Act, your Company has constituted a CSR Committee of the Board of Directors to monitor the CSR activities of the Company. The details relating to the CSR Committee are described in the Corporate Governance Report forming part of this Annual Report. The CSR Policy of the Company may be accessed on the Company's website at www.renukasugars.com

The report on the CSR activities is appended at Annexure 6 to the Board's Report.

Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules. 2016 (the IEPF Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF; established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year, the Company has transferred the unclaimed and unpaid dividends of ₹ 34,58,861 to IEPF. Further, 16,52,029 shares on which dividends were unclaimed for seven consecutive years were transferred to the IEPF, as per the requirement of the IEPF rules. The details of unclaimed/unpaid dividends and shares transfered to IEPF are available on our website, at www.renukasugars.com

Annual Return

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for FY 2018-19 is given in Annexure 7 in the prescribed Form No. MGT-9, which is a part of this report. The same is available on Company's website at www.renukasugars.com.

Risk Management & Internal Financial Controls

The Company has adopted a Risk Management Policy which is reviewed on a periodic basis in order to recognize, assess and reduce exposure to risks wherever possible.

The Company's Risk Management Policy is based on the philosophy of achieving substantial growth while mitigating and managing risks involved. Except to the extent mentioned in clause 8 a of annexure 2 of the Auditors' report which forms part of the annual report, the Company's internal control systems with reference to the financial statements are adequate and commensurate with the nature of its business and the size and complexity of its operations. Periodic audits and checks are conducted and the controls to prevent, detect and correct any irregularities in the operations have been laid down by the Company.

Whistle Blower Policy

Pursuant to Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015, and the Act, the Company has in place a Whistleblower Policy/Vigil Mechanism to deal with unethical behavior, victimisation, fraud and other grievances or concerns of directors and employees. The Whistleblower Policy can be accessed on the Company's website at www.renukasugars.com

Prevention of Sexual Harassment at Workplace

The Company has complied with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("the Act") and Rules made thereunder.

During the year, there were no complaints received by the Company under the Act.

Human Resources (HR)

The Company's HR policies and procedures are designed to recruit and retain the best talent to support the operations of your Company and to align the interest of employees with the long term organisational goals.

Material Changes & Events after Balance Sheet Date

The approvals of the shareholders through special resolutions for, adoption of new set of Articles of Association of the Company, conversion of Non-Convertible Debentures (NCDs) issued to Life of India into Redeemable Preference Shares (RPS), and ceasing to hold more than 50% shareholding in and ceasing to hold control over Shree Renuka Global Ventures Limited, Mauritius, (SRGVL) an indirect wholly owned subsidiary of the Company were obtained through postal ballot on 19th July 2019.

SRGVL has entered into an investment agreement on 6th August 2019 with an Investor, pursuant to which, the Investor has agreed to invest in SRGVL by way of subscription to ordinary shares of SRGVL (Proposed Transaction). Upon completion of the Proposed Transaction, the Investor would hold a controlling interest in SRGVL and consequently, SRGVL and its subsidiaries shall cease to be subsidiaries of the Company. The completion of the Proposed Transaction is subject to the parties obtaining relevant corporate authorisations and other approvals, as necessary.

Other Disclosures/Reporting

- Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Appreciation & Acknowledgements

The Board wishes to place on record its gratitude for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and cane growers and finally to all its members for the trust and confidence reposed on the Company. The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their competence, dedication and contribution towards the operations of the Company.

For and on behalf of the Board

Atul Chaturvedi
Executive Chairman
DIN : 00175355

6th August 2019, Mumbai

Annexure 1

Nomination and Remuneration Policy

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration/ Compensation Committee (NRC or the Committee) and has been approved by the Board of Directors of the Company.

1. Definitions

1.1 "Act" means Companies Act, 2013 and rules framed thereunder as amended from time to time.

1.2 "Board of Directors" or "Board", in relation to the company, means the collective body of the Directors of the Company.

1.3 "Committee" or "NRC" means Nomination and Remuneration/Compensation Committee of the Company as constituted or reconstituted by the Board.

1.4 "Company" means "Shree Renuka Sugars Limited".

1.5 "Managerial Personnel" means Managerial Personnel or Persons, applicable under Section 196 and other applicable provisions of the Companies Act, 2013.

1.6 "Policy" or "This policy" means Nomination and Remuneration Policy.

1.7 "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

1.8 "Independent Director" means a Director referred to in Section 149 of the Companies Act, 2013 and the Listing Agreement entered into by the Company with the Stock Exchanges.

1.9 "Key Managerial Personnel" (KMP) means

a) The Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-time Director;

b) The Company Secretary and

c) The Chief Financial Officer

1.10 "Senior Management" means the personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

2. Objective

The Nomination and Remuneration/Compensation Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement entered into by the Company with the Stock Exchanges or any other applicable law(s) or regulation(s). The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, senior management personnel and other employees. The Key Objectives of the Committee would be:

2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees.

2.3 Formulation of criteria for evaluation of Independent Directors and the Board.

2.4 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

2.5 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

2.6 To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

2.7 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

2.8 To develop a succession plan for the Board and to regularly review the plan.

2.9 To assist the Board in fulfilling responsibilities.

2.10 To implement and monitor policies and processes regarding principles of corporate governance.

3. Appointment and Removal of Managerial Personnel, Director, KMP and Senior Management

3.1 Appointment Criteria and Qualifications:

3.1.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Director, KMP or at Senior Management level and recommend to the Board his/ her appointment.

3.1.2 A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

3.1.3 Appointment of Independent Directors is also subject to compliance of provisions of Section 149 of the Act read with Schedule IV and rules thereunder and the Listing Agreement entered into by the Company with the Stock Exchanges.

3.1.4 The Company shall not appoint or continue the employment of any person as Managerial Personnel who has attained the age of 70 years. Provided that the term of the person holding this position may be extended beyond the age of 70 years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 70 years.

4. Term/Tenure

4.1 Managerial Personnel:

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

4.2 Independent Director:

An Independent Director shall hold office for a term up to 5 consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and Disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than 2 consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 3 years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of 3 years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted as per the provisions of the Act and Listing Agreement, as amended from time to time.

The maximum tenure of Independent Directors shall also be in accordance with the Companies Act, 2013 and clarifications/ circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

5. Retirement

Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company.

The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6. Evaluation

The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP and Senior Management on yearly basis.

7. Removal

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Personnel, Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

8. Remuneration of Managerial Personnel, KMP and Senior Management

8.1 The Remuneration/Compensation Commission etc. to Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration/Compensation/Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

8.2 The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

8.3 Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

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

8.5 If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

8.6 Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel subject to the provisions of the Act.

8.7 Only such Employees/Directors of the Company and its subsidiaries as approved by the Nomination and Remuneration/Compensation Committee will be granted ESOPs.

9. Remuneration to Non-Executive/ Independent Directors

9.1 Remuneration/Commission:

The remuneration/commission shall be in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder for the time being in force.

9.2 Sitting Fees:

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

9.3 Limit of Remuneration/Commission:

Remuneration/Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1%/3% of the net profits of the Company, respectively or such other limits as may be prescribed.

10. Duties in Relation to Nomination Matters

The duties of the Committee in relation to nomination matters include:

10.1 Determining the appropriate size, diversity and composition of the Board;

10.2 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.3 Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

10.4 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

10.5 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.6 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

10.7 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.8 Recommend any necessary changes to the Board; and

10.9 Considering any other matters, as may be requested by the Board.

11. Duties in Relation to Nomination Matters

The duties of the Committee in relation to remuneration matters include:

11.1 Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

11.2 Approving the remuneration of the Directors, Senior Management including KMP of the Company maintaining a balance between fixed and incentive pay, if any, reflecting short and long term performance objectives appropriate to the working of the Company.

11.3 Delegating any of its powers to one or more of its members or the Secretary of the Committee.

11.4 Considering any other matters as may be requested by the Board.

12. Review and Amendment to the Policy

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration/ Compensation Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure 2

Secretarial Audit Report

For the financial year ended 31st March 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Shree Renuka Sugars Limited
BC 105, Povlock Road, Off Havelock Road,
Cantonment, Belgaum 590 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. Shree Renuka Sugars Limited (hereinafter called "the Company").

The Secretarial Audit was conducted for the period from 1st April 2018 to 31st March 2019, in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of the following list of laws and regulations with our observations on the same:

(i) The Companies Act, 2013 (the Act) and the Rules made there under: The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review except the following points:

a. The vacancy of woman Director after resignation on 30th June 2018 was filled on 8th February 2019.

b. The Company has transferred Dividends which have remained unclaimed for a period of 7 years or more, during the year 2018-19, to the Investor Education and Protection Fund. The shares in respect of such Dividends have been transferred to the IEPF in accordance with Section 124 (6) of the Act. In respect of transfer of shares to IEPF for earlier year, there was a query raised by the Registrar of Companies and which was satisfactorily replied by the Company.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under: The Company has complied with the provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA').

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:

The Company is a listed public company the shares are in dematerialised form and the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

(iv) The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and there are no discrepancies observed by us during the period under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable for the period under review);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable for the period under review);

(e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable for the period under review); and

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(Not applicable for the period under review)

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable for the period under review);

The Company is a listed Company and provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are duly complied by the Company.

I further report that, as per the opinion of the officers of the Company and information provided by them the following specific applicable laws on the basis of activities of the Company are complied with by the Company:

a. Sugar Cess Act, 1982
b. The Sugar (Control) Order, 1966
c. The Sugarcane (Control) Order, 1966
d. FSSA, 2006
e. Essential Commodities Act, 1955
f. Indian Boilers Act, 1923
g. The Electricity Act, 2003
h. The Legal Metrology Act, 2009

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. The Company has duly complied with the Secretarial Standards for the period under review.

(ii) The Listing Agreement entered into by the Company with BSE Limited, Mumbai and National Stock Exchange of India Limited, Mumbai in respect of Shares issued by the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except that the vacancy of woman Director after resignation on 30th June 2018 was filled on 8th February 2019.

During the period under review the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. which are mentioned above.

We further report that:-

There are adequate systems and processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws.

The Board of Directors of the Company is duly constituted with proper balance of appointment of Independent Directors as required by Section 149 of the Companies Act, 2013.

Adequate notice is given to all directors about the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. All decisions at Board Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors.

We further report that during the audit period no major decisions, specific events/ actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

a. There were letters of non compliance issued by the BSE Limited and National Stock Exchange Limited in respect of appointment of Woman Director after the vacancy caused due to resignation and the same has been replied by the Company after making the payment of requisite penalty.

b. There was a letter in respect of transfer of shares to IEPF to which the Company has replied satisfactorily and there were no further queries raised by them till the date of issue of this report.

c. There was an inspection carried out by the Central Government as per the provisions of Section 206 of the Companies Act, 2013 and which had lead to show cause notices under various Section of the Companies Act, 2013 viz: Section 12, 118, 129, 139 and 152. The Company has paid the penalties under Section 12 and 118 as per the adjudication process and replied satisfactorily for the show cause notices under 129, 139 and 152 and there were no further queries raised by them till the date of issue of this report.

For **DVD & ASSOCIATES**
COMPANY SECRETARIES

Devendra Deshpande
FCS No. 6099 CP No. 6515

Place: Mumbai
Date: 15th July 2019

Annexure A

To,
The Members

Shree Renuka Sugars Limited
BC 105, Povlock Road,Off Havelock Road,
Cantonment, Belgaum 590 001

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion..
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DVD & ASSOCIATES**
COMPANY SECRETARIES

Devendra Deshpande
FCS No. 6099 CP No. 6515

Place: Mumbai
Date: 15th July 2019

Annexure 2A

Secretarial Audit Report

For the financial year ended 31st March 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members

Gokak Sugars Limited
238, 263, Kolavi
Taluka Gokak, Karnataka 591344

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Gokak Sugars Limited (Hereinafter called "the Company").

Secretarial Audit was conducted for the period from 1st April 2018 to 31st March 2019, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of the following list of laws and regulations with our observations on the same:

(i) The Companies Act, 2013 (the Act) and the rules made there under: The Company has satisfactorily complied with the provisions of the Companies Act 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review except in respect of the following:

a. Appointment of Company Secretary for the period from 01.04.2018 to 18.03.2019

b. Appointment of Independent Director for the period from 09.06.2018 to 18.03.2019 and the constitution of various committees.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: The Company is an unlisted Company and therefore provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA') are not applicable.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under: The company is a unlisted public company and around 93.59 % of the shares are in dematerialised form and the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

(iv) The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and there are no discrepancies observed by us during the period under review. There was no allotment of shares or the Company has not availed any External Commercial Borrowings during the year.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

The Company is an unlisted Company and therefore provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. which are mentioned above.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

a. Sugar Cess Act, 1982

b. The Sugar (Control) Order, 1966

c. The Sugarcane (Control) Order, 1966

d. FSSA, 2006

e. Essential Commodities Act, 1955

f. Indian Boilers Act, 1923

g. The Electricity Act, 2003

h. The Legal Metrology Act, 2009

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India have been followed by the Company.

ii. The Company being an unlisted Company the clauses of Listing agreement / SEBI (Listing Obligations and Disclosure Requirements), 2015 are not applicable.

We further report that:-

There are adequate systems and processes in the Company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws.

The Board of Directors of the Company is duly constituted with proper balance of appointment of Independent Directors as required by Section 149 of the Companies Act, 2013 except as mentioned above.

Adequate notice is given to all directors about the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. All decisions at Board Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

We further report that during the audit period the no major decisions, specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **DVD & ASSOCIATES**
COMPANY SECRETARIES

Devendra Deshpande
FCS No. 6099 CP No. 6515

Place: Mumbai
Date: 15th July 2019

Annexure A

To,
The Members

Gokak Sugars Limited
238, 263, Kolavi,
Taluka Gokak, Karnataka 591344

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion..

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DVD & ASSOCIATES**
COMPANY SECRETARIES

Devendra Deshpande
FCS No. 6099 CP No. 6515

Place: Mumbai
Date: 15th July 2019

Annexure 3

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

A. Conservation of Energy

(i) Steps taken for conservation of energy

Kandla refinery:

1. Reduced Steam consumption from 0.78 to 0.60 Ton per ton of raw sugar by improving process efficiency and by using various heat recovery methods.

Athani plant:

1. Installed capacitor banks 25 KVAR x 2 nos for raw sugar / sugar handling Motor Control Centres to improve power factor to 0.8.
2. 55 nos of LED lamps of various ratings installed resulting in saving of 7 Kwh per hour.

B. Technology Absorption

(i) Efforts made towards technology absorption:

Kandla refinery:

Use of alternative fuel for Granular Activated Carbon regeneration. Started using LPG in place of diesel.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Fuel cost reduced by 15%

(iii) Details regarding imported technology (imported during last three years reckoned from the beginning of the financial year):

(a)	The details of technology imported	Nil
(b)	The year of import	Not Applicable
(c)	Whether the technology been fully absorbed	Not Applicable
(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable

(iv) Expenditure incurred on Research and Development:

Nil

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earned	:	27,727.37 million
Outgo of Foreign Exchange	:	19,416.67 million

Annexure 4

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

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for FY 2018-19 (₹ in Million)	% increase in Remuneration in FY 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Atul Chaturvedi# Executive Chairman (w.e.f. 02.07.2018 upto 29.09.2018) & (w.e.f. 30.10.2018)	22.79	NA	89.02
2.	Mr. Vijendra Singh Executive Director	36.13	121.74%	141.13
3.	Mr. Narendra Murkumbi# Non-Executive Director (w.e.f. 01.07.2018) Vice Chairman & Managing Director (Upto 30.06.2018)	12.49	Nil	48.78
4.	Mrs. Vidya Murkumbi# Executive Chairperson (Upto 30.06.2018)	9.35	Nil	36.48
5.	Mr. Sanjay Asher* Independent Director (Upto 02.07.2018)	0.08	NA	NA
6.	Mr. Hrishikesh Parandekar * Independent Director (Upto 30.06.2018)	0.15	NA	NA
7.	Mr. S. K. Tuteja* Independent Director	0.45	NA	NA
8.	Mr. Jean-Luc Bohbot Non-Executive Director	-	NA	NA
9.	Mr. Stephen Ho Kiam Kong Non-Executive Director	-	NA	NA
10.	Mr. Bhupatrai Premji* Independent Director	0.33	NA	NA
11.	Mr. Dorab Mistry* Independent Director	-	NA	NA
12.	Dr. Bharatkumar Mehta* Independent Director	0.25	NA	NA
13.	Mr. Madhu Rao* Independent Director	0.37	NA	NA
14.	Ms. Priyanka Mallick* Independent Director	0.05	NA	NA
15.	Mr. Sunil Ranka# Chief Financial Officer (w.e.f. 04.05.2018)	15.24	NA	59.53
16.	Mr. K. K. Kumbhat# Chief Financial Officer (Upto 03.05.2018)	5.83	Nil	22.77
17.	Mr. Deepak Manerikar# Company Secretary (we.f. 30.10.2018)	1.36	NA	5.31
18.	Mr. Rupesh Saraiya# Company Secretary (Upto 05.10.2018)	1.70	Nil	6.64

* Remuneration to Independent Directors consists only of sitting fees paid for FY 2018-19.
# Employed for part of the year

2. The median remuneration of employees of the Company during the financial year was Rs. 256,800
3. In the financial year, there was an increase of 2.72% in the median remuneration of employees.
4. The numbers of permanent employees on the rolls of Company as on 31st March 2019 were 1,926.
5. Average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2018-19 was 2.72% and increase in the managerial remuneration was by 54%. Increments in remuneration of employees are as per the appraisal / Remuneration Policy of the Company.
6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

   Information relating to particulars of employees under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

(i) The name of top ten employees in terms of remuneration drawn:

Sr. No.	Name and Designation	Remuneration Received (₹ in Million)	Qualifications	Total Experience (No. of years)	Date of Commencement of Employment	Age in Year	Previous Employment
1.	Vijendra Singh Executive Director	36.13	B. Sc., PGD (Sugar Tech), MBA (Finance)	35	15-Sep-10	59	Bajaj Hindusthan Ltd.
2.	Mr. Narendra Murkumbi, Non-Executive Director (w.e.f. 01.07.2018) Vice Chairman & Managing Director (Upto 30.06.2018)	12.49	BE (E&C), PGDM (IIM), Ahmedabad	22	01-Jan-01	49	-
3.	Mr. Atul Chaturvedi Executive Chairman (Wef 02.07.2018 upto 29.09.2018) & (w.e.f. 30.10.2018)	22.79	Post graduate from St. Johns College (Agra University)	38	02-Jul-18	63	Adani Wilmar Ltd.
4.	Mrs. Vidya Murkumbi Executive Chairperson (Upto 30.06.2018)	9.35	B.Sc., Doctorate by Karnataka State Bijapur Woman's University	36	01-Apr-04	71	-
5.	Mr. Sunil Ranka Chief Financial Officer (w.e.f. 04..05.2018)	15.24	CA, ICWA, CS, LLB, B.Com	33	18-Apr-18	56	Suzlon Energy Ltd.
6.	Ravi Gupta President (Corporate)	13.80	B.Com, PGD,(Forestry Management)	28	01-May-13	49	Noble Natural Resource India Pvt. Ltd.
7.	Ashok Kumar Sharma Senior Vice President (Operations)	11.61	BE (MECH), BOE	43	05-Sep-11	69	Uttam Sugars Ltd.
8.	Mr. K. K. Kumbhat Chief Financial Officer (Upto 03.05.2018)	5.84	B.Com, ACA, ACS	38	12-Mar-08	60	Ashapura Minechem Ltd.
9.	Mr. Shripad Nerlikar Executive Director (Cane)	9.74	B.Sc. (AGRI)	42	01-Oct-03	63	Halasidhanath SSK Ltd.
10.	Satbir Singh Sindhu President (Marketing & OD)	8.39	MBA	33	01-Jun-18	57	Adani Wilmar Ltd.

(ii) Employed throughout the financial year, was in receipt of remuneration for that year which, in aggregate, was not less than ₹ 1,02,00,000/-

(₹ In Million)

Sr. No.	Name and Designation	Remuneration received (₹)	Qualifications	Total Experience (No. of Years)	Date of commencement of Employment	Age in Year	Previous Employment
1.	Vijendra Singh Executive Director	36.13	B. Sc., PGD (Sugar Tech), MBA (Finance)	35	15-Sep-10	59	Bajaj Hindusthan Ltd.
2.	Ravi Gupta President (Corporate)	13.80	B.Com, PGD, (Forestry Management)	28	01-May-13	49	Noble Natural Resource India Pvt. Ltd.
3.	Ashok Kumar Sharma Senior Vice President (Operations)	11.61	BE (MECH), BOE	43	05-Sep-11	69	Uttam Sugars Ltd.

(iii) Employed for the part of the year, was in receipt of remuneration in aggregate not less than ₹ 8,50,000/- per month

(₹ In Million)

Sr. No.	Name and Designation	Remuneration received (₹)	Qualifications	Total Experience (No. of Years)	Date of commencement of Employment	Age in Year	Previous Employment
1.	Mr. Atul Chaturvedi Executive Chairman (w.e.f. 02.07.2018 upto 29.09.2018) & (w.e.f. 30.10.2018)	22.79	Post graduate from St. Johns College (Agra University)	38	02-Jul-18	63	Adani Wilmar Ltd.
2.	Mr. Narendra Murkumbi, Non-Executive Director (w.e.f. 01.07.2018) Vice Chairman & Managing Director (Upto 30.06.2018)	12.49	BE (E&C), PGDM (IIM), Ahmedabad	22	01-Jan-01	49	-
3.	Mrs. Vidya Murkumbi Executive Chairperson (Upto 30.06.2018)	9.35	B.Sc., Doctorate by Karnataka State Bijapur Woman's University	36	01-Apr-04	71	-
4.	Mr. Sunil Ranka Chief Financial Officer (w.e.f. 04.05.2018)	15.24	CA, ICWA, CS, LLB, B.Com	33	18-Apr-18	56	Suzlon Energy Ltd.
5.	Mr. K. K. Kumbhat Chief Financial Officer (Upto 03.05.2018)	5.84	B.Com, ACA, ACS	38	12-Mar-08	60	Ashapura Minechem Ltd.
6.	Satbir Singh Sindhu President (Marketing & OD)	8.39	MBA	33	01-Jun-18	57	Adani Wilmar Ltd.

Annexure 5

Particulars of contracts / arrangements made with related parties

Form No. AOC-2

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended 31st March 2019, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31st March 2019, approved by the Board of Directors on 8th May 2019 are as follows:

Name of related party and Nature of relationship	Nature of Contract	Duration of contract	Salient terms*	Amount received as advance
Gokak Sugars Limited (Subsidiary)	Loan of Rs. 250 crore	For period of 120 months	Unsecured loan @ 11% Interest	NA
Monica Trading Private Limited (Wholly Owned Subsidiary)	Loan of Rs. 26 crore	For period of 120 months	Unsecured loan @ 11% Interest	NA

*Appropriate approvals have been taken for related party transactions.

Annexure 6

Annual report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19 (Pursuant to Section 135 of the Companies Act, 2013)

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**
   The CSR Policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and the Schedule VII thereto. The CSR Policy of the Company may be accessed on the Company's website at www.renukasugars.com

2. **The composition of the CSR Committee as on 31st March 2019**
   Mr. Surender Kumar Tuteja, Chairman

   Mr. Jean-Luc Bohbot, Member

   Mr. Atul Chaturvedi, Member

3. **Average net profit of the Company for last three financial years**
   Pursuant to Section 198 of the Companies Act, 2013, the Average Net Profit of the Company for last three financial years was in negative. Accordingly, the Company was not required to spend any CSR Expenditure during the financial year 2018-19.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**
   Nil

5. **Details of CSR spent during the financial year**
   a) Total amount to be spent for the financial year: Nil

   b) Amount un-spent, if any: Not Applicable

   c) Manner in which the amount spent during financial year, is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Not Applicable							

6. **In case the Company has failed to spend the two per cent of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report**
   Not Applicable

7. **Responsibility statement of the CSR Committee**
   CSR Committee confirmed that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and Policy of the Company.

Date: 6th August 2019
Place: Mumbai

Surender Kumar Tuteja
Chairman - CSR Committee

Atul Chaturvedi
Member - CSR Committee

Annexure 7

Extract of Annual Return
Form No. MGT-9

as on the financial year ended on 31st March 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

i.	CIN	L01542KA1995PLC019046
ii.	Registration Date	25th October, 1995
iii.	Name of the Company	Shree Renuka Sugars Limited
iv.	Category/Sub-Category of the Company	Public Company/Limited by Shares
v.	Address of the Registered Office and contact details	2nd & 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagur, Belagavi, Karnataka – 590010, India (w.e.f. 1st August 2019) BC 105, Havelock Road, Camp, Belagavi, Karnataka - 590001, India. (Upto 31st July 2019) Tel. No.: +91-831-2404000 Website: www.renukasugars.com
vi.	Whether listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Fintech Private Limited Karvy Selenium Tower No. B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032, India. Tel. No.: +91-40-6716 1700/6716 2222 Fax No.: +91-40-6716 1680/2300 1153 Website: www.karvy.com

II. Principal Business Activites of the Company

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

Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company#
Sugar	10721	77.16
Distillery	2011	11.06

On the basis of Gross Turnover

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held*	Applicable Section
1.	Wilmar Sugar Holdings Pte. Ltd.	56, Neil Road, Singapore - 088830	-	Holding	58.34	2(46)
2.	Shree Renuka Agri Ventures Limited	BC 105, Havelock Road, Camp, Belagavi 590001, Karnataka.	U15330KA2008PLC047205	Subsidiary	100	2(87)(ii)
3.	Gokak Sugars Limited	238, 263, Kolavi, Gokak, Belagavi - 591344, Karnataka.	U15429KA2000PLC026433	Subsidiary	93.64	2(87)(ii)
4.	Monica Trading Private Limited	7th Floor, Devchand house, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400018, Maharashtra.	U51502MH2006PTC163752	Subsidiary	100	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held*	Applicable Section
5.	Shree Renuka Tunaport Private Limited	BC 105, Havelock Road, Camp, Belagavi 590001, Karnataka.	U45205KA2013PTC067486	Subsidiary	100	2(87)(ii)
6.	KBK Chem- Engineering Private Limited	1st& 2ndFloor, Survey No.1/10 to 16, AmachiColony, Plot No. 33 & 34, BhavdhanKhurd, NDA- Pashan Road, Pune - 411021. Maharashtra.	U74210PN1997PTC111151	Subsidiary	100	2(87)(ii)
7.	Renuka Commodities DMCC	24k, AU Gold Tower, Jumeirah Lakes Tower, Sheikh Zayed Road, Dubai, U.A.E.	-	Subsidiary	100	2(87)(ii)
8.	Shree Renuka Global Ventures Ltd.	IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius.	-	Subsidiary	100	2(87)(ii)
9.	Shree Renuka East Africa Agriventures PLC	House No. New, Dire Dawa Building, Woreda: 3, Kirkos Sub- City, Addis Ababa, Ethiopia.	-	Subsidiary	100	2(87)(ii)
10.	Lanka Sugar Refinery Company (Private) Limited	RNH House No. 622B, Kotte Road, Kotte, Sri Lanka.	-	Subsidiary	100	2(87)(ii)
11.	Shree Renuka do Brasil Participações Ltda.	Nove de Julho Avenue, 5519, 5th floor, JardimPaulista, Zip Code: 01.406-200, in the city of São Paulo/ SP.	-	Subsidiary	100	2(87)(ii)
12.	Shree Renuka São Paulo Participações Ltda.	Nove de Julho Avenue, 5519, 5th floor, JardimPaulista, Zip Code: 01.406-200, in the city of São Paulo/ SP.	-	Subsidiary	100	2(87)(ii)
13.	Renuka do Brasil S/A	MarechalRondon Road, Km 455 - BairroPatos, ÁguaBranca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP. CNPJ: 43.932.102/0005-81	-	Subsidiary	59.41	2(87)(ii)
14.	Revati S.A- Acucar e Alcool	at CRD-339 Local Road, Coroados- BrejoAlegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of BrejoAlegre/SP	-	Subsidiary	59.41	2(87)(ii)
15.	Renuka Geradora de EnergiaElétrica Ltda.	MarechalRondon Road, Km 455 - BairroPatos, ÁguaBranca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP	-	Subsidiary	59.41	2(87)(ii)
16.	Renuka Cogeração Ltda.	MarechalRondon Road, Km 455 - BairroPatos, ÁguaBranca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP	-	Subsidiary	59.41	2(87)(ii)
17.	RevatiGeradora de Energia Elétrica Ltda.	CRD-339 Local Road, Coroados- BrejoAlegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of BrejoAlegre/SP	-	Subsidiary	59.41	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held*	Applicable Section
18.	RevatiAgropecuaria Ltda.	FazendaÁguasClaras, Estrada Municipal CRD-339, Coroados a BrejoAlegre, s/n, in the city of BrejoAlegre, State of São Paulo, Zip code 16265-000	-	Subsidiary	59.41	2(87)(ii)
19	Apoena Logistica E Comercio De Productos Agricolas Ltda.	Nove de Julho Avenue, 5519, 5th floor, JardimPaulista, Zip Code: 01.406-200, in the city of São Paulo/ SP.	-	Subsidiary	100	2(87)(ii)
20.	Renuka Vale do IVAI S/A	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/ PR	-	Subsidiary	100	2(87)(ii)
21.	Ivaicana Agropecuaria Ltda.	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/ PR	-	Subsidiary	100	2(87)(ii)
22.	Biovale Comercio de Leveduras Ltda.	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/ PR	-	Subsidiary	100	2(87)(ii)

IV. Shareholding pattern (Equity Share Capital breakup as percentage of total Equity)

i) Category-wise Shareholding

Category Code	Category of Shareholder	No. of Shares Held at the Beginning of the Year				No. of Shares Held at the End of the Year				% Change During the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**PROMOTER AND PROMOTER GROUP**									
(1)	INDIAN									
(a)	Individual /HUF	2,19,17,565	0	2,19,17,565	1.14	0	0	0	0	-1.14
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	23,43,37,170	0	23,43,37,170	12.23	0	0	0	0	-12.23
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	25,62,54,735	0	25,62,54,735	13.37	0	0	0	0	-13.37
(2)	**FOREIGN**									
(a)	Individuals (NRIs/ Foreign Individuals)	10,87,732	0	1087732	0.06	0	0	0	0	-0.06
(b)	Bodies Corporate	73,93,36,351	0	73,93,36,351	38.57	11,18,20,4751	0	1,11,82,04,751	58.34	19.77
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**74,04,24,083**	**0**	**74,04,24,083**	**38.63**	**1,11,82,04,751**	**0**	**1,11,82,04,751**	**58.34**	**19.71**
	Total A=A(1)+A(2)	**99,66,78,818**	**0**	**99,66,78,818**	**52.00**	**1,11,82,04,751**	**0**	**1,11,82,04,751**	**58.34**	**6.34**
(B)	**PUBLIC SHAREHOLDING**									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	22,00,000	0	22,00,000	0.11	0	0	0	0.00	-0.11
(b)	Financial Institutions /Banks	49,89,02,528	0	49,89,02,528	26.03	52,69,25,897	0	52,69,25,897	27.49	1.46
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00

Category Code	Category of Shareholder	No. of Shares Held at the Beginning of the Year				No. of Shares Held at the End of the Year				% Change During the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(f)	Foreign Institutional Investors	2,40,82,976	0	2,40,82,976	1.26	1,14,33,550	0	1,14,33,550	0.60	-0.66
(g)	Foreign Portfolio Investors	0	0	0	0.00	0	0	0	0	0.00
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Others	2,93,86,497	0	2,93,86,497	1.53	2,93,86,497	0	2,93,86,497	1.53	0.00
	Sub-Total B(1) :	55,45,72,001	0	55,45,72,001	28.93	53,83,59,447	0	53,83,59,447	28.09	-0.85
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	6,28,70,105	0	6,28,70,105	3.28	2,34,35,951	0	2,34,35,951	1.22	-2.06
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	20,06,79,325	52,66,246	20,59,45,571	10.74	17,49,20,222	38,19,683	17,87,39,905	9.32	-1.42
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	6,12,23,757	4,35,000	6,16,58,757	3.22	3,34,01,589	19,37,968	3,53,39,557	1.84	-1.37
(c)	Others									
	CLEARING MEMBERS	19,58,005	0	19,58,005	0.10	7,69,122	0	7,69,122	0.04	-0.06
	DIRECTORS	10,70,000	0	10,70,000	0.06	1,08,99,905	0	1,08,99,905	0.57	0.51
	NON RESIDENT INDIANS	49,86,930	20,00,000	69,86,930	0.36	43,31,993	0	43,31,993	0.23	-0.14
	NRI NON-REPATRIATION	15,38,492	0	15,38,492	0.08	14,48,944	0	14,48,944	0.08	0.00
	TRUSTS	2,30,49,504	5,000	2,30,54,504	1.20	51,01,620	0	51,01,620	0.27	-0.94
	NBFC	4,86,109	0	4,86,109	0.03	39,036	0	39,036	0.00	-0.02
	IEPF	0	0	0	0.00	1,49,061	0	1,49,061	0.01	0.01
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	**35,78,62,227**	**77,06,246**	**36,55,68,473**	**19.07**	**25,44,97,443**	**57,57,651**	**26,02,55,094**	**13.58**	**-5.49**
	Total B=B(1)+B(2) :	**91,24,34,228**	**77,06,246**	**92,01,40,474**	**48.00**	**79,28,56,890**	**57,57,651**	**79,86,14,541**	**41.66**	**-6.34**
	Total (A+B) :	**1,90,91,13,046**	**77,06,246**	**1,91,68,19,292**	**100.00**	**1,91,10,61,641**	**57,57,651**	**1,91,68,19,292**	**100.00**	**0.00**
(C)	Shares held by custodians, against which									
	Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	**1,90,91,13,046**	**77,06,246**	**1,91,68,19,292**	**100.00**	**1,91,10,61,641**	**57,57,651**	**1,91,68,19,292**	**100.00**	

ii) Shareholding of Promoters

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of change during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company#	% of Shares Pledged/ encumbered to total shares	
1	Wilmar Sugar Holdings Pte. Ltd.	73,93,36,351	38.57	-	1,11,82,04,751	58.34	-	19.77
2	Murkumbi Investments Private Limited *	12,14,14,000	6.33	6.33	-	0.00	-	-6.33
3	Agri Venture Trading And Investment Private Limited *	3,75,23,170	1.96	1.96	-	0.00	-	-1.96
4	Khandepar Investments Private Limited *	7,54,00,000	3.93	3.93	-	0.00	-	-3.93
5	Narendra Madhusudan Murkumbi *	1,08,12,905	0.56	0.56	1,08,12,905	0.56	NA	0.00
6	Supriya Shailesh Rojekar *	47,10,000	0.25	-	-	0.00	-	-0.25

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of change during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company#	% of Shares Pledged/ encumbered to total shares	
7	Narendra Madhusudan Murkumbi *	20,00,000	0.10	-	-	0.00	-	-0.10
8	Malvika Murkumbi *	14,00,000	0.07	-	-	0.00	-	-0.07
9	Inika Narendra Murkumbi *	14,00,000	0.07	-	-	0.00	-	-0.07
10	Vidya Murkumbi *	12,28,800	0.06	0.06	12,28,800	0.06	NA	0.00
11	Anuradha Ravindra Kulkarni *	10,87,732	0.06	-	-	0.00	-	-0.06
12	Dilip Vasant Rao Deshpande *	3,15,860	0.02	-	-	0.00	-	-0.02
13	Apoorva Narendra Murkumbi *	50,000	0.00	-	50,000	0.00	NA	0.00
	Total	**99,66,78,818**	**52.00**	**12.85**	**1,11,82,04,751**	**58.34**	**-**	**6.98**

* Reclassified as Public shareholders with effect from 31st March 2019 pursuant to approval letters dated 18th January 2019 for reclassification of shareholders under Regulation 31A of Listing Regulations, issued by BSE & NSE. Hence, their shareholding has not been considered while calculating total number of shares (and % of shares) held by promoters as on 31st March 2019.

iii) Change in Promoters' Shareholding

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year		Date wise Increase/Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the company
1	Wilmar Sugar Holdings Pte. Ltd.	73,93,36,351	38.57	01-04-2018	-	-	73,93,36,351	38.57
				13-07-2018	Purchase	86,07,12,284	1,11,82,04,751	58.34
				31-03-2019	**-**	**-**	**1,11,82,04,751**	**58.34**
2	Murkumbi Investments Pvt. Ltd.*	12,14,14,000	6.33	01-04-2018	-	-	12,14,14,000	6.33
				11-05-2018	Sale	11,21,72,365	92,41,635	0.48
				18-05-2018	Sale	92,41,635	0	0
				31-03-2019	**-**	**-**	**0**	**0**
3	Khandepar Investments Pvt. Ltd.*	7,54,00,000	3.93	01-04-2018	-	-	7,54,00,000	3.93
				04-05-2018	Sale	98,548	3,16,06,010	1.65
				11-05-2018	Sale	3,16,06,010	0	0
				31-03-2019	**-**	**-**	**0**	**0**
4	Agri Venture Trading and Investment Pvt Ltd.*	3,75,23,170	1.96	01-04-2018	-	-	3,75,23,170	1.96
				18-05-2018	Sale	3,75,23,170	0	0
				31-03-2019	**-**	**-**	**0**	**0**
5	Narendra Madhusudan Murkumbi*	1,08,12,905	0.56	01-04-2018	-	-	1,08,12,905	0.56
				31-03-2019	**-**	**-**	**1,08,12,905**	**0.56**
6	Narendra Madhusudan Murkumbi HUF*	20,00,000	0.10	01-04-2018	-	-	20,00,000	0.10
				25-05-2018	Sale	20,00,000	0	0
				31-03-2019	**-**	**-**	**0**	**0**
7	Supriya Shailesh Rojekar*	47,10,000	0.25	01-04-2018	-	-	47,10,000	0.25
				11-05-2018	Sale	47,10,000	0	0
				31-03-2019	**-**	**-**	**0**	**0**

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year		Date wise Increase/Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the company
8	Inika Narendra Murkumbi*	14,00,000	0.07	01-04-2018	-	-	14,00,000	0.07
				27-04-2018	Sale	14,00,000	0	0
				11-05-2018	Purchase	14,00,000	14,00,000	0.07
				25-05-2018	Sale	14,00,000	0	0
				31-03-2019	-	-	**0**	**0**
9	Malvika Narendra Murkumbi*	14,00,000	0.07	01-04-2018	-	-	14,00,000	0.07
				27-04-2018	Sale	14,00,000	0	0
				11-05-2018	Purchase	14,00,000	14,00,000	0.07
				25-05-2018	Sale	14,00,000	0	0
				31-03-2019	-	-	**0**	**0**
10	Anuradha Ravindra Kulkarni*	10,87,732	0.06	01-04-2018	-	-	10,87,732	0.06
				04-05-2018	Sale	10,20,102	67,630	0.00
				11-05-2018	Sale	67,630	0	0
				31-03-2019	-	-	**0**	**0**
11	Vidya Murkumbi*	12,28,800	0.06	01-04-2018	-	-	12,28,800	0.06
				31-03-2019	-	-	**12,28,800**	**0.06**
12	Dilip Vasant Rao Deshpande*	3,15,860	0.02	01-04-2018	-	-	3,15,860	0.02
				11-05-2018	Sale	3,15,860	0	0
				31-03-2019	-	-	**0**	**0**
13	Apoorva Narendra Murkumbi*	50,000	0.00	01-04-2018	-	-	50,000	0.00
				31-03-2019	-	-	**50,000**	**0.00**

* Reclassified as Public shareholders with effect from 31st March 2019 pursuant to approval letters dated 18th January 2019 for reclassification of shareholders under Regulation 31A of Listing Regulations, issued by BSE & NSE. Hence, their shareholding has not been considered while calculating total number of shares (and % of shares) held by promoters as on 31st March 2019.

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
1	ICICI Bank Limited	19,23,96,579	10.04	01-04-2018			19,23,96,579	10.04
				06-04-2018	(769768)	Sale	19,16,26,811	10.00
				13-04-2018	(3365)	Sale	19,16,23,446	10.00
				20-04-2018	20619	Purchase	19,16,44,065	10.00
				27-04-2018	36755	Purchase	19,16,80,820	10.00
				04-05-2018	153876	Purchase	19,18,34,696	10.01
				11-05-2018	275103	Purchase	19,21,09,799	10.02
				18-05-2018	68706	Purchase	19,21,78,505	10.03
				25-05-2018	(305934)	Sale	19,18,72,571	10.01
				01-06-2018	49048	Purchase	19,19,21,619	10.01
				08-06-2018	15710	Purchase	19,19,37,329	10.01
				15-06-2018	(369118)	Sale	19,15,68,211	9.99
				22-06-2018	(17249)	Sale	19,15,50,962	9.99
				29-06-2018	(11107)	Sale	19,15,39,855	9.99
				06-07-2018	66087	Purchase	19,16,05,942	10.00
				13-07-2018	10381	Purchase	19,16,16,323	10.00
				20-07-2018	(39166)	Sale	19,15,77,157	9.99
				27-07-2018	(11353)	Sale	19,15,65,804	9.99
				03-08-2018	12056	Purchase	19,15,77,860	9.99
				10-08-2018	(12860)	Sale	19,15,65,000	9.99
				17-08-2018	12186	Purchase	19,15,77,186	9.99
				24-08-2018	(15913)	Sale	19,15,61,273	9.99
				31-08-2018	5815	Purchase	19,15,67,088	9.99
				07-09-2018	(697)	Sale	19,15,66,391	9.99
				14-09-2018	(334)	Sale	19,15,66,057	9.99
				21-09-2018	(21045)	Sale	19,15,45,012	9.99
				28-09-2018	(26144)	Sale	19,15,18,868	9.99
				05-10-2018	(73247)	Sale	19,14,45,621	9.99
				12-10-2018	52924	Purchase	19,14,98,545	9.99
				19-10-2018	29215	Purchase	19,15,27,760	9.99
				26-10-2018	(20767)	Sale	19,15,06,993	9.99
				02-11-2018	(74083)	Sale	19,14,32,910	9.99
				09-11-2018	(130924)	Sale	19,13,01,986	9.98
				16-11-2018	(1595)	Sale	19,13,00,391	9.98
				23-11-2018	10617	Purchase	19,13,11,008	9.98
				30-11-2018	(20259)	Sale	19,12,90,749	9.98
				07-12-2018	(3147)	Sale	19,12,87,602	9.98
				14-12-2018	233866	Purchase	19,15,21,468	9.99
				21-12-2018	16499	Purchase	19,15,37,967	9.99
				28-12-2018	14591	Purchase	19,15,52,558	9.99
				31-12-2018	(302927)	Sale	19,12,49,631	9.98
				04-01-2019	264573	Purchase	19,15,14,204	9.99
				11-01-2019	5171	Purchase	19,15,19,375	9.99
				18-01-2019	48471	Purchase	19,15,67,846	9.99
				25-01-2019	72670	Purchase	19,16,40,516	10.00
				01-02-2019	(471531)	Sale	19,11,68,985	9.97
				08-02-2019	607014	Purchase	19,17,75,999	10.00
				15-02-2019	(15974)	Sale	19,17,60,025	10.00
				22-02-2019	(24901)	Sale	19,17,35,124	10.00
				01-03-2019	(484293)	Sale	19,12,50,831	9.98
				08-03-2019	452464	Purchase	19,17,03,295	10.00
				15-03-2019	6773	Purchase	19,17,10,068	10.00
				22-03-2019	9606	Purchase	19,17,19,674	10.00
				29-03-2019	(440562)	Sale	19,12,79,112	9.98
				31-03-2019			**19,12,79,112**	**9.98**
2	IDBI Bank Limited	18,19,69,219	9.49	01-04-2018	-	-	18,19,69,219	9.49
				31-03-2019	-	-	**18,19,69,219**	**9.49**

Sr. No	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
3	Axis Bank Limited	3,99,18,604	2.08	01-04-2018	-	-	3,99,18,604	2.08
				06-04-2018	174955	Purchase	4,00,93,559	2.81
				06-04-2018	(40444)	Sale	4,00,53,115	2.81
				20-04-2018	25296	Purchase	4,00,78,411	2.09
				20-04-2018	(13950)	Sale	4,00,64,461	2.09
				27-04-2018	(25968)	Sale	4,00,38,493	2.09
				04-05-2018	(142000)	Sale	3,98,96,493	2.08
				11-05-2018	261	Purchase	3,98,96,754	2.08
				11-05-2018	(30350)	Sale	3,98,66,404	2.08
				18-05-2018	407472	Purchase	4,02,73,876	2.10
				18-05-2018	(261)	Sale	4,02,73,615	2.10
				25-05-2018	(363537)	Sale	3,99,10,078	2.08
				01-06-2018	(3474)	Sale	3,99,06,604	2.08
				08-06-2018	20512	Purchase	3,99,27,116	2.08
				08-06-2018	(372615)	Sale	3,95,54,501	2.06
				15-06-2018	(107997)	Sale	3,94,46,504	2.06
				22-06-2018	(36510)	Sale	3,94,09,994	2.06
				29-06-2018	(22403)	Sale	3,93,87,591	2.05
				06-07-2018	(20278)	Purchase	3,94,07,869	2.06
				13-07-2018	227687	Purchase	3,96,35,556	2.07
				20-07-2018	(29306)	Sale	3,96,06,250	2.07
				27-07-2018	(150820)	Sale	3,94,55,430	2.06
				03-08-2018	9626	Purchase	3,94,65,056	2.06
				10-08-2018	(38124)	Sale	3,94,26,932	2.06
				17-08-2018	122010	Purchase	3,95,48,942	2.06
				31-08-2018	(142429)	Sale	3,94,06,513	2.06
				07-09-2018	(1779)	Sale	3,94,04,734	2.06
				14-09-2018	(16122)	Sale	3,93,88,612	2.05
				21-09-2018	(151305)	Sale	3,92,37,307	2.05
				28-09-2018	247911	Purchase	3,94,85,218	2.06
				05-10-2018	54885	Purchase	3,95,40,103	2.06
				05-10-2018	(100)	Sale	3,95,40,003	2.06
				12-10-2018	21429	Purchase	3,95,61,432	2.06
				19-10-2018	27616	Purchase	3,95,89,048	2.07
				26-10-2018	(211857)	Sale	3,93,77,191	2.05
				02-11-2018	3816	Purchase	3,93,81,007	2.05
				09-11-2018	9861	Purchase	3,93,90,868	2.06
				16-11-2018	3053	Purchase	3,93,93,921	2.06
				23-11-2018	18350	Purchase	3,94,12,271	2.06
				30-11-2018	(62748)	Sale	3,93,49,523	2.05
				07-12-2018	(516)	Sale	3,93,49,007	2.05
				14-12-2018	(1500)	Sale	3,93,47,507	2.05
				21-12-2018	(12500)	Sale	3,93,35,007	2.05
				28-12-2018	(10897)	Sale	3,93,24,110	2.05
				31-12-2018	(24000)	Sale	3,93,00,110	2.05
				04-01-2019	23500	Purchase	3,93,23,610	2.05
				11-01-2019	(3300)	Sale	3,93,20,310	2.05
				18-01-2019	140632	Purchase	3,94,60,942	2.06
				25-01-2019	30130	Purchase	3,94,91,072	2.06
				01-02-2019	59942	Purchase	3,95,51,014	2.06
				08-02-2019	4135	Purchase	3,95,55,149	2.06
				15-02-2019	(5452)	Sale	3,95,49,697	2.06
				22-02-2019	35141	Purchase	3,95,84,838	2.07
				01-03-2019	83151	Purchase	3,96,67,989	2.07
				08-03-2019	(73531)	Sale	3,95,94,458	2.07
				15-03-2019	48423	Purchase	3,96,42,881	2.07
				22-03-2019	92733	Purchase	3,97,35,614	2.07
				29-03-2019	(98615)	Sale	3,96,36,999	2.07
				31-03-2019	-	-	**3,96,36,999**	**2.07**
4	Standard Chartered Bank, UAE Branch	2,93,86,497	1.53	01-04-2018	-	-	2,93,86,497	1.53
				31-03-2019	-	-	**2,93,86,497**	**1.53**

Sr. No	Name of the Share Holder	No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the company
5	Life Insurance Corporation of India	1,87,20,122	0.98	01-04-2018	-	-	1,87,20,122	0.98
				31-03-2019	**-**	**-**	**1,87,20,122**	**0.98**
6	Standard Chartered Bank	1,64,35,338	0.86	01-04-2018	-	-	1,64,35,338	0.86
				31-03-2019	**-**	**-**	**1,64,35,338**	**0.86**
7	Kotak Mahindra Bank Limited	1,28,66,283	0.67	01-04-2018	-	-	1,28,66,283	0.67
				31-03-2019	**-**	**-**	**1,28,66,283**	**0.67**
8	State Bank of India	1,17,57,861	0.61	01-04-2018	-	-	1,17,57,861	0.61
				31-03-2019	**-**	**-**	**1,17,57,861**	**0.61**
9	Export- Import Bank of India	93,52,564	0.49	01-04-2018	-	-	93,52,564	0.49
				31-03-2019	**-**	**-**	**93,52,564**	**0.49**
10	Yes Bank Limited	81,55,796	0.43	01-04-2018	-	-	81,55,796	0.43
				31-03-2019	**-**	**-**	**81,55,796**	**0.43**
11	Shree Renuka Sugars Development Foundation	2,05,72,884	1.07	01-04-2018	-	-	2,05,72,884	1.07
				01-06-2018	(15572884)	Sale	50,00,000	0.26
				31-03-2019	**-**	**-**	**50,00,000**	**0.26**
12	Rajasthan Global Securities Private Limited	1,46,26,596	0.76	01-04-2018			1,46,26,596	0.76
				06-04-2018	5000000	Purchase	1,96,26,596	1.38
				06-04-2018	(5000000)	Sale	1,46,26,596	1.02
				04-05-2018	192839	Purchase	1,48,19,435	0.77
				11-05-2018	20005286	Purchase	3,48,24,721	1.82
				11-05-2018	(287816)	Sale	3,45,36,905	1.80
				18-05-2018	19779041	Purchase	5,43,15,946	2.83
				25-05-2018	27100345	Purchase	8,14,16,291	4.25
				01-06-2018	2641683	Purchase	8,40,57,974	4.39
				08-06-2018	74671070	Purchase	15,87,29,044	8.28
				08-06-2018	(63361912)	Sale	9,53,67,132	4.98
				15-06-2018	299176	Purchase	9,56,66,308	4.99
				29-06-2018	(95666308)	Sale	0	0.00
				31-03-2019	**-**	**-**	**0**	**0.00**

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
A	**Directors**				
	1. Mrs. Vidya Murkumbi (Upto 30.06.2018)	12,28,800	0.06	12,28,800	-
	2. Mr. Narendra Murkumbi	1,08,12,905	0.56	1,08,12,905	0.56
	3. Mr. Sanjay Asher (Upto 02.07.2018)	10,10,000	0.05	NA	NA
	4. Mr. Surender Kumar Tuteja	60,000	0.00	60,000	0
	5. Mr. Atul Chaturvedi	-	-	85,000	0.004
B	**Key Managerial Personnel**				
	1. Mr. Deepak Manerikar (w.e.f. 30.10.2018)	-	-	-	-
	2. Mr. Rupesh Saraiya (Upto 05.10.2018)	-	-	-	-
	3. Mr. K. K. Kumbhat (Upto 03.05.2018)	1,60,000	0.01	NA	NA
	4. Mr. Sunil Ranka (w.e.f. 03.05.18)	-	-	-	-

V. Indebtedness

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

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	23,638.50	-	-	23,638.50
ii) Interest due but not paid	49.65	-	-	49.65
iii) Interest accrued but not due	258.98	-	-	258.98
Total (i+ii+iii)	**23,947.13**	**-**	**-**	**23,947.13**
Change in Indebtedness during the financial year				
- Addition	4,192.75	-	-	4,192.75
- Reduction	(609.95)	-	-	(609.95)
Net Change	**3,582.80**	**-**	**-**	**3,582.80**
Indebtedness at the end of the financial year				
i) Principal Amount	26,869.46	-	-	26,869.46
ii) Interest due but not paid	24.82	-	-	24.82
iii) Interest accrued but not due	635.65	-	-	635.65
Total (i+ii+iii)	**27,529.93**	**-**	**-**	**27,529.93**

VI. Remuneration of Directors and Key Managerial Personnel

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mrs. Vidya Murkumbi (Upto 30.06.18)	Mr. Narendra Murkumbi (Upto 30.06.18)	Mr. Vijendra Singh	Mr. Atul Chaturvedi	
		Executive Chairperson	Vice Chairman & Managing Director	Whole-time Director	Executive Chairman*	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	81,57,247	1,24,77,860	2,97,34,914	2,20,45,704	72,41,05,725
	(b) Value of perquisites u/s 17(2) of the Income- tax Act, 1961	11,88,875	9,900			11,98,775
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-		-
3	Sweat Equity	-	-	-		-
4	Commission					
	- as % of Profit	-	-	-		-
	- others, specify	-	-	-		-
5	Others, please specify	-	-	-		-
	Performance Linked Incentive			27,47,947	7,47,945	34,95,892
	Arrears	-	-	36,43,506	-	36,43,506
	Total	**93,46,122**	**1,24,87,760**	**3,61,26,367**	**2,27,93,649**	**8,07,53,898**
	Ceiling as per the Act	-	-	-	-	-

* Executive Chairman w.e.f. 2nd July 2018 to 29th September 2018 and w.e.f 30th October 2018

B. Remuneration to Other Directors

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of the Independent Directors								Total Amount
		Mr. Sanjay Asher (Upto 02.07.18)	Mr. Hrishikesh Parandekar (Upto 30.06.18)	Mr. S. K. Tuteja	Mr. Bhupatrai Premji	Mr. Madhu Rao (w.e.f. 27.06.18)	Dr. B. V. Mehta	Mr. Dorab Mistry	Ms. Priyanka Mallick (w.e.f. 08.02.19)	
I.	Independent Directors									
	(a) Fee for attending board/ committee meetings	75,000	1,50,000	4,50,000	3,25,000	3,75,000	2,50,000	-	50,000	16,75,000
	(b) Commission	-	-	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-	-	-
	Total	**75,000**	**1,50,000**	**4,50,000**	**3,25,000**	**3,75,000**	**2,50,000**	**-**	**50,000**	**16,75,000**

Sr. No.	Particulars of Remuneration	Name of the Non-Executive Directors				Total Amount
		Mr. Atul Chaturvedi (From 01.04.18 to 01.07.18, 30.09.18 to 29.10.18)	Mr. Jean Luc Bohbot	Mr. Stephen Ho Kiam Kong	Mr. Narendra Murkumbi	
I.	Other Non-Executive Directors					
	(a) Fee for attending board/ committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	TOTAL (B) = (1 + 2)					-
	Total Managerial Remuneration					**16,75,000**
	Overall Ceiling as per the Act	Overall ceiling as per the Companies Act, 2013 is not applicable to sitting fees				

Note: Except for the above directors, as mentioned herein above no other directors have received any remuneration during the financial year 2018-19

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Company Secretary	Company Secretary	Chief Financial Officer	Chief Financial Officer	Total Amount
		Mr. Rupesh Saraiya (Upto 05.10.2018)	Mr. Deepak Manerikar (w.e.f. 30.10.2018)	Mr. Sunil Ranka (w.e.f. 03.05.18)	Mr. K K Kumbhat (Upto 03.05.2018)	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,02,375	11,55,867	1,41,06,825	28,07,998	1,97,73,065
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	5,642	5,642
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of Profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Performance Linked Incentive	-	-	11,36,990	-	11,36,990
	Arrears/ Joining Bonus	-	2,03,572	-	30,22,093	32,25,665
	Total	**17,02,375**	**13,59,439**	**1,52,43,815**	**58,35,733**	**2,41,41,362**

VII. Penalties/Punishment/Compounding of Offences

(Amount in ₹)

Type	Section/ Provisions	Brief Description	Details of Penalty/ punishment/ compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made, if any (give details)
A. Company					
Penalty	Reg. 17 of SEBI Listing Regulations 2015	Appointment of woman Director	13,00,000	Stock Exchanges (BSE & NSE)	-
	Sec. 12 of Companies Act, 2013	Affixing of name & address of registered office outside of every office	10,000	RD	-
	Sec. 118 of Companies Act, 2013	Numbering of minutes pages	50,000	RD	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	Sec. 12 of Companies Act, 2013	Affixing of name & address of registered office outside of every office	30,000	RD	
	Sec. 12 of Companies Act, 2013	Numbering of minutes pages	30,000	RD	
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in Default					
Penalty	Sec. 12 of Companies Act, 2013	Affixing of name & address of registered office outside of every office	30,000	RD	
	Sec. 12 of Companies Act, 2013	Numbering of minutes pages	30,000	RD	
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Corporate Governance Report

1. Company Philosophy

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Shree Renuka Sugars Limited is committed to good governance practices that create long term sustainable shareholder value. The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its shareholders, employees, the Government and the lenders. The Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company ensures to comply with the requirements of Corporate Governance listed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations').

2. Board of Directors

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. As on 31st March 2019, Company's Board has a strength of 11 (Eleven) Directors, comprising of 2 (Two) Executive Directors, 3 (Three) Non-Executive Directors and 6 (Six) Independent Directors. The Chairman of the Board is an Executive Director.

The Board has held five meetings during the year and the gap between any two meetings did not exceed four months. The Board meetings were held on 4th April 2018, 3rd May 2018, 8th August 2018, 30th October 2018 and 14th February 2019.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/ Memberships held by them in other public companies and number of shares held by them as on 31st March 2019, are given herein below:

Name	Nature of Directorship	Board Meetings attended		Whether attended last AGM	Number of other Directorships in other Companies	Number of Committee positions held in other Public Companies		No. of Shares held
		Held	Attended			Member	Chairman	
Mr. Atul Chaturvedi@ DIN: 00175355	Executive Director (Executive Chairman)	5	5	Yes	3	-	-	85,000
Mr. Vijendra Singh DIN: 03537522	Executive Director	5	5	Yes	2	-	-	-
Mr. Jean-Luc Bohbot DIN : 06857132	Non-Executive Director	5	4	No	-	-	-	-
Mr. Stephen Ho Kiam Kong DIN : 07584449	Non-Executive Director	5	4	No	-	-	-	-
Mr. S. K. Tuteja DIN: 00594076	Independent Director	5	5	Yes	8			-
Mr. Dorab Mistry DIN : 07245114	Independent Director	5	5	No	-	-	-	-
Mr. Bhupatrai Premji DIN : 07223590	Independent Director	5	5	No	-	-	-	-
Mr. Madhu Rao# DIN: 02683483	Independent Director	5	3	No	2	1	1	-
Dr. Bharatkumar Mehta DIN : 00895163	Independent Director	5	5	Yes	1	1	-	2,000
Mr. Narendra Murkumbi$ DIN: 00009164	Non-Executive Director	5	5	No	1	-	-	1,08,12,905
Ms. Priyanka Mallick% DIN: 06682955	Independent Director	5	1	No	-	-	-	-
Mrs. Vidya Murkumbi^ DIN: 00007588	Executive Director (Executive Chairperson)	5	1	No	1	1	-	12,28,800
Mr. Sanjay Asher* DIN: 00008221	Independent Director	5	1	No	8	4	1	-
Mr. Hrishikesh Parandekar^ DIN: 01224244	Independent Director	5	2	No	-	-	-	-

@ Assumed charge as Executive Chairman w.e.f. 2nd July 2018 to 29th September 2018 and w.e.f 30th October 2018
# Appointed as an Independent Director, w.e.f. 27th June 2018
$ Change of designation from Vice Chairman & Managing Director to Non-Executive Director w.e.f. 1st July 2018
% Appointed as an Independent Director, w.e.f. 8th February 2019
^ Resigned w.e.f. end of day on 30th June 2018
* Resigned w.e.f. end of day on 2nd July 2018

Mr. R.K. Sinha has been appointed as a Nominee Director w.e.f. 6th August 2019

1. *Other directorships includes directorships in all public companies except foreign companies and companies under Section 8 of the Companies Act, 2013.*
2. *In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered. None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five Committees across all listed entities in which they are Director.*

Names of the Listed Entities where the Director(s) of the Company i.e. Shree Renuka Sugars Limited is a Director and the category of Directorship:

Sr. No.	Name & DIN of Director	Name of the Listed Entity	Designation	Category
1	Mr. Atul Chaturvedi DIN: 00175355	Nil	Nil	Nil
2	Mr. Vijendra Singh DIN: 03537522	Nil	Nil	Nil
3	Mr. Jean-Luc Bohbot DIN : 06857132	Nil	Nil	Nil
4	Mr. Stephen Ho Kiam Kong DIN : 07584449	Nil	Nil	Nil
5	Mr. S. K. Tuteja DIN: 00594076	A2Z Infra Engineering Limited Havells India Limited SML Isuzu Limited	Chairman Director Chairman	Independent, Non-Executive Director Independent, Non-Executive Director Independent, Non-Executive Director
6	Mr. Dorab Mistry DIN : 07245114	Nil	Nil	Nil
7	Mr. Bhupatrai Premji DIN : 07223590	Nil	Nil	Nil
8	Mr. Madhu Rao DIN: 02683483	Nil	Nil	Nil
9	Dr. Bharatkumar Mehta DIN : 00895163	Nil	Nil	Nil
10	Mr. Narendra Murkumbi DIN: 00009164	Ravindra Energy Limited	Director	Non Independent, Non-Executive Director
11	Ms. Priyanka Mallick DIN: 06682955	Nil	Nil	Nil

There are no inter-se relationships between the Board members. In the opinion of the Board, the Independent Directors fulfills the conditions as specified in Listing Regulations and are independent of the management.

During the year, Mr. Sanjay Asher (DIN: 00008221) and Mr. Hrishikesh Parandekar (DIN: 01224244), Independent Directors resigned as Directors of the Company due to personal reasons. There were no material reasons for their resignation.

The Company has familiarized its Independent Directors regarding the Company, their roles, rights, responsibilities and liabilities in the Company. During the year, the Directors were also familiarized with key changes in corporate laws and other relevant laws. The details of programs for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at www.renukasugars.com

Meeting of Independent Directors: As stipulated by the Code of Independent Directors under the Companies Act, 2013 (here in after referred to as the Act) and Regulation 25 of Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14th February 2019.

3. List of Core Skills/Expertise/Competencies identified by the Board of Directors

The Board of Directors have identified the following core skills/expertise/competencies of the Directors of the Company, as required in the context of its business and sector for it to function effectively. The members of the Board possess the requisite skills as mentioned below.

Skills/expertise/competence	Whether available with the Board or not?
Industry knowledge/experience	
Sugar Industry	Yes
Experience	Yes
Industry knowledge	Yes
Understanding of relevant laws, rules, regulation and policy	Yes
International Experience	Yes

Skills/expertise/competence	Whether available with the Board or not?
Technical skills/experience	
Accounting and Finance	Yes
Business Development	Yes
Information Technology	Yes
Risk Management	Yes
Business Strategy	Yes
Behavioral Competencies	
Integrity and ethical standards	Yes
Mentoring abilities	Yes
Interpersonal relations	Yes
Leadership	Yes

4. Committees of the Board

Keeping in view the better Governance and focused discussion, the Board has constituted various committees with specific terms of the reference and scope. The details of the committees constituted by the Board are given below:

A. Audit Committee

i. The Audit Committee of the Company is constituted in line with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

ii. The terms of reference & Powers of the Audit Committee are broadly as under:

a. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

b. Recommending to the Board, the appointment/re-appointment, remuneration and terms of appointment of Auditors of the company and approval of payment to statutory auditors for any other services rendered by the statutory auditors;

c. Reviewing with the management the quarterly, half-yearly and annual financial statements before submission to the Board for approval, with particular reference to -

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
- Any changes in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with accounting standards.
- Compliance with listing and other legal requirements concerning financial statements.
- Disclosure of any related party transactions.

d. Qualifications in the draft audit report;

e. Reviewing, with the management, the statement of uses / application of funds raised through public issue, rights issue, preferential issue, etc., and the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

f. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

g. Approval or any subsequent modification of transactions of the Company with Related Parties;

h. Scrutiny of inter-corporate loans and investments;

i. Valuation of undertakings or assets of the Company, wherever it is necessary;

j. Reviewing with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;

k. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

l. Discussion with internal auditors on any significant findings and follow up thereon;

m. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

n. Discussion with the statutory auditors before the audit commences on the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

o. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

p. Review the functioning of the Whistle Blower mechanism;

q. Approval of appointment of Chief Financial Officer (CFO) (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

r. Evaluation of Risk Management systems;

s. Monitoring the end use of funds raised through public offers and related matters;

t. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision ;

u. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or as may be required by the Board.

iii. The Audit Committee invites such of the executives, as it considers appropriate, representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

iv. The previous Annual General Meeting (AGM) of the Company was held on 29th September 2018 and was attended by Mr. S K Tuteja, member of the Audit Committee on behalf of Mr. Madhu Rao, Chairman of the Audit Committee.

v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Madhu Rao (Chairman)#	Independent Director	4	3
Mr. Dorab Mistry	Independent Director	4	4
Mr. Stephen Ho Kiam Kong	Non-Executive Director	4	3
Mr. Surender Kumar Tuteja*	Independent Director	4	2
Mr. Sanjay Asher (Chairman)@	Independent Director	4	1
Mr. Hrishikesh Parandekar @	Independent Director	4	1

w.e.f. 27th June 2018
* w.e.f. 8th August 2018
@ Upto 27th June 2018

The Audit Committee has held four meetings during the year and the gap between any two meetings did not exceed four months. The Audit Committee meetings were held on 2nd May 2018, 8th August 2018, 30th October 2018 and 14th February 2019.

B. Nomination and Remuneration / Compensation Committee

i. The Board has constituted a Nomination and Remuneration/Compensation Committee under Section 178 of the Act, read with the Listing Regulations.

ii. The broad terms of reference of the said Committee are as under:

a. To identify persons who are qualified to become directors and who may be appointed in senior management of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal;

b. To carry out the performance evaluation of individual Director's, the Committees and of the Board;

c. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

d. While formulating such policy, Nomination and Remuneration/Compensation Committee shall ensure that -

   i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

   ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and longterm performance, objectives appropriate to the working of the company and its goals.

e. To take into account financial position of the company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders;

f. Devising a policy on Board diversity

g. To undertake specific duties as may be prescribed by the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and or as may be prescribed by the Board of Directors of the Company, from time to time;

h. To obtain outside legal or other professional advice to assist in connection with its functions, if necessary;

i. Employee Stock Option Plan (ESOPs):

   - To formulate Employee Stock Option Plan and from time to time to grant options to eligible employees;
   - To decide the quantum of options to be granted to any employee and in aggregate under any of the Employee Stock Option Plans that may be formulated by the Committee;
   - To decide the conditions under which the options granted to employees may lapse;
   - To determine Exercise Price of the options to be granted under Employee Stock Option Plan;
   - To determine and specify the vesting period and the Exercise Period in any of the Employee Stock Option Plans;
   - To dispose of, at its sole discretion and in the interest of the Company, the options not applied for, by the employees offered under various ESOPs;
   - To decide the procedure for making fair and reasonable adjustment to the number of options and to the exercise price in case of right issue / bonus issue, other corporate actions or otherwise;
   - To determine the terms and conditions of ESOP and to do any other related or incidental matter thereto

j. To recommend to the board, all remuneration, in whatever form, payable to senior management

iii. The composition of the Committee and the details of meetings attended by its members are given below:

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Surender Kumar Tuteja (Chairman)	Independent Director	4	4
Mr. Bhupatrai Premji	Independent Director	4	4
Mr. Madhu Rao #	Independent Director	4	3
Mr. Sanjay Asher @	Independent Director	4	0
Mr. Hrishikesh Parandekar @	Independent Director	4	1

w.e.f. 27th June 2018
@ Upto 27th June 2018

The Nomination & Remuneration/Compensation Committee has held four meetings during the year on 2nd May 2018, 8th August 2018, 30th October 2018 and 14th February 2019.

Pursuant to the provisions of the Act and Regulations the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

iv. Details of remuneration paid/payable to Directors of the Company for the year ended 31st March 2019:

Details of remuneration paid/payable to Directors of the Company for the year ended 31st March 2019 are as follow:

Name	Salary / Perquisites	Retirement Benefits	Bonus / Ex- Gratia	Commission	Preformance Incentive	Sitting Fee	Total	Service Contract/ Stock options granted / Notice period / Severance Fees
Mr. Atul Chaturvedi@ (Executive Chairman)	2,20,45,704	-	-	-	7,47,945	-	2,27,93,649	Term of office valid up to 29th October 2021. 3 months Notice period and severance fees equal to 3 months remuneration in case the Company waives the notice period of Mr. Chaturvedi.
Mr. Vijendra Singh (Executive Director)	3,33,78,420	-	-	-	27,47,947	-	3,61,26,367	Term of office valid up to 9th May 2020. 3 months Notice period and severance fees equal to 3 months remuneration in case the Company waives the notice period of Mr. Singh.
Mr. Jean-Luc Bohbot (Non-Executive Director)	-	-	-	-	-	-	-	-
Mr. Stephen Ho Kiam Kong (Non-Executive Director)	-	-	-	-	-	-	-	-
Mr. S. K. Tuteja (Independent Director)	-	-	-	-	-	4,50,000	4,50,000	-
Mr. Dorab Mistry (Independent Director)	-	-	-	-	-	-	-	-
Mr. Bhupatrai Premji (Independent Director)	-	-	-	-	-	3,50,000	3,50,000	-
Mr. Madhu Rao# (Independent Director)	-	-	-	-	-	3,75,000	3,75,000	-
Dr. Bharatkumar Mehta (Independent Director)	-	-	-	-	-	2,50,000	2,50,000	-
Mr. Narendra Murkumbi$ (Non-Executive Director)	1,24,87,760	-	-	-	-	-	1,24,87,760	
Ms. Priyanka Mallick% (Independent Director)	-	-	-	-	-	50,000	50,000	-
Mrs. Vidya Murkumbi^ (Executive Chairperson)	93,46,122	-	-	-	-	-	93,46,122	
Mr. Sanjay Asher* (Independent Director)	-	-	-	-	-	75,000	75,000	
Mr. Hrishikesh Parandekar^ (Independent Director)	-	-	-	-	-	1,50,000	1,50,000	-

@ Assumed charge as Executive Chairman w.e.f. 2nd July 2018 to 29th September 2018 and w.e.f 30th October 2018
# Appointed as an Independent Director, w.e.f. 27th June 2018
$ Change of designation from Vice Chairman & Managing Director to Non-Executive Director w.e.f. 1st July 2018
% Appointed as an Independent Director, w.e.f. 8th February 2019
^ Resigned w.e.f. end of day on 30th June 2018
* Resigned w.e.f. end of day on 2nd July 2018

The Non-Executive Directors of the Company do not have any pecuniary relationship or transactions with the Company.

Independent Directors of the Company are paid sitting fees of ₹ 50,000/- for attending each meeting of the Board of Directors of the Company and sitting fees of ₹ 25,000/- for attending each meeting of the Committees of the Board.

v. Nomination and Remuneration Policy of the Company is appended as Annexure 1 to the Board's Report. The Remuneration paid to the Directors of the Company is in line with the remuneration policy and applicable laws.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

C. Stakeholders' Relationship Committee

i. The Board has constituted a Stakeholders' Relationship Committee of the Directors under Section 178 of the Act read with Listing Regulations to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/ notices/annual reports, etc.

ii. Terms of reference of the Committee:

a. To look into the redressal of grievances of shareholders, debenture holders and other security holders and to consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares / debentures, transmission / transposition / nomination of shares / debentures, dematerialization / rematerlisation of shares / debentures, non-receipt of annual report, non-receipt of dividends / interest / principal on shares and debentures, sub-divide, consolidate and issue share certificates / duplicate share / debenture certificates, etc.;

b. To look into matters that can facilitate better investor services and relations;

c. Review of measures taken for effective exercise of voting rights by shareholders;

d. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

e. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

iii. The composition of the Stakeholders' Relationship Committee and the details of the meetings attended are given below:

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Madhu Rao (Chairman) #	Independent Director	4	3
Mr. Jean-Luc Bohbot #	Non-Executive Director	4	2
Mr. Atul Chaturvedi #	Executive Director $	4	3
Mr. Sanjay Asher (Chairman) @	Independent Director	4	0
Mrs. Vidya M. Murkumbi @	Executive Director	4	1
Mr. Narendra M. Murkumbi @	Executive Director	4	1
Mr. Surender Kumar Tuteja @	Independent Director	4	1

# w.e.f. 27th June 2018
$ w.e.f. 30th October 2018
@ Upto 27th June 2018

The Stakeholders' Relationship Committee has held four meetings during the year on 2nd May 2018, 8th August 2018, 30th October 2018 and 14th February 2019.

iv. Details of investor complaints received and redressed during the year 2018-19 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
0	32	32	0

D. Corporate Social Responsibility Committee

i. In terms of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted a Corporate Social Responsibility Committee.

The composition of the Corporate Social Responsibility Committee and the details of the meetings attended are given below:

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Surender Kumar Tuteja (Chairman)	Independent Director	1	1
Mr. Jean-Luc Bohbot#	Non-Executive Director	1	0
Mr. Atul Chaturvedi#	Executive Director $	1	1
Mr. Narendra M. Murkumbi@	Executive Director	1	0
Mrs. Vidya M. Murkumbi@	Executive Director	1	0

# w.e.f. 27th June, 2018
$ w.e.f. 30th October 2018
@ Upto 27th June, 2018

During the year under review, the Committee met on 8th August 2018.

ii. The terms of reference of the Committee are as follows:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- To recommend the amount of expenditure to be incurred on the activities relating to corporate social responsibility;
- To monitor the CSR Policy of the Company from time to time;
- To institute a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs undertaken by the Company; and
- To ensure that the activities which are undertaken are included in the CSR Policy of the Company.

E. Other committees

In addition to the above referred committees, the Board has also constituted committees of Directors to look into various operational business matters. These Committees include

- Allotment Committee
- Share Transfer Committee
- Finance Committee

5. Disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of Listing Regulations

The Disclosures of the Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46(2)

Sr. No.	Particulars	Regulations	Brief Description of Regulations	Compliance Status (Yes/ No/NA)
1	Board of Directors	17(1)	Composition of Board	Yes *
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes **
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholders Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	NA
		21(4)	Role of the Committee	NA

Sr. No.	Particulars	Regulations	Brief Description of Regulations	Compliance Status (Yes/ No/NA)
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7	Related Party Transaction	23(1), (5), (6), (7) & (8)	Policy for Related Party Transactions	Yes
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all Related Party Transaction and review of transaction by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions	Yes
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	Yes
		24(2), (3), (4), (5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
9	Obligations with respect to Independent Directors	25(1) & (2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by Independent Directors	Yes
		25(7)	Familiarization of Independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1) & (2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance of code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflict of Interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiary	Yes
		46(2)(i)	Details of familiarization programs imparted to Independent Directors	Yes

* Mrs. Vidya Murkumbi had resigned as Director of the Company on 30th June, 2018. Ms. Priyanka Mallick was appointed as Woman Director on 8th February 2019.

** Due to pre-occupation of Audit Committee Chairman, Mr. S K Tuteja, member of Audit Committee attended the AGM on behalf of the Chairman.

6. General Body Meetings

A. Annual General Meetings (AGMs):

The details of last three AGMs and the Special Resolutions passed thereat are as under:

AGM	Financial Year	Date	Time	Venue of AGM
22nd AGM	2017-18	29th September 2018	1.30 p.m.	Maratha Mandir Hall, Near Railway Over Bridge, Khanapur Road, Belagavi 590006.
21st AGM	2016-17	21st December 2017	11.30 a.m.	Theosophical Society Belgaum Lodge, Gogte Rangmandir Hall, (School of Culture), 185, Ramghat Road, Camp, Belagavi – 590001.
20th AGM	2015-16	27th September 2016	11.00 a.m.	Maratha Mandir Hall, Near Railway Over Bridge, Khanapur Road, Belagavi 590006.

Special Resolutions:

The following are the details of special resolutions passed at the last three AGMs.

Date	Summary of Special Resolutions Passed
29th September 2018	1. Approval for increase in borrowing limit under Section 180(1)(c) of the Act; 2. Approval for authority to create charge, mortgage etc. as per Section 180(1)(a) of the Act
21st December 2017	1. Re-appointment and fixation of remuneration of Mrs. Vidya Murkumbi as Whole-time Director designated as 'Executive Chairperson'; 2. Re-appointment and fixation of remuneration of Mr. Vijendra Singh as Whole-time Director designated as President (Sugar Mills); 3. Re-appointment and fixation of remuneration of Mr. Narendra Murkumbi as Vice Chairman & Managing Director; 4. Issue of upto 51,32,14,505 equity shares (FV Re 1 each) to the lenders pursuant to debt restructuring exercise; 5. Issue of upto 9,35,60,000, 0.01% Redeemable Preference Shares (FV Rs. 100 each) to the lenders pursuant to debt restructuring exercise;
21st December 2017	6. Issue of upto 4,50,00,000, 0.01% Optionally Convertible Preference Shares (FV Rs. 100 each) to the lenders pursuant to debt restructuring exercise; 7. Issue of upto upto 5,850, 0.01% Non-Convertible Debentures (FV Rs. 10 lacs each) to the lenders pursuant to debt restructuring exercise.
27th September 2016	1. Approval for allotment of equity shares upon conversion of a part of the loans into Equity Shares; 2. Approval for payment of existing remuneration to Mr. Narendra Murkumbi, Vice Chairman & Managing Director of the Company (DIN 00009164).

B. Postal Ballot

The Company has not passed any resolution through Postal Ballot during the Financial Year 2018-19. However, the Company has completed the process of one postal ballot as per provisions of Section 110 of the Act before the dispatch of this annual report. M/s. T F Khatri & Associates, Practising Company Secretary was appointed as Scrutinizer for conducting postal ballot in a fair and transparent manner. The voting was conducted through physical mode as well as electronic mode.

The Company had engaged the services of Karvy Fintech Private Limited (Karvy) to provide e-voting facility to its Members. The notice of postal ballot was accompanied with detailed instructions kit to enable the members to understand the procedure and manner in which postal ballot voting (including e-voting) to be carried out.

The following Resolutions are deemed to have been passed on the last date of e-voting and receipt of Postal Ballot forms i.e. on Friday, 19th July 2019. The voting results along with the Scrutinizer's Report has been displayed at the Registered Office and Corporate Office of the Company and on the website of the Company viz. www.renukasugars.com and Karvy viz. www.karvyfintech.com. All the Resolutions were approved with requisite majority. The details of results of Postal Ballot are as under:

Sr. No	Particulars	Resolution type	Nos. of votes received	Votes in favour		Votes against	
				Nos.	%	Nos.	%
1.	Adoption of new set of Articles of Association	Special	1,20,68,09,711	1,20,11,27,018	99.53	56,82,693	0.47
2.	Reclassification of Authorised Share Capital and consequent alteration to the Capital Clause of the Memorandum of Association	Special	1,20,68,09,643	1,20,66,73,625	99.99	1,36,018	0.01
3.	Issue of Redeemable Preference Shares (RPS) by conversion of Non-Convertible Debentures (NCDs)	Special	1,20,68,09,541	1,20,66,71,482	99.99	1,38,059	0.01

Sr. No	Particulars	Resolution type	Nos. of votes received	Votes in favour		Votes against	
				Nos.	%	Nos.	%
4.	Re-appointment of Mr. Surender Kumar Tuteja as an Independent Director	Special	1,20,68,06,443	1,20,40,29,746	99.77	27,76,697	0.23
5.	Re-appointment of Mr. Bhupatrai Premji as an Independent Director	Special	1,20,68,06,454	1,20,66,67,986	99.99	1,38,468	0.01
6.	Re-appointment of Mr. Dorab Mistry as an Independent Director	Special	1,20,68,06,443	1,20,11,21,763	99.53	56,84,680	0.47
7.	Appointment of Ms. Priyanka Mallick as an Independent Director	Ordinary	1,20,68,09,654	1,20,66,71,055	99.99	1,38,599	0.01
8.	Appointment of Mr. Atul Chaturvedi as Executive Chairman	Special	1,18,80,04,522	1,17,96,81,853	99.3	83,22,669	0.7
9.	Revision of remuneration of Mr. Vijendra Singh, Whole-time Director	Special	1,20,68,10,741	1,19,84,66,649	99.31	83,44,092	0.69
10.	Approval for material related party transactions	Ordinary	7,27,08,198	6,99,30,535	96.18	27,77,663	3.82
11.	Approval for Loan to Gokak Sugars Limited	Ordinary	7,27,08,338	6,99,26,704	96.17	27,81,634	3.83
12.	Cease to exercise control over the subsidiary	Special	1,20,68,07,634	1,20,11,19,331	99.53	56,88,303	0.47

There are no special resolutions proposed to be conducted through postal ballot.

7. Other Disclosures

a. Related party transactions: During the year under review, there were no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

b. There were no instances of non-compliance by the Company and no penalties/strictures were imposed on the Company by stock exchanges/ SEBI/any statutory authority on any matter related to capital markets, during the last 3 years except as mentioned below.

The composition of Board of Directors of the Company was not in compliance with Regulation 17 of Listing Regulations, with reference to one woman director on the Board of Directors of the Company. There was no women Director on the Board of the Company from 1st July 2018 to 8th February 2019. The Company has paid the requisite penalties to the stock exchanges for the same.

Further, the meeting of the Board of Directors for approval of the Standalone Unaudited Financial Results for the third quarter/nine months ended 31st December, 2017 was held on 12th March 2018 i.e. after the expiry of 45 days from the end of the quarter, as prescribed under Regulation 33 of Listing Regulations. The Company has paid the requisite penalties to the stock exchanges for the same.

c. Whistle blower policy/vigil mechanism: Whistleblower Mechanism has been established for the employees to report to the management about unethical behaviour, mismanagement, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy, that could adversely impact the Company's operations and business performance. The Whistleblower Policy is overseen by the Audit Committee of the Board. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy.

d. Compliance with mandatory and non-mandatory requirements: All mandatory requirements relating to corporate governance under the Listing Regulations, have been appropriately complied with except as mentioned in point b above and the status of non-mandatory (discretionary) requirements is given below:

(i) The Board: Since the Company has an executive Chairman, the requirement regarding non-executive Chairman is not applicable;

(ii) Shareholder Rights: The quarterly, half-yearly and annual financial results are published in newspapers, uploaded on Company's website;

(iii) Modified Opinion(s) in Audit Report: The Auditor's opinion on the Financial Statements is unmodified;

(iv) Separate posts of Chairperson and CEO: Since the Company does not have CEO, the requirement regarding separate posts of the Chairperson and CEO is not applicable; and

(v) Reporting of Internal Auditor: The Internal Auditor of the Company reports directly to the Audit Committee.

e. The Company's policy for determining material subsidiaries may be accessed on the Company's website at www.renukasugars.com

f. The Company's policy on related party transactions may be accessed on the Company's website at www.renukasugars.com

g. Disclosure on Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

Commodity risks and Hedging: Sugar price risk is one of the important market risk for the Company. The Company has a robust framework and governance mechanism in place to ensure that the organisation is adequately protected from the market volatility. Commodity Risk Management Policy is formulated to articulate the risk management philosophy, objectives and processes. The Company is exposed to usual price risk associated with fluctuation in sugar prices. In domestic market, physical sugar is mostly traded on spot basis on prevailing physical sugar prices.

Foreign Exchange Risk and Hedging: The Company is exposed to Currency Risk arising from its trade exposures and Capital receipt/payments denominated, in other than the Functional Currency. The Company has a detailed policy which includes setting of the recognition parameters, benchmark targets, the boundaries within which the treasury has to perform and also lays down the checks and controls to ensure the effectiveness of the treasury function.

The Company has defined strategies for addressing the risks for each category of exposures (e.g. for exports, for imports, for loans, etc.). The treasury function aggregates the foreign exchange exposure and takes measures to hedge the exposure based on prevalent macroeconomic conditions.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of Listing Regulations: This Regulation is not applicable to the Company as the Company has not raised any funds through preferential allotment or qualified institutions placement during the year.

i. The Executive Chairman and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting except to the extent mentioned in clause 8 a of annexure 2 of the Auditors' report which forms part of the annual report, as required under Regulation 17(8) of the Listing Regulations for the financial year ended 31st March 2019.

j. The Company has obtained a Certificate pursuant to Regulation 34(3) read with Schedule V of Listing Regulations from M/s. T F Khatri & Associates., Practising Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority. The said certificate has been annexed with this Report.

k. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

l. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Details relating to fees paid to the statutory auditors are given in Note 35 to the Standalone Financial Statements.

m. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year 2018-19: Nil

b. number of complaints disposed of during the financial year 2018-19: N.A.

c. number of complaints pending as on end of the financial year 2018-19: N.A.

8. Code of Conduct

Pursuant to Regulation 17(5) of the Listing Regulations, the Board of Directors has laid down a 'Code of Conduct' for all the Board and Senior Management Members and they have affirmed compliance with the said Code of Conduct of the Company for the Financial Year 2018-19.

The declaration pursuant to Regulation 26 (3) of the Listing Regulations, stating that all the Board Members and Senior Management Members have affirmed their compliance with the said code of conduct for the year ended 31st March 2019 is annexed to this Report.

The Code of conduct is also placed on the Company's website at www.renukasugars.com

9. Code of Conduct for Prevention of Insider Trading Practices

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated, adopted and implemented "Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Insiders" in the securities of the Company.

The Code of conduct is also placed on the Company's website at www.renukasugars.com

10. Compliance Officer

Mr. Rupesh Saraiya, Company Secretary was the Compliance Officer of the Company upto 5th October 2018. Mr. Deepak Manerikar has been appointed as the Company Secretary & Compliance Officer w.e.f. 30th October 2018.

11. Means of Communication

The Company publishes quarterly financial results, notices and other advertisements in Financial Express (English Daily) and Kannada Prabha (Kannada Daily) regularly. The Company also releases press notes to enable the stakeholders about the important developments and updates about the Company. Additionally, the results and other important information are displayed on the Company's website at www.renukasugars.com

12. General Shareholder's Information

a.	**Annual General Meeting (AGM)**	Date: 30th September 2019 Time: 12.30 p.m. Venue: KPTCL Samudhay Bhavan, Opp. JNMC, Smart City Road, Shivabasav Nagar, Belagavi – 590010
b.	**Financial Year**	The Financial Year of the Company is from 1st April to 31st March.
c.	**Tentative Financial Calendar 2019-20**	
	1st Quarterly results	were declared on 6th August 2019
	2nd Quarterly results	on or before 14th November 2019
	3rd Quarterly results	on or before 14th February 2020
	4th Quarterly results	on or before 30th May 2020
d.	**Date of Book Closure**	Wednesday, 25th September 2019 to Wednesday, 30th September 2019 (both days inclusive).
e.	**Dividend Payment Date**	No Dividend has been recommended by the Board for the year ended 31st March 2019
f.	**Corporate Identification Number (CIN) of the Company**	L01542KA1995PLC019046
g.	**ISINs**	
	Equity shares	INE087H01022
	0.01% Optionally Convertible Preference Shares	INE087H03028
	0.01% Redeemable Preference Shares	INE087H04018
	11.70% Non-Convertible Debentures	INE087H07060
	11.30% Non-Convertible Debentures	INE087H07078
	0.01% Non-Convertible Debentures	INE087H07086
h.	**Unclaimed Shares**	Nil

i. Listing on Stock Exchanges

The Company's equity shares are listed on the Stock Exchanges as mentioned hereunder:

National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

The Company has paid the listing fees for the year 2019-20.

j. Stock Code:

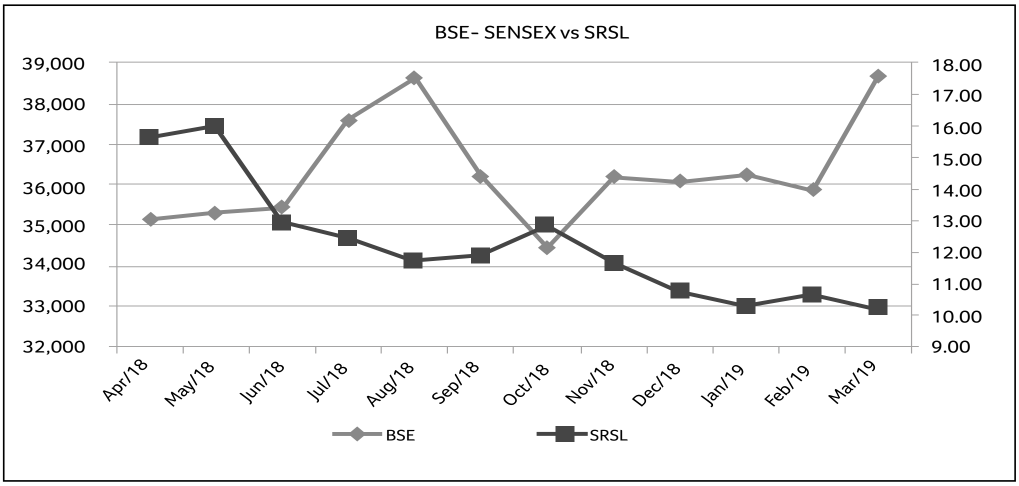
NSE - RENUKA	BSE – 532670

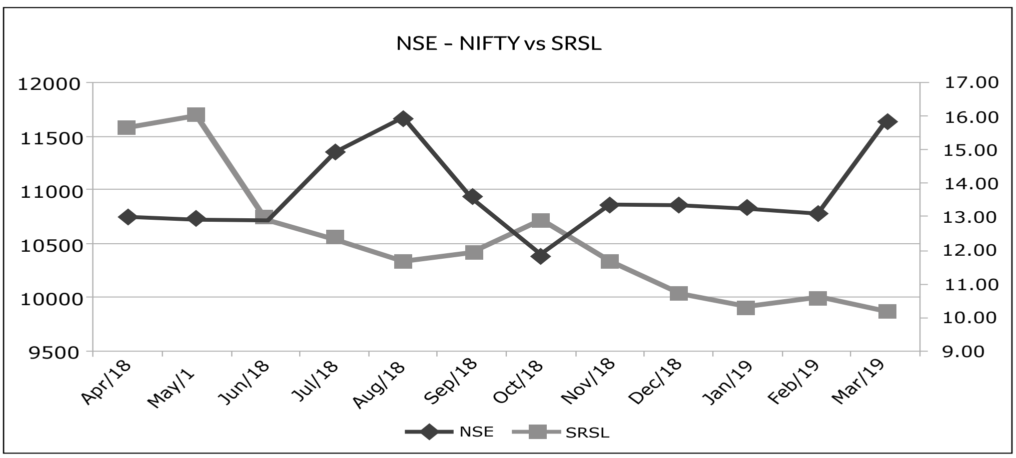
k. Market Price Data

The monthly high and low price of equity shares traded on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) are as under

Month	BSE			NSE		
	Share Price in Rs.			Share Price in Rs.		
	High	Low	Closing	High	Low	Closing
Apr-18	15.95	15.35	15.65	15.90	15.30	15.65
May-18	16.15	15.25	16.00	16.20	15.10	16.00
Jun-18	18.60	12.10	12.95	18.60	12.05	12.90
Jul-18	13.90	9.69	12.44	13.90	9.60	12.40
Aug-18	13.44	11.64	11.72	13.35	11.65	11.75
Sep-18	18.33	11.15	11.87	18.35	11.20	11.90
Oct-18	14.50	11.28	12.89	14.40	11.35	12.90
Nov-18	13.92	11.48	11.64	13.85	11.40	11.60
Dec-18	12.00	10.53	10.74	12.05	10.55	10.70
Jan-19	11.88	10.04	10.27	11.65	10.10	10.25
Feb-19	11.65	9.69	10.63	11.65	9.60	10.55
Mar-19	11.96	10.10	10.22	11.95	10.10	10.15

I. Performance Comparison : SRSL v/s BSE SENSEX and SRSL v/s NSE NIFTY





m.	**Registrar & Transfer Agent**	Karvy Fintech Private Limited; Unit: Shree Renuka Sugars Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032 Tel. No. +91 40 6716 2222/6716 1700 Fax No. +91 40 2300 1153/6716 1680 e-mail: einward.ris@karvy.com
n.	**Share Transfer System**	The Company's shares are traded on the stock exchanges compulsorily in demat mode. Shares in physical mode, which are lodged for transfer, are processed and returned within the stipulated time period.

o. Distribution of equity shareholding as on 31st March 2019

Particulars	No. Of shareholders	% of total shareholders	No. of equity shares	Amount in Rs.	% of total equity shares
1-5,000	1,57,693	95.71	8,82,17,394	8,82,17,394	4.60
5,001- 10,000	4,017	2.44	3,17,86,282	3,17,86,282	1.66
10,001- 20,000	1,648	1.00	2,40,99,524	2,40,99,524	1.26
20,001- 30,000	552	0.34	1,38,63,882	1,38,63,882	0.72
30,001- 40,000	206	0.13	73,61,500	73,61,500	0.38
40,001- 50,000	166	0.10	77,26,590	77,26,590	0.40
50,001- 1,00,000	271	0.16	1,96,56,503	1,96,56,503	1.03
1,00,001 & Above	200	0.12	1,72,41,07,617	1,72,41,07,617	89.95
Total	1,64,753	100.00	1,91,68,19,292	1,91,68,19,292	100.00

p. Shareholding pattern as on 31st March 2019

Category	No. of equity shares	% of total equity shares
Promoters	1,11,82,04,751	58.34
Foreign Portfolio Investors	1,09,62,550	0.57
Financial Institutions/Banks	49,75,39,400	25.96
Foreign Institutional Investors	4,71,000	0.02
Foreign Body Corporate/Foreign Bank	2,93,86,497	1.53
NBFC Registered with RBI	39,036	0.00
Bodies Corporate	2,34,35,951	1.22
IEPF	1,49,061	0.01
NRIs	57,80,937	0.30
Trusts	51,01,620	0.27
Individuals & HUFs	22,49,79,367	11.74
Clearing Member	7,69,122	0.04
Total	**1,91,68,19,292**	**100.00**

q.	**Dematerialization of shares and liquidity**	As on 31st March 2019, 191,10,61,641 equity shares of the Company (99.70% of the total issued equity capital) were held in dematerialized form and 57,57,651 equity shares (0.30% of the total issued equity capital) were held in physical form. Registrar and Transfer Agent are appointed for transfer of shares in dematerialization mode and in physical mode.
r.	**Outstanding GDRs/ADRs/Warrants or any convertible instrument –**	-

s.	**Address for Correspondence**	**Karvy Fintech Private Limited**
	a. Shareholders correspondence for transfer/ Dematerialization of shares, payment of dividend and any other query should be directed to:	Unit: Shree Renuka Sugars Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Tel. No. +91 40 6716 2222/6716 1700 Fax No. +91 40 2300 1153/6716 1680 E-mail: einward.ris@karvy.com
	b. All other queries on Annual Report should be directed to :	**Shree Renuka Sugars Limited** 2nd & 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagur, Belagavi - 590010 Tel No. 0831 2404000 E-mail: groupcs@renukasugars.com
t.	**Plant location**	Information on Plant locations has been provided in the section of Corporate Information.

u. Details of credit rating obtained by the Company

During the year, India Ratings and Research (Ind-Ra) has upgraded the Company's Long-Term Issuer Rating. The Outlook is Stable. The details of rating are as given below.

Instrument Type	Size of Issue (Rs. In crore)	Rating	Rating Action
Non-convertible debentures (NCDs)	250	(IND) BBB+	Upgraded from (IND) D

Further, ICRA Limited on 10th July 2019 has assigned/reaffirmed the credit rating to the various facilities availed by the Company. The details of rating are as given below.

Instrument Type	Size of Issue (₹ In crore)	Rating	Rating Action
Line of credit (Long term)	1,867.4	(ICRA) BBB+	Reaffirmed
Line of credit (Short term)	1,124.2	(ICRA) A2	Reaffirmed
Non-convertible debentures (NCDs) (Long term)	552.1	(ICRA) BBB+	Reaffirmed
Fund based facilities (Long term)	400	(ICRA) BBB+	Assigned

v. Listed Debt Securities

11.70% Non-Convertible Debentures (NCDs) and 11.30% Non-Convertible Debentures (NCDs) of the Company are listed on The Wholesale Debt Market (WDM) Segment of BSE Limited.

Debenture Trustee for NCDs –
IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17 R. Kamani Marg, Ballard Estate, Mumbai - 400001.
Tel. No.: 022 – 40807062
Email:rajeshchandra@idbitrustee.com
Website: www.idbitrustee.com

Declaration in respect of code of conduct

In accordance with the Listing Regulations, I hereby confirm and declare that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors & Senior Managerial Personnel of the Company laid down for them for the financial year ended 31st March 2019.

Place: Mumbai
Date: 6th August 2019

Atul Chaturvedi
Executive Chairman

Certificate under regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Shree Renuka Sugars Limited

I have examined the relevant registers, records, forms, returns and declarations/disclosures received from the Directors and taken on record by the Board of Directors of Shree Renuka Sugars Limited, having CIN L01542KA1995PLC019046 and having registered office situated at BC 105, Povlock Road, Off Havelock Road, Cantonment, Belgaum - 590 001, Karnataka, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Listing Regulations.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by me and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ended 31st March 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority.

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

Place: Mumbai
Date: 25th July 2019

T F Khatri
T F Khatri & Associates
Company Secretaries
COP: 10417
FCS: 9093

Certificate on Corporate Governance

I have examined all relevant records of Shree Renuka Sugars Limited (herein after referred to as 'the Company') for the purpose of certifying compliance of the disclosure requirements and corporate governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Schedule V of Chapter IV of the Listing Regulations, for the financial year ended 31st March 2019. I have obtained all the information and explanations to the best of my knowledge and belief, which were necessary for the purpose of this certification.

I state that the compliance of conditions of Corporate Governance is the responsibility of the management, and my examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as specified for listed company except following:

i) During the year, the composition of Board of Directors was not in compliance with Regulation 17 of Listing Regulations, 2015, for certain period of the year, with reference to woman director on the Board of Directors. The vacancy caused by resignation on 30th June 2018 was filled on 8th February 2019.

ii) The Annual General Meeting of the Company held on 29th September 2018 was attended by member of the Audit Committee, on behalf of the Chairman of the Audit Committee.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 25th July 2019

T F Khatri
T F Khatri & Associates
Company Secretaries
COP: 10417
FCS: 9093

Independent Auditor's Report

To the Members of Shree Renuka Sugars Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of Shree Renuka Sugars Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

   We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revaluation of property, plant and equipment's' (as described in note 3 of the standalone Ind AS financial statements)	
The Company has opted for revaluation model for measuring freehold land, buildings and plant and machineries ('PPE) and these assets are carried in the books at the fair value less accumulated depreciation. Independent valuations are undertaken at least once in every three years, or more frequently if there is an indicator that the fair value has changed significantly. The Company has recognised revaluation surplus of Rs. 563.95 Million (net of tax of Rs. 255.74 Million) based on the valuation done as at March 31, 2019.	**Our audit procedures included the following:** • Read and assessed the Company's accounting policies with respect to PPE for compliance with relevant accounting standards. • We evaluated the design and tested the operative effectiveness of internal controls related to revaluation of PPE. • We obtained from the Company management, the report on valuation of PPE performed by an external expert appointed by the Company and have involved our valuation specialists to evaluate the valuation methodology as well as key assumptions used in valuation such as external quotations, salvage value, type of building construction, capacity, technology of machines etc. • We assessed the impact of changes in key assumptions on the valuation analysis prepared by the Company.

Revaluation of PPE is a key audit matter due to its financial magnitude and judgements involved in the assessment of the fair value of these assets. The judgment relates to the valuation methodologies used and the assumptions included in each of those methodologies.	• We assessed the competence, objectivity and independence of the external valuer appointed by the Company. • We obtained details of physical verification of PPE from the independent valuer and compared the results of the physical verification of PPE with the listing of PPE as per the fixed assets register on sample basis. • We assessed whether the change in valuation was accounted by the Company within the revaluation reserve and statement of comprehensive income as applicable. • We assessed the disclosures in the financial statement for compliance with the requirements of Ind AS.

Recoverability of deferred tax assets (as described in note 9 of the standalone Ind AS financial statements)	
Deferred tax assets are recognised on tax losses carried forward when it is probable that taxable profit will be available against which the tax losses can be utilised. The Company's ability to recognise deferred tax assets on tax losses carried forward is assessed by management at the end of each reporting period, taking into account forecasts of future taxable profits.	Our audit procedures included the following: Our audit procedures included considering the Company's accounting policies with respect to income taxes. We evaluated the design and tested the operative effectiveness internal controls related to income taxes. We obtained from the Company management the projections for taxable profits supported by future business plans.
At March 31, 2019, net deferred tax assets recognised in the standalone Ind-AS financial statements amounted to Rs. 3,148.13 Million. The valuation of deferred taxes is based on significant estimates by management regarding availability of sufficient future taxable profits and accordingly, we have considered this to be a key audit matter.	We discussed the financial projections and future business plans with the management. We assessed the schedules for the reversal of temporary differences. We assessed the key assumptions used in the financial projections, including recovery rate, expected sale realisation for sugar and ethanol by comparing it to the approved business plan and projections used. We involved tax specialists who evaluated the tax positions relating to temporary differences on which deferred tax asset and liability have been recognised by the Company. Tested the arithmetical accuracy of the tax computations and future projections of taxable profits. We assessed the disclosures in the financial statement for compliance with the requirements of Ind AS.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall comply with the relevant applicable requirements of the Standard on Audit for The Auditor's Responsibility in relation to Other Information in Documents containing audited financial statements.

6. **Responsibilities of Management for the Standalone Ind AS Financial Statements**

   The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

   Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

    - Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

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

    (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

    (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

    (g) In our opinion, to the best of our information and explanation given to us, the remuneration paid to the Chairman and the Whole-time Director for the year ended March 31, 2019 are in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs. 6.92 Million and Rs. 21.15 Million. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution;

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

        (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 38 to the standalone Ind AS financial statements;

        (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 24 to the standalone Ind AS financial statements;

        (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Shyamsundar Pachisia
Partner
Membership Number: 049237

Place of Signature: Mumbai
Date: May 16, 2019

Annexure 1 - Annexure referred to in paragraph 14 of our report of even date under heading "Report on Other Legal and Regulatory Requirements"

Re: Shree Renuka Sugars Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are pledged with the banks and not available with the Company. The same has not been independently confirmed by the bank and hence we are unable to comment on the same.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships and other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and guarantees, and securities given have been complied with by the company;

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to manufacturing / refining of sugar, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount in Rs. Million**	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	838.54	2003-04 to 2012-13	Central Excise and Service Tax Appellate Tribunal ('CESTAT')
		71.78	2011-12 to 2015-16	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	7.19	2003-04 to 2008-09	Supreme Court
		114.83	2009-10 to 2010-11	Income Tax Appellate Tribunal
		185.15	2008-09 to 2013-14	Commissioner (Appeals)
Customs Act, 1962	Customs Duty	7.31	2013-14 to 2014-15	Commissioner (Appeals)
		2,448.96	2006-07 to 2016-17	CESTAT
		465.12	2003-04	Supreme Court
Goods and Service Act	Goods and Service tax	61.76	2017-18	Deputy Commissioner
Finance Act, 1994	Service Tax	44.04	2009-2011	Service Tax Appellate Tribunal
		11.62	2004-05 to 2014-15	Commissioner (Appeals)
Maharashtra Value Added Tax/ CST	VAT	13.58	2009-10 and 2010-11	Sales Tax Appellate Tribunal

** Amount paid under protest Rs. 355.97 Million.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank. The Company did not have any outstanding loans or borrowing dues to government during the year. The Company is in process of obtaining necessary approvals from lenders and members for restructuring its non-convertible debentures held by public financial institution, through the terms of restructuring are yet to be approve by members, the Company has made payments to public financial institution on the restructure balances.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanation given by the management, we report that remuneration of the Managing Director for the year ended March 31, 2019 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 28.07 Million. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Shyamsundar Pachisia
Partner
Membership Number: 049237

Place of Signature: Mumbai
Date: May 16, 2019

Annexure 2: Annexure referred to in paragraph 15(f) of our Independent Auditor's Report of even date on the standalone Ind AS financial statements of Shree Renuka Sugars Limited

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including

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

Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2019:

    (a) The Company did not have robust documentation with respect to access controls and program change controls pertaining to cane management software. These could result in potential misstatement to the financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

10. In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as of March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

11. We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of Shree Renuka Sugars Limited, which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 standalone financial statements of Shree Renuka Sugars and this report does not affect our report dated May 16, 2019, which expressed unmodified opinion on those financial statements.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Shyamsundar Pachisia
Partner
Membership Number: 049237

Place of Signature: Mumbai
Date: May 16, 2019

Balance Sheet

as at 31st March 2019

All amounts in million Indian Rupees, unless otherwise stated

	Notes	As at 31st March 2019	As at 31st March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	38,015.76	38,612.23
Capital work-in-progress	3	1,003.53	269.16
Other intangible assets	4	0.40	0.43
Financial assets			
Investments	5	1,086.29	1,261.41
Loans	6	1,815.30	-
Other non-current financial assets	7	127.69	144.05
Other non-current assets	8	1,595.59	1,647.93
Income tax receivable		232.61	312.05
Deferred tax assets (net)	9	3,148.13	3,250.42
Total non-current assets		**47,025.30**	**45,497.68**
Current assets			
Inventories	10	16,428.87	9,296.47
Financial assets			
Trade receivables	11	1,806.02	6,990.09
Cash and cash equivalents	12	202.02	339.23
Other Bank balances	13	18.61	21.19
Loans	14	266.99	315.96
Other current financial assets	15	469.34	13.43
Other current assets	16	2,709.28	2,964.75
Total current assets		**21,901.13**	**19,941.12**
Total assets		**68,926.43**	**65,438.80**
Equity and liabilities			
Equity			
Equity share capital	17a	1,916.82	1,916.82
Other equity	17b		
Securities Premium		30,396.51	30,396.51
Debenture redemption reserve		625.00	625.00
Changes in equity instrument and others		(120.31)	54.82
Revaluation reserve		10,759.28	11,069.14
Retained earnings		(38,112.81)	(35,146.91)
Total Equity		**5,464.49**	**8,915.38**
Non-current liabilities			
Financial liabilities			
Borrowings	18	19,691.29	21,017.24
Other non-current financial liabilities	19	24.82	60.89
Net employee benefit liabilities	20	191.07	118.33
Government grants	21	318.21	52.02
Total non-current liabilities		**20,225.39**	**21,248.48**
Current liabilities			
Financial liabilities			
Borrowings	22	5,478.18	1,662.10
Trade payables	23		
- Total outstanding dues of micro and small enterprises		17.13	-
- Total outstanding dues of creditors other than micro and small enterprise		26,613.78	26,636.92
Other current financial liabilities	24	10,085.52	1,448.93
Government grants	21	59.42	95.54
Other current liabilities	25	919.54	5,423.91
Net employee benefit liabilities	26	62.98	7.54
Total current liabilities		**43,236.55**	**35,274.94**
Total liabilities		**63,461.94**	**56,523.42**
Total equity and liabilities		**68,926.43**	**65,438.80**

Significant accounting policies 2.1

Accompanying notes 1 to 46 form integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Statement of Profit and Loss

for the Year Ended 31st March 2019

All amounts in million Indian Rupees, unless otherwise stated

	Notes	Year ended 31st March 2019	Year ended 31st March 2018
Income			
Revenue from operations	27	42,757.70	58,628.48
Sugar export benefits		210.94	-
Other income	28	1,734.72	402.74
Total income		**44,703.36**	**59,031.22**
Expenses			
Cost of raw materials consumed	29	38,458.39	46,403.45
Purchase of traded goods	30	1,559.12	8,480.34
Increase in inventories of finished goods, work-in-progress and traded goods	31	(5,087.67)	(952.42)
Excise duty on sale of goods		-	151.79
Employee benefit expenses	32	1,131.02	1,062.86
Depreciation and amortisation expense	34	2,134.04	2,321.57
Foreign exchange (gain)/loss (net)		(254.61)	95.15
Finance costs	33	5,410.21	4,986.44
Other expenses	35	4,649.25	5,221.06
Total expenses		**47,999.75**	**67,770.24**
Loss before exceptional items and tax		**(3,296.39)**	**(8,739.02)**
Exceptional items	36	666.92	27,359.01
Loss before tax		**(3,963.31)**	**(36,098.03)**
Current tax		-	-
Deferred tax	9	(144.37)	(6,276.67)
Income tax expense		**(144.37)**	**(6,276.67)**
Loss for the year		**(3,818.94)**	**(29,821.36)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Reversal of revaluation reserve on disposal of asset/impairment of plant property and equipments		(0.74)	(560.97)
Revaluation reserve on assets Gain	3	819.69	-
Income tax effect	9	(255.74)	-
Net gain/(loss) on remesurements of defined benefit plans	39	(29.11)	1.36
Income tax effect	9	9.08	-
Unrealised gain/(loss) on FVTOCI equity securities	42	(175.13)	(88.68)
Income tax effect	9	-	30.14
Total comprehensive income for the year (net of tax)		**(3,450.89)**	**(30,439.51)**
Earnings per share			
Basic	37	(1.99)	(29.63)
[Face value of equity share ₹ 1/- each]			
Diluted		(1.99)	(29.63)
[Face value of equity share ₹ 1/- each]			

Significant accounting policies 2.1

Accompanying notes 1 to 46 form integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Statement of Changes in Equity

for the period ended 31st March 2019

All amounts in million Indian Rupees, unless otherwise stated

	Equity share capital	Reserves and Surplus			Items of OCI		Total equity
		Securities premium	Debenture redemption reserve	Retained earnings	Revaluation reserve on PPE	Changes in equity instrument and others	
As at 1st April 2017	**945.25**	**15,569.72**	**625.00**	**(5,998.28)**	**12,302.84**	**112.00**	**23,556.53**
Profit/(loss) for the period	-	-	-	(29,821.36)	-	-	(29,821.36)
Other comprehensive income	**-**	**-**	**-**	**-**	**(560.97)**	**(57.18)**	**(618.15)**
Total comprehensive income	**-**	**-**	**-**	**(35,819.64)**	**11,741.87**	**54.82**	**(24,022.95)**
Shares issued during the year	971.57	14,826.79	-	-	-	-	15,798.36
Depreciation of revalued assets	-	-	-	672.73	(672.73)	-	-
As at 31st March 2018	**1,916.82**	**30,396.51**	**625.00**	**(35,146.91)**	**11,069.14**	**54.82**	**8,915.38**
Profit/(loss) for the period	-	-	-	(3,818.94)	-	-	(3,818.94)
Other comprehensive income	-	-	-	(20.77)	563.95	(175.13)	368.05
Total Comprehensive Income	**-**	**-**	**-**	**(38,986.62)**	**11,633.09**	**(120.31)**	**(27,473.84)**
Transfer to/ (From) Retained Earnings on sale of assets	-	-	-	1.11	(1.11)	-	-
Depreciation of Revalued Assets	-	-	-	872.70	(872.70)	-	-
As at 31st March 2019	**1,916.82**	**30,396.51**	**625.00**	**(38,112.81)**	**10,759.28**	**(120.31)**	**5,464.49**

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Statement of Cash Flows

for the year ended 31st March 2019

All amounts in million Indian Rupees, unless otherwise stated

	Year ended 31st March 2019	Year ended 31st March 2018
Operating activities		
Loss before tax	(3,963.31)	(36,098.03)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation of property, plant and equipment	2,133.80	2,321.15
Amortisation of intangible assets	0.24	0.42
Excess provisin written back	600.00	-
Unrealised gain on derivatives	(48.66)	-
Government assistance	(60.55)	(137.28)
Finance costs	5,410.21	4,986.44
Processing charges on restructuring	-	208.55
Finance income	(187.73)	(253.56)
(Gain)/loss on disposal of property, plant and equipment	1.11	(4.01)
Gain on restructuring	-	(13,838.89)
Dividend income	(0.76)	(0.90)
Net foreign exchange differences	(559.69)	(73.08)
Impairment of investments	-	18,258.01
Impairment of financial assets	-	17,102.63
Impairment of other assets	157.95	980.87
Impairment of property, plant and equipment	-	37.25
Impairment of capital work in progress	4.23	28.76
Impairment of trade receivables	65.65	4,006.73
Accrued liability towards litigation	-	220.00
Working capital adjustments:		
Movement in employee benefit liability	99.00	(91.34)
Decrease/(increase) in trade receivables	4,783.67	(5,030.17)
Increase in other receivables and prepayments	(46.37)	(16,384.50)
Decrease/(increase) in inventories	(7,132.40)	4,133.20
Increase in trade and other payables	3,315.92	7,457.38
	4,572.31	**(12,170.37)**
Income tax refunded (net)	79.44	62.75
Net cash flows from/(used in) operating activities	**4,651.75**	**(12,107.62)**
Investing activities:		
Purchase of property, plant and equipment	(1,535.02)	(173.56)
Advance to subsidiaries	(2,413.41)	-
Repayment of loan to subsidiaries	598.10	-
Proceeds from sale of property, plant and equipment	7.14	105.65
Interest received (finance income)	90.27	270.33
Dividend received	0.76	0.90
Net cash flows from/(used in) investing activities	**(3,252.16)**	**203.32**
Financing activities:		
Proceeds from issue of equity shares (net of transaction cost)	-	7,825.57
Proceeds from short term borrowings	3,816.08	-
Repayment of long-term borrowings	(1,202.24)	(1,551.35)
Proceeds/(repayment) from/of working capital borrowing (net)	-	10,833.26
Finance cost and processing charges paid	(4,150.63)	(5,321.67)
Net cash flows from/(used in) financing activities	**(1,536.79)**	**11,785.81**
Net increase/(decrease) in cash and cash equivalents	**(137.21)**	**(118.49)**
Opening cash and cash equivalents (Refer Note 12)	339.23	457.72
Closing cash and cash equivalents (Refer Note 12)	**202.02**	**339.23**

Accompanying notes 1 to 46 form integral part of these financial statements
The cashflow statement is prepared using the indirect method set out in IND AS 7 - Statement of cashflow

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Notes to Financial Statements

for the year ended 31st March 2019

1. Corporate information

Shree Renuka Sugars Limited ("SRSL" or "the Company") is a public company incorporated and domiciled in India. The Company's shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd. The registered office of the company is located at BC 105 Havelock Road, Camp, Belagavi - 590001.

The Company is principally engaged in the manufacturing of sugar, ethyl alcohol and ethanol and generation and sale of power.

The financial statements for the year ended 31st March 2019 were authorised for issue by the Board of Directors of the Company on 16th May 2019.

2.1 Significant accounting policies

I. Basis of Preparation:

The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time).

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

- Land, buildings and plant and machinery classified as property, plant and equipment
- Certain financial assets and liabilities measured at fair value (refer note 2.1(II)(o) financial instruments).

The financial statements are prepared in ₹ and all values are rounded off to the nearest millions except when stated otherwise.

Going concern

As at March 31, 2019, the current liabilities of the Company exceeded its current assets by ₹ 21,336.43 million. During the year ended March 31, 2019 the Company has incurred net loss of ₹ 3,818.94 million and the Company has accumulated net losses of ₹ 38,112.81 million as at March 31, 2019.

The Company management has prepared a cash flow forecast of the Company for 12 months period ending 31st March 2020.The Company has collected large portion of trade receivable outstanding as at 31st March 2018 and has repaid farmer dues of past seasons. The Company net loss for the year has reduced from ₹ 29,821.36 million in the previous year to ₹ 3,818.94 million in the year ended March 31 2019.

All the borrowings availed by the Company are secured by corporate guarantee provided by the ultimate parent company (Wilmar International Limited).

Further the Board of Directors of Wilmar Sugar Holdings Pte Limited, the parent company, has provided letter of support to the Company, to meet shortfall in its normal trade related working capital requirements during the 12 months period ended March 31, 2020.

Accordingly, the Company management believes it will be able meet all its financial obligations, as and when they fall due during the next twelve months. Accordingly, Company has prepared the financial statements on going concern basis.

II. Summary of significant accounting policies:

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- o Expected to be realised or intended to be sold or consumed in normal operating cycle
- o Held primarily for the purpose of trading
- o Expected to be realised within twelve months after the reporting period, or
- o 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 treated as current when:

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

The Company classifies all other liabilities as non-current.

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

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

b. Foreign currencies

The Company's financial statements are presented in ₹, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

c. Fair value measurement

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

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

- o In the principal market for the asset or liability, or
- o In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

- o Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- o Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- o Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- o Disclosures for valuation methods, significant estimates and assumptions (note 2.2 and 42)
- o Quantitative disclosures of fair value measurement hierarchy (note 42)
- o Investment in unquoted equity shares (note 5)
- o Property, plant and equipment under revaluation model (note 3)
- o Financial instruments (including those carried at amortised cost) (note 42)

d. Revenue recognition

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.2.

Revenue from contract with customers

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 to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods. The normal credit term is 7 to 30 days upon delivery. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Companies right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments – initial recognition and subsequent measurement.

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 or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

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

e. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The company is eligible for the assistance under the Buffer Stock Subsidy Scheme and Cane Subsidy Scheme notified by Ministry of Consumer Affairs, Food and Public Distribution for assistance to sugar mills. As the company has complied with the relevant conditions, it has recognised the same as its income under this scheme

f. Taxes

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

g. Property, plant and equipment

Freehold and leasehold land, buildings and plant and machinery, other than investment property are carried in the balance sheet on the basis of revaluation model.

Capital work in progress is stated at cost after reducing impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria are met.

Land, buildings and plant and machinery are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Useful life
Buildings	5 - 60 Years
Plant and Equipments	5 - 40 Years
Furniture and Fixtures	1 - 10 Years
Vehicles	7 - 8 Years
Office Equipments	1 - 10 Years

The Company, based on technical assessment made by management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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 or loss when the asset is derecognised.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j. Leases

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

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

k. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- o Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- o Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing

overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

- o Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- o By-products and scraps are valued at net realisable value.

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

l. Impairment of non-financial assets

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

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 costs 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, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

m. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- o Service costs comprising current service costs, past-service costs; and
- o Net interest expense or income

Long term employee benefits:

Compensated absences are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

o. Financial instruments

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

(a) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- o Debt instruments at amortised cost.
- o Debt instruments at fair value through other comprehensive income (FVTOCI).
- o Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- o Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

The Company has not designated any debt instrument as at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

o The rights to receive cash flows from the asset have expired, or

o The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

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, trade receivables and bank balance

b. Financial assets that are debt instruments and are measured as at FVTOCI

c. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'Trade receivables')

d. Loan commitments which are not measured as at FVTPL

e. Financial guarantee contracts which are not measured as at FVTPL

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

o Trade receivables or contract revenue receivables; and

o Loans and other financial assets

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.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

o Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- o Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and 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 as such at the initial date of recognition, and 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 P&L. 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. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the 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 borrowings. For more information refer Note 18.

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 as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

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.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

p. Compounding financial instruments

The company had issued compound financial instruments (redeemable preference shares, optionally convertible preference shares and redeemable non-convertible debentures) as part of its restructuring of debts with lenders. On issuance of compounding financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The difference between value of Compound financial instruments so determined and the non sustainable part of borrowing is recognised as income on de-recognition of financial liability in the statement of profit and loss.

q. Cash and cash equivalents

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

r. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

s. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, currency option contracts, forward commodity contracts and commodity option contract to hedge its foreign currency risks and commodity price risks. 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

2.2 Significant accounting judgments estimates and assumptions

The preparation of the Company financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1. Revaluation of property, plant and equipment

The Company measures land, buildings, plant and machinery classified as property, plant and equipment at revalued amounts with changes in fair value being recognised in OCI. The Company has engaged an independent valuation specialist to assess fair value as at 31st March 2019 for revaluation of land, buildings, plant and equipment. Fair value of land was determined by using the market approach and building and plant & equipment was determined by using depreciated replacement cost (DRC) method. The key assumptions used to determine fair value of the property, plant and equipment are provided in Note 3.

2. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The Company has unabsorbed depreciation of Rs.12,302.14 million (31st March 2018: Rs. 12,314.74 million), unabsorbed tax losses of Rs. 16,596.44 million (31st March 2018: Rs. 22,518.09 million) on which deferred tax asset has been created and MAT credit entitlement of Rs.528.90 million (31st March 2018: Rs. 528.90 million). The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses and the MAT credit entitlement can be carried forward for 8 years and 15 years respectively. Considering the improved performance of the Company in the current year, continued financial support from the parent company, various incentives / regulatory measures announced by the government for sugar and ethanol, the Company expects to generate taxable profits in future years and hence the Company has recognised deferred tax assets.

3. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the cashflow estimates for the remaining life of the asset (in case of BOOT) and budget for 5 years in case of other assets and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows.

4. Valuation of investments

Investments in subsidiaries are carried at cost in the financial statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of profit and loss.

The recoverable amount calculation is based on a DCF (Discounted Cash Flow) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 5.

5. Financial instruments

During the previous year the Company had entered into framework agreement with its lenders for restructuring its borrowings. As part of the restructuring process the Company has issued 0.01% Non-convertible debentures, redeemable preference shares and optionally convertible preference shares to the lenders. The Company has recognised the new instruments issued at fair value and the difference between the fair value of the instrument and the non-sustainable part of borrowings has been recognised as income on de-recognition of financial liability by the Company.

6. Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 39.

2.3 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 116 Accounting for leases

Ind AS 116 Leases was notified on 30th March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The company intends to adopt Ind AS 116 from the date when they become effective. The Company is in the process of assessing the impact on adoption of Ind AS 116 in the financial statements.

2.4 Changes in accounting policies and disclosures

New and amended standards and interpretations

Ind AS 115 Revenue from Contracts with Customers

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Effective April 1, 2018, the Company has adopted Indian Accounting Standard 115 (Revenue from contracts with customers) by using the modified retrospective approach. The new standard is based on the principle that revenue is recognised when control of goods or services is transferred to the customer and provides a single, principles based five-step model to be applied to all sales contracts. It replaces the separate models for goods, services and construction contracts under previous standards (Indian Accounting Standard 11 and Indian Accounting Standard 18) which was based on the concept of transfer of risks and rewards. It also provides further guidance on the measurement of sales on contracts which have discounts, rebates or incentives by applying variable consideration principles.

Based on the evaluation of commercial arrangements with customers, the Company has identified certain discounts/ rebates/ incentives to customers which need to be accounted. It has also identified certain expenses which are now required to be reduced from revenue. The Company has applied the Standard from April 1, 2018 under the modified retrospective approach and there were no significant adjustments required to the statement of profit and loss for the year ended March 31, 2019.

Notes to Financial Statements

for the year ended 31st March 2019

Note 3. Property, plant and equipment

All amounts in million Indian Rupees, unless otherwise stated

	Leasehold land	Freehold land	Buildings	Plant, machinery and equipment	Furniture & fixtures	Vehicles	Total for plant, property and equipment	Capital work-in-progress	Total
Gross block									
As at 1st April 2017	**180.39**	**2,026.05**	**7,223.55**	**35,965.60**	**92.47**	**32.97**	**45,521.03**	**326.82**	**45,847.85**
Additions	-	1.13	29.77	153.12	10.43	7.50	201.95	-	201.95
Disposals	-	(1.31)	(9.28)	(789.08)	(15.30)	(9.73)	(824.70)	(28.90)	(853.60)
At 31st March 2018	**180.39**	**2,025.87**	**7,244.04**	**35,329.64**	**87.60**	**30.74**	**44,898.28**	**297.92**	**45,196.20**
Additions	-	60.21	163.53	478.07	17.75	6.43	725.99	738.60	1,464.59
Revaluation Reserve	819.00	(45.63)	694.78	(648.46)	-	-	819.69	-	819.69
Disposals	-	-	-	(5.52)	(7.79)	(15.70)	(29.01)	-	(29.01)
At 31st March 2019	**999.39**	**2,040.45**	**8,102.35**	**35,153.73**	**97.56**	**21.47**	**46,414.95**	**1,036.52**	**47,451.47**
Depreciation and impairment									
As at 1st April 2017	4.38	-	569.92	3,300.80	43.19	6.13	3,924.42	-	3,924.42
Depreciation charge for the year	2.19	-	273.24	2,016.66	20.32	8.74	2,321.15	-	2,321.15
Disposals	-	-	(5.77)	(455.20)	(13.91)	(8.26)	(483.14)	-	(483.14)
Impairment	-	-	-	523.62	-	-	523.62	28.76	552.38
At 31st March 2018	6.57	-	837.39	5,385.88	49.60	6.61	6,286.05	28.76	6,314.81
Depreciation charge for the year (refer Note 34)	2.15		267.60	1,839.77	17.82	6.47	2,133.81	-	2,133.81
Disposals	-	-	-	(2.00)	(7.73)	(10.94)	(20.67)	-	(20.67)
Impairment	-	-	-	-	-	-	-	4.23	4.23
At 31st March 2019	**8.72**	**-**	**1,104.99**	**7,223.65**	**59.69**	**2.14**	**8,399.19**	**32.99**	**8,432.18**
Net book value									
At 31st March 2019	**990.67**	**2,040.45**	**6,997.36**	**27,930.08**	**37.87**	**19.33**	**38,015.76**	**1,003.53**	**39,019.29**
At 31st March 2018	**173.82**	**2,025.87**	**6,406.65**	**29,943.76**	**38.00**	**24.13**	**38,612.23**	**269.16**	**38,881.39**

A. Capital work in progress

Capital work in progress as at 31st March 2019 comprises expenditure for the plant and building in the course of construction.

B. Revaluation of land, buildings and plant, machinery and equipment

During the year, the Company had appointed an independent valuer to determine the fair value of freehold and lease hold land, building and plant and machineries. As an outcome of this process, the Company has recognised increase in the gross block of land (free and lease hold) of Rs. 773.37 million, buildings of Rs. 694.78 million and decrease in plant and machineries of Rs. 648.46 million. The company recognised this increase within the revaluation reserve and statement of comprehensive income.

The Company determined these fair values after considering physical condition of the asset, technical usability / capacity, salvage value, quotes from independent vendors. The fair value of land is determined using market approach and building, plant, machinery and equipment using depreciated replacement cost (DRC). The DRC is derived from the Gross current reproduction / replacement cost (GCRC) which is reduced by considering depreciation (GCRC means cost expected to replace existing asset with similar or equivalent new asset as on date of valuation). The fair value measurement will be classified under level 3 fair value hierarchy.

Significant unobservable valuation input:		
Asset	**Valuation technique**	**Significant unobservable inputs**
Freehold land/Lease hold land	Market approach	The value of land was determined based on condition, location, demand and supply in and around and other infrastructure facilities available at and around the said plot of land. Land which was based on government promoted industrial estates, was appraised on the present fair market value depending on the condition of the said estates, its location and availability of such plots in the said industrial estate.
Building	Depreciated Replacement Cost (DRC)	Building/structural sheds were measured considering the DRC cost method for the constructed area depending on Utility and Design of Building Structures condition, actual physical condition and state of repairs and maintenance, type of general and Special Specifications of construction, remaining useful economic life of the structures, demand for the structures, cost of building materials and related construction supplies in the surrounding area, latest trends in the building construction technology, present day replacement cost of comparable building structures, Depreciation for Physical wears and tear.
Plant, machinery and equipment Sugar Plant Co-Generation Plant Ethanol plant	Depreciated Replacement Cost (DRC)	The valuaion of Plant & Machinery has been estimated by DRC method under cost approach of valuation. The DRC is adjusted towards the Obsolescence, Potential Profitability and Service Potential in order to estimate the Market Value 'In-Situ' of the plant & machinery.

Information of revaluation model (gross of deferred tax):

	Million ₹
Opening balance as at 1st April 2017	**18,638.93**
Purchases	-
Depreciation	(672.73)
Other adjustments	(1,072.70)
Closing balance as at 31st March 2018	**16,893.50**
Measurement recognised in reserves	819.69
Purchases	-
Depreciation	(872.70)
Disposed off	(1.11)
Closing balance as at 31st March 2019	**16,839.38**

If land, building and plant, machinery and equipment were measured using the cost model, the carrying amounts would be as follows:

	As at 31st March 2019	**As at 31st March 2018**
Cost		
Freehold Land	483.86	423.65
Lease hold land	180.39	180.39
Buildings	5,745.27	5,581.04
Plant, machinery and equipment	27,900.82	27,764.33
Total	**34,310.34**	**33,949.41**
Accumulated depreciation		
Freehold Land	-	-
Lease hold land	8.72	6.57
Buildings	1,828.46	1,789.34
Plant, machinery and equipment	11,159.29	10,496.70
	12,996.47	**12,292.61**
Net carrying amount		
Freehold Land	483.86	423.65
Lease hold land	171.67	173.82
Buildings	3,916.81	3,791.70
Plant, machinery and equipment	16,741.53	17,267.63
	21,313.87	**21,656.80**

Note 4. Other intangible assets

	Computer software
Gross block	
As at 1st April 2017	**19.80**
Additions	0.50
Disposals	(0.18)
As at 31st March 2018	**20.12**
Additions	0.21
Disposals	-
As at 31st March 2019	**20.33**
Depreciation and impairment	
As at 1st April 2017	**19.45**
Amortisation for the year	0.42
Disposals	(0.18)
As at 31st March 2018	**19.69**
Amortisation for the year	0.24
Disposals	-
As at 31st March 2019	**19.93**
Net book value	
As at 31st March 2019	**0.40**
As at 31st March 2018	**0.43**

Note 5: Investments

	Currency	Face value	As at 31st March 2019		As at 31st March 2018	
			Number of units	₹ Million	Number of units	₹ Million
Current:						
Unquoted equity shares: At Cost						
In Subsidiary Companies						
Shree Renuka Global Ventures Ltd.*	USD	1	395674975	18,245.25	-	-
Less:- Impairment allowance				(18,245.25)		-
				-		-
Non Current:						
Unquoted equity shares: At Cost						
In Subsidiary Companies						
KBK Chem-Engineering Pvt Ltd.	₹	100	1,69,143	547.92	1,69,143	547.92
Gokak Sugars Ltd.	₹	10	3,29,37,140	187.26	3,29,37,140	187.26
Monica Trading Pvt. Ltd.	₹	10	10,000	171.52	10,000	171.52
Shree Renuka Global Ventures Ltd*	USD	1	-	-	39,56,74,975	18,245.25
Less:- Impairment allowance			-	-	-	(18,245.25)
Renuka Commodities DMCC, Dubai	AED	10,000	40	4.97	40	4.97
Less:- Impairment allowance			-	(4.97)	-	(4.97)
Shree Renuka Agri Ventures Ltd	₹	10	2,50,000	2.50	2,50,000	2.50
Less:- Impairment allowance			-	(2.50)	-	(2.50)
Shree Renuka East Africa Agriventures PLC	Birr	180	9,999	5.19	9,999	5.19
Less:- Impairment allowance			-	(5.19)	-	(5.19)
Shree Renuka Tunaport Pvt. Ltd	₹	10	10,000	0.10	10,000	0.10
Less:- Impairment allowance			-	(0.10)	-	(0.10)
In Other Companies						
Unquoted equity shares: At fair value through other comprehensive income (fully paid)						
National Commodity & Derivatives Exchange Ltd. (NCDEX) (refer note 42)#	₹	10	25,33,700	179.59	25,33,700	354.71

	Currency	Face value	As at 31st March 2019 Number of units	₹ Million	As at 31st March 2018 Number of units	₹ Million
Aggregate Value of total Investment				**1,086.29**		**1,261.41**
Aggregate value of unquoted investment				**19,344.30**		**19,519.42**
Aggregate amount of impairment allowance in value of investments				**(18,258.01)**		**(18,258.01)**

*On 7th May 2019, Shree Renuka Global Ventures Ltd (SRGVL) entered into non-binding term sheet with an investor. As per the terms defined in the term sheet, SRGVL will issue fresh equity shares to the investor, consequent to which the interest held by the Company in SRGVL will be reduced to 19% and the Company will also not have right to representation on the Board of Directors of SRGVL. Accordingly, after execution of this transaction, the Company would lose control on SRGVL.

697,700 equity shares pledged with IDBI bank towards working capital loan availed by the Company.

Note 6 : Loans

	As at 31st March 2019	As at 31st March 2018
Loans to Subsidiary companies (Refer Note 41 (C))	3,876.03	2,060.69
Less: Impairment allowance (Refer Note 41 (C))	(2,060.73)	(2,060.69)
	1,815.30	-
Break-up for security details		
Unsecured considered good	1,815.30	-
Unsecured, credit impaired	2,060.73	2,060.69
(A)	**3,876.03**	**2,060.69**
Impairment allowance*		
Unsecured considered good	-	-
Unsecured, credit impaired (Refer Note 41 (C))	(2,060.73)	(2,060.69)
(B)	**(2,060.73)**	**(2,060.69)**
(A-B)	**1,815.30**	**-**

*The Company has recognised impairment allowance on life time expected credit loss basis towards loan given to its subsidiaries.

During the year the Company advanced funds to its subsidiary, Gokak Sugars Limited ('GSL), which is engaged in the business of production of sugar, molasses and co-generation. The fund advanced to GSL was utilised to repay dues to farmers, harvesters and transporters (H&T) and Agri loans under Crop and H&T schemes. The Company advanced amount of ₹ 2,442.81 million in different tranches to GSL during the current year, out of which ₹ 1,815.30 million is outstanding as at March 31, 2019.This loan carries interest at the rate of 11 % p.a and shall be payable along with principal repayment. The Company intends to merge GSL with itself after obtaining necessary approvals for lenders, share holders and other regulatory authorities.

Note 7 : Other non-current financial assets

	As at 31st March 2019	As at 31st March 2018
Unsecured & considered good:		
Deposits	127.69	144.05
	127.69	**144.05**

Note 8 : Other non-current assets

	As at 31st March 2019	As at 31st March 2018
Prepayments	1,121.86	1,211.53
Incentives receivable	197.43	197.43
Capital advances	89.75	15.26
Amount paid under protest to government authorities	383.98	421.14
	1,793.02	**1,845.36**

	As at 31st March 2019	As at 31st March 2018
Break-up for security details		
Unsecured considered good	1,595.59	1,647.93
Unsecured, considered doubtful	197.43	197.43
(A)	**1,793.02**	**1,845.36**
Impairment allowance		
Unsecured considered good	-	-
Unsecured, considered doubtful	197.43	197.43
(B)	**197.43**	**197.43**
(A-B)	**1,595.59**	**1,647.93**

Note 9 : Income tax

The major components of income tax expenses for the period ended 31st March 2019 and 31st March 2018 are:

	As at 31st March 2019	As at 31st March 2018
Profit and loss section		
Current income tax:		
Current income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(144.37)	(6,276.67)
Income tax expense reported in the statement of profit and loss	(144.37)	(6,276.67)
OCI Section		
Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on remeasurements of defined benefit plans	9.08	(0.70)
Unrealised (gain)/loss on FVTOCI equity securities	-	30.14
Reversal of revaluation reserve on disposal of asset/impairment of plant property and equipments	-	165.32
Revaluation reserve on plant property and equipments	(255.74)	-
Income tax income/(expenses) charged to OCI	**(246.66)**	**194.76**
Reconciliation of tax expenses and the accounting profit multiplied by the India's domestic tax rate for year ended 31st March 2019 and 31st March 2018		
Accounting loss before tax	**(3,963.31)**	**(36,098.03)**
At India's statutory income tax rate of 31.2% (31st March 2018: 33.99%)	(1,236.55)	(12,269.72)
Adjustments due to change in tax estimates of previous years	-	(1,001.57)
Impairment of investments not allowed for tax purpose	-	6,205.90
Unwinding Interest not deductable	283.22	-
Government grants not allowed for tax	24.52	-
Loss on which no DTA created	555.82	-
Impairment allowance of financial assets	302.40	5,490.74
Income not considered for tax purpose	-	-
Gain due to restructuring plan	-	(4,703.84)
Other non deductible expenses/(Income)	(73.79)	1.82
Income tax income in the statement of profit and loss	**(144.37)**	**(6,276.67)**
Deferred tax income reported in statement of profit and loss	(144.37)	(6,276.67)

	As at 31st March 2019	As at 31st March 2018
Deferred tax		
Difference between carrying value of PPE and WDV as per the income tax act	(8,950.02)	(9,452.24)
Deferred tax on financial instruments (net)	2,500.13	322.44
Expenses claimed on payment basis	48.94	(17.25)
Revaluation of FVTOCI investment to fair value	-	28.89
Losses available for offsetting against future taxable income	9,020.18	11,839.68
MAT credit entitlement	528.90	528.90
Net deferred tax assets/(liabilities)	**3,148.13**	**3,250.42**
Presented in the balance sheet as follows:		
Deferred tax assets	3,148.13	3,250.42
Deferred tax liabilities	-	-
Deferred tax assets/(liabilities)	3,148.13	3,250.42
Reconciliation of deferred assets/(liabilities):		
Opening balance as at 1st April	3,250.42	(3,221.00)
Tax income/(expense) during the period recognised in profit and loss	144.37	6,276.67
Tax income/(expense) during the period recognised in OCI	(246.66)	194.75
Closing balance as at 31st March 2019	3,148.13	3,250.42

The Company has unabsorbed depreciation of ₹ 12,302.14 million (31st March 2018: ₹ 12,314.74 million) and unabsorbed tax losses of ₹ 16,596.44 million (31st March 2018: ₹ 22,518.09 million) on which deferred tax asset has been created and MAT credit entitlement of ₹ 528.90 million (31st March 2018: ₹ 528.90 million) . The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses and the MAT credit entitlement can be carried forward for 8 year ₹ and 15 year respectively. Considering the improved performance of the Company in the current year, continued financial support from the parent company, various incentives / regulatory measures announced by the government for sugar and ethanol, the Company expects to generate taxable profits in future year and hence the Company has recognised deferred tax assets.

The Company has unabsorbed depreciation of ₹ 1,122.45 million (31st March 2018: ₹. Nil), unabsorbed tax losses of ₹ 4,064.80 million (31st March 2018: ₹. Nil) on which deferred tax asset has not been created. The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses can be carried forward for 8 year.

Note 10: Inventories

	As at 31st March 2019	As at 31st March 2018
Raw materials, components and material in transit (at cost)	4,226.37	1,905.84
(includes transit stock of 31st March 2019: ₹ 38.58 Million (31st March 2018: ₹ Nil))		
Stores and spares (at cost)	492.63	768.43
Intermediate products (at net realisable value)	1,277.99	338.36
Finished goods: (at lower of cost or net realisable value)		
Manufactured	10,431.88	6,283.84
	16,428.87	**9,296.47**

Note 11: Trade receivables

	As at 31st March 2019	As at 31st March 2018
Unsecured, considered good:		
Receivables from third parties	1,805.58	6,989.49
Receivables from affiliates (Refer Note 41 (C))	0.44	0.60
Trade receivables (net)	1,806.02	6,990.09
Break-up for security details:		
Secured, considered good		
Unsecured, considered good		
Receivables from third parties	1,805.58	6,989.49
Receivables from subsidiaries and affiliates (Refer Note 41 (C))	0.44	0.60
Unsecured, credit impaired		
Receivables from third parties	190.44	660.68

	As at 31st March 2019	As at 31st March 2018
Receivables from subsidiaries (Refer Note 41 (C))	3,346.05	3,346.05
	5,342.51	10,996.82
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	(3,536.49)	(4,006.73)
	(3,536.49)	(4,006.73)
Trade receivables (Net)	**1,806.02**	**6,990.09**

The company has recognised impairment allowance on lifetime expected credit loss model amounting to ₹ 134.13 Million (March 2018, ₹ 4,006.73 Million).

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally on terms of 7 to 30 days

Note 12: Cash and cash equivalents

	As at 31st March 2019	As at 31st March 2018
Cash and cash equivalents:		
Cash on hand	0.82	1.05
Balances with banks:		
On current accounts	201.20	338.18
	202.02	**339.23**

Changes in liabilities arising from financing activities

Particulars	Long term borrowings	Short term borrowings
As at 1st April 2017	32,428.44	3,761.14
Cash flows	(1,551.35)	-
Other	(8,900.69)	(2,099.04)
As at 31st March 2018	**21,976.40**	**1,662.10**
Cash flows	(1,202.24)	3,816.08
Other	617.12	-
As at 31st March 2019	**21,391.28**	**5,478.18**

Note 13: Other Bank balances

	As at 31st March 2019	As at 31st March 2018
Other Bank Balances:		
Earmarked balances		
Unpaid dividend accounts	2.99	6.45
Fixed deposit pledged with bank/deposited with government authorities*	15.62	14.74
	18.61	21.19

*Fixed deposit with banks include amounts that have been provided as margin money and those that have been pledged with government authorities towards guarantee.

Note 14: Loans

	As at 31st March 2019	As at 31st March 2018
Unsecured and considered good:		
Loans to related parties		
To subsidiary companies (Refer Note 41 (C))	15,020.28	15,308.54
To affiliate companies (Refer Note 41 (C))	-	49.37
	15,020.28	15,357.91
Break-up for security details		
Unsecured, considered good	266.99	315.96
Unsecured, Credit impaired	14,753.29	15,041.95
(A)	**15,020.28**	**15,357.91**
Impairment allowance*		
Unsecured, considered good	-	-
Unsecured, Credit impaired	(14,753.29)	(15,041.95)
(B)	**(14,753.29)**	**(15,041.95)**
(A-B)	**266.99**	**315.96**

*The Company has impairment allowance on life time expected credit loss model amounting to ₹ 14,753.29 (31st March 2018: ₹ 15.041.96 million) towards loans given to its subsidiaries.

Note 15: Other current financial assets

	As at 31st March 2019	As at 31st March 2018
Derivative Instruments at fair value through Profit or loss	124.14	-
Deposits with commodity agent	212.86	-
Export incentives receivable	3.15	3.09
Interest accrued	0.33	0.27
Interest receivable*	133.87	10.07
Other receivables**	21.39	-
	495.74	**13.43**
Break-up for security details		
Unsecured considered good	469.34	13.43
Unsecured, Credit impaired	26.40	-
(A)	**495.74**	**13.43**
Impairment allowance		
Unsecured considered good	-	-
Unsecured, Credit impaired***	26.40	-
(B)	**26.40**	**-**
(A-B)	**469.34**	**13.43**

* Includes due from subsidiaries ₹ 133.87 million (31st March 2018 : ₹ Nil) (Refer Note 41 (C))

** Represents due from subsidiaries ₹ 21.39 million (31st March 2018 : ₹ Nil) (Refer Note 41 (C))

***Represents due from subsidiaries ₹ 26.40 million (31st March 2018 : ₹ Nil) (Refer Note 41 (C))

Note 16: Other current assets

	As at 31st March 2019	As at 31st March 2018
Prepayments	212.34	287.13
Balances with government authorities	1,271.35	1,399.53
Related parties (Refer Note 41 (C))	160.70	686.70
Advance to suppliers	1,568.72	739.43
Others	411.16	635.40
	3,624.27	**3,748.19**
Break-up for security details		
Unsecured considered good	2,709.28	2,964.75
Unsecured, Credit impaired	914.99	783.44
(A)	**3,624.27**	**3,748.19**
Impairment allowance		
Unsecured considered good	-	-
Unsecured, Credit impaired*	914.99	783.44
(B)	**914.99**	**783.44**
(A-B)	**2,709.28**	**2,964.75**

* Includes from subsidiaries and affiliate ₹ 160.20 million (31st March 2018 : ₹ 123.41) (Refer Note 41 (C)

Note 17a: Equity share capital

	As at 31st March 2019	As at 31st March 2018
a) Authorised share capital		
2,900,000,000 Equity shares of ₹ 1 each	2,900.00	2,900.00
510,141,365, 0.01% Compulsorily convertible preference shares of ₹ 16.27 each	8,300.00	8,300.00
94,000,000, 0.01% Redeemable preference shares of ₹ 100 each	9,400.00	9,400.00
45,500,000, 0.01% Optionally convertible preference shares of ₹ 100 each	4,550.00	4,550.00
	25,150.00	**25,150.00**
b) Issued, subscribed and paid up		
1,916,819,292 Equity Shares of ₹ 1 each fully paid	1,916.82	1,916.82
	1,916.82	**1,916.82**

Terms/rights attached to equity shares:

The Company has only one class of equity shares having face value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

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

Issued equity capital

	Number of equity shares
As at 1st April 2017	94,52,46,580
Shares issued during the year	97,15,72,712
As at 31st March 2018	1,91,68,19,292
Shares issued during the year	-
As at 31st March 2019	**1,91,68,19,292**

Details of shareholders holding more than 5% shares in the equity share capital of the company

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% holding	No. of Shares	% holding
Wilmar Sugar Holdings Pte. Limited	1,11,82,04,751	58.34%	739336351	38.57%
ICICI Bank Limited	19,12,79,112	9.98%	192396579	10.04%
IDBI Bank Limited	18,19,69,219	9.49%	181969219	9.49%
Murkumbi Investments Private Limited	-	-	121414000	6.33%

Note 17b: Other equity

Securities premium account:

	₹ Million
As at 1st April 2017	15,569.72
Increase on 9th March 2018 because of issuance of equity share capital	14,845.63
Increase on 9th March 2018 because of issuance of compulsorily convertible preference shares	4.82
Decrease due to transaction costs for issued share capital	(23.66)
As at 31st March 2018	30,396.51
Increase /(Decrease) during the period	-
As at 31st March 2019	**30,396.51**

Securities premium reserve is credited when shares are issued at premium. The reserve is utilised in accordance with the provisions of the Companies Act 2013 (the Act).

Debenture redemption reserve (DRR) :

	₹ Million
As at 1st April 2017	625.00
Transfer to/(from) retained earnings	-
As at 31st March 2018	625.00
Transfer to/(from) retained earnings	-
As at 31st March 2019	625.00

The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued over the life of debentures. The company has created reserve of 7.87% (31st March 2018: 7.79%) towards non convertable debentures, out of retained earnings.

Other reserves

	As at 31st March 2019	As at 31st March 2018
Changes in equity instruments	(120.31)	54.82
Revaluation reserve	10,759.28	11,069.14
Total other reserves	10,638.97	11,123.96

Changes in equity instruments

Changes in equity instruments represents reserves created in respect of equity instruments carried at FVOCI.

Revaluation reserve:

Revaluation reserve is credited when Property, Plant and Equipments are revalued at fair value. The reserve is utilised in accordance with the requirements of Ind AS 16.

Note 18: Borrowings (non-current)

	As at 31st March 2019	As at 31st March 2018
Secured		
a) Non-convertible debentures (refer Note B below)		
1500 Redeemable non-convertible debentures (11.70%) of ₹.1,000,000 each	1,447.48	1,500.00
1000 Redeemable non-convertible debentures (11.30%) of ₹.1,000,000 each	964.98	1,000.00
5,521 Redeemable non-convertible debentures (0.01%) of ₹ 1,000,000 each (refer note on debt restructuring scheme below)	2,397.51	2,112.16
b) Term Loans (refer Note B below)		
From Banks and financial institutions	11,040.44	12,331.30
From others (refer Note B below)		
From IFCI Limited (Sugar Development Fund)	320.99	435.45
Unsecured		
Financial instruments		
74,388,207 Redeemable preference shares (0.01%) of ₹ 100 each	1,202.31	1,058.95
42,808,858 Optionally convertible redeemable preference shares (0.01%) of ₹ 100 each	4,017.57	3,538.54
	21,391.28	**21,976.40**
Less: Current maturity of long-term borrowings transferred to Other current financial liabilities (refer Note 24)	(1,699.99)	(959.16)
	19,691.29	**21,017.24**

Terms of repayment for the loan outstanding as on 31st March 2019

Particulars	Maturity	Effective rate of interest	As at 31st March 2019	As at 31st March 2018
Non-convertible debentures				
Non convertible debentures -LIC**	31st March 2024	11.70%	1,447.48	1,500.00
Non convertible debentures -LIC**	31st March 2024	11.30%	964.98	1,000.00
0.01% Non-convertible debentures issued to lenders	31st March 2027	12.90% #	2,397.51	2,112.16
From Banks and financial institutions				
Term loans				
Indian Renewable Energy Development Authority (IREDA)	31st December 2020	9.85%	140.88	221.38
Indian Renewable Energy Development Authority (IREDA)	31st March 2022	11.60%	196.88	262.51
Exim Bank	31st March 2029	IDBI 1 year MCLR rate+1.1%	473.18	503.71
ICICI Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	4,139.24	4,406.29
State Bank of India Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	335.16	454.97
IDBI Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	4,157.10	4,425.30
Axis Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	120.99	128.11
Kotak Mahindra Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	650.91	692.90
Ratnakar Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	49.05	54.15
Yes Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	412.64	439.26
SEFASU loan from banks	31st March 2029	12.00%	364.40	742.72
IFCI Limited (SDF)	22nd February 2021 and 30th September 2021	12.00%	320.99	435.45
0.01% Redeemable preference shares (RPS)	31st March 2037	12.90% #	1,202.31	1,058.95
0.01% Optionally convertible preference shares (OCPS)	31st March 2029	12.90% #	4,017.57	3,538.54

The NCD's, RPS and OCPS issued to lenders has been recorded at NPV using discounting factor of 12.9%.

** The Company is in the process of restructuring these non-convertible debentures and has received a letter of intent from Life Insurance Corporation of India (debenture holders) on October 11, 2018. This letter was accepted by the company on October 16, 2018. The restructuring is subject to members and stock exchange's approval.

Note A: Repayment schedule of financial instrument is as follows:

a) 0.01% Optionally Convertible Preference Shares (OCPS) of ₹ 4,280.89 Million, issued to lenders with convertibility right at the end of 18 months in line with existing SEBI regulations. However, the company will extend the convertibility of the OCPS in its Annual General / Extraordinary General Meeting at least 60 days prior to the expiry of the convertibility right of the lenders, subject to applicable regulations. Simultaneously, the company will seek exemption from SEBI for relaxation of conversion period of OCPS beyond 18 months, so as to be converted on or before 31st March 2029 at a price to be determined as per prevailing SEBI Guidelines.

b) 0.01% Redeemable Preference Shares (RPS) of ₹ 7,438 Million, redeemable in 40 structured quarterly instalments commencing from 30th June 2027.

Note B: Nature of Security/guarantees

Term loans and Non-convertible debentures

1. First pari-passu charge by way of mortgage / hypothecation on all immovable / movable properties of the Company both present & future except assets at Panchaganga and Ajinkyatara which are exclusively charged to IREDA.
2. Second pari-passu charge on all the current assets of the company both present and future by the lenders except non-Convertible debentures issued to LIC.

Working capital loan (Refer note 22)

1. First Pari-passu charge on all the current assets of the company both present and future.
2. Second pari passu charge on entire PPE both present and future except plant at Panchaganga and Ajinkyatara which are exclusively charged to IREDA.
3. Company has pledged as at 31st March 2019 : 697,700 equity shares (as at 31st March 2018 : 697,700 equity shares) of NCDEX with IDBI bank Limited towards working capital loan.

Corporate guarantee

Corporate Guarantee of Wilmar International Ltd. towards term loan and working capital limits extended by IDBI Bank Limited, ICICI Bank Limited, Axis Bank Limited, RBL Bank Limited, Yes Bank Limited, Exim Bank, Kotak Mahindra Bank Limited, State Bank of India and Bank of America Limited aggregating to ₹ 31,130 million (March 2018:₹ 27,130) .

IREDA Loan

Exclusive charge on plant, property and equipment at Panchaganga and Ajinkyatara (co-generation plants).

Note 19 : Other non-current financial liabilities

	As at 31st March 2019	As at 31st March 2018
Interest accrued but not due	24.82	49.65
Other payables	-	11.24
	24.82	**60.89**

Note 20: Net employee benefit liabilities (non-current)

	As at 31st March 2019	As at 31st March 2018
Provision for employee benefits (refer Note 39):		
Provision for gratuity	116.83	44.12
Provision for leave encashment	74.24	74.21
	191.07	**118.33**

Note 21: Government grants

	As at 31st March 2019	As at 31st March 2018
Current	59.42	95.54
Non- current	318.21	52.02
	377.63	**147.56**

Note 22 : Borrowings (current)

	As at 31st March 2019	As at 31st March 2018
Secured		
Working Capital from banks:		
Rupee borrowings	5,478.18	1,649.46
Foreign Currency borrowings	-	12.64
	5,478.18	**1,662.10**

Refer Note B of note 18 for details of security

Note 23: Trade payables

	As at 31st March 2019	As at 31st March 2018
Trade payables*	18,124.18	14,837.04
Trade payables to related parties (refer Note 41)	8,506.73	11,799.88
	26,630.91	**26,636.92**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled within the credit period agreed with the supplier.

For terms and conditions with related parties, refer to Note 41 (B).

For explanations on the company liquidty risk management processes, refer to Note 43.

Trade payable includes liabilities in relation to Crop and H&T payables for which SRSL has provided corporate guarantee to ICICI Bank, IDBI Bank, State Bank of India, and RBL Bank.

*The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

	As at 31st March 2019	As at 31st March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal amount due to micro and small enterprises	16.79	-
- Interest due on above	0.34	-
Total	**17.13**	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.34	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.34	-

Note 24: Other current financial liabilities

	As at 31st March 2019	As at 31st March 2018
Current maturity of long-term borrowings (Refer Note 18)	1,699.99	959.16
Interest accrued but not due on borrowings	635.65	258.98
Unclaimed dividend	2.99	6.45
Other payables*	7,621.77	148.04
Derivative liabilities	75.48	-
Salaries payable	49.64	76.30
	10,085.52	**1,448.93**

* Includes advance from holding company and affiliates ₹ 7,431.93 million (31st March 2018: ₹ Nil million) (refer Note 41 (D)).

Note 25: Other current liabilities

	As at 31st March 2019	As at 31st March 2018
Advance from customers *	96.89	4,826.52
Statutory dues payable	518.71	597.39
Other payables	303.94	-
	919.54	**5,423.91**

* Includes advance from holding company and affiliates ₹ Nil (31st March 2018: ₹ 4,387.76 million) (refer Note 41).

Note 26: Net employee benefit liabilities (current)

	As at 31st March 2019	As at 31st March 2018
Provision for gratuity	56.30	0.35
Provision for leave encashment	6.68	7.19
	62.98	**7.54**

Note 27 : Revenue from operations

	Year ended 31st March 2019	Year ended 31st March 2018
Sale of products (gross)		
Sale of manufactured sugar	34,523.42	46,345.28
Sale of ethanol and allied products	5,286.10	2,453.88
Sale of power	1,342.68	1,122.94
Sale of traded sugar and ethanol	965.51	8,484.24
Sale of by-products and others	639.99	222.14
	42,757.70	**58,628.48**

Sales for the year ended March 31, 2019 is net of Goods and Service Tax (GST) due to implementation of GST with effect from July 1, 2017. However, sales for the previous year ended March 31, 2018 is gross of excise duty up to June 30, 2017 amounting to ₹ 151.79 million and subsequent to that, net of GST.

Contract balances

Contract liability as at March 31, 2019 is ₹ 96.89 million.

Perfomance obligation

The performance obligation is satisfied upon delivery of the goods to customers.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended 31st March 2019
Revenue as per contracted price	42,816.56
Less:Discount	(28.54)
Less:Trade promotion expenses	(30.32)
Revenue from contract with customers	42,757.70

Note 28: Other income

	Year ended 31st March 2019	Year ended 31st March 2018
Other non-operating income		
Income from commodity derivatives (net)	593.33	-
Excess provision of earlier years written back	600.00	-
Sugar export benefits from third party licences	273.97	-
Government assistance	60.55	137.28
Dividend on investments	0.76	0.90
Miscellaneous income	18.38	4.13
Profit on sale of assets	-	4.01
Income from professional services	-	2.86
Finance income		
Interest received on financial assets carried at amortized cost and others	187.73	253.56
	1,734.72	**402.74**

Note 29 : Cost of raw materials consumed

	Year ended 31st March 2019	Year ended 31st March 2018
Raw-sugar	22,238.55	32,141.90
Sugar-cane	13,499.82	11,139.08
Coal and Bagasse	1,448.44	2,089.01
Molasses, DNA, MGA and Rectified spirit	1,266.44	1,029.57
Others	5.14	3.89
	38,458.39	**46403.45**

Note 30: Purchase of traded goods

	Year ended 31st March 2019	Year ended 31st March 2018
Raw-sugar	838.27	6,117.43
White sugar	707.70	2,353.50
Coal	13.15	9.41
	1,559.12	**8,480.34**

Note 31: (Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods

	Year ended 31st March 2019	Year ended 31st March 2018
Opening stock	6,622.20	5,669.78
Less: Closing stock	(11,709.87)	(6,622.20)
Net (Increase)/decrease in stock	(5,087.67)	(952.42)

Note 32: Employee benefit expenses

	Year ended 31st March 2019	Year ended 31st March 2018
Salaries, wages and bonus	901.38	884.18
Gratuity expenses	116.84	58.79
Contribution to provident and other funds	72.95	84.44
Staff welfare expenses	39.85	35.45
	1,131.02	**1,062.86**

Gratuity expenses recoverable from lease unit in repect of period prior to commencement of lease has been reduced from gratuity expenses 31st March 2019: ₹ 52.28 million (31st March 2018: Nil)

Note 33: Finance costs

	Year ended 31st March 2019	Year ended 31st March 2018
Liabilities measured at amortised cost:		
On term loans	1,163.50	2,162.80
On working capital	2,875.86	2,190.87
On debentures	290.32	288.50
Others:		
Interest expenses on discounted securities	907.74	-
Bank and other borrowing costs	94.19	228.46
	5,331.61	**4,870.63**
Unwinding of interest on borrowing at concessional rate	78.60	115.81
Total interest	**5,410.21**	**4,986.44**

Note 34: Depreciation and amortisation expenses

	Year ended 31st March 2019	Year ended 31st March 2018
Depreciation of tangible assets (Refer Note 3)	2,133.80	2,321.15
Amortisation of intangible assets (Refer Note 4)	0.24	0.42
	2,134.04	**2,321.57**

Note 35 : Other expenses

	Year ended 31st March 2019	Year ended 31st March 2018
Consumption of stores and spares	556.39	399.97
Consumption of chemicals, consumables, oil and lubricants	418.01	443.55
Outsourced service cost	196.12	155.18
Sugar house loading, un-loading and handling charges	223.12	205.54
Packing materials	801.55	729.13
Power and fuel	210.94	357.16
Rent	149.60	229.08
Repairs and maintenance:		
Plant and machinery	177.56	130.57
Buildings	3.58	4.74
Others	48.71	44.30
Rates and taxes	53.58	46.97
Insurance	37.38	50.43
Travelling and conveyance	14.96	21.38
Printing and stationery	6.07	5.94
Communication expenses	15.41	20.56
Legal and professional fees	101.08	236.89
Directors' Sitting Fees	1.68	3.28
Payment to auditors (refer details below)	14.48	9.54
Impairment for financial assets	4.23	697.40
Safety and security expenses	55.07	52.95
Impairment for advances to vendors and others	157.95	-
Expected credit loss for trade receivable	65.65	-
Donations and contributions	1.38	1.82
Loss on sale of fixed assets(net)	1.11	-
Premium paid on Option contracts	39.00	-
Freight and forwarding charges	982.44	943.05
Advertisement and sales promotion	110.91	187.11
Brokerage and discounts	43.64	91.45
Commission and market development expenses	25.73	41.44
Miscellaneous expenses	131.92	111.63
	4,649.25	**5,221.06**

Payment to Auditors

	Year ended 31st March 2019	Year ended 31st March 2018
As auditor		
Audit fee	8.20	6.59
Limited review	2.40	0.80
In other capacity:		
Other services (certification fees)	0.60	0.60
Reimbursement of expenses	0.28	0.05
Others	3.00	1.50
	14.48	**9.54**

CSR expenditure: Since Company has incurred continuous losses in past 3 years, CSR is not applicable to the Company.

Note 36 : Exceptional items

	Year ended 31st March 2019	Year ended 31st March 2018
Impairment for investment in subsidiaries	-	18,258.01
Impairment for loans given to subsidiaries	-	17,102.63
Impairment for advances to vendors and others	-	783.44
Expected credit loss for trade receivables	-	3,506.43
Impairment of non-financial assets	-	66.02
Advances to others written off	666.92	-
Cane price arrears paid	-	983.71
Accrued liability for tax litigations	-	220.00
Liability towards sugar levy	-	100.00
Processing charges on restructuring	-	208.55
Gain on restructuring	-	(13,838.89)
Reversal of government grant	-	(30.89)
	666.92	**27,359.01**

During the year the company has written off trade receivable in respect of a specific customer for which the Company was in regular discussion and follow-ups for recovery. However, since the customer is not able to pay the outstanding amounts, the Company has on May 15, 2019 entered into a settlement agreement with the customer and consequently has written off the amount that is uncollectable.

Note 37: Earnings per Share [EPS]

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended 31st March 2019	Year ended 31st March 2018
Loss attributable to equity holders for basic earnings	(3,818.94)	(29,821.36)
Weighted average number of equity shares for basic EPS**	1,916,819,292	1,006,468,970
Earnings per share		
Basic, computed on the basis of profit/(loss) from operations attributable to equity holders of the company	(1.99)	(29.63)
Diluted, computed on the basis of profit/(loss) from operations attributable to equity holders of the company	(1.99)	(29.63)

** The weighted average number of shares during the previous year takes into account the weighted average effect of changes in share transactions during the year.

38.Commitment and contingencies

a Operating lease commitments (as lessee)

The Company has entered into various operating leases for office, residential and factory premises. These are generally short-term leases and cancellable by serving adequate notice. The minimum amount of lease rentals payable on non-cancelable leases is as follows:

S.No	Lease Payable	As at 31st March 2019	As at 31st March 2018
A	Within a period of one year	8.67	15.02
B	After one year but not more than five years	26.61	-
C	More than five years	501.96	468.30
D	Lease rent charged to statement of profit and loss	149.60	229.08

Lease commitments for the year ended 31st March 2019 and 31st March 2018 does not include prepaid lease.

b) **Other commitments**

As at 31st March, 2019, the Company had the following outstanding commitments:

Outstanding Commitments	As at 31st March 2019	As at 31st March 2018
Estimated amount of contract pending for execution	1,204.59	100.93
Commitment on behalf of subsidiaries	-	1,403.01

c) **Guarantees**

As at 31st March, 2019, the Company had the following guarantees:

S.No	Guarantees	As at 31st March 2019	As at 31st March 2018
A	Bank Guarantee	562.48	357.31
B	Corporate Guarantee	130.00	162.61

d) **Contingent Liabilities**

Liabilities classified and considered contingent due to contested claims and legal disputes	As at 31st March 2019	As at 31st March 2018
Income Tax Demands	177.93	58.25
Excise and Service Tax Demands	926.43	984.27
Sales Tax/VAT Demands	13.58	13.58
GST	61.77	-
Customs Demands	1,882.86	1,107.13
Civil Cases	7.84	2.75
Total:	**3,070.70**	**2,165.98**

39. Defined Benefit plans

The Company has a defined benefit gratuity plan. The companies defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 20.

Risk to the plan

Following risks associated with the plan:

A. Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Actuarial Assumptions

Key actuarial assumptions are given below:

Discount Rate:

The rate used to discount other long term employee benefit obligation (both funded and unfunded) shall be determined by reference to market yield at the Balance Date on high quality corporate bonds.

Salary Growth Rate:

This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Rate of Return on Plan Assets :

This assumption is required only in case of funded plans. Interest income on plan assets is calculated using the rate used to discount the defined benefit obligation.

Mortality:

This assumption is based on the standard published in mortality table without any adjustment.

Withdrawal Rates:

This is Management's estimate of the level of attrition in the company over the long term. Estimated withdrawal rates taken into account the broad economic outlook, type of sector the company operates in and measures taken by the management to retain/ relieve the employees.

S.No.	Particulars	Gratuity Benefits	
		31st March, 2019	31st March, 2018
1	**Change in Defined Benefit obligation**		
	Opening Defined Benefit Obligation	145.38	92.29
	Current service cost	159.22	11.90
	Interest cost	18.19	6.38
	Actuarial loss/(gain) due to change in financial assumptions	1.39	(4.88)
	Actuarial loss/(gain) due to change in demographic assumption	(4.14)	-
	Actuarial loss/ (gain) due to experience adjustments	30.38	(1.52)
	Past Service Cost	-	47.47
	Benefits paid	(83.52)	(6.26)
	Closing Defined Benefit Obligation	**266.90**	**145.38**

S.No.	Particulars	Gratuity Benefits	
		31st March, 2019	31st March, 2018
2	**Change in Plan Assets**		
	Opening value of plan assets	100.91	94.31
	Interest Income	11.20	6.96
	Return on plan assets excluding amounts included interest income	1.48	(6.81)
	Contributions by employer	17.55	12.71
	Benefits paid	(37.37)	(6.26)
	Closing value of plan assets	**93.77**	**100.91**
3	**Fund Status of Plan Assets**		
	Present value unfunded obligations	161.97	-
	Present value funded obligations	104.93	145.38
	Fair Value of plan assets	(93.77)	(100.91)
	Net Liability (Assets)	**173.13**	**44.47**
4	**Other Comprehensive Income for the current period**		
	Due to Change in financial assumptions	1.39	(4.88)
	Due to change in demographic assumption	(4.14)	-
	Due to experience adjustments	30.38	(1.52)
	Return on plan assets excluding amounts included in interest income	1.48	6.81
	Expense recognized in Other Comprehensive Income	**29.11**	**0.41**
5	**Expenses for the current period**		
	Current service cost	159.22	11.90
	Interest cost	9.90	6.38
	Past Service cost	-	47.47
	Interest Income	-	(6.96)
	Amount recognized in expenses	**169.12**	**58.79**
6	**Defined benefit liability**		
	Net opening provision in books of accounts	44.47	(2.02)
	Employee Benefit Expense	169.12	58.79
	Amounts recognized in Other Comprehensive Income	29.11	0.41
	Contributions to plan assets	(17.55)	(12.71)
	Benefits paid by the Company	(52.02)	-
	Closing provision in books of accounts	**173.13**	**44.47**
7	**Composition of the plan assets**		
	Policy of insurance	100%	100%
	Total	**100%**	**100%**
8	**Principal Actuarial Assumption**		
	Discount rate – SRSL Employees	7.70%	7.65%
	Discount rate – Leased Employees	7.05%	7.30%
	Salary Growth rate	5.00%	5.00%
	Withdrawal Rates	5% at Younger ages reducing to 1% at older ages	5% at Younger ages reducing to 1% at older ages
9	**Sensitivity to key assumptions***		
	Discount rate Sensitivity		
	Increase by 0.5%	253.70	100.36
	(% change)	(3.49%)	(4.79%)
	Decrease by 0.5%	272.66	110.86
	(% change)	3.72%	5.17%
	Salary growth rate Sensitivity		
	Increase by 0.5%	272.01	110.31
	(% change)	3.47%	4.66%
	Decrease by 0.5%	254.07	100.85
	(% change)	(3.35%)	(4.32%)
	Withdrawal rate (W.R.) Sensitivity		
	W.R. x 110%	263.86	106.16
	(% change)	0.37%	0.72%
	W.R. x 90	261.86	104.63
	(% change)	(0.39%)	(0.74%)
10	**Expected contributions to the defined benefit plan in next years**	**10.93**	**4.13**

*A description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

40. Disclosure under clause 32 of the Listing Agreement:

Loan given to subsidiary companies

Name of the company	Amount Outstanding as on		Maximum amount outstanding any time during the year ended	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Renuka Commodities DMCC, Dubai	14,530.71	18,197.60	14,829.67	18,197.60
Shree Renuka Agri Ventures Ltd	222.90	222.58	222.90	222.58
KBK Chem Engineering Pvt. Ltd	1,348.05	1,347.70	1,348.27	1,348.05
Shree Renuka East Africa Agriventures PLC	0.04	0.04	0.04	0.04
Monica Trading Pvt Limited	266.67	266.58	266.67	296.48
Shree Renuka Tunaport Private Limited	7.80	7.76	7.80	7.76
Lanka Sugar Refinery Company (Private) Ltd	1.19	1.19	1.19	1.19
Renuka Vale Do ivai s/a	444.95	536.19	444.95	536.19
Gokak Sugars Limited	1,815.30	(55.94)	1,816.06	330.25
Renuka do Brasil S/A	258.70	258.70	258.70	258.70

- Loans are given to subsidiaries to meet its working capital requirements.

41. Related party transactions

A) Related parties

(a) Holding Company:

1 Wilmar Sugar Holding Pte Limited

(b) Subsidiary companies:

1 Gokak Sugars Limited

2 KBK Chem-Engineering Private Limited

3 Monica Trading Private Limited

4 Shree Renuka Tunaport Private Limited

5 Shree Renuka Agri Ventures Limited

6 Renuka Commodities DMCC, Dubai

7 Shree Renuka East Africa Agriventures PLC, Ethiopia**

8 Shree Renuka Global Ventures Limited, Mauritius

9 Lanka Sugar Refinery Company (Private) Limited, Sri lanka**

10 Shree Renuka do Brasil Participacoes, Brazil

11 Renuka Vale do Ivaí S/A, Brazil

12 Biovale Comercio de Leveduras Ltda, Brazil

13 Ivaicana Agropecuaria Ltda, Brazil

14 Shree Renuka Sao Paulo Participacoes Ltda, Brazil

15 Renuka do Brasil S/A, Brazil

16 Renuka Cogeracao Ltda, Brazil

17 Renuka Geradora de Energia Elétrica Ltda, Brazil

18 Revati Agropecuária Ltda, Brazil

19 Revati Geradora de Energia Elétrica Ltda, Brazil

20 Revati S.A-Acucar e Alcool,Brazil

** Liquidation application filed with concerned authorities

(c) Affiliate companies:

1 Ravindra Energy Limited.

2 Adani Wilmar Limited

3 Wilmar Sugar Pte Ltd.

4 Wilmar International Ltd

(d) The Trustees Shree Renuka Sugars Ltd

(e) Key managerial personnel (KMP)

1 Mr. Atul Chaturvedi - Exceutive Chairman (W.e.f. 2nd July 2018)
2 Mr. Vijendra Singh- Executive Director
3 Mrs. Vidya Murkumbi- Exceutive Chair Person (Till 30th June 2018)
4 Mr. Narendra Murkumbi- Vice Chairman and Managing Director (Till 30th June 2018)
5 Mr. Sunil Ranka- Chief Financial Officer (W.e.f. 4th May 2018)
6 Mr. K. K. Kumbhat- Chief Financial Officer (Till 3rd May 2018)
7 Mr. Deepak Manerikar- Company Secretary (From 30th October 2018)
8 Mr. Rupesh Saraiya - Company Secretary (Till 5th October, 2018)

(f) Additional related parties as per the Companies Act, 2013 with whom transactions have taken place during the year

1 Mr. Jean-Luc Bohbot
2 Mr. Madhu Rao
3 Mr. Bhupatrai Premji
4 Mr. Dorab Mistry
5 Mr. Stephen Ho Kiam Kong
6 Dr. Bharat Kumar Mehta
7 Mr. Surender Kumar Tuteja
8 Ms. Priyanka Mallick

(g) Relative of key managerial personnel (RKMP)

1 Mrs. Sangeeta Singh - DGM (Quality and Training)(Till 30th April 2018)

B) Transactions with subsidiaries and affiliate companies

Sr No	Particulars	Year ended	Sales	Receipt against sale	Purchases	Payment against purchase	Rental income	Interest income on advances	Interest Expense on advances	Loans and advance given	Loans and advance repaid	Advance received	Contibution to gratuity fund
(a)	**Holding Company**												
i	Wilmar Sugar Holding Pte Ltd.	31st March 2019	64.82	-	-	-	-	-	150.19	-	-	5,042.17	-
		31st March 2018	-	-	-	-	-	-	-	-	-	-	-
(b)	**Subsidiary companies**												
i	Renuka Commodities DMCC, Dubai	31st March 2019	691.78	721.96	-	-	-	-	-	-	-	-	-
		31st March 2018	1,437.90	-	-	-	-	-	5.45	14,629.18	-	-	-
ii	Shree Renuka Agri Ventures Limited	31st March 2019	-	-	-	-	-	-	-	0.32	-	-	-
		31st March 2018	-	-	-	-	-	17.07	-	2.51	-	-	-
iii	KBK Chem-Engineering Private Limited	31st March 2019	-	-	263.31	193.65	-	-		106.81	-	-	-
		31st March 2018	-	-	15.54	19.02	-	102.28		12.98	-	-	-
iv	Gokak Sugars Limited	31st March 2019	92.00	-	934.60	554.49	-	107.47	-	2,413.41	598.11	-	-
		31st March 2018	79.35	-	215.51	-	-	-	-	44.08	-	-	-
v	Monica Trading Private Limited	31st March 2019	-	-	-	-	-	29.33	-	-	2.84	-	-
		31st March 2018	-	-	-	-	-	22.26	-	-	48.58	-	-
vi	Shree Renuka Tunaport Private Limited	31st March 2019	-	-	-	-	-	-	-	0.04	-	-	-
		31st March 2018	-	-	-	-	-	0.28	-	0.04	-	-	-
vii	Renuka Vale Do Ivai S/A	31st March 2019	-	-	-	-	-	-	-	-	-	-	-
		31st March 2018	-	-	-	-	-	-	-	445.40	-	-	-
viii	Renuka do Brasil S/A	31st March 2019	-	-	-	-	-	-	-	-	-	-	-
		31st March 2018	-	-	-	-	-	-	-	258.70	-	-	-
(c)	**Affiliate companies**												
i	Ravindra Energy Limited	31st March 2019	0.76	0.90	-	-	-	0.75	-	-	613.53	-	-
		31st March 2018	0.50	-	155.38	-	-	5.54	-	163.65	-	-	-
ii	Adani Wilmar Limited	31st March 2019	-	-	2,399.65	12,869.88	0.02	-	-	-	-	-	-
		31st March 2018	-	-	21,032.89	16,448.64	0.14	-	-	-	-	-	-
iii	Wilmar Sugar Pte Limited	31st March 2019	6,721.78	2,164.92	15,989.15	9,060.40	-	-	177.54	-	-	2,351.91	-
		31st March 2018	14.48	4,409.88	1,496.24	227.09	-	-	-	-	-	-	-
(d)	**The Trustees Shree Renuka Sugars Ltd**	31st March 2019	-	-	-	-	-	-	-	-	-	-	17.34
		31st March 2018	-	-	-	-	-	-	-	-	-	-	12.45

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Corporate guarantees

The Company has obtained corporate guarantees from Wilmar International Ltd ₹ 31,130 million (31st March 2018 ₹ 27,130 million) towards term loan and working capital limits extended by banks. The Company has also provided guarantees on behalf of subsidiaries amounting to ₹ 130 million (31st March 2018 ₹ 162.61 million) for performance of certain contarcts entered and loan taken by the subsidiaries. Details of which are as follows:

Name of Subsidiary company	As at 31st March 2019	As at 31st March 2018
KBK Chem-Engineering Pvt. Ltd.	130.00	147.04
Gokak Sugars Limited	-	15.57

C) Details of amount receivable from related parties as at 31st March 2019 and 31st March 2018 are as follows:

Particulars	Amount receivable from related party (gross of impairment allowance, if any)		Impairment allowance		Net carrying amount	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Non-current loans (refer note 6)						
subsidiary companies:						
KBK Chem Engineering Private Limited	1,348.05	1,348.05	1,348.05	1,348.05	-	-
Gokak Sugars Limited	1,815.30	-	-	-	1,815.30	-
Renuka Vale Do Ivai S/A	444.95	444.95	444.95	444.95	-	-
Renuka do Brasil S/A	258.70	258.70	258.70	258.70	-	-
Shree Renuka Tunaport Private Limited	7.80	7.76	7.80	7.76	-	-
Lanka Sugar Refinery Company (Private) Limited, Sri lanka	1.19	1.19	1.19	1.19	-	-
Shree Renuka East Africa Agriventures PLC	0.04	0.04	0.04	0.04	-	-
	3,876.03	**2,060.69**	**2,060.73**	**2,060.69**	**1,815.30**	**-**
Current loans (refer note 14)						
subsidiary companies:						
Renuka Commodities DMCC, Dubai	14,530.71	14,819.38	14,530.71	14,819.38	-	-
Shree Renuka Agri Ventures Limited	222.90	222.58	222.58	222.58	0.32	-
Monica Trading Private Limited	266.67	266.58	-	-	266.67	266.58
	15,020.28	**15,308.54**	**14,753.29**	**15,041.96**	**266.99**	**266.58**
Affiliate companies:						
Ravindra Energy Limited	-	49.37	-	-	-	49.37
	-	**49.37**	**-**	**-**	**-**	**49.37**
Other current financial assets (refer note 14)						
Interest receivable						
Monica Trading Private Limited	26.40	-	26.40	-	-	-
Gokak Sugars Limited	107.47	-	-	-	107.47	-
	133.87	**-**	**26.40**	**-**	**107.47**	**-**
Other receivables						
Gokak Sugars Limited	21.39	-	-	-	-	-
	21.39	**-**	**-**	**-**	**-**	**-**
Trade receivables (refer note 11)						
Subsidiary companies:						
Renuka Commodities DMCC, Dubai	3,346.05	3,346.05	3,346.05	3,346.05	-	-
	3,346.05	**3,346.05**	**3,346.05**	**3,346.05**	**-**	**-**
Affiliate companies:						
Ravindra Energy Limited	0.02	0.21	-	-	0.02	0.21
Adani Wilmar Limited	0.42	0.39	-	-	0.42	0.39
	0.44	**0.60**	**-**	**-**	**0.44**	**0.60**
Other current assets (refer note 16)						
Subsidiary companies:						
Renuka Commodities DMCC, Dubai	32.58	32.17	32.17	32.17	0.41	-
Renuka Vale do Ivai s/a	91.24	91.24	91.24	91.24	-	-
KBK Chem Engineering Private Limited	36.79	-	36.79	-	-	-
	160.61	**123.41**	**160.20**	**123.41**	**0.41**	**-**
Affiliate companies:						
Ravindra Energy Limited	-	563.29	-	-	-	563.29
Adani Wilmar Limited	0.09	-	-	-	0.09	-
	0.09	**563.29**	**-**	**-**	**0.09**	**563.29**

Impairment of amounts owed by related parties

As at 31st March 2019, the company has recognised impairment provision of ₹ 20,283.09 million (31st March 2018: ₹ 20,571.76 million) for amounts owed by related parties. In the current year the company has written off balance of ₹ 288.67 million owed by Renuka Commodities DMCC, Dubai and reversed the provision created against this balance.This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

D) Details of amounts payable to related parties as at 31st March 2019 and 31st March 2018 are as follows:

	As at 31st March 2019	As at 31st March 2018
Trade payables (refer note 23)		
KBK Chem Engineering Private Limited	-	0.35
Gokak Sugars Limited	370.83	55.94
Adani Wilmar Limited	-	10,470.13
Wilmar Sugar Pte. Ltd.	8,135.90	1,273.46
	8,506.73	11,799.88
Other current liabilities (refer note 24 and 25)		
Affiliate companies:		
Wilmar Sugar Pte. Ltd.	2,631.51	4,387.76
Wilmar Sugar Holding	4,800.42	-
	7,431.93	**4,387.76**

E) Transactions with Key Managerial Personnel

Employee loans

The company operates loan scheme providing loan to all employees. Under the scheme, the employee can avail loan up to two times of gross monthly salary repayable in equated monthly instalments. Such loans are unsecured and interest free. During the year loan granted to key management personnel ₹ Nil (31st March 2018: ₹ NIL), out of which ₹ Nil (31st March 2018: ₹ Nil) was repaid.

Other directors' interests

The company had acquired office space on rent from Mrs. Vidya Murkumbi a key managerial personnel of the company. During both the years company has paid a rent of ₹ 6.95 million (31 March 2018 ₹ 7.54 million) including all the taxes, out of which amount payable is ₹ 0.29 million (31 March 2018: ₹ 0.58 million)

Compensation of key managerial personnel

	Year ended 31st March 2019	Year ended 31st March 2018
Short-term employee benefits	101.17	77.41
Contribution to provident fund	3.73	4.06
Sitting fees	1.68	3.28
Total	**106.58**	**84.75**

Compensation of relative of key managerial personnel

	Year ended 31st March 2019	Year ended 31st March 2018
Short-term employee benefits	0.25	3.00

Outstanding remmuneration payable

	As at 31st March 2019	As at 31st March 2018
Key managerial personnel	-	6.11
Relative of key managerial personnel	-	0.25
Total	-	6.36

The remuneration payable to the Whole-time Directors is subject to the approval of the lenders of the Company and the shareholders of the Company by way of special resolution in the General Meeting, as per Section 197 read with Schedule V of the Companies Act, 2013. During the year, the Company had sought approval of the lenders for payment of remuneration to the Whole-time Directors. The Company has received approval of the lenders in the months of March and April 2019. The Company has sought approval of the shareholders for the payment of remuneration to Whole-time Directors, vide postal ballot notice dated 8th May 2019.

Note - 42 : Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in financial statements.

	Carrying Value		Fair Value	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Financial assets				
FVTPL				
Derivative Instruments at fair value through Profit or loss	124.14	-	124.14	-
FVTOCI				
Investment in equity shares	179.59	354.71	179.59	354.71
Other financial assets at amortised cost				
Loans	2,082.29	315.96	2,082.29	315.96
Trade receivables	1,806.02	6,990.09	1,806.02	6,990.09
Cash and cash equivalents	202.02	339.23	202.02	339.23
Other Bank balances	18.61	21.19	18.61	21.19
Other financial assets	472.89	157.48	472.89	157.48
Total financial assets	**4,885.56**	**8,178.67**	**4,885.56**	**8,178.66**
Financial liabilities				
FVTPL				
Derivative liabilities	75.48	-	75.48	-
At amortised cost				
Borrowings				
Redeemable preference shares	1,202.31	1,058.95	1,202.31	1,058.95
Optionally convertible preference shares	4,017.57	3,538.54	4,017.57	3,538.54
Redeemable non-convertible debentures	2,397.51	2,112.16	2,397.51	2,112.16
IFCI (Sugar Development Fund)	320.99	435.45	320.99	435.45
SEFASU Loan	679.66	742.72	679.66	742.72
Other borrowings at floating rate of interest	18,251.41	15,750.68	18,251.41	15,750.68
Trade payables	26,630.91	26,636.92	26,630.91	26,636.92
Other financial liabilities	8,334.87	550.66	8,334.87	550.66
Total financial liabilities	**61,910.71**	**50,826.08**	**61,910.71**	**50,826.08**

The management assessed that cash and cash equivalents, trade receivables, trade payables, other current assets and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

As at 31st March 2019, fair value of the unquoted equity shares recognised at FVTOCI have been estimated on the basis of net worth of the company. As at 31st March 2018, fair value of the unquoted equity shares recognised at FVTOCI have been estimated using a non-binding agreement with an investor.

The fair value of Redeemable preference shares,Optionally convertible preference shares, Redeemable non-convertible debentures issued to lenders are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair values hierarchy due to the use of unobservable inputs including own credit risk.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March 2019, 31st March 2018 are as shown below:

Description of significant unobservable inputs to valuation		
	Valuation technique	**Sensitivity of the input to fair value**
Unquoted equity shares	Market realisable value estimated based on the net worth of the company	31st March 2019 :5% (31st March 2018: 5%,) increase/ (decrease) in the market price per share would result in increase/ (decrease) in fair value by ₹ 8.98 Million (31 March 2018: ₹ 17.74 Million)

Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI

	Amount ₹ Millions
As at 1st April 2017	**443.39**
Measurement recognised in OCI	(88.68)
Purchases	-
Sales	-
As at 31st March 2018	**354.71**
Measurement recognised in OCI	(175.13)
Purchases	-
Sales	-
As at 31st March 2019	**179.59**

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March 2019:

		Fair value measurement using		
	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value - recurring fair value measurement:				
Derivative Instruments at fair value through Profit or loss	124.14	118.04	6.10	-
Investment in equity shares	179.59	-	-	179.59
Liabilities which are measured at amortised cost for which fair values are disclosed:				
Derivative liabilities	75.48	67.80	7.68	-
Borrowings				
Redeemable preference shares	1,202.31	-	-	1,202.31
Optionally convertible preference shares	4,017.57	-	-	4,017.57
Redeemable non-convertible debentures	2,397.51	-	-	2,397.51

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March 2018:

		Fair value measurement using		
	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
	₹ Million	₹ Million	₹ Million	₹ Million
Assets measured at fair value - recurring fair value measurement:				
Derivative Instruments at fair value through Profit or loss	-	-	-	-
Investment in equity shares	354.71	-	-	354.71
Liabilities which are measured at amortised cost for which fair values are disclosed:				
Borrowings				
Redeemable preference shares	1,058.95	-	-	1,058.95
Optionally convertible preference shares	3,538.54	-	-	3,538.54
Redeemable non-convertible debentures	2,112.16	-	-	2,112.16

There have been no transfers between Level 1 and Level 2 during the period.

Note 43: 'Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The board of directors reviews and agrees for managing each of these risks.

Market risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations. The Company manages its interest risk by having a balanced prortfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

Particulars	As at 31st March 2019	Composition	As at 31st March 2018	Composition
Borrowing- Fixed interest rate	8,618.05	32.07%	7,887.82	33.37%
Borrowing- Floating interest rate	18,251.41	67.93%	15,750.68	66.63%
	26,869.46		**23,638.50**	

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings with variable interest rates. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit before tax
31st March 2019		
₹	50	91.26
31st March 2018		
₹	50	78.75

Commodity price risk

Commodity price in sugar industry is impacted by multiple factors such as international sugar price, government regulations, quantity of sugar production in the relevant period, etc. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products. The following table shows effect of changes in various commodities on the profit of the Company.

Commodity price sensitivity

	Sugar sale	Cane purchase	Raw Sugar purchase
Increase in price by 5%			
31st March 2019	1,726.17	(674.99)	(1,111.93)
31st March 2018	2,317.26	(556.95)	(1,607.09)
Decrease in price by 5%			
31st March 2019	(1,726.17)	674.99	1,111.93
31st March 2018	(2,317.26)	556.95	1,607.09

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and loans given to affiliates. The Company only deals with parties which has good credit worthiness based on company's internal assessment.

A counterparty whose payment is due more than 90 days after the due date is considered as a defaulted party. This is based on considering the market and economic forces in which the entities in the Company is operating. The Company write-off the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment beyond a period of 180 days from the due date.

Trade receivables

Trade receivables are non-interest bearing and are generally on credit terms of 7 to 30 days.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing analysis of the receivables (net of expected credit loss) has been considered from the date the invoice falls due. The ageing is as follows:

	As at 31st March 2019	As at 31st March 2018
Up to 6 months	1,428.07	6,010.06
More than 6 months	377.95	980.03
	1,806.02	**6,990.09**

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, financial support from parent etc. The Company's policy is that not more than 25% of borrowings should mature in the next 12-month period. Post the recent debt restructuring process, the Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 1 year	1 to 5 years	>5 years	Total
As at 31st March 2019				
Borrowings	7,237.59	6,321.98	23,276.87	36,836.44
Trade payables	26,630.91	-	-	26,630.91
Other financial liabilities	8,385.53	24.82	-	8,410.35
Total	**42,254.03**	**6,346.80**	**23,276.87**	**71,877.70**
As at 31st March 2018				
Borrowings	2,621.26	10,059.70	21,488.60	34,169.56
Trade and other payables	26,636.92	-	-	26,636.92
Other financial liabilities	489.77	60.89	-	550.66
Total	**29,747.95**	**10,120.59**	**21,488.60**	**61,357.14**

Note 44 : 'Capital management

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial and non financial covenants of any interest-bearing loans and borrowing in the current period.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition.

The calculation of capital for the purpose of capital management is as follows:

	As at 31st March 2019	As at 31st March 2018
Equity share capital	1,916.82	1,916.82
Other equity (including securities premium)	3,547.67	6,998.56
	5,464.49	8,915.38

Debt equity ratio

The debt-to-equity (D/E) ratio is calculated by dividing a company's total liabilities by its shareholder equity. The ratio is used to evaluate a company's financial leverage.

	As at 31st March 2019	As at 31st March 2018
Equity	1,916.82	1,916.82
Other equity	3,547.67	6,998.56
Total equity	**5,464.49**	**8,915.38**
Total borrowings	26,869.46	23,638.50
Debt equity ratio	4.92	2.65

45. Details of Loan Given, Investments made and Guarantee Given Covered U/S 186 (4) of the Companies Act, 2013

a) Loans given to Subsidiaries for business purpose and disclosed in Note 41.

b) Investments made are disclosed in Note 5

c) Corporate Guarantees given by the Company (Refer Note 38)

46. Previous year's figures have been regrouped /reclassified wherever necessary to confirm to the current year presentation.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Independent Auditor's Report

To the Members of Shree Renuka Sugars Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of Shree Renuka Sugars Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Classification of Brazil operations as discontinued operations (as described in note 43 of the consolidated Ind AS financial statements)	
In August 2018, the board of directors of the Holding Company resolved to discontinue operations of its subsidiaries in Brazil. Subsequently, the Holding Company obtained the valuations of these entities, appointed legal consultants and started identifying buyers for these operations. Accordingly, these operations were classified as 'discontinued operations'. The Group holds investments in entities in Brazil through Shree Renuka Global Ventures Ltd, Mauritius ("SRGVL"). On May 7, 2019, the Holding Company and Renuka Commodities DMCC (wholly owned subsidiary of the Company), who hold investments in SRGVL, entered into non-binding term sheet with an investor.	Our audit procedures included the following: • Reading and assessing the Group's accounting policies with respect to accounting for discontinued operations for compliance with Ind AS. • We obtained and read the resolution passed by the board of directors of the Holding company for discontinuance of operations in Brazil. • We obtained and analysed the approach note prepared by the Holding company management for classification of operations as discontinued operations and assessed the same is in accordance with requirements of Ind-AS.

Key audit matters	How our audit addressed the key audit matter
As per the terms defined in the term sheet, SRGVL will issue fresh equity shares to the investor, consequent to which the interest held by the Group entities in SRGVL (and also in discontinued operations) will be reduced to 19% and the Group will no longer have right to representation on the board of directors of SRGVL. Considering the significant estimates involves in measurement of assets, we have determined this to be key audit matter.	• We obtained and read the term sheet and the specific clauses in term sheet with regard to remaining interest held by the Group in SRGVL. • We read and assessed the audited consolidated financial statements from auditors of consolidated financial statements of Shree Renuka do Brasil Participações Ltda., Brazil (SRDBPL), the holding company of entities in Brazil, received pursuant to group reporting instructions issued to auditor of entity in Brazil. • We have read and understood the measurement of assets and liabilities in the consolidated financial statements of SRDBPL prepared in accordance with the accounting policies of the Group. • We assessed the presentation and disclosures requirements in consolidated financial statements for compliance with requirements of Ind AS.

Revaluation of property, plant and equipment's' (as described in note 3 of the consolidated Ind AS financial statements)	
The Group has opted for revaluation model for measuring freehold land, buildings and plant and machineries ('PPE') and these assets are carried in the books at fair value less accumulated depreciation. Independent valuations are undertaken at least once in every three years, or more frequently if there is an indicator that the fair value has changed significantly. The Group has recognised revaluation surplus of Rs. 1,019.03 Million based on the valuation done as at March 31, 2019. Revaluation of PPE is a key audit matter due to its financial magnitude and judgement involved in the assessment of the fair value of these assets. The judgment relates to the valuation methodologies used and the assumptions included in each of those methodologies.	Our audit procedures included the following: • Our audit procedures included considering the Group's accounting policies with respect to PPE. • We evaluated the design and tested operative effectiveness internal controls related to revaluation of PPE. • We evaluated the sensitivity analysis prepared by the Company. • We obtained from the Holding Company management the valuation report and have involved our valuation specialists to evaluate valuation methodology as well as the key assumption used including external quotation, salvage value, type of building construction, capacity, and technology of machines etc. • We assessed the competence, objectivity and independence of the valuer used. • We obtained with details of physical verification from the independent valuer and compared the results of the physical verification with listing of PPE (fixed assets register) on sample basis. • We assessed whether the change in valuation was correctly accounted for within the revaluation reserve and statement of comprehensive income. • We read the deliverables received from auditors of subsidiary companies to confirm compliance with group reporting instructions. • We assessed the disclosures in the financial statement for compliance with the requirements of Ind AS.

Recoverability of deferred tax assets (as described in note 7 of the consolidated Ind AS financial statements)	
Deferred tax assets are recognised on tax losses carried forward when it is probable that taxable profit will be available against which the tax losses can be utilised. The Holding Company's ability to recognise deferred tax assets on tax losses carried forward is assessed by management at the end of each reporting period, taking into account forecasts of future taxable profits. At March 31, 2019, net deferred tax assets recognised in the consolidated Ind-AS financial statements amounted to Rs. 3,149.14 Million. The valuation of deferred taxes is based on significant estimates by management regarding availability of sufficient future taxable profits and accordingly, we have considered this issue to be a key audit matter.	Our audit procedures included the following: ● Our audit procedures included considering the Group's accounting policies with respect to income taxes. ● We assessed the design and tested operative effectiveness internal controls related to income taxes. ● We obtained from the Holding Company management the projections for taxable profits supported by future business plan. ● We discussed the financial projections and future business plans with the management. ● We assessed the schedules for the reversal of temporary differences. ● We assessed the key assumptions used in the financial projections, including recovery rate, expected sale realisation for sugar and ethanol by comparing it to the approved business plan and projections used. ● We involved tax specialists who evaluated the tax position relating to temporary differences on which deferred tax asset and liability have been recognised by the Holding Company. ● Tested the arithmetical accuracy of the tax computations, future projections of taxable profits. ● We assessed the disclosures in the financial statement for compliance with the requirements of Ind AS.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall comply with the relevant applicable requirements of the Standards on Audit for the Auditor's Responsibility in relation to Other Information in Documents containing audited financial statements.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments

and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

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

8. Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

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

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

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

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

14. We did not audit the financial statements and other financial information, in respect of seven subsidiaries, part of continued operations of the Group, whose Ind AS financial statements include total assets of Rs 11,216.23 Million as at March 31, 2019, and total revenues of Rs 3,846.71 Million and net cash inflows of Rs 86.41 Million for the year ended on that date. We did not audit the financial statements and other financial information, in respect of twelve subsidiaries, part of asset classified as held for sale and discontinued operations of the Group, whose Ind AS financial statements include total assets of Rs 30,349.18 Million as at March 31, 2019, and total revenues of Rs 7,758.58 Million and net cash outflows of Rs 6.26 Million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

15. Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

16. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

    (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, refer to our separate Report in "Annexure" to this report;

(g) In our opinion, to the best of our information and explanation given to us, the remuneration paid by the holding company to the Chairman and the Whole-time Director for the year ended March 31, 2019 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 6.92 Million and Rs.21.15 Million. The amount due for recovery as at March 31, 2019 is Rs. 28.07 Million and we are informed by the holding Company management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution; In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 41 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 25 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India during the year ended March 31, 2019.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Shyamsundar Pachisia
Partner
Membership Number: 049237

Place of Signature: Mumbai
Date: May 16, 2019

Annexure referred to in paragraph 16 (f) of our Independent Auditor's Report of even date on the consolidated Ind AS financial statements of Shree Renuka Sugars Limited and its subsidiaries

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

1. In conjunction with our audit of the consolidated financial statements of Shree Renuka Sugars Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Shree Renuka Sugars Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Qualified Opinion

8. According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls over financial reporting with reference to these consolidated financial statements in case of its subsidiary companies, which are companies incorporated in India, the following material weakness have been identified as at March 31, 2019:

    a) The Holding Company did not have appropriate documentation with respect to access controls and program change controls pertaining to cane management system. These could result in potential misstatement to the financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the holding company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

10. In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria in respect of the Holding Company, its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

11. Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements insofar as it relates to these five subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Explanatory Paragraph

12. We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India as specified under section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing and extent of audit tests applied in our audit of March 31, 2019 consolidated financial statements of the Group and this report does not affect our report dated May 16, 2019, which expressed unmodified opinion on those consolidated financial statements.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Shyamsundar Pachisia
Partner
Membership Number: 049237

Place of Signature: Mumbai
Date: May 16, 2019

Balance Sheet

Consolidated Balance Sheet as at 31st March 2019
All amounts in million Indian Rupees, unless otherwise stated.

	Notes	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	40,061.92	61,605.06
Capital work-in-progress	3(a)	1,000.61	291.78
Other intangible assets	3(b)	171.82	315.78
Financial assets			
Investments	4	185.93	1,075.49
Other non-current financial assets	5	129.85	643.92
Other non-current assets	6	1,554.50	6,394.03
Income tax receivables		238.31	317.69
Deferred tax assets (net)	7	3,149.14	3,561.60
Total non-current assets		**46,492.08**	**74,205.35**
Current assets			
Inventories	8	17,318.19	10,307.76
Biological assets	9	-	433.68
Financial assets			
Trade receivables	10	2,850.82	7,618.26
Cash and cash equivalents	11	315.22	542.20
Other bank balances	12	25.79	24.96
Loans	13	-	58.20
Other current financial assets	14	341.03	15.42
Other current assets	15	5,003.33	6,813.54
Total current assets		**25,854.38**	**25,814.02**
Discontinued Operations	**43**	**23,942.33**	**-**
Total assets		**96,288.79**	**100,019.37**
Equity and liabilities			
Equity			
Equity share capital	16(a)	1,916.82	1,916.82
Other equity	16(b)	48,859.07	(18,987.06)
Discontinued operations		(80,851.27)	-
Equity attributable to shareholders		**(30,075.38)**	**(17,070.24)**
Non-controlling interest	**45**	**(25,536.08)**	**(19,645.71)**
Total Equity		**(55,611.46)**	**(36,715.95)**
Non-current liabilities			
Financial liabilities			
Borrowings	17	19,704.29	29,057.45
Other non-current financial liabilities	18	24.82	4,566.65
Trade payables	19	-	1,362.31
Net employee benefit liabilities (non-current)	20	195.20	1,004.44
Government grants	21	318.21	52.02
Income Tax payable		9.89	-
Other non-current liabilities	22	-	1,329.30
Deferred tax liabilities (net)	7	43.88	40.59
Total non-current liabilities		**20,296.29**	**37,412.76**
Current liabilities			
Financial liabilities			
Borrowings	23	5,535.54	2,245.79
Trade payables	24		
Total outstanding dues of micro and small enterprises		17.13	-
Total outstanding dues of creditors other than micro and small enterprises		28,169.90	39,021.76
Other current financial liabilities	25	18,332.81	52,815.06
Government grants	21	59.42	95.54
Other current liabilities	26	1,046.10	5,133.19
Net employee benefit liabilities (current)	27	64.93	11.22
Total current liabilities		**53,225.83**	**99,322.56**
Discontinued operations	**43**	**78,378.12**	**-**
Total Liabilities		**151,900.25**	**136,735.32**
Total equity and liabilities		**96,288.79**	**100,019.37**
Significant accounting policies	2.1		

Accompanying notes 1 to 52 form integral part of these consolidated financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Consolidated Statement of Profit and Loss

for the year ended 31st March 2019

Consolidated Balance Sheet as at 31st March 2019

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	Year ended 31st March 2019	Year ended 31st March 2018
Income			
Revenue from operations	28	44,795.34	62,663.37
Sugar Export Benefits		285.52	-
Other income	29	2,095.07	285.37
Total income		**47,175.93**	**62,948.74**
Expenses			
Cost of raw material consumed	30	39,495.50	47,838.20
Purchase of traded goods	31	2,390.39	19,824.34
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	32	(5,179.61)	(1,441.68)
Excise duty on sale of goods		-	160.34
Employee benefit expenses	33	1,266.03	1,201.82
Depreciation and amortisation expenses	34	2,207.13	2,400.92
Foreign exchange (gain)/loss	36	(464.52)	742.09
Finance costs	35	5,604.38	5,192.56
Other expenses	37	4,609.06	5,400.90
Total expenses		**49,928.36**	**81,319.49**
Profit/(loss) before exceptional items and tax		**(2,752.43)**	**(18,370.75)**
Exceptional items	38	986.23	(4,993.73)
Profit/(loss) before tax		**(3,738.66)**	**(13,377.02)**
Tax expense:			
Current tax	7	(0.77)	(11.09)
Deferred tax	7	88.90	6,432.67
Income tax expense		**88.13**	**6,421.58**
Loss for the year from continuing operations		**(3,650.53)**	**(6,955.44)**
Loss for the year from discontinued operations	**43**	**(16,637.70)**	**(13,798.66)**
Tax expenses of discontinued operations	43	(85.79)	(1,283.43)
Loss from discontinued operations after tax		**(16,723.49)**	**(15,082.09)**
Loss for the period		**(20,374.02)**	**(22,037.53)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Reversal of revaluation reserve on disposal of asset/impairment of plant property and equipments (net of tax)		(0.74)	(240.92)
Gain on revaluation of fixed assets	3	1,019.03	-
Income tax effect	7	(306.93)	-
Net gain/(loss) on remeasurements of defined benefit plans (net of tax)	42	(28.41)	1.67
Income tax effect	7	9.08	-
Unrealised (gain)/loss on FVTOCI equity securities (net of tax)	47	(175.13)	(88.68)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange difference on translation of foreign operations		963.44	2,420.21
Other comprehensive income for the year		**1,480.34**	**2,092.28**
Total comprehensive income for the year (net of tax)		**(18,893.68)**	**(19,945.25)**
Loss for the year attributable to:			
Owners of the company		(14,483.65)	(17,039.52)
Non-controlling interests		(5,890.37)	(4,998.01)
Total comprehensive income for the year attributable to:			
Owners of the company		(13,003.31)	(14,947.24)
Non-controlling interests	45	(5,890.37)	(4,998.01)
Earnings per share	**39**		
Earning per share from continued operations towards parent - Basic [Face value of equity share INR 1/- each]		(1.89)	(6.89)
Earning per share from continued operations towards parent- Diluted [Face value of equity share INR 1/- each]		(1.89)	(6.89)

Significant accounting policies 2.1

Accompanying notes 1 to 52 form integral part of these consolidated financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Consolidated Statement of Changes in Equity

for the year ended 31st March 2019

All amounts in million Indian Rupees, unless otherwise stated.

			Reserves and surplus			Items of OCI						
	Equity share capital	**Securities premium**	**Debenture redemption reserve**	**Foreign currency monetary item translation difference account**	**Retained earnings**	**Foreign currency translation reserve**	**Revaluation reserve on PPE**	**Changes in equity instrument and others**	**Discontinued operations**	**Total**	**Non controlling interests (refer note 45)**	**Total**
As at 1st April 2017	**945.25**	**15,569.73**	**625.00**	**(3,563.30)**	**(42,581.75)**	**(2,727.91)**	**12,864.30**	**108.78**	**-**	**(18,759.90)**	**(14,647.70)**	**(33,407.60)**
Profit for the period		-	-	-	(17,039.52)	-	-	-	-	(17,039.52)	(4,998.01)	(22,037.53)
Equity shares issued during the year	971.57	14,826.79	-	-	-	-	-	-	-	15,798.36	-	15,798.36
Transfer to/(from) foreign currency monetary item translation difference account	-	-	-	838.54	-	-	-	-	-	838.54	-	838.54
Other comprehensive income	-	-	-	-	-	2,420.21	(240.92)	(87.01)	-	2,092.28	-	2,092.28
Total comprehensive income	**1,916.82**	**30,396.52**	**625.00**	**(2,724.76)**	**(59,621.27)**	**(307.70)**	**12,623.38**	**21.77**	**-**	**(17,070.24)**	**(19,645.71)**	**(36,715.95)**
Depreciation of revalued assets	-	-	-	-	687.51	-	(687.51)	-	-	-	-	-
As at 31st March 2018	**1,916.82**	**30,396.52**	**625.00**	**(2,724.76)**	**(58,933.76)**	**(307.70)**	**11,935.87**	**21.77**	**-**	**(17,070.24)**	**(19,645.71)**	**(36,715.95)**
Profit for the period	-	-	-	-	(14,483.65)	-	-	-		(14,483.65)	(5,890.37)	(20,374.02)
Other Comprehensive Income	-	-	-	-	(20.07)	963.44	712.10	(175.13)		1,480.34	-	1,480.34
Total Comprehensive Income	**-**	**-**	**-**	**-**	**(14,503.72)**	**963.44**	**712.10**	**(175.13)**	**-**	**(13,003.31)**	**(5,890.37)**	**(18,893.68)**
Transfer to/(from) foreign currency monetary item translation difference account	-	-	-	(1.83)	-	-	-	-		(1.83)	-	(1.83)
Transfer from retained earnings	-	-	-	-	1.11	-	(1.11)	-		-	-	-
Depreciation of revalued assets	-	-	-	-	895.42	-	(895.42)	-		-	-	-
Discontinued operations			-	2,726.60	83,171.35	(5,046.68)			(80,851.27)	-	-	-
As at 31st March 2019	**1,916.82**	**30,396.52**	**625.00**	**-**	**10,630.40**	**(4,390.94)**	**11,751.44**	**(153.36)**	**(80,851.27)**	**(30,075.38)**	**(25,536.08)**	**(55,611.46)**

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Consolidated Statement of Cash Flows

for the year ended 31st March 2019

All amounts in million Indian Rupees, unless otherwise stated.

	Year ended 31st March 2019	Year ended 31st March 2018
Operating activities		
Loss before tax from continued operations	**(3,738.66)**	**(13,377.02)**
Loss before tax from discontinued operations	**(16,637.70)**	**(13,798.66)**
Adjustments to reconcile loss before tax to net cash flows:		
Exceptional Items	986.23	-
Depreciation of property, plant and equipment	2,206.89	8,578.09
Amortisation of intangible assets	0.24	27.45
Impairment of goodwill	-	6,746.86
Government assistance	(60.55)	(137.28)
Unrealised gain on derivatives	(48.66)	-
Finance costs (including unwinding of interest on borrowing at concessional rate)	11,366.81	9,633.34
Processing charges on restructuring	-	208.55
Finance income	(38.15)	(130.50)
Impairment of other assets	131.55	1,339.19
Gain on restructuring	-	(15,340.13)
Impairment of trade receivables	65.65	1,410.39
Impairment of property, plant and equipment	-	37.25
Impairment of capital work in progress	4.23	28.77
Loss/(gain) on sale of property, plant and equipment	(127.83)	(19.96)
Dividend income	(0.76)	(0.90)
Working capital adjustments:		
Movement in employee benefit liability	72.52	74.49
Decrease/(increase) in trade receivables	3,914.81	1,167.21
Decrease/(increase) in other receivables and prepayments	2,845.27	6,242.93
Decrease/(increase) in inventories and biological assets	(6,886.83)	5,107.73
Increase/(decrease) in trade and other payables	8,403.84	1,919.88
	2,458.90	**(282.32)**
Income tax refund/(paid)	88.50	65.16
Net cash flows from operating activities	**2,547.40**	**(217.16)**
Investing activities:		
Purchase of property, plant and equipment	(2,226.38)	(4,639.70)
Proceeds from sale of property, plant and equipment	1,034.58	1,107.05
Purchase of investments (net)	(1.35)	-
Interest received (finance income)	52.72	142.19
Dividend received	0.76	0.90
Net cash flows from investing activities	**(1,139.67)**	**(3,389.56)**
Financing activities:		
Proceeds from issue of equity shares (net of transaction cost)	-	7,825.57
Repayment of long-term borrowings	(1,290.81)	(1,799.60)
Proceeds from working capital borrowing (net)	6,964.84	7,314.16
Finance cost paid	(10,408.79)	(13,082.66)
Net cash flows from financing activities	**(4,734.76)**	**257.47**
Net foreign exchange difference	3,147.94	3,308.97
Net decrease in cash and cash equivalents	**(179.09)**	**(40.28)**
Opening cash and cash equivalents	542.20	582.48
Closing cash and cash equivalents	**363.11**	**542.20**

The cashflow statement is prepared using the indirect method set out in IND AS 7 - Statement of cashflow

Accompanying notes 1 to 52 form integral part of these consolidated financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

Notes to Consolidated Financial Statements

for the year ended 31st March 2019

All amounts in millions Indian Rupees, unless otherwise staled

1. Corporate information

The consolidated financial statements comprise financial statements of Shree Renuka Sugars Limited (the 'Company') and its subsidiaries (collectively, the 'Group') for the year ended 31st March 2019. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at BC 105 Havelock Road, Camp, Belagavi, 590 001.

The Group is principally engaged in the manufacturing of sugar, ethyl alcohol and ethanol and generation and sale of power. Information on the Group's structure is provided in Note 46. Information on other related party relationships of the Group is provided in Note 44.

2.1 Significant accounting policies

I. Basis of preparation:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time).

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

- Land, buildings and plant and machinery classified as property, plant and equipment,
- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value ((refer note 2.1 (III) (r)) accounting policy regarding financial instruments)

The financial statements are prepared in INR (Indian Rupees) and all values are rounded off to the nearest Million except when stated otherwise.

Going concern assumption

As at March 31, 2019, the current liabilities of the Group exceeded its current assets by INR. 27,371.45 million. During the year ended March 31, 2019 the Group has incurred net loss of INR. 20,374.02 million and the Group has a negative net-worth of INR. 30,075.39 million as at March 31, 2019.

The management has prepared a cash flow forecast of the Group and the Group for 12 months period ending 31st March 2020.The Group has collected large portion of trade receivable outstanding as at 31st March 2018 and has repaid farmer dues of past seasons. The Company net loss for the year has reduced from INR 29,821.36 million in the previous year to INR 3,819.94 million in the year ended March 31 2019. Further, the loss from continued operation of the Group has reduced from INR 6,955.44 million in the previous year to INR 3,650.53 million in current year.

All the borrowings availed by the Company are secured by corporate guarantee provided by the ultimate parent company (Wilmar International Limited). Further the Board of Directors of Wilmar Sugar Holdings Pte Limited, the parent company, has provided letter of support to the Company and the Group, to meet shortfall in its normal trade related working capital requirements during the 12 months period ended March 31, 2020. Accordingly, the Group management believes it will be able meet all its financial obligations, as and when they fall due during the next twelve months. Accordingly, Group has prepared the financial statements on going concern basis.

II. Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended and as at 31st March 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial statements are prepared using uniform accounting policies. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

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

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities

III. Summary of significant accounting policies;

a. Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1st April 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated current when:

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

The Group classifies all other liabilities as non-current.

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

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

c. Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group had opted to defer/ capitalize exchange differences arising on long-term foreign currency monetary items in accordance with paragraph 46A of AS 11 under Indian GAAP. Ind AS 101 gives an option whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average an exchange rate which approximates the actual rate at the date of the transaction. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

d. Fair value measurement

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

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

  The principal or the most advantageous market must be accessible by the Group.

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2 and 47)
- Quantitative disclosures of fair value measurement hierarchy (note 47)
- Investment in unquoted equity shares (note 4)
- Property, plant and equipment under revaluation model (note 3)
- Financial instruments (including those carried at amortised cost) (note 47)

e. Revenue recognition

Revenue from contract with customers

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 to which the Company expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods. The normal credit term is 7 to 180 days upon delivery. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (r) financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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

Rendering of services

Income from services is recognised as they are rendered (based on agreement/arrangement with the concerned customers).

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

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

f. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Group is eligible for the assistance under the Buffer Stock Subsidy Scheme and Cane Subsidy Scheme notified by Ministry of Consumer Affairs, Food and Public Distribution for assistance to sugar mills. As the Group has complied with the relevant conditions, it has recognised the same as its income under this scheme.

g. Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale to owners if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

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

Non-current assets held for sale to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

h. Taxes

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

i. Property, plant and equipment

Freehold land, buildings and plant and machinery, other than investment property, were carried in the balance sheet on the basis of revaluation model performed. Capital work in progress and other assets is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land, buildings and plant, machinery and equipment are measured at fair value less accumulated depreciation and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Useful life
Buildings	5 - 60 Years
Plant and Equipments	5-40 Years
Furniture and Fixtures	1-10 Years
Vehicles	7-8 Years
Office Equipments	1-10 Years

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 or loss when the asset is derecognised.

k. Biological assets

Biological assets of the Group are represented by sugarcane used as raw material in the production of sugar and ethanol. Sugar cane is classified as a permanent crop, whose economically viable cultivation cycle is five years after its first cut.

The fair value of the sugar cane at harvest is determined by the quantities harvested, and valued by the value of CONSECANA (Council of Sugar Cane Producers, sugar and São Paulo State Alcohol) accumulated in the respective month. The fair value of the harvested sugar cane will be the cost of the raw material used in the production of sugar and ethanol process.

(a) Cash inflows obtained by multiplying (i) estimated production, measured in kilos of ATR (total recoverable sugar), and (ii) future market price of sugar cane, which is estimated based on public data and estimates of future prices of sugar and ethanol; and

(b) Cash outflows represented by estimates of (i) costs necessary for the occurrence of biological transformation of sugarcane (cultivation) to harvest; (ii) costs of harvesting/cutting, loading and transportation - CCT; (iii) cost of capital (land and machinery and equipment); (iv) Lease costs and agricultural partnership; and(v) taxes on the positive cash flow.

l. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m. Leases

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

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

n. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

o. Impairment of non-financial assets

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 costs 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, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or change in circumstances indicate that they might be impaired.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

p. Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

q. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs; and
- Net interest expense or income

Long term employee benefits

Compensated absences not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

r. Financial instruments

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

(a) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 10.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

The Group has not designated any debt instrument as at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

During the year management had assessed impairment of its investment in non-traded shares of National Commodity & Derivatives Exchange Ltd. (NCDEX) based on net worth of the invested company applying a discount of 20% as assumption due to its losses during last financial year.

As per assessment there was impairment in the value of investment amounting to Rs. 175.13 million and this was booked through other comprehensive income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group 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, trade receivables and bank balance

b. Financial assets that are debt instruments and are measured as at FVTOCI

c. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'trade receivables')

d. Loan commitments which are not measured as at FVTPL

e. Financial guarantee contracts which are not measured as at FVTPL.

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

- Trade receivables or contract revenue receivables

The application of simplified approach does not require the group 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 group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated through profit or loss as appropriate.

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 Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and 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 group 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 as such at the initial date of recognition, and 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 P&L. However, the Group 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. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the 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 borrowings. For more information refer Note 17.

Financial guarantee contracts

Financial guarantee contracts issued by the Group 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 as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

(d) Compounding financial instruments.

The Group had issued compounding financial instruments as part of its restructuring of debts with lenders.

On issuance of compounding financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The difference between value of compound financial instruments so determined and the non-sustainable part of borrowing is recognised as income on de-recognition of financial liability in the statement of profit and loss.

s. Cash and cash equivalents

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

t. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.2 Significant accounting judgments estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Discontinued operations

On August 8, 2018, the Board of Directors of the Company resolved to discontinue Brazilian operations. Accordingly, The Group has classified all assets and liabilities to be held for sale and classified the operations as discontinued operation.

The Board considered the Brazilian Operations to meet the criteria to be classified as discontinued operations at the balance sheet date for the following reasons:

1. The management is committed to divest its stake,
2. An active programme to locate a buyer is complete and the plan has been initiated,
3. Divestment of stake at a price is reasonable in relation to its current fair value,
4. Divestment is expected to qualify for recognition as completed, within one year from the date of classification

For more details on the discontinued operation, refer to Note 43.

Revaluation of property, plant and equipment

The Group measures land, buildings, plant and machinery classified as property, plant and equipment at revalued amounts with changes in fair value being recognised in OCI. The Group engaged an independent valuation specialist to assess fair value for revalued land, buildings, plant and machinery. Fair value of land and building was determined by using the market approach and plant & equipment and building was determined by using depreciated replacement cost (DRC) method. The key assumptions used to determine fair value of the property, plant and equipment are provided in Note no. 3 (B).

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The Group has recognised deferred tax assets on unabsorbed depreciation of INR 12,302.14 Million (31st March 2018: INR 12,996.27), unabsorbed tax losses of INR 16,596.44 Million (31st March 2018: INR 22,295.58 Million) and MAT credit entitlement of INR 529.31 Million (31st March 2018: INR 545.07 Million). The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses and the MAT credit entitlement can be carried forward for 8 years and 15 years respectively. Considering the improved performance of the Group in the current year, continued financial support from the parent company, various incentives / regulatory measures announced by the government for sugar and ethanol, the Group expects to generate taxable profits in future years and hence the Group has recognised deferred tax assets.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the cash flow estimates for the remaining life of the asset and budget for 5 years in case of other assets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows.

Financial instruments

During the previous year the Group had entered into a framework agreement with its lenders for restructuring its borrowings. As part of the restructuring process, the Group had issued 0.01% non-convertible debentures, 0.01% redeemable preference shares and 0.01% optionally convertible preference shares to the lenders. The Group had recognised the instruments issued, at fair value and the difference between the fair value of the instrument and the non-sustainable part of borrowings had been recognised as income on de-recognition of financial liability by the Group.

Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 42.

2.3 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 116 Accounting for leases

Ind AS 116 Leases was notified on 30th March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will also be required to re-measure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

The Group intends to adopt Ind AS 116 from the date when they become effective. The Group is in the process of assessing the impact on adoption of Ind AS 116 in the financial statements.

2.4 Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1st April 2018. The nature and the impact of each amendment is described below:

Ind AS 115 Revenue from Contracts with Customers

The Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Effective April 1, 2018, the Group has adopted Indian Accounting Standard 115 (Revenue from contracts with customers) by using the modified retrospective approach. The new standard is based on the principle that revenue is recognised when control of goods or services is transferred to the customer and provides a single, principles based five-step model to be applied to all sales contracts. It replaces the separate models for goods, services and construction contracts under previous standards (Indian Accounting Standard 11 and Indian Accounting Standard 18) which was based on the concept of transfer of risks and rewards. It also provides further guidance on the measurement of sales on contracts which have discounts, rebates or incentives by applying variable consideration principles.

Based on the evaluation of commercial arrangements with customers, the Group has identified certain discounts/ rebates/ incentives to customers which need to be accounted. It has also identified certain expenses which are now required to be reduced from revenue. The Group has applied the Standard from April 1, 2018 under the modified retrospective approach and there were no significant adjustments required to the statement of profit and loss for the year ended March 31, 2019.

Note 3(a): Property, plant and equipment

Gross Block	Leasehold land	Freehold land	Buildings	Plant, machinery and Equipment	Furniture and fixtures	Vehicles	Biological Assets	Total for property, plant and equipment (A)	Capital Work-in-progress (B)	Total (A+B)
As at 1st April 2017	**180.39**	**2,905.34**	**10,882.53**	**62,567.95**	**223.98**	**321.28**	**10,381.78**	**87,463.25**	**351.06**	**87,814.31**
Additions	-	1.31	50.84	894.87	11.63	7.52	3,703.54	4,669.71	2.07	4,671.78
Disposals	-	(42.73)	(5.82)	(1,090.89)	(16.58)	(37.53)	(838.30)	(2,031.85)	(61.35)	(2,093.20)
Exchange differences	-	(22.65)	(169.11)	(1,996.78)	(13.09)	(65.80)	(78.25)	(2,345.68)	-	(2,345.68)
As at 31st March 2018	**180.39**	**2,841.27**	**10,758.44**	**60,375.15**	**205.94**	**225.47**	**13,168.77**	**87,755.43**	**291.78**	**88,047.21**
Additions	-	60.21	166.73	1,214.22	19.01	10.50	3.60	1,474.27	725.82	2,200.09
Disposals	-	(75.38)	-	(467.08)	(8.35)	(15.70)	(797.73)	(1,364.24)	-	(1,364.24)
Exchange differences	-	(42.57)	(279.12)	(1,801.62)	(9.50)	(18.58)	(1,250.18)	(3,401.57)	(1.21)	(3,402.78)
Discontinued operations	-	(335.15)	(2,662.90)	(21,942.97)	(100.51)	(181.19)	(11,124.46)	(36,347.18)	(11.55)	(36,358.73)
Revaluation	819.00	(34.47)	718.42	(483.92)	-	-	-	1,019.03	-	1,019.03
As at 31st March 2019	**999.39**	**2,413.91**	**8,701.57**	**36,893.78**	**106.59**	**20.50**	**-**	**49,135.74**	**1,004.84**	**50,140.58**
Depreciation and impairment										
As at 1st April 2017	**4.38**	**-**	**950.13**	**9,378.42**	**116.54**	**142.60**	**8,419.83**	**19,011.90**	**-**	**19,011.90**
Depreciation charge for the year	2.19	-	429.36	4,594.76	44.49	81.01	3,426.28	8,578.09	-	8,578.09
Disposals	-	-	(5.79)	(647.84)	(15.10)	(35.11)	-	(703.84)	-	(703.84)
Exchange differences	-	-	(45.51)	(1,142.71)	(10.77)	(60.41)	-	(1,259.40)	-	(1,259.40)
Impairment	-	-	-	523.62	-	-	-	523.62	-	523.62
As at 31st March 2018	**6.57**	**-**	**1,328.19**	**12,706.25**	**135.16**	**128.09**	**11,846.11**	**26,150.37**	**-**	**26,150.37**
Depreciation charge for the year	2.15	-	283.59	1,895.43	19.04	6.68	-	2,206.89	-	2,206.89
Disposals	-	-	-	(445.42)	(8.29)	(10.94)	-	(464.65)	-	(464.65)
Exchange differences	-	-	(42.19)	(241.51)	(7.53)	(11.67)	(1,124.15)	(1,427.05)	-	(1,427.05)
Discontinued operations	-	-	(405.38)	(6,081.51)	(71.78)	(111.11)	(10,721.96)	(17,391.74)		(17,391.74)
Impairment	-	-	-	-	-	-	-	-	4.23	4.23
As at 31st March 2019	**8.72**	**-**	**1,164.21**	**7,833.24**	**66.60**	**1.05**	**-**	**9,073.82**	**4.23**	**9,078.05**
Net book value										
As at 31st March 2019	990.67	2,413.91	7,537.36	29,060.54	39.99	19.45	-	40,061.92	1,000.61	41,062.53
As at 31st March 2018	**173.82**	**2,841.27**	**9,430.25**	**47,668.90**	**70.78**	**97.38**	**1,322.66**	**61,605.06**	**291.78**	**61,896.84**

(A) Capital work in progress

Capital work in progress as at 31st March 2019 comprises expenditure for the plant and building in the course of construction.

(B) Revaluation of land, buildings and plant, machinery and equipment

During the year, the Group had appointed an independent valuer to determine the fair value of freehold land and building and plant and machineries. As an outcome of this process, the Group has recognised increase in the gross block of land of Rs. 819.00 million, building of Rs. 718.42 million and decrease in freehold land of Rs. 34.47 million and plant and machineries of Rs. 483.92 million. The Group recognised this increase within the revaluation reserve and statement of comprehensive income.

The Group determined these fair values after considering physical condition of the asset, technical usability / capacity, salvage value, quotes from independent vendors. The fair value of land is determined using market approach and building, plant, machinery and equipment using depreciated replacement cost (DRC). The DRC is derived from the Gross Current reproduction / replacement Cost (GCRC) which is reduced by considering depreciation. The fair value measurement will be classified under level 3 fair value hierarchy. The GCRC means cost expected to replace existing asset with similar or equivalent new asset as on date of valuation.

Significant unobservable valuation input

Asset	Valuation technique	Significant unobservable inputs
Freehold land/Lease hold land	Market approach	The value of land was determined based on condition, location, demand and supply in and around and other infrastructure facilities available at and around the said plot of land. Land which was based on government promoted industrial estates, was appraised on the present fair market value depending on the condition of the said estates, its location and availability of such plots in the said industrial estate.
Building	Depreciated Replacement Cost (DRC)	Building/structural sheds were measured considering the DRC cost method for the constructed area depending on Utility and Design of Building Structures condition, actual physical condition and state of repairs and maintenance, type of general and Special Specifications of construction, remaining useful economic life of the structures, demand for the structures, cost of building materials and related construction supplies in the surrounding area, latest trends in the building construction technology, present day replacement cost of comparable building structures, Depreciation for Physical wears and tear.
Plant, machinery and equipment Sugar Plant Co-Generation Plant Ethanol plant	Depreciated Replacement Cost (DRC)	The valuation of Plant & Machinery has been estimated by DRC method under cost approach of valuation. The DRC is adjusted towards the Obsolescence, Potential Profitability and Service Potential in order to estimate the Market Value 'In-Situ' of the plant & machinery.

Information of revaluation model (gross of deferred tax):

	Amount
Opening balance as at 31st March 2017	**19,460.61**
Depreciation	(687.51)
Other adjustments	(594.92)
Balance as at 31st March 2018	**18,178.18**
Measurement recognised in reserves	1,019.03
Depreciation	(895.42)
Disposed off	(1.11)
Closing balance as at 31st March 2019	**18,300.68**

If land, building and plant, machinery and equipment were measured using the cost model, the carrying amounts would be as follows:

Net book value	As at 31st March 2019	As at 31st March 2018
Cost		
Freehold land	506.29	1,011.23
Lease hold land	180.39	-
Buildings	6,154.99	7,737.58
Plant machinery and Equipment	29,091.98	44,887.36
	35,933.65	**53,636.17**
Accumulated depreciation		
Lease hold land	8.72	-
Buildings	1,933.36	1,079.27
Plant machinery and Equipment	11,583.90	10,794.55
	13,525.98	**11,873.82**
Freehold land	506.29	1,011.23
Lease hold land	171.67	-
Buildings	4,221.63	6,658.31
Plant machinery and Equipment	17,508.08	34,092.81
Net carrying amount	**22,407.67**	**41,762.35**

Note 3(b): Intangible assets

	Goodwill	Computer Software	Transmission lines	Total
As at 1st April 2017	7,239.01	248.75	284.43	7,772.19
Additions	-	0.50	-	0.50
Disposals	-	(0.18)	-	(0.18)
Impairment**	-	-	-	-
Foreign exchange	(317.26)	(5.75)	(13.23)	(336.24)
As at 31st March 2018	6,921.75	243.32	271.20	7,436.27
Additions	-	0.21	-	0.21
Disposals	-	-	-	-
Discontinued operations	-	(111.56)	(235.22)	(346.78)
Foreign exchange	-	(11.67)	(35.98)	(47.65)
Other adjustments	(3.47)	-	-	(3.47)
As at 31st March 2019	**6,918.28**	**120.30**	**-**	**7,038.58**
Amortisation and impairment				
As at 1st April 2017	-	237.59	120.30	357.89
Amortisation for the year	-	9.13	18.32	27.45
Impairment**	6,746.86	-	-	6,746.86
Disposals	-	(0.18)	-	(0.18)
Foreign exchange	-	(5.12)	(6.41)	(11.53)
As at 31st March 2018	6,746.86	241.42	132.21	7,120.49
Amortisation for the year	-	0.24	-	0.24
Impairment**	-	-	-	-
Disposals	-	-	-	-
Discontinued Operations	-	(117.71)	(123.83)	(241.54)
Foreign exchange	-	(4.05)	(8.38)	(12.43)
As at 31st March 2019	**6,746.86**	**119.90**	**-**	**6,866.76**
Net book value				
As at 31st March 2019	**171.42**	**0.40**	**-**	**171.82**
As at 31st March 2018	**174.89**	**1.90**	**138.99**	**315.78**

**The Group has made 100% impairment of goodwill pertaining to Brazil operations.

Note 4: Investments

			As at 31st March 2019		As at 31st March 2018	
	Currency	Face value	Number of units	Amount	Number of units	Amount
Unquoted equity shares						
In associate companies:						
PASA - Paraná Operações Portuárias S.A.	BRL	-	-	-	-	436.83
CPA Trading S.A.	BRL	-	-	-	-	182.88
Unquoted equity shares: At fair value through other comprehensive income (fully paid)						
#National Commodity & Derivatives Exchange Ltd. (NCDEX) (refer note no 47)	INR	10.00	2,533,700	179.59	2,533,700	354.71
Quoted equity shares:						
Simbhaoli Sugars Limited (352,943 shares of Rs. 10/- Per Share) (refer note no 47)	INR	10.00	352,934	1.34	-	-
Others:						
National Treasury Notes	BRL	-	-	-	-	86.23
BDCC Bank Limited(Belgaum)	INR	500.00	10,000.00	5.00	10,000.00	5.00
Other investments	BRL	-	-	-	-	9.84
Aggregate value of total investments				**185.93**		**1,075.49**
Aggregate value of quoted investments				**1.34**		**-**
Aggregate value of unquoted investments				**184.59**		**1,075.49**

697,700 equity shares pledged with IDBI bank towards working capital loan availed by the group.

Note 5: Other non-current financial assets

	As at 31st March 2019	As at 31st March 2018
Unsecured & considered good:		
Deposits	129.85	643.92
	129.85	**643.92**

Note 6: Other non-current assets

		As at 31st March 2019	As at 31st March 2018
Incentives receivable		197.43	197.43
Prepayments		1,121.86	1,211.53
Capital advances		37.78	15.38
Amount paid under protest to government authorities		391.06	421.14
Advances to suppliers		-	902.00
Balances with government authorities		0.05	1,537.00
Other advances		-	2,306.98
Duty and taxes		3.75	-
		1,751.93	**6,591.46**
Breakup for security details			
Unsecured, considered good		1,554.50	6,394.03
Doubtful		197.43	197.43
	(A)	**1,751.93**	**6,591.46**
Impairment allowance			
Unsecured, considered good		-	-
Doubtful		(197.43)	(197.43)
	(B)	(197.43)	(197.43)
Total other non-current assets	(A-B)	**1,554.50**	**6,394.03**

Note 7: Income Tax

The major components of income tax expenses for the years ended 31st March 2019 and 31st March 2018 are:

Profit and loss section

	As at 31st March 2019	As at 31st March 2018
Current income tax:		
Current income tax charge	(0.77)	(11.09)
Deferred tax:		
Relating to origination and reversal of temporary differences	88.90	6,432.67
Income tax expense reported in the consolidated statement of profit and loss	88.13	6,421.58

OCI Section

Deferred tax related to items recognised in OCI during the year

	As at 31st March 2019	As at 31st March 2018
Revaluation reserve on plant property and equipments	(306.93)	-
Remeasurement of the net defined benefit plan	9.08	(0.70)
Income tax expenses charged to OCI	(297.85)	(0.70)

Reconciliation of tax expenses and the accounting profit multiplied by the India's domestic tax rate for 31 March 2019 and 31 March 2018

	As at 31st March 2019	As at 31st March 2018
Continued operations	(3,738.66)	(13,377.02)
Discontinued operations	(16,637.70)	(13,798.66)
Accounting profit before income tax	**(20,376.36)**	**(27,175.68)**
Local tax rate	31.20%	33.99%
Tax at local rate	(6,357.43)	(9,237.00)
Adjustment in respect of tax of previous years	-	(984.54)
Effect of differential overseas tax rate	(667.67)	(2,614.16)
Effect of differential domestic tax rate	22.99	67.75
Share of results of associates	-	(38.44)
Impairment allowance of financial assets	-	4,003.08
Impairment of goodwill	-	2,293.26
Effect of tax instalment of Brazil operations	-	(279.21)
Tax effect on foreign currency monetary item translation difference	-	229.36
Gain due to restructuring plan	-	(4,703.84)

	As at 31st March 2019	As at 31st March 2018
Unabsorbed business loss / depreciation	-	4,009.27
Unwinding of interest not deductible	283.22	-
Other non deductible expenses/(Income)	(82.28)	2,116.32
Losses for which no deferred asset is created	6,331.94	-
Carryforward DTA balances written off	139.97	-
Government grants expenses not deductible	24.52	-
Impairment of financial assets not allowable as deduction for tax purposes	302.40	-
At the effective income tax rate of 0.01% (31st March 2018 18.91%)	**(2.34)**	**(5,138.15)**
Income tax expense reported in the statement of profit and loss	88.13	6,421.58
Income tax attributable to discontinued operations	(85.79)	(1,283.43)

Deferred tax asset

	As at 31st March 2019	As at 31st March 2018
Accelerated depreciation for tax purposes	(9,275.09)	(9,590.04)
Expenses claimed on payment basis	-	(16.84)
Others		-
Gross deferred tax liability	(9,275.09)	(9,606.88)
Deferred tax asset		
Leave encashment	0.34	-
Deferred tax on financial instruments (net)	2,500.13	322.44
Revaluation of FVTOCI investment to fair value	-	28.89
Unabsorbed business loss	9,345.51	12,272.03
Expenses claimed on payment basis	48.94	-
Impairment allowance against advances	-	
	11,894.92	12,623.36
Deferred tax assets (Net)	2,619.83	3,016.48
MAT credit entitlement	529.31	545.12
	3,149.14	**3,561.60**

Deferred tax liabilities

	As at 31st March 2019	As at 31st March 2018
Accelerated depreciation for tax purposes	65.12	40.59
Expenses claimed on payment basis	(1.00)	-
Losses available for offsetting against future taxable income	(20.24)	-
	43.88	**40.59**

The Group off-sets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

Tax deductible items on which deferred tax has been recognised:

The Group has recognised deferred tax assets on unabsorbed depreciation of INR 12,302.14 million (31st March 2018: INR 12,996.27 million), unabsorbed tax losses of INR 16,596.44 million (31st March 2018: INR 22,295.58 million) and MAT credit entitlement of INR 529.31 million (31st March 2018: INR 545.12 million). The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses and the MAT credit entitlement can be carried forward for 8 years and 15 years respectively. Considering the improved performance of the Company in the current year, continued financial support from the parent company, various incentives / regulatory measures announced by the government for sugar and ethanol, the Group expects to generate taxable profits in future years and hence the Company has recognised deferred tax assets.

Note 8: Inventories

	As at 31st March 2019	As at 31st March 2018
Raw materials, components and material in transit **	4,262.44	1,955.52
Work-in-progress	48.00	-
Stores and spares	544.45	924.62
Intermediate products	1,297.18	371.62
Finished goods:		
- Manufactured	11,166.12	7,053.77
- Traded	-	2.23
Others	-	-
Biological Assets	-	-
Provision	-	-
	17,318.19	**10,307.76**

** Raw material and components includes transit stock of 31st March 2019: INR 38.58 Million (31st March 2018: INR Nil)

Note 9: Biological assets

	As at 31st March 2019	As at 31st March 2018
As at as 1st April	-	1,567.00
Amortisation of Ratoon cane	-	(955.10)
Crop treatment capitalized	-	453.36
Change in fair value less estimated selling costs	-	(631.58)
As at 31st March	-	433.68

Note 10: Trade receivables

		As at 31st March 2019	As at 31st March 2018
Unsecured, considered good:			
Receivables from related parties (Refer Note 44)		842.04	21.01
Receivables from others		2,008.78	7,597.25
		2,850.82	**7,618.26**
Break-up for security details:			
Unsecured, considered good		2,850.82	7,618.26
Unsecured, credit impaired		1,005.61	1,410.39
	(A)	3,856.43	9,028.65
Impairment allowance (allowance for bad and doubtful debts)			
Unsecured, considered good		-	-
Unsecured, credit impaired		(1,005.61)	(1,410.39)
	(B)	(1,005.61)	(1,410.39)
Trade receivables (Net)	(A-B)	2,850.82	7,618.26

The company has recognised impairment allowance on life time expected credit loss basis amounting to INR 173.98 Million (31st March 2018, INR 1,410.39 Million).

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Trade or other receivables due from firms or private companies respectively in which any director is a partner, a director or a member is provided in note 44 (b) and (c).

Trade receivables are non-interest bearing and are generally on terms of 7 to 180 days.

For terms and conditions of related party receivables, refer Note 44.

Note 11: Cash and cash equivalents

	As at 31st March 2019	As at 31st March 2018
Cash on hand	0.96	3.60
Balances with banks:		
- On current accounts	314.26	538.60
	315.22	**542.20**

Changes in liabilities arising from financing activities

Particulars	Long term borrowings	Short term borrowings
As at 1st April 2017	**89,087.16**	**9,659.38**
Cash flows	(1,799.60)	7,314.16
Others	(11,022.16)	(14,727.75)
As at 31st March 2018	**76,265.40**	**2,245.79**
Cash flows	(1,290.81)	6,964.84
Discontinued operations	(52,297.60)	(347.84)
Others	803.20	(2,979.41)
As at 31st March 2019	**23,480.19**	**5,883.38**

Note 12: Other bank balances

	As at 31st March 2019	As at 31st March 2018
Other Bank Balances:		
Unpaid dividend accounts	3.00	6.45
Fixed deposit pledged with bank/deposited with government authorities *	22.79	18.51
	25.79	**24.96**

* Fixed deposit with banks include amounts that have been provided as margin money and those that have been pledged with government authorities towards guarantees.

Note 13: Loans

	As at 31st March 2019	As at 31st March 2018
Unsecured, considered good:		
Loans to related parties (refer Note 44)	-	49.37
Loans to others	-	8.83
	-	**58.20**

Note 14: Other current financial assets

	As at 31st March 2019	As at 31st March 2018
Derivative Instruments at fair value through Profit or loss	124.14	-
Deposits with commodity agent	212.86	0.01
Interest accrued	0.37	5.34
Interest receivable	0.46	10.07
Export Incentive receivable	3.15	-
Others	0.05	-
	341.03	**15.42**

Note 15: Other current assets

	As at 31st March 2019	As at 31st March 2018
Export incentives receivable	70.92	3.09
Prepayments	235.37	310.97
Balances with government authorities	1,282.68	2,608.41
Advances to suppliers**	1,605.43	3,679.08
Advances to staff	0.51	8.22
Income Tax Refund Due	8.74	-
Other advances	2,770.34	987.21
	5,973.99	**7,596.98**

** Includes advances from related parties amounting to INR 0.09 million (31st March 2018: INR 571.82 million) (refer Note 44).

Break-up for security details			
Unsecured considered good		5,003.33	6,813.54
Unsecured, credit impaired		970.66	783.44
	(A)	5,973.99	7,596.98
Impairment allowance			
Unsecured considered good		-	-
Unsecured, credit impaired		(970.66)	(783.44)
	(B)	(970.66)	(783.44)
Total other current assets	**(A-B)**	**5,003.33**	**6,813.54**

Note 16(a): Share capital

	As at 31st March 2019	As at 31st March 2018
a) Authorised share capital		
2,900,000,000 Equity shares of INR 1 each	2,900.00	2,900.00
(Previous year 2,900,000,000 Equity shares of INR 1 each)		
510,141,365, 0.01% Compulsorily convertible preference shares of INR 16.27 each	8,300.00	8,300.00
94,000,000, 0.01% Redeemable preference shares of INR 100 each	9,400.00	9,400.00
45,500,000, 0.01% Optionally convertible preference shares of INR 100 each	4,550.00	4,550.00
	25,150.00	**25,150.00**
b) Issued, subscribed and paid up equity capital		
1916,819,292 Equity shares of INR 1 each fully paid	1,916.82	1,916.82
(Previous Year 1916,819,292 Equity shares of INR 1 each fully paid)		
	1,916.82	**1,916.82**

Terms/rights attached to equity shares

The Company has only one class of equity shares having face value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

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

Reconciliation of number of equity and preference shares outstanding :

	Number of equity shares
As at 1st April 2017	**945,246,580**
Shares issued during the year	971,572,712
As at 31st March 2018	**1,916,819,292**
Shares issued during the year	-
As at 31st March 2019	**1,916,819,292**

Details of shareholders holding more than 5% equity shares in the company:

Name of the shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of shares	% holding	No. of Shares	% holding
Wilmar Sugar Holdings Pte. Limited	1,118,204,751	58.34%	739,336,351	38.57%
ICICI Bank Limited	191,279,112	9.98%	192,396,579	10.04%
IDBI Bank Limited	181,969,219	9.49%	181,969,219	9.49%
Murkumbi Investments Private Limited	-	-	121,414,000	6.33%

Note 16(b): Other equity

	As at 31st March 2019	As at 31st March 2018
a) Securities Premium		
As per last Consolidated Balance Sheet	30,396.52	15,569.73
Addition during the year		-
Increase because of issuance of equity shares	-	14,845.64
Increase because of issuance of compulsorily convertible preference shares	-	4.82
Decrease due to transaction costs for issued shares	-	(23.67)
		-
Closing balance	**30,396.52**	**30,396.52**
b) Debenture Redemption Reserve (DRR)		
As per last Consolidated Balance Sheet	625.00	625.00
Add: Transfer from/(to) Consolidated Statement of Profit and Loss	-	-
Closing balance	**625.00**	**625.00**
c) Other reserves		
Retained earnings	10,630.40	(58,933.76)
Foreign currency translation reserve	(4,390.94)	(307.70)
Foreign currency monetary item translation difference account	-	(2,724.76)
Changes in equity instrument and others	(153.36)	21.77
Revaluation reserve	11,751.44	11,935.87
	17,837.55	(50,008.58)
Other equity (a+b+c)	**48,859.07**	**(18,987.06)**
Discontinued operations	**(80,851.27)**	**-**

The disaggregation of changes in OCI by each type of reserves in equity has been disclosed in consolidated statement of changes in equity.

Debenture Redemption Reserve (DRR)

The Group has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued over the life of debentures. The Group has created reserve of 7.87% (31st March 2018: 7.79%) towards non convertable debentures, out of retained earnings.

Changes in equity instruments

Changes in equity instruments represents reserves created in respect of equity instruments carried at FVOCI.

Revaluation reserve

Revaluation reserve is credited when Property, Plant and Equipments are revalued at fair value. The reserve is utilised in accordance with the requirements of Ind AS 16.

Note 17: Borrowings (non-current)

	As at 31st March 2019	As at 31st March 2018
Secured:		
a) Non-Convertible Debentures (refer note B below)		
(i) 1500 11.70% Redeemable non-convertible debentures of INR 1,000,000 each	1,447.48	1,500.00
(ii) 1000 11.30% Redeemable non-convertible debentures of INR 1,000,000 each	964.98	1,000.00
(iii)5521 0.01% Redeemable non-convertible debentures of INR 1,000,000 each	2,397.51	2,112.16

Note 17: Borrowings (non-current)

	As at 31st March 2019	As at 31st March 2018
b) Term-Loans (refer note B below)		
From Banks and financial institutions	13,129.36	66,620.30
From others (refer note B below)		
IFCI Limited (Sugar Development Fund)	320.99	435.45
Unsecured:		
Financial instrument		
74,388,207 0.01% Redeemable preference shares of INR 100 each	1,202.31	1,058.95
42,808,858 0.01% Optionally convertible preference shares of INR 100 each	4,017.56	3,538.54
	23,480.19	**76,265.40**
Less: Current maturity of long-term borrowings transferred to Other current financial liabilities (refer Note 25)	(3,775.90)	(47,207.95)
	19,704.29	**29,057.45**

Terms of repayment as on 31st March 2019 - Other than borrowings in Brazil entities

Particulars	Maturity Date	Effective Rate of Interest	As at 31st March 2019	As at 31st March 2018
Non-convertible debentures				
Non convertible debentures -LIC*	31st March 2024	11.70%	1,447.48	1,500.00
Non convertible debentures -LIC*	31st March 2024	11.30%	964.98	1,000.00
Non-convertible debentures issued to lenders	31st March 2027	12.90% #	2,397.51	2,112.16
Term loans				
From Banks and financial institutions				
Indian Renewable Energy Development Authority (IREDA)	31st December 2020	9.85%	140.88	221.38
Indian Renewable Energy Development Authority (IREDA)	31st March 2022	11.60%	196.88	262.51
Exim Bank	31st March 2029	IDBI 1 year MCLR rate+1.1%	473.18	503.71
ICICI Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	4,139.24	4,406.29
State Bank of India Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	335.16	454.97
IDBI Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	4,157.10	4,425.30
Axis Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	120.99	128.11
Kotak Mahindra Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	650.91	692.90
Ratnakar Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	49.05	54.15
Ratnakar Bank Limited	5th March 2019	I year MCLR plus 200 bps	-	15.56
Ratnakar Bank Limited	30th Sept. 2022	I year MCLR plus 200 bps	44.00	50.00
SCB - Term loan	30th April 2018	3.20%	2,044.91	1,925.84
Yes Bank Limited	31st March 2029	IDBI 1 year MCLR rate+1.1%	412.64	439.26
SEFASU loan from banks	31st March 2029	12.00%	364.40	742.72
From Others;				
IFCI Limited (SDF) ##	22nd February 2021 and 30th September 2021	12.00%	320.99	435.45
Financial Instruments:				
0.01% Redeemable preference shares	31st March 2037	12.90% #	1,202.31	1,058.95
0.01% Optionally convertible preference shares	31st March 2029	12.90% #	4,017.57	3,538.54

The NCD's, RPS and OCPS issued to lenders have been recorded at NPV using discounting factor of 12.9%

SDF and SEFASU loans has been recorded at NPV using discounting factor at 12%

* The Company is in the process of restructuring these non-convertible debentures and has received a letter of intent from Life Insurance Corporation of India (debenture holders) on October 11, 2018. This letter was accepted by the company on October 16, 2018. The restructuring is subject to members and stock exchange's approval.

Note A: Repayment schedule of financial instrument is as follows:

a) 0.01% Optionally Convertible Preference Shares (OCPS) of INR 4,280.89 Million, issued to lenders with convertibility right at the end of 18 months in line with existing SEBI regulations. However, the company will extend the convertibility of the OCPS in its Annual General / Extraordinary General Meeting at least 60 days prior to the expiry of the convertibility right of the lenders, subject to applicable regulations. Simultaneously, the company will seek exemption from SEBI for relaxation of conversion period of OCPS beyond 18 months, so as to be converted on or before 31st March 2029 at a price to be determined as per prevailing SEBI Guidelines.

b) 0.01% Redeemable Preference Shares (RPS) of INR 7,439 Million, redeemable in 40 structured quarterly instalments commencing from 30th June 2027.

c) Term loans are repayable in 47 structured quarterly instalments commencing from 30th September 2017.

Note B: Nature of security / guarantees

Term loans and Non-convertible debentures

1. First pari-passu charge by way of mortgage / hypothecation on all immovable / movable properties of the Company both present & future except assets at Panchaganga and Ajinkyatara (co-generation plants) which are exclusively charged to IREDA.
2. Second pari-passu charge on all the current assets of the company both present and future by the lenders except non-Convertible debentures issued to LIC.

Working capital loan (refer Note 23)

1. First pari-passu charge on all the current assets of the company both present and future.
2. Second pari passu charge on entire PPE both present and future except plant at Panchaganga and Ajinkyatara (co-generation plants) which are exclusively charged to IREDA.
3. Company has pledged as at 31st March 2019 : 697,700 equity shares (as at 31st March 2018 : 697,700 equity shares) of NCDEX with IDBI bank Limited towards working capital loan.

Corporate guarantee

Corporate Guarantee of Wilmar International Ltd. towards term loan and working capital limits extended by IDBI Bank Limited, ICICI Bank Limited, Axis Bank Limited, RBL Bank Limited, Yes Bank Limited, Exim Bank, Kotak Mahindra Bank Limited, State Bank of India and Bank of America Limited aggregating to INR 31,130 million (March 2018:INR 27,130 million) .

IREDA Loan

Exclusive charge on plant, property and equipment at Panchaganga and Ajinkyatara (co-generation plants).

Note 18: Other non-current financial liabilities

	As at 31st March 2019	As at 31st March 2018
Interest accrued but not due	24.82	352.21
Other payables	-	4,214.44
	24.82	**4,566.65**

Note 19: Trade payables (non-current)

	As at 31st March 2019	As at 31st March 2018
Payables to others	-	1,362.31
	-	**1,362.31**

Note 20: Long-term provisions

	As at 31st March 2019	As at 31st March 2018
Provision for employee benefits:		
Provision for gratuity	176.72	46.65
Less: Short-term (transferred to short-term provisions, refer Note 27)	(57.66)	(1.03)
	119.06	**45.62**
Provision for Leave Encashment (Refer Note 32 (xv))	83.41	86.84
Less: Short-term (transferred to short-term provisions, refer Note 27)	(7.27)	(10.19)
	76.14	**76.65**
Provisions for tax and other liabilities*	-	882.17
	195.20	**1,004.44**

* Pertains to discontinued operations

Note 21: Government grants

	As at 31st March 2019	As at 31st March 2018
Current	59.42	95.54
Non-current	318.21	52.02
	377.63	**147.56**

Government grant relates to financial assistance for investment towards sugar and power divisions. There are no unfulfilled conditions or contingencies attached to these grants. These grants are recognised on a straight line basis over the life of the SEFASU & SDF loan.

Note 22: Other non-current liabilities

	As at 31st March 2019	As at 31st March 2018
Advance from customers	-	1,329.30
	-	**1,329.30**

Note 23: Borrowings (current)

	As at 31st March 2019	As at 31st March 2018
Secured:**		
Working Capital from Banks:		
Rupee borrowings	5,535.54	2,233.14
Foreign currency borrowings	-	12.65
	5,535.54	**2,245.79**

**Refer Note 17 for details of security.

Note 24 : Trade Payables

	As at 31st March 2019	As at 31st March 2018
Payables to related parties (refer Note 44)	8,956.80	11,743.99
Payables to others*	19,230.23	27,277.77
	28,187.03	**39,021.76**

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled within the credit period agreed with the supplier.
- Other payables are non-interest bearing.
- For terms and conditions with related parties, refer to Note 44.

For explanations on the company's credit risk management processes, refer to Note 48.

Trade payable includes liabilities in relation to Crop purchases and Harvesting & Transportation services for which SRSL has provided corporate guarantee to ICICI Bank, IDBI Bank, State Bank of India, and RBL Bank.

*The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

	As at 31st March 2019	As at 31st March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	16.79	-
- Interest due on above	0.34	-
Total	**17.13**	**-**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.34	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	0.34	-

Note 25 : Other current financial liabilities

	As at 31st March 2019	As at 31st March 2018
Current maturity of long-term borrowings (refer Note 17)	3,775.90	47,207.95
Interest accrued but not due on borrowings	636.65	258.98
Unclaimed dividend	2.99	6.45
Salary payable	55.09	80.79
Derivative financial liabilities	75.48	418.28
Other payables **	13,786.70	4,842.61
	18,332.81	**52,815.06**

** Includes payables to related parties amounting to INR 13,579.23 million (31st March 2018: INR 4,387.76 million) (refer Note 44).

Note 26 : Other current liabilities

	As at 31st March 2019	As at 31st March 2018
Advance from customers**	207.32	4,522.25
Statutory dues payable	534.94	610.94
Other payables	303.84	-
	1,046.10	**5,133.19**

** Includes advance received from related parties amounting to INR 9.84 million (31st March 2018: INR NIL million) (refer Note 44).

Note 27 : Short-term provisions

	As at 31st March 2019	As at 31st March 2018
Provision for gratuity (refer Note 20)	57.66	1.03
Provision for leave encashment (refer Note 20)	7.27	10.19
	64.93	**11.22**

Note 28 : Revenue from operations

	Year ended 31st March 2019	Year ended 31st March 2018
Sale of products (gross)		
Sale of manufactured sugar	34,711.40	58,699.76
Sale of ethanol and allied products	5,286.10	2,453.88
Sale of traded sugar and ethanol	2,600.52	-
Sale of power	1,414.28	1,179.12
Sale of by-products and others	650.36	202.79
Sale from engineering division	103.65	127.82
Sale of services	29.03	-
	44,795.34	**62,663.37**

Sales for the year ended March 31, 2019 is net of Goods and Service Tax (GST) due to implementation of GST with effect from July 1, 2017. However, sales for the previous year ended March 31, 2018 is gross of excise duty up to June 30, 2017 amounting to INR 160.34 million and subsequent to that, net of GST.

Contract balances

Contract liability as at March 31, 2019 is INR 207.32 million

Perfomance obligation

The performance obligation is satisfied upon delivery of the goods to custmers

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended 31st March 2019
Revenue as per contracted price	**44,854.21**
Less: Discount	(28.55)
Less: Trade promotion expenses	(30.32)
Revenue from contract with customers	**44,795.34**

Reveune from contract with customers - Segment

Type of goods or services	Sugar	Trading	Co-generation	Ethanol	Engineering	Other	Eliminations	Total
Sale of manufactured sugar	34,711.40	-	-	-	-	-	-	**34,711.40**
Sale of ethanol and allied products	-	-	-	5,286.10	-	-	-	**5,286.10**
Sale of traded sugar and ethanol	-	2,600.52	-	-	-	-	-	**2,600.52**
Sale of power	-	-	1,414.28	-	-	-	-	**1,414.28**
Sale of by-products and others	33.30	547.21	-	0.15	-	69.70	-	**650.36**
Sale from engineering division	-	-	-	-	103.65	-	-	**103.65**
Sale of services	-	-	-	-	19.92	9.11	-	**29.03**
Inter-segment sales	2,498.48	-	2,873.32	-	-	-	(5,371.80)	-
Total revenue from contract with customers	**37,243.18**	**3,147.73**	**4,287.60**	**5,286.25**	**123.57**	**78.81**	**(5,371.80)**	**44,795.34**

Revenue from contract with customers

Type of goods or services	Sugar	Trading	Co-generation	Ethanol	Engineering	Other	Eliminations	Total
India	8,468.69	60.80	1,414.28	5,280.86	96.93	78.81	-	**15,400.37**
Outside India	26,276.01	3,086.93	-	5.39	26.64	-	-	**29,394.97**
Inter-segment sales	2,498.48	-	2,873.32				(5,371.80)	-
Total revenue from contract with customers	**37,243.18**	**3,147.73**	**4,287.60**	**5,286.25**	**123.57**	**78.81**	**(5,371.80)**	**44,795.34**

Note 29 : Other income

	Year ended 31st March 2019	Year ended 31st March 2018
Other non-operating income:		
Net Gain on commodity derivatives	1,067.25	-
Dividend on investments	0.76	0.90
Profit on sale of assets	0.03	13.19
Income from professional services	-	2.86
Excess provision written back	618.66	-
Government assistance	60.55	137.28
Sugar export benefits from third party licences	273.97	-
Others	35.70	0.64
Finance income:		
Interest received on financial assets carried at amortized cost	38.15	130.50
	2,095.07	**285.37**

Note 30 : Cost of raw materials consumed

	Year ended 31st March 2019	Year ended 31st March 2018
Sugar-Cane	15,114.77	12,452.13
Raw-Sugar	21,526.45	32,141.90
Coal and bagasse	1,272.30	2,089.02
Coal	-	
Molasses, DNA, MGA and Rectified spirit	1,266.44	1,029.56
Denatured Alcohol and rectified spirit	-	
Rectified Spirit	-	
MG Alcohol	-	
Others	2.42	3.87
Engineering Division	313.12	121.72
	39,495.50	**47,838.20**

Note 31 : Purchase of traded goods

	Year ended 31st March 2019	Year ended 31st March 2018
Raw-Sugar	1,670.36	7,767.53
White sugar	706.35	3,876.41
Coal	13.15	9.41
Others	0.53	0.39
Contract cancellation	-	8,170.60
	2,390.39	**19,824.34**

Note 32: (Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods

		Year ended 31st March 2019	Year ended 31st March 2018
Opening stock			
Work in progress		-	152.20
Finished goods and intermediate products		7,331.69	5,737.81
	A	**7,331.69**	**5,890.01**
Closing stock			
Work in progress		48.00	-
Finished goods and intermediate products		12,463.30	7,331.69
	B	**12,511.30**	**7,331.69**
Net (increase)/decrease in stock	**(A-B)**	**(5,179.61)**	**(1,441.68)**

Note 33: Employee benefit expenses

	Year ended 31st March 2019	Year ended 31st March 2018
Salaries, wages and bonus	1,026.60	1,034.46
Contribution to provident and other funds	75.97	68.62
Gratuity expenses	119.62	60.01
Staff welfare expenses	43.84	38.73
	1,266.03	**1,201.82**

Gratuity expenses recoverable from lease unit in repect of period prior to commencement of lease has been reduced from gratuity expenses as on 31st March 2019 Rs. 52.28 million (31st March 2018: Nil)

Note 34: Depreciation and amortisation expenses

	Year ended 31st March 2019	Year ended 31st March 2018
Depreciation of tangible assets (refer Note 3(a)) - excluding discontinued operations - Nil (Previous year Rs 6,177.62 Mn)	2,206.89	2,400.47
Amortisation of intangible assets (refer Note 3(b)) - excluding discontinued operations - Nil (Previous Year Rs 27.00 Mn)	0.24	0.45
	2,207.13	**2,400.92**

Note 35: Finance Costs

	Year ended 31st March 2019	Year ended 31st March 2018
Liabilities measured at amortised cost:		
On term loans	1,194.55	2,360.28
On working capital	2,933.26	2,309.32
On debentures	290.32	288.50
Interest on discounted securities	907.74	-
Bank and other borrowing costs	199.91	118.65
	5,525.78	**5,076.75**
Unwinding of interest on borrowings at concessional rate	78.60	115.81
	5,604.38	**5,192.56**

Note 36 : Foreign exchange loss/(gain)

	Year ended 31st March 2019	Year ended 31st March 2018
Foreign exchange loss/(gain)	(464.52)	742.09
	(464.52)	742.09

Note 37: Other expenses

	Year ended 31st March 2019	Year ended 31st March 2018
Consumption of stores and spares	380.44	395.77
Consumption of chemicals, consumables, oil and lubricants	434.43	458.34
Outsourced service cost	220.41	175.90
Sugar house loading, un-loading and handling charges	230.84	211.01
Packing materials	828.35	746.10
Power and fuel	217.63	363.27
Rent	149.62	229.07
Repairs and maintenance:		-
Plant and machinery	179.08	135.06
Buildings	6.81	5.72
Others	48.79	54.99
Rates and taxes	59.99	63.33
Insurance	39.44	53.24
Travelling and conveyance	39.09	46.95
Printing and stationery	6.81	6.51
Communication expenses	16.99	22.60
Legal and professional fees	117.44	289.28
Directors' sitting fees	1.68	3.28
Payment to auditors	15.78	9.54
Impairment of financial assets	4.23	697.40
Safety and security expenses	60.50	58.99
Donations and contributions	1.38	1.82
Loss on sale of fixed assets	1.79	-
Premium paid on Option contracts	39.00	-
Books, periodicals,subscription and membership expenses	2.06	-
Expected credit loss for trade receivable	65.65	-
Repairs and maintenance-others	3.59	-
Impairment for advances to vendors and others	131.55	-
Freight and forwarding charges	989.34	946.84
Advertising and sales promotion	111.77	187.47
Brokerage and discounts	43.64	-
Commission and market development expenses	26.25	-
Excise duty borne by the company	0.42	-
Miscellaneous expenses	134.27	238.42
	4,609.06	**5,400.90**

Note 38: Exceptional items

	Year ended 31st March 2019	Year ended 31st March 2018
Impairment for advances to vendors and others	-	1,141.76
Cane price difference paid	-	983.71
Advances to others written off	986.23	-
Write off of trade receivables	-	910.39
Impairment for other current assets	-	-
Impairment of goodwill	-	6,746.86
Gain on restructuring	-	(15,340.13)
Impairment of non-financial assets	-	66.02
Provision For litigations-tax	-	220.00
Levy duty liability	-	100.00
Processing charges on restructuring	-	208.55
Reversal of government grant	-	(30.89)
	986.23	**(4,993.73)**

During the year the company has written off trade receivable in respect of a specific customer for which the Company was in regular discussion and follow-ups for recovery. However, since the customer is not able to pay the outstanding amounts, the Company has on May 15, 2019 entered into a settlement agreement with the customer and consequently has written off the amount that is uncollectable

Note 39: Earnings Per Share

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects profit/(loss) and share data used in the basic and diluted EPS computations:

	As at 31st March 2019	Year ended 31st March 2018
Loss attributable to equity holders to the parent of continued operations	(3,626.06)	(6,933.77)
Loss attributable to equity holders to the parent of dis continued operations	(10,857.58)	(10,105.75)
Total net profit attributable to equity shareholders	**(14,483.65)**	**(17,039.52)**
Weighted average number of equity shares for basic EPS**	1,916,819,292	1,006,468,970
Earnings per share		
Earning per share from continued operations towards parent - Basic	(1.89)	(6.89)
Earning per share from continued operations towards parent- Diluted	(1.89)	(6.89)
Earning per share from discontinued operations towards parent- Basic	(5.66)	(10.04)
Earning per share from discontinued operations towards parent - Diluted	(5.66)	(10.04)
Earning per share from continued and discontinued operations towards parent - Basic	(7.56)	(16.93)
Earning per share from discontinued operations towards parent- Diluted	(7.56)	(16.93)

**Weighted average number of equity shares takes into account the weighted average effect of changes in share transactions during the year.
Also, optionally convertible preference shares issued are not considered for diluted EPS computation as these are anti dilutive.

Note 40: Commitment and contingencies

a) Operating lease commitments (Group as lessee and lessor)

The Group has entered into various operating leases for office, residential and factory premises. These are generally short-term leases and cancellable by serving adequate notice. The minimum amount of lease rentals payable on non-cancelable leases is as follows:

Sr. No.	Lease payable	As at 31st March, 2019	As at 31st March, 2018
A	Within a period of one year	8.67	182.21
B	One year to five years	26.61	499.82
C	five years and above	501.96	1,190.21
D	Lease rent expense charged to consolidated statement of profit and loss	149.62	229.07

Sr. No.	Lease receivable	As at 31st March, 2019	As at 31st March, 2018
A	Within a period of one year	9.45	-
B	Lease rent income considered in consolidated statement of profit and loss	9.10	1.87

b) Other commitments

Outstanding commitments of the group are as follows:

Outstanding Commitments	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of contract pending for execution on capital account	1,204.59	12,900.77
Commitment on behalf of subsidiaries	-	1,403.01

c) Guarantees

Outstanding guarantees of the group are as follows:

Sr. No	Outstanding Commitments	As at 31st March 2019	As at 31st March, 2018
A	Bank Guarantee	576.06	10.89
B	Corporate Guarantee	-	376.02
C	Letter of credit	38.31	-

Note 41: Contingent liabilities

Liabilities classified and considered contingent due to contested claims and legal disputes	As at 31st March 2019	As at 31st March, 2018
Income Tax Demands	185.69	66.01
Excise and Service Tax Demands	1,215.34	1,314.05
Sales Tax/VAT Demands	28.18	31.26
GST	61.77	-
Customs Demand	2,132.86	1,357.13
Brazilian Taxes	3,501.83	6,748.92
Other Matters	7,864.20	10,917.69
Total	**14,989.87**	**20,435.06**

There are numerous interpretative issues relating to the Supreme Court (SC) judgment on PF dated 28th February, 2019. As a matter of caution, the Group has made a provision on a prospective basis from the date of the SC order. The Group will update its provision, on receiving further clarity on the subject.

Note 42: Defined benefit plans

The Group has a defined benefit gratuity plan. The group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Risk to the plan

Following risks associated with the plan:

A. Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Actuarial Assumptions

Key actuarial assumptions are given below:

Discount Rate:

The rate used to discount other long term employee benefit obligation (both funded and unfunded) is determined by reference to market yield at the Balance Sheet Date on high quality corporate bonds. In countries where there is no deep market in such bonds the market yields (at the Balance Sheet Date) on government bonds is used. The currency and term of the corporate bond or government bond is consistent with currency and estimated term of the post-employment benefit obligation.

Salary Growth Rate:

This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Rate of Return on Plan Assets:

This assumption is required only in case of funded plans. Interest income on plan assets is calculated using the rate used to discount the defined benefit obligation.

Mortality:

This assumption is based on the standard published mortality table without any adjustment.

Withdrawal Rates:

This is Management's estimate of the level of attrition in the company over the long term. Estimated withdrawal rates takes into account the broad economic outlook, type of sector the group operates in and measures taken by the management to retain/ relieve the employees.

Sr. No	Particulars	Gratuity Benefits	
		31st March, 2019	31st March, 2018
1	**Change in Benefit obligation**		
	Opening Defined Benefit Obligation	150.62	97.03
	Current service cost	161.85	12.92
	Interest cost	18.58	6.69
	Actuarial loss/(gain) due to change in financial assumptions	1.42	(5.06)
	Actuarial loss/(gain) due to change in demographic assumption	(4.14)	-
	Actuarial loss/ (gain) due to experience	29.62	(1.54)
	Past Service Cost	-	47.54
	Benefits paid	(83.81)	(6.96)
	Closing Defined Benefit Obligation	**274.14**	**150.62**
2	**Change in Plan Assets**		
	Opening value of plan assets	103.97	96.59
	Interest Income	11.32	7.14
	Return on plan assets excluding amounts included interest income	1.45	(6.77)
	Contributions by employer	18.05	13.50
	Benefits paid	(37.37)	(6.49)
	Closing value of plan assets	**97.42**	**103.97**
3	**Fund Status of Plan Assets**		
	Present value unfunded obligations	165.55	2.44
	Present value funded obligations	108.59	148.18
	Fair Value of plan assets	(97.42)	(103.97)
	Net Liability (Assets)	**176.72**	**46.65**
4	**Other Comprehensive Income for the current period**		
	Due to Change in financial assumptions	1.42	(5.06)
	Due to change in demographic assumption	(4.14)	-
	Due to experience adjustments	29.62	(1.54)
	Return on plan assets excluding amounts included in interest income	1.51	6.76
	Amounts recognized in Other Comprehensive Income	**28.41**	**0.16**
5	**Expenses for the current period**		
	Current service cost	161.85	12.92
	Interest cost	10.29	6.69
	Past Service cost	-	47.54
	Interest Income	(0.24)	(7.14)
	Amount recognized in expenses	**171.90**	**60.01**
6	**Defined benefit liability**		
	Net opening provision in books of accounts	46.65	(0.43)
	Employee Benefit Expense	171.90	60.01
	Amounts recognized in Other Comprehensive Income	28.41	0.17

Sr. No	Particulars	Gratuity Benefits	
		31st March, 2019	31st March, 2018
	Contributions to plan assets	(18.05)	(13.50)
	Benefits paid by the Company	(52.19)	(0.46)
	Closing provision in books of accounts	**176.72**	**46.65**
7	**Composition of the plan assets**		
	Policy of insurance	100%	100%
	Total	100%	100%
8	**Principal Actuarial Assumption**		
	Discount rate	6.95% to 7.75%	7.30% to 7.70%
	Salary Growth rate	5%	5%
	Withdrawal Rates	5% at younger ages reduced to 1% at older ages and 26% for Engineering division	5% at younger ages reduced to 1% at lower ages
9	**Sensitivity to key assumptions**		
	Discount rate Sensitivity		
	Increase by 0.5%	259.13	104.18
	(% change)	(5.47%)	(4.97%)
	Decrease by 0.5%	278.53	(115.12)
	(% change)	1.60%	5.17%
	Salary growth rate Sensitivity		
	Increase by 0.5%	277.86	114.56
	(% change)	1.36%	4.66%
	Decrease by 0.5%	259.51	(104.68)
	(% change)	(5.34%)	(4.32%)
	Withdrawal rate (W.R.) Sensitivity		
	W.R. x 110%	269.41	111.39
	(% change)	(1.73%)	0.72%
	W.R. x 90%	267.61	109.91
	(% change)	(2.38%)	(0.74%)
10	**Expected contributions to the defined benefit plan in next years**	11.90	4.66

Note 43: Discontinued operations

The Company and its wholly owned subsidiary Renuka Commodities DMCC, Dubai ("DMCC") holds 82.99 % and 17.01% respectively in Shree Renuka Global Ventures Ltd, Mauritius ("SRGVL"). SRGVL holds 99.99% in Shree Renuka do Brasil Participacoes Ltda, Brazil ("SRDBPL"). SRDBPL is holding investments in ten companies in Brazil as holding Company (together referred to as Brazilian operations).

On September 28, 2015, SRDBPL together with all of its subsidiaries filed for protection under Judicial Recovery Law (Law 11.101/2005-Recuperação Judicial) in the designated court in the capital of the state of São Paulo.

On August 8, 2018, the Board of Directors of the Company reviewed the process of judicial recovery which was on going since September 2015 and resolved to discontinue Brazilian operations and accordingly, holding company management started the sale / investment divestment process. As the Group was committed to sale plan involving ceasing of control of Brazil operations, the Group classified all assets and liabilities to be held for sale and classified the operations as discontinued operation.

On May 7, 2019, SRGVL entered into non-binding term sheet with an investor. As per the terms defined in the term sheet, SRGVL will issue fresh equity shares to the investor, consequent to which the interest held by the Group in SRGVL (and also in discontinued operations) will be reduced to 19% and the Group will no longer have right to representation on the Board of Directors of SRGVL. Accordingly, after execution of this transaction, the Group would lose control on SRGVL and consequently on the Brazilian operations.

The Group has re-presented financial results for the year ended March 31, 2019 to incorporate the effect of discontinued operations. In accordance with the requirements of Ind-AS 105 Non-current Assets Held for Sale and Discontinued Operations, the Group is not required to re-present amounts of the assets and liabilities of discontinued operations presented in the balance sheet for year ended March 31, 2018. Accordingly, the balance sheet as at March 31, 2019 is not comparable to that extent with previous year balance sheet.

Major classes of assets and liabilities of discontinued operations as at March 31st 2019 are as follows:

Particulars	As at 31st March 2019
ASSETS	
Non-current assets	
Property, plant and equipment	18,966.98
Other intangible assets	105.24
Financial assets	
Investments	665.68
Other non-current financial assets	535.11
Trade receivables	2.05
Others	12.38
Other non-current assets	2,000.88
Total non-current assets	**22,288.32**
Current assets	
Inventories	310.10
Financial assets	-
Trade receivables	117.67
Cash and cash equivalents	47.89
Other current assets	1,178.35
Total current assets	**1,654.01**
Total assets	**23,942.33**
Non-current liabilities	
Other non-current financial liabilities	2,620.70
Long-term provisions	1,244.25
Net employee defined benefit liabilities	60.56
Other non-current liabilities	5,016.05
Total non-current liabilities	**8,941.56**
Current liabilities	
Financial liabilities	
Borrowings	26,366.75
Trade payables	3,693.26
Other current financial liabilities	30,615.81
Other current liabilities	8,532.06
Provision	228.68
Total current liabilities	**69,436.56**
Total liabilities	**78,378.12**

The results of discontinued operations held for sale for the period are presented below

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Income		
Revenue from operations	7,758.58	14,777.20
Other income	390.61	683.91
Total income	**8,149.19**	**15,461.11**
Expenses		
Consumption of materials*	8,659.58	14,398.53
Employee benefit expenses	485.11	738.96
Depreciation and amortisation expenses	-	6,204.62
Foreign exchange (gain)/loss	4,898.32	2,095.60
Finance costs	5,762.58	4,440.78
Other expenses	4,981.30	1,381.28
Total expenses	**24,786.89**	**29,259.77**
Profit/(loss) before tax	**(16,637.70)**	**(13,798.66)**
Tax expense:		
Current tax	-	-
Deferred tax	85.79	1,283.43
Income tax expense	**85.79**	**1,283.43**
Profit/(loss) for the year	**(16,723.49)**	**(15,082.09)**
Earnings per share		
Basic		
[Face value of equity share INR 1/- each]	(5.66)	(10.04)
Diluted		
[Face value of equity share INR 1/- each]	(5.66)	(10.04)

*This includes changes in inventories of intermediaries and finished goods.

Net cash flow of the discontinued operations

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Operating cash flow	1,011.18	1,002.66
Investing cash flow	(709.98)	(886.00)
Financing cash flow	(348.92)	(53.83)
Net cash (outflow) / Inflow	(47.72)	62.83

Note 44: Related party transactions

(a) Holding Company:

1. Wilmar Sugar Holding Pte Ltd.

B Related parties

(b) Affiliate companies

1. Vantamuri Trading and Investments Limited
2. Ravindra Energy Limited
3. Adani Wilmar Limited
4. Wilmar Sugar Pte Limited
5. Jawananis Rafinasi (JMR)
6. Mineração Elefante Ltda.
7. Apoena Logística
8. Wilmar Sugar Pte. Ltd.
9. Wilmar Sugar S.A.

(c) Associate companies

1. CPA Trading S.A. and subsidiaries

(d) Key managerial personnel

1. Mr Atul Chaturvedi - Executive Chairman (From 2nd July, 2018)
2. Mrs. Vidya Murkumbi – Executive Chairperson (Till 30th June, 2018)
3. Mr. Narendra Murkumbi – Vice Chairman and Managing Director (Till 30th June, 2018) Since 1st July, 2018 Non-Executive Director
4. Mr. Vijendra Singh – Whole Time Director
5. Mr. K. K. Kumbhat- Chief Financial Officer (Till 3rd May, 2018)
6. Mr. Sunil Ranka - Chief Financial Officer (From 4th May, 2018)
7. Mr. Deepak Manerikar- Company Secretary and Compliance Officer. (From 30th October, 2018)
8. Mr Rupesh Saraiya - Company Secretary and Compliance Officer. (Till 5th October, 2018)

(e) Additional related parties as per the Companies Act, 2013 with whom transactions have taken place during the year

1. Mr. Jean-Luc Bohbot
2. Mr. Madhu Rao
3. Mr. Bhupatrai Premji
4. Mr. Dorab Mistry
5. Mr. Stephen Ho Kiam Kong
6. Dr. Bharat Kumar Mehta
7. Mr. Surender Kumar Tuteja
8. Ms. Priyanka Mallick

(f) Relative of key managerial personnel

1. Mrs. Sangeeta Singh - DGM (Quality and Training)

B Transactions with related parties

Sr. No.	Particulars	As at and year ended	Sales to related parties	Purchases from related parties	Rental income	Interest income on advances	Interest expenses on advances	Loans and advance given	Loans and advance repaid	Advance received	Contibution to gratuity fund
(a)	**Holding Company**										
i	Wilmar Sugar Holding Pte Ltd.	31 March 2019	64.82	-	-	-	150.19	-	-	11,253.66	-
		31 March 2018	-	-	-	-	-	-	-	-	-
(b)	**Affiliate companies**										
i	Ravindra Energy Limited	31 March 2019	0.76	-	-	0.75	-	-	613.53	-	-
		31 March 2018	0.50	155.38	-	5.54	-	163.65	-	-	-
ii	Adani wilmar limited	31 March 2019	25.82	2,399.65	0.02	-	-	-	-	-	-
		31 March 2018	0.32	21,032.89	0.14	-	-	-	-	-	-
iii	Wilmar Sugar Pte. Ltd.	31 March 2019	6,721.78	16,821.69	-	-	177.54	-	-	2,351.91	-
		31 March 2018	14.48	1,496.24	-	-				-	-
iv	Jawananis Rafinasi (JMR)	31 March 2019	0.30	-	-	-	-	-	-	-	-
		31 March 2018	-	-	-	-	-	-	-		-
v	Irving Investments Limited (Wilmar) Mozabique	31 March 2019	6.03	-	-	-	-	-	-	-	-
		31 March 2018	-	-	-	-	-	-	-	-	-
vi	Bright Agrocomm DMCC, Dubai	31 March 2019	20.31	-	-	-	-	-	-	-	-
		31 March 2018	-	-	-	-	-	-	-	-	-
vii	Great Wall – Wilmar Holding Limited, Mynamar	31 March 2019	0.23	-	-	-	-	-	-	-	-
		31 March 2018	-	-	-	-	-	-	-	-	-
viii	Wilmar Sugar S.A.	31 March 2019	928.41	-	-	-	-	-	-	-	-
		31 March 2018	-	-	-	-	-	-	-	-	-
ix	Wilmar Agri Trading DMCC	31 March 2019	3.19	-	-	-	-	-	-	-	-
		31 March 2018	-	-	-	-	-	-	-	-	-
(c)	**The Trustees Shree Renuka Sugars Ltd**	31 March 2019	-	-	-	-	-	-	-	-	17.34
		31 March 2018	-	-	-	-	-	-	-	-	12.45

Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

Corporate guarantees:

There have been corporate guarantees received from Wilmar International Ltd amounting to INR 31,130 million (31st March 2018 INR 27,130) towards term loan and working capital limits extended by Banks to Shree Renuka Sugars Limited.

Break-up of amounts owed to and by related parties as at 31st March 2019 and 31st March 2018 are as follows:

Particulars	As At 31st March 2019	As At 31st March 2018
Current loans (refer Note 13)		
Affiliate companies:		
Ravindra Energy Limited	-	49.37
	-	**49.37**
Other current assets (refer Note 15)		
Affiliate companies:		
Ravindra Energy Limited	-	563.29
Adani Wilmar Limited	0.09	-
Mineração Elefante Ltda.	-	0.12

Particulars	As At 31st March 2019	As At 31st March 2018
Apoena Logística	-	7.49
Associate companies:		
CPA Trading S.A. and subsidiaries	-	0.92
	0.09	**571.82**
Trade receivables (refer Note 10)		
Affiliate companies:		
Ravindra Energy Limited	15.73	18.51
Adani Wilmar Limited	0.42	0.39
Great Wall - Wilmar Holdings Limited. Mynamar	-	-
Vantamuri Trading and Investments Limited	2.11	2.11
Jawananis Rafinasi (JMR)	0.29	-
Wilmar Sugar SA	823.49	-
	842.04	**21.01**

Particulars	As At 31st March 2019	As At 31st March 2018
Trade payables (refer Note 24)		
Affiliate companies:		
Adani Wilmar Limited	-	10,470.53
Wilmar Sugar Pte. Ltd.	8,956.80	1,273.46
	8,956.80	11,743.99
Other current liabilities (refer note 26)		
Affiliate companies:		
Irving Investments Limited (Wilmar) Mozabique	4.07	-
Bright Agrocomm DMCC	4.38	-
Adani Wilmar Limited	1.39	-
	9.84	**-**
Other non-current financial liabilities (refer Note 25)		
Wilmar Sugar Pte. Ltd.	2,631.51	4,387.76
Wilmar Sugar Holdings Pte. Ltd.	10,947.72	-
	13,579.23	**4,387.76**

C Transactions with key managerial personnel

Other directors' interests

The company had acquired office space on rent from Mrs. Vidya Murkumbi a key managerial personnel of the company. During both the years company has paid a rent of INR 6.95 million (31 March 2018 INR 7.54 million) including all the taxes, out of which amount payable is INR 0.29 million (31 March 2018: INR 0.58 million)

Compensation of key managerial personnel

	Year ended 31st March 2019	Year ended 31st March 2018
Short-term employee benefits	101.17	77.41
Contribution to provident fund	3.73	4.06
Sitting fees	1.68	9.54
Total	**106.58**	**91.01**

Compensation of Relative of key managerial personnel

	Year ended 31st March 2019	Year ended 31st March 2018
Short-term employee benefits	0.25	3.00
Total	**0.25**	**3.00**

Outstanding remmuneration payable

	Year ended 31st March 2019	Year ended 31st March 2018
Key management personnel	-	6.11
Relative of key management personnel	-	0.25
Total	**-**	**6.36**

The remuneration payable to the Whole-time Directors is subject to the approval of the lenders of the Company and the shareholders of the Company by way of special resolution in the General Meeting, as per Section 197 read with Schedule V of the Companies Act, 2013. During the year, the Company had sought approval of the lenders for payment of remuneration to the Whole-time Directors. The Company has received approval of the lenders in the months of March and April 2019. The Company has sought approval of the shareholders for the payment of remuneration to Whole-time Directors, vide postal ballot notice dated 8th May 2019.

Note 45: Material partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Particulars	Renuka do Brasil S.A.	Gokak Sugars Limited
Proportion of non-controlling interest	40.59%	6.36%
Country of incorporation and operations	Brazil	India

Accumulated balance of material non-controlling interest

Particulars	Renuka do Brasil S.A.	Gokak Sugars Limited
Accumulated balance of material non-controlling interest	(25,533.51)	(2.57)
Profit / (loss) allocated to material non-controlling interest	(5,865.92)	(24.45)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations

Summarised balance sheet as at 31 March 2019:

Particulars	Renuka do Brasil S.A.	Gokak Sugars Limited
Non-current assets	17,906.41	1,666.16
Current assets	1,016.05	973.43
Total Assets	**18,922.46**	**2,639.59**
Non-current liabilities	10,155.21	14.21
Current liabilities	63,842.08	2,665.86
Total Liabilities	**73,997.29**	**2,680.07**

Summarised statement of profit and loss for the year ended 31 March 2019

Particulars	Renuka do Brasil S.A.	Gokak Sugars Limited
Total revenue	**5,943.75**	**1,934.20**
Less:		
Cost of goods sold	5,952.99	1,621.78
Finance Cost	4,757.72	201.77
Other expenses	9,473.16	234.44
Exceptional Items	-	293.24
Total cost	**20,183.87**	**2,351.23**
Profit / (Loss) before tax	**(14,240.12)**	**(417.03)**
Tax	**211.50**	**(32.39)**
Profit / (loss) after tax	**(14,451,62)**	**(384.64)**
Other comprehensive income	-	142.08
Profit / (loss) after OCI	**(14,451.62)**	**(242.56)**

Note 46: Enterprises consolidated as subsidiary in accordance with Ind AS 112 – Disclosure of Interests in Other Entities'.

Name of the Enterprise	Country of Incorporation	Proportion of ownership interest 31st March 2019	31st March 2018
Renuka Commodities DMCC, Dubai	Dubai	100.00%	100.00%
Shree Renuka Global Ventures Ltd., Mauritius	Mauritius	100.00%	100.00%
Shree Renuka East Africa Agriventures PLC, Ethiopia	Ethiopia	99.99%	99.99%
Lanka Sugar Refinery Company (Private) Limited**	Sri Lanka	100.00%	100.00%
Gokak Sugars Ltd.	India	93.64%	93.64%
Shree Renuka Agri ventures Limited	India	100.00%	100.00%
Monica Trading Private Limited	India	100.00%	100.00%
Shree Renuka Tunaport Pvt. Limited	India	100.00%	100.00%
KBK Chem Engineering Pvt Limited	India	100.00%	100.00%
Shree Renuka do Brasil Participações Ltda.***	Brazil	100.00%	100.00%
Shree Renuka São Paulo Participações Ltda.***	Brazil	100.00%	100.00%
Renuka do Brasil S/A ***	Brazil	59.41%	59.41%
Revati S.A- Acucar e Alcool ***	Brazil	100.00%	100.00%
Renuka Geradora de Energia Elétrica Ltda***	Brazil	99.99%	99.99%
Renuka Cogeração Ltda***	Brazil	99.99%	99.99%
Revati Geradora de Energia Elétrica Ltda ***	Brazil	99.99%	99.99%
Revati Agropecuaria Ltda.***	Brazil	99.99%	99.99%
Renuka Vale do IVAI S/A***	Brazil	100.00%	100.00%
Ivaicana Agropecuaria Ltda.***	Brazil	99.99%	99.99%
Biovale Comercio de Leveduras Ltda. ***	Brazil	99.99%	99.99%

** Liquidated on 30th September 2017

*** Included in the consolidated financial statements of Shree Renuka do Brasil Participações Ltda., Brazil

Note 47: Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying Value		Fair Value	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Financial assets:				
Fair value through profit or loss				
Derivative Instruments at fair value through Profit or loss	124.14	-	124.14	-
Equity shares of Simbhaoli Sugars Limited	1.34	-	1.34	-
Fair value through other comprehensive income				
Investment in equity shares	179.59	354.71	179.59	354.71
Other financial assets at amortised cost				
Loans	-	58.20	-	58.20
Trade receivables	2,850.82	7,618.26	2,850.82	7,618.26
Cash and cash equivalents	315.22	542.20	315.22	542.20
Other bank balance	25.79	24.96	25.79	24.96
Other financial assets	351.74	1,380.12	351.74	1,380.12
Total financial assets	**3,848.64**	**9,978.45**	**3,848.64**	**9,978.45**
Financial liabilities:				
Fair value through profit and loss				
Derivative financial instruments	75.48	418.28	75.48	418.28
Other financial liabilities at amortised cost				
Borrowings				
Redeemable preference shares	1,202.31	1,058.95	1,202.31	1,058.95
Optionally convertible preference shares	4,017.56	3,538.54	4,017.56	3,538.54
Redeemable non-convertible debentures	4,809.97	4,612.16	4,809.97	4,612.16
IFCI (Sugar Development Fund)	320.99	435.45	320.99	435.45
SEFASU Loan	364.40	742.72	364.40	742.72
Other borrowings	18,300.50	68,123.36	18,300.50	68,123.36
Trade Payables	28,187.03	40,384.07	28,187.03	40,384.07
Other financial liabilities	14,506.25	9,755.48	14,506.25	9,755.48
Total financial liabilities	**71,784.49**	**129,069.01**	**71,784.49**	**129,069.01**

The management assessed that cash and cash equivalents, trade receivables, trade payables, other current assets and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

As at 31st March 2019, fair value of the unquoted equity shares recognised at FVTOCI have been estimated using enterprise valuation method and impairment of Rs 175.13 million is charged through FVOCI . As at 31st March 2018 , fair value of the unquoted equity shares recognised at FVTOCI have been estimated using a non-binding agreement with an investor.

The fair value of Redeemable preference shares, Optionally convertible preference shares, Redeemable non-convertible debentures issued to lenders are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair values hierarchy due to the use of unobservable inputs including own credit risk.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2019, 31st March, 2018 are as shown below:

Description of significant unobservable inputs to valuation:

	Valuation technique	Sensitivity of the input to fair value
FVTOCI financial instruments Unquoted equity shares	Enterprise valuation method	5% (31 March 2019: increase / (decrease) in the market price per share would result in increase (decrease) in fair value by INR 8.98 Million (31 March 2018: INR 17.74Million)

Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI:

	Amount
As at 31st March 2017	**443.39**
Measurement recognised in OCI	(88.68)
Purchases	-
Sales	-
As at 31st March 2018	**354.71**
Measurement recognised in OCI	(175.13)
Purchases	-
Sales	-
As at 31st March 2019	**179.59**

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March 2019:

		Fair value measurement using		
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Assets measured at fair value - recurring fair value measurement:				
Derivative Instruments at fair value through Profit or loss	124.14	118.04	6.10	-
Investment in equity shares	180.93	1.34	-	179.59
Liabilities measured at fair value:				
Derivative financial instruments	75.49	67.80	7.69	-
Borrowings				
Redeemable preference shares	1,202.31	-	-	1,202.31
Optionally convertible preference shares	4,017.56	-	-	4,017.56
Redeemable non-convertible debentures	2,397.51	-	-	2,397.51

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March 2018:

		Fair value measurement using		
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Assets measured at fair value - recurring fair value measurement:				
Investment in equity shares	354.71	-	-	354.71
Liabilities measured at fair value:				
Derivative financial instruments	418.28	418.28	-	-
Redeemable preference shares	1,058.95	-	-	1,058.95
Optionally convertible preference shares	3,538.54	-	-	3,538.54
Redeemable non-convertible debentures	2,112.16	-	-	2,112.16

Note 48:Financial risk management objectives and policies:

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to credit risk, liquidity risk and market risk. The Group's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Group. The senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The board of directors reviews and agrees for managing each of these risks.

Market risk:

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

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest rate sensitivity:

Particulars	As at 31st March, 2019	Composition	As at 31st March, 2018	Composition
Borrowing - Fixed interest rate	10,350.83	35.67%	9,645.10	12.29%
Borrowing - Floating interest rate	18,664.90	64.33%	68,866.08	87.71%
Total	**29,015.73**		**78,511.18**	

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
31st March 2019		
INR	**50**	**93.32**
31st March 2018		
INR	**50**	**344.33**

Foreign currency risk:

The Group enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Group analyses currency risk as to which balances outstanding in currency other than the functional currency of that Group. The management has taken a position not to hedge this currency risk.

Foreign currency sensitivity:

As at 31t March 2019, net exposure of the Company and its subsidiaries to asset and liabilities is as follows:

Currency	Assets as at		Liabilities as at	
	As at 31st March 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
United States Dollar (USD)	3,741.02	-	(15,585.75)	(55,017.61)
United Arab Emirates Dirham (AED)	7,861.46	-	(10,761.22)	-
European Union (EURO)	-	-	(10.01)	-
Japanese Yen (JPY)	0.21	-	-	-
Great Britan pound (GBP)	-	-	(0.11)	(16,707.15)

5% increase and decrease in the foreign exchange rates wil have the following impact on profit before tax:

Currency	Sensitivity Analysis Assets		Sensitivity Analysis Liabilities	
	As at 31stMarch, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Increase by 5%				
United States Dollar (USD)	187.05	-	(779.29)	(2,750.88)
United Arab Emirates Dirham (AED)	393.07	-	(538.06)	-
European Union (EURO)	-	-	(0.50)	-
Japanese Yen (JPY)	0.01	-	-	-
Great Britan pound (GBP)	(0.01)	-	-	(835.36)
Decrease by 5%				
United States Dollar (USD)	(187.05)	-	779.29	2,750.88
United Arab Emirates Dirham (AED)	(393.07)	-	538.06	-
European Union (EURO)	-	-	0.50	-
Japanese Yen (JPY)	(0.01)	-	-	-
Great Britan pound (GBP)	0.01	-	-	835.36

Commodity price risk:

Commodity price in sugar industry is impacted by multiple factors such as international sugar price, government regulations, quantity of sugar production in the relevant period, etc. The Group has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products. The following table shows effect of changes in various commodities on the profit of the Company.

Commodity price sensitivity:	Sugar	Cane	Raw Sugar
Increase in price by 5%			
31st March 2019	1,735.57	(755.74)	(1,076.32)
31st March 2018	2,934.99	(622.61)	(1,607.09)
Decrease in price by 5%			
31st March 2019	(1,735.57)	755.74	1,076.32
31st March 2018	(2,934.99)	622.61	1,607.09

Credit risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and loans given to affiliates. The Group only deals with parties which has good credit worthiness based on company's internal assessment.

A counterparty whose payment is due more than 90 days after the due date is considered as a defaulted party. This is based on considering the market and economic forces in which the entities in the group are operating. The Group provide the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment beyond a period of 180 days from the due date.

Trade receivables:

"Trade receivables are non-interest bearing and are generally on credit terms of 7 to 180 days. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Liquidity risk:

The group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, financial support from parent etc. The group's policy is that not more than 25% of borrowings should mature in the next 12-month period. Post the recent debt restructuring process, the group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 1 year	1 to 5 years	>5 years	Total
As at 31st March 2019				
Borrowings	9,371.51	6,334.92	23,276.87	**38,983.30**
Trade and other payables	28,187.03	-	-	**28,187.03**
Other financial liabilities	14,556.91	24.82	-	**14,581.73**
Total	**52,115.45**	**6,359.74**	**23,276.87**	**81,752.06**
As at 31st March 2018				
Borrowings	49,453.74	16,319.65	12,737.80	**78,511.19**
Trade and other payables	39,021.76	-	-	**39,021.76**
Other financial liabilities	5,546.22	60.89	-	**5,607.11**
Total	**94,021.72**	**16,380.54**	**12,737.80**	**123,140.06**

Note 49: Capital management

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial and non financial covenants of any interest-bearing loans and borrowing in the current period.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition.

The calculation of capital for the purpose of capital management is as follows:

	As at 31st March 2019	As at 31st March 2018
Equity share capital	1,916.82	1916.82
Other equity (including securities premium)	(31,992.20)	(18,987.06)
	(30,075.38)	**(17,070.24)**

Debt equity ratio

The debt-to-equity (D/E) ratio is calculated by dividing a company's total liabilities by its shareholder equity. The ratio is used to evaluate a company's financial leverage.

	As at 31st March 2019	As at 31st March 2018
Equity	1,916.82	1,916.82
Other equity	(31,992.20)	(18,987.06)
Total equity	**(30,075.38)**	**(17,070.24)**
Total borrowings	29,015.73	78,511.19
Debt equity ratio	(0.96)	(4.60)

Note 50: Segment information

Primary Segment Reporting for the Year ended 31st March 2019

The Management Committee monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The group's financing (including finance costs and finance income) and income taxes are managed on a group level and are not allocated to operating segments.

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

Particulars	SUGAR		TRADING		CO-GENERATION		ETHANOL		ENGINEERING		OTHER		ELIMINATIONS		TOTAL	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
REVENUE																
External sales	34,744.70	45,020.80	3,147.73	13,073.06	1,414.28	1,929.46	5,286.25	2,453.88	123.57	127.82	78.81	58.35	-	-	44,795.34	62,663.37
Inter-segment sales	2,498.48	3,735.30	-	-	2,873.32	2,716.82	-	-	-	23.72	-	-	(5,371.80)	(6,475.84)	-	-
Total Revenue	**37,243.18**	**48,756.10**	**3,147.73**	**13,073.06**	**4,287.60**	**4,646.28**	**5,286.25**	**2,453.88**	**123.57**	**151.54**	**78.81**	**58.35**	**(5,371.80)**	**(6,475.84)**	**44,795.34**	**62,663.37**
Results	(197.52)	(3,149.55)	256.13	(8,270.46)	110.04	(1,060.31)	1,110.66	520.98	(8.72)	(80.02)	(21.31)	(16.14)	-	-	1,249.28	(12,055.50)
Unallocated corporate expenses															(956.93)	(665.96)
Operating profit															**292.35**	**(12,721.46)**
Finance costs															5,604.38	5,192.56
Foreign currency and derivative (gain)/loss (net)															(464.52)	742.09
Other income															2,095.07	285.37
Profit from ordinary activities															**(2,752.44)**	**(18,370.75)**
Exceptional items															(986.23)	4,993.73
Profit / (Loss) from continued operations															**(3,738.66)**	**(13,377.02)**
Profit / (Loss) from discontinued operations															**(16,637.70)**	**(13,798.66)**
Total Profit / (Loss) before tax															**(20,376.36)**	**(27,175.68)**
OTHER INFORMATION																
Segment assets	43,227.50	53,536.38	3,134.63	8,911.87	11,365.90	23,580.70	6,796.37	6,619.82	441.52	300.78	1,173.20	834.99	-	-	66,139.12	93,784.54
Unallocated corporate assets		-		-		-		-				-			6,207.34	6,234.83
Discontinued operations	-		-		-		-		-		-	-	-		23,942.33	-
Total Assets	**43,227.50**	**53,536.38**	**3,134.63**	**8,911.87**	**11,365.90**	**23,580.70**	**6,796.37**	**6,619.82**	**441.52**	**300.78**	**1,173.20**	**834.99**	**-**	**-**	**96,288.79**	**100,019.37**
Segment liabilities	34,744.67	43,435.53	838.92	9,549.44	343.27	3,923.19	847.32	167.55	193.83	103.96	9.89	6.67	-	-	36,977.90	57,186.35
Unallocated corporate liabilities		-		-		-		-				-			36,544.23	79,548.97
Discontinued operations															78,378.12	-
Total Liabilities	**34,744.67**	**43,435.53**	**838.92**	**9,549.44**	**343.27**	**3,923.19**	**847.32**	**167.55**	**193.83**	**103.96**	**9.89**	**6.67**	**-**	**-**	**151,900.25**	**136,735.32**
Capital expenditure	560.28	4,603.51	1.48	1.02	62.15	27.63	812.26	24.12	0.74	0.21	-	0.04	-	-	1,436.91	4,656.53
Unallocated corporate	-	-	-	-	-	-	-	-	-		-	-	-		45.56	15.75
Discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	717.83	-
Total Capital Expenditure	**560.28**	**4,603.51**	**1.48**	**1.02**	**62.15**	**27.63**	**812.26**	**24.12**	**0.74**	**0.21**	**-**	**0.04**	**-**	**-**	**2,200.30**	**4,672.28**
Depreciation	1,297.80	1,317.20	1.38	6.57	553.71	735.91	271.59	272.50	3.15	3.75	54.65	49.72	-	-	2,182.28	2,385.65
Unallocated corporate depreciation															24.85	15.27
Total Depreciation	**1,297.80**	**1,317.20**	**1.38**	**6.57**	**553.71**	**735.91**	**271.59**	**272.50**	**3.15**	**3.75**	**54.65**	**49.72**	**-**	**-**	**2,207.13**	**2,400.92**

Inter-segment revenues are eliminated upon consolidation and are reflected in the 'eliminations' column.

All other adjustments forming a part of unallocated corporate segment are provided with detailed reconciliations.

Reconciliations to amounts reflected in the financial statements:
Reconciliation of assets

	31st Mar 2019	31st Mar 2018
Segment operating assets	**66,139.12**	**93,784.54**
Deferred Tax asset (refer note 7)	3,149.14	3,561.60
Investment (refer note 4)	185.93	1,075.49
Cash and cash equivalents (refer note 11)	315.22	542.20
Other assets forming a part of unallocated segment	26,499.38	1,055.54
Total assets	**96,288.79**	**100,019.37**

Reconciliation of liabilities

	31st Mar 2019	31st Mar 2018
Segment operating liabilities	36,977.90	57,186.35
Non-current borrowings (refer note 17)	19,704.29	29,057.45
Current borrowings (refer note 23)	5,535.54	2,245.79
Current maturity of long-term borrowings (refer Note 25)	3,775.90	47,207.95
Government Grants (refer note 21)	377.63	147.56
Deferred Tax liabilities (refer note 7)	43.88	40.59
Liabilities pertaining to discontinued operations	78,378.12	-
Other liabilities forming part of unallocated segment	7,106.98	849.63
Total Liabilities	**151,900.25**	**136,735.32**

Revenue from customers

	31st Mar 2019	31st Mar 2018
India	15,400.37	8,546.97
Outside India	29,394.97	54,116.40
Total revenue	**44,795.34**	**62,663.37**

Total assets

	31st Mar 2019	31st Mar 2018
India	64,281.05	63,126.93
Outside India	32,008.74	36,892.44
Total assets	**96,289.79**	**100,019.37**

Total liabilities

	31st Mar 2019	31st Mar 2018
India	52,608.26	58,135.94
Outside India	99,291.99	78,599.38
Total liabilities	**151,900.25**	**136,735.32**

Note 51: Statement pursuant to first proviso to sub-section (3) of section 129 of the companies Act 2013, read with rule 5 of companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Sl No.	Name of the Subsidiary	As % of consolidated net assets	Net assets i.e. Total assets minus total liabilities	As % of consolidated profit/loss after tax	Profit/ (loss) for the year	As % of consolidated Other Comprehensive Income	Other Comprehensive Income	As % of consolidated Total Comprehensive Income	Total Comprehensive Income
I	**Parent**								
	Shree Renuka Sugars Limited	-10%	5,464.49	-19%	(3,818.94)	25%	368.05	-18%	(3,450.89)
II	**Indian Subidiaries**								
	Gokak Sugars Ltd.	0%	(40.48)	-2%	(384.64)	10%	142.08	-1%	(242.56)
	Shree Renuka Agriventures Ltd.	0%	(220.36)	0%	(0.13)	0%	-	0%	(0.13)
	Monica Trading Private Limited	0%	47.40	0%	(26.71)	0%	5.89	0%	(20.82)
	Shree Renuka Tunaport Pvt. Ltd.	0%	(7.82)	0%	(0.06)	0%	-	0%	(0.06)
	KBK Chem Engineering Pvt Ltd.	2%	(1,215.75)	0%	(0.35)	0%	0.94	0%	0.59
III	**Foreign Subidiaries**								
	Renuka Commodities DMCC, Dubai	9%	(4,944.77)	80%	16,254.57	0%	-	86%	16,254.57
	Shree Renuka Global Ventures Ltd., Mauritius	0%	(34.71)	0%	(2.52)	0%	-	0%	(2.52)
	Shree Renuka East Africa Agriventures PLC, Ethiopia	0%	3.67	0%	-	0%	-	0%	-

Sl No.	Name of the Subsidiary	As % of consolidated net assets	Net assets i.e. Total assets minus total liabilities	As % of consolidated profit/loss after tax	Profit/ (loss) for the year	As % of consolidated Other Comprehensive Income	Other Comprehensive Income	As % of consolidated Total Comprehensive Income	Total Comprehensive Income
	Lanka Sugar Refinery Company (Private) Limited	0%	(1.06)	0%	-	0%	-	0%	-
	Shree Renuka do Brasil Participações Ltda.	-4%	2,259.26	3%	525.69	0%	-	3%	525.69
	Shree Renuka São Paulo Participações Ltda.	-13%	7,312.03	0%	(2.13)	0%	-	0%	(2.13)
	Renuka do Brasil S/A	105%	(58,192.06)	-43%	(8,744.67)	0%	-	-46%	(8,744.67)
	Revati S.A- Acucar e Alcool	1%	(627.12)	-14%	(2,868.29)	0%	-	-15%	(2,868.29)
	Renuka Geradora de Energia Elétrica Ltda	2%	(1,349.50)	-2%	(347.72)	0%	-	-2%	(347.72)
	Renuka Cogeração Ltda	-4%	2,244.74	0%	(0.01)	0%	-	0%	(0.01)
	Revati Geradora de Energia Elétrica Ltda	-5%	2,880.90	-3%	(551.51)	0%	-	-3%	(551.51)
	Revati Agropecuaria Ltda.	39%	(21,460.20)	-20%	(4,053.18)	0%	-	-21%	(4,053.18)
	Renuka Vale do IVAI S/A	19%	(10,406.06)	-20%	(4,033.08)	0%	-	-21%	(4,033.08)
	Ivaicana Agropecuaria Ltda.	6%	(3,133.13)	-3%	(627.47)	0%	-	-3%	(627.47)
	Biovale Comercio de Leveduras Ltda.	-1%	390.09	0%	15.83	0%	-	0%	15.83
	Non controlling interest	46%	(25,536.08)	-29%	(5,890.37)	-1%	(9.85)	-31%	(5,900.21)
	Consolidation adjustments / eliminations*	-92%	50,955.06	-29%	(5,818.35)	66%	973.23	-26%	(4,845.12)
		100%	(55,611.46)	-100%	(20,374.02)	100%	1,480.34	-100%	(18,893.68)

* **Consolidation adjustments / eliminations include inter company eliminations, consolidation adjustments and GAAP differences.**

Note 52: Previous year's figures have been regrouped /rearranged wherever necessary to conform to the current year presentation.

To be read with our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No : 324982E/E300003

per Shyamsundar Pachisia
Partner
Membership No.49237

Date : 16th May 2019
Place: Mumbai

For and on behalf of the **Board of directors of Shree Renuka Sugars Limited**

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Vijendra Singh
Executive Director
DIN: 03537522

Sunil Ranka
Chief Financial Officer

Deepak Manerikar
Company Secretary
FCS No.:F-6801

Date : 16th May 2019
Place: Mumbai

AGM Notice

NOTICE is hereby given that the Twenty-Third Annual General Meeting of **Shree Renuka Sugars Limited** will be held on **Monday, 30th September 2019** at **12.30 p.m.** at KPTCL Samudhay Bhavan, Opp. JNMC, Smart City Road, Shivabasav Nagar, Belagavi – 590010 to transact the following business:

Ordinary Business

1. To consider and adopt the audited standalone and the consolidated financial statements of the Company for the financial year ended 31st March 2019 together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Vijendra Singh (DIN: 03537522), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

3. Appointment of Mr. Rajeev Kumar Sinha as a Nominee Director

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Rajeev Kumar Sinha (DIN: 01334549), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 6th August 2019 and who holds office upto the date of the ensuing Annual General Meeting and as recommended by the Nomination and Remuneration/ Compensation Committee and the Board of Directors and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Nominee Director of the Company, not liable to retire by rotation."

4. Ratification of remuneration of Cost Auditors

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration of ₹ 4,75,000 (Rupees Four lakh Seventy Five thousand only) (plus applicable tax and out of- pocket expenses, if any, for the purpose of Audit) to M/s B. M. Sharma & Co., Cost Accountants (Firm Registration No. 00219) appointed as Cost Auditors by the Board of Directors of the Company for conducting the cost audit for the financial year ending 31st March 2020, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Approval for material related party transactions

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 188, if and to the extent applicable, and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into related party transaction(s) including material related party transactions of purchase and/or sale of sugar and to renew these transactions, from time to time, at any time in future, as per details given below:

Sr. No.	Name of Related Party/Entity	Nature of Relationship	Nature and Particulars of Contract	Estimated amount per annum (₹ in crores)
1	Wilmar Sugar India Private Limited	Entity & Company are Subsidiaries of the same third party, Wilmar Group	Purchase/Sale of Sugar	1,300

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things; to finalise or vary the terms and conditions of the transactions with the aforesaid party; and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution."

By Order of the Board of Directors
For **Shree Renuka Sugars Limited**

Deepak Manerikar
Company Secretary

6th August 2019, Mumbai

Regd. Office:
2nd & 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road,
Nehru Nagur, Belagavi - 590010
CIN: L01542KA1995PLC019046

Notes:

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the special business are annexed hereto.
2. **A member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company.**
3. The instrument appointing proxy(ies) must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

   A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the meeting, a member would be entitled to inspect, at any time between 9 a.m. and 6 p.m. during the working days of the Company, the proxies lodged provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
5. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 25th September 2019 to Monday, 30th September 2019 (both days inclusive).
7. This Notice is being sent to all the members, whose names appear in the Register of Members/Statements of beneficial ownership maintained by the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on 23rd August 2019.
8. Electronic copy of the Annual Report for the year ended 31st March 2019 including the Notice of the 23rd Annual General Meeting of the Company amongst other things, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail ID(s) are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the above mentioned documents are being sent by the permitted mode.
9. Members/proxies are requested to hand over the duly filled-in and signed Attendance Slip at the entrance of the Hall while attending the meeting. Proxies should carry their identity proof at the meeting for the purpose of identification.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the provisions of Secretarial Standard-2 on General Meetings the relevant information in respect of the Directors seeking appointment/reappointment at the Annual General Meeting is provided in the Notice of Annual General Meeting.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants ("DPs") with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent of the Company viz. Karvy Fintech Private Limited ("Karvy").

13. All relevant documents referred to in the accompanying Notice are open for inspection by members at the Registered and Corporate Office of the Company on all working days except Saturday, Sunday and public holidays, between 9.00 a.m. and 6.00 p.m. upto the date of Annual General Meeting.

14. Members holding shares in physical mode are requested to advise about change of address to Karvy and members holding shares in electronic mode are requested to intimate their respective DPs about any change of address or Bank mandate and NOT to the Company or Karvy.

15. Members who have not registered their e-mail addresses so far are requested to register/update their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars etc. In respect of shares held in demat mode, e-mail addresses can be registered with the depository and members who hold shares in physical form are requested to register their e-mail addresses with Karvy.

16. In accordance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all its members as an alternate mode to exercise their right to vote.

17. The facility for voting through ballot paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.

18. The members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

19. Process and Manner of remote e-voting

Pursuant to Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of Companies Act, 2013 and Rules made thereunder, the Company is providing facility for voting by electronic means ("remote e-voting") to the shareholders of the Company to enable them to cast their votes electronically on the items mentioned in the Notice.

The Board of Director has appointed T F Khatri & Associates, Practising Company Secretary having membership No. F9093 and CP No. 10417, as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner. E-voting is optional. The e-voting rights of the shareholders / beneficiary owners shall be reckoned on the equity shares held by them as on 23rd September 2019 being the Cut-off date for the purpose. The shareholders of the Company holding shares either in dematerialised or in physical form, as on the Cut-off date, may cast their vote electronically. A person who is not a shareholder as on the Cut-off date, should treat this Notice for information purposes only.

1. The Company has entered into an arrangement with Karvy Fintech Private Limited ("Karvy") for facilitating remote e-voting for the ensuing Annual General Meeting. The instructions for remote e-voting are as under:

1.A **In case a member receives an e-mail from Karvy** [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]

(i) Launch internet browser by typing the URL https://evoting.karvy.com

(ii) Enter the login credentials (i.e. User ID and password). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.karvy.com or contact toll free number 1-800-3454-001 for your existing password.

(iii) After entering these details appropriately, Click on "LOGIN".

(iv) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(v) You need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the E-Voting Event Number for Shree Renuka Sugars Limited.

(vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

(viii) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(x) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

(xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: tfkhatriassociates@gmail.com They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

1.B **In case a member receives physical copy of the Notice by post** [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:

(i) E-voting Event Number, User ID and password is provided in the Attendance Slip

(ii) Please follow all steps from Sr.No.(i) to (xii) as mentioned in (A) above, to cast your vote by electronic means.

2. **The remote e-voting period commences on Friday, 27th September 2019 (9.00 a.m. IST) and ends on Sunday, 29th September 2019 (5.00 p.m. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 23rd September 2019, may cast their votes electronically. The remote e-voting module shall be disabled for voting thereafter. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

3. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

4. The facility for voting through polling paper shall be made available at the Annual General Meeting (the "meeting") and the members attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right to vote at the meeting.

5. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

6. The Board of Directors of the Company has appointed T. F. Khatri & Associates, as scrutinizer to scrutinize the remote e-voting process and voting at the meeting in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

7. The voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 23rd September 2019. The voting rights of Members shall be in proportion to their share of the paid up share capital of the Company as on the cut-off date.

8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 23rd September 2019 only shall be entitled to avail the facility of remote e-voting/ voting at the meeting.

9. Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 23rd September 2019, may obtain the USER ID and Password in the manner as mentioned below:

   a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> E-Voting Event number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:
MYEPWD <SPACE> IN12345612345678
Example for CDSL:
MYEPWD <SPACE> 1402345612345678
Example for Physical:
MYEPWD <SPACE> XXX1234567890

   b. If e-mail address or mobile number of the member is registered against Folio No./ DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

   c. Member may call Karvy's toll free number 1-800-3454-001

   d. Member may send an e-mail request to einward.ris@karvy.com

   If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

10. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com

11. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will make a consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.renukasugars.com and on the website of the Karvy https://evoting.karvy.com. The results shall simultaneously be communicated to the Stock Exchanges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3:

Mr. Rajeev Kumar Sinha is an M.Sc from St. Petersburg University, Russia and has over 20 years of experience with IDBI Bank Limited. He has held several positions at the Bank, namely CEO of Dubai Branch at Dubai International Financial Center, International Banking Division, Sr. Regional Head/General Manager - Corporate Banking, NPA management resolution of stressed assets at Mumbai, Location Head – Corporate Banking, Trade Finance, Infrastructure Corporate Finance at Ahmedabad, Assistant General Manager – Corporate Finance, Project Finance, Corporate Debt Restructuring at Mumbai. He was part of the team implementing the first Corporate Debt Restructuring in the banking sector in India.

Mr. Sinha has also worked with Ministry of Defense, Government of India, through UPSC, and in the Tata & Ispat Group, where he was engaged in planning and execution of greenfield steel projects.

Mr. Sinha (DIN No: 01334549) was appointed as Additional Director (Nominee) of the Company with effect from 6th August 2019 by the Board of Directors under Section 161 of the Act and as per the Company's Articles of Association. Mr. Sinha is a nominee of IDBI Bank Limited, banker of the Company. In terms of Section 161(1) of the Act, Mr. Sinha will holds office only upto the date of the forthcoming AGM but is eligible for re-appointment as a Director.

In terms of provisions contained under Section 160 of the Companies Act, 2013 and the rules made thereunder, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying his candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be.

Pursuant to candidature received from the shareholder, the said resolution is being placed before the members for their approval.

Except Mr. Sinha being appointee none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, in the proposed resolution.

The Board recommends the passing of the resolution as set out at item No. 3 for approval of the Members as an Ordinary Resolution.

Item No. 4:

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and payment of remuneration of ₹ 4,75,000 (Rupees Four lakh Seventy Five thousand only) (plus applicable tax and out-of-pocket expenses, if any,) to M/s B. M. Sharma & Co., Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March 2020.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, in the proposed resolution.

The Board recommends the passing of the resolution as set out at item No. 4 for approval of the Members as an Ordinary Resolution.

Item No. 5:

Section 188 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 states that no company shall enter into transactions with a related party except with the consent of the Board and members of the Company, where such transactions are either not (a) in Ordinary Course of Business or (b) on arm's length basis.

The transactions with the related parties as per resolution No. 5 are at arm's length and in the ordinary course of business of the Company. However, pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 ("Listing Regulations"), all related party transactions shall require prior approval of the Audit Committee and all material transactions with related parties require approval of the members of the Company through ordinary resolution. Material Related Party Transaction means any transaction entered either individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company, as per the last audited financial statements of the company.

The Company proposes to enter into transaction with related party as provided in Resolution at item No. 5, from time to time, at the agreed terms of the transactions between the parties. The Audit Committee has approved the said related party transactions, and has noted that these transactions are in the ordinary course of business and are at arm's length. Further, the management also believes that transactions under these contracts are on an arm's length basis. Further, the said transactions may qualify as material Related Party transactions under the Listing Regulations read with the Policy of the Company on Materiality of Related Party Transactions. Accordingly, the members' approval is sought for the same.

Information relating to transactions viz. names of the related party and relationships, monetary value of the transactions is mentioned in the resolution. The terms are determined from contract to contract, as agreed between the parties; and the transactions are in the ordinary course of the business of the Company and are at arm's length basis.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution except Mr. Jean-Luc Bohbot who is a Director in Wilmar Sugar India Private Limited and Wilmar Sugar Holdings Pte. Ltd., and Managing Director in Wilmar Sugar Pte. Ltd., and Mr. Stephen Ho Kiam Kong, who is Director in Wilmar Sugar Pte. Ltd. & Wilmar Sugar Holding Pte. Ltd. and Mr. Atul Chaturvedi by virtue of his position as Director in Adani Wilmar Limited.

The Directors recommend the Resolution as stated at item No. 5 of the Notice for approval of the members by way of an Ordinary Resolution.

By Order of the Board of Directors
For **Shree Renuka Sugars Limited**

Deepak Manerikar
Company Secretary

6th August 2019, Mumbai

Regd. Office:
2nd & 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road,
Nehru Nagur, Belagavi - 590010
CIN: L01542KA1995PLC019046

Details of Directors seeking appointment/re-appointment/change of remuneration pursuant to the provisions of i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:

Name of the Director	**Mr. Vijendra Singh**	**Mr. Rajeev Kumar Sinha**
Date of Birth	1st February 1960	19th March 1963
Date of Appointment	10th May 2011	8th August 2019
Qualification	▸ B.Sc from Meerut University in 1979. ▸ Post-Graduation in Sugar Technology from National Sugar Institute in 1981 ▸ MBA (Finance)	▸ Graduated from St. Petersburg University, Russia (erstwhile Leningrad Institute, USSR) with degree of M.Sc (Electrical Engineering)
Expertise in specific functional area / Brief Profile	Mr. Singh has rich experience in agro processing industry for over 30 years. He began his career from Sugar Company - DCM Shriram Industries Ltd, as a Management Trainee and then gradually reached to the position of Senior General Manager and thereafter has held various senior positions in the top sugar companies of the country. During his stint with these companies, he has efficiently handled activities like production, commercial, expansion, modernization, construction of Co-generation plant and other related activities. Under his leadership, the overall efficiencies of the plants improved, productivities increased and operation streamlined. He is associated with our Company since September 2010 designated as President (Sugar Mills)	Mr. Rajeev Kumar Sinha was appointed through UPSC in Ministry of Defense where he served for a period of approx. one & half years. Mr. Sinha served for a period of approx. 8 years in the Steel Plants of Tata and Ispat Group (Mittals) engaged in planning & execution of Greenfield steel projects. He joined IDBI Bank in 1998 in Mumbai and worked in Corporate Finance looking after various sectors mainly Steel and Power, upto 2006. He was part of the team implementing the first Corporate Debt Restructuring in the banking sector in India. In September 2006, he was appointed as Branch Head, Corporate Banking at Ahmedabad. Thereafter in January 2008 he took charge as Location Head of Infrastructure Corporate Group for the entire Gujarat Region, looking after financing need in various infrastructure like road, port, power, telecommunication etc. During November 2009, he was transferred to International Banking Division of IDBI in Mumbai and subsequently he was posted at Dubai to set-up and start the first overseas Branch of the Bank. He served as CEO of Dubai Branch at Dubai International Financial Center till November 2014. On return to India in January 2015, he was posted to Corporate Banking Group at Head Office, Mumbai.

Directorship in all other public Companies except foreign companies and companies under Section 8 of the Companies Act, 2013	‣ Gokak Sugars Limited ‣ KBK Chem-Engineering Pvt. Ltd. ‣ Shree Renuka Agri Ventures Limited	‣ 3I Infotech Limited
Membership/ Chairman of the Committees of the Board of other public limited companies (Membership/ Chairmanships of only Audit Committees and stakeholders Relationship Committees in other public limited Companies have been considered.)	-	-
Number of shares held in the Company	-	-
Terms and Condition of appointment	To be re-appointed as Director of the Company; liable to retire by rotation.	Please refer the proposed Ordinary Resolution No. 3 and its Explanatory Statement.
Number of meetings of the Board attended during the financial year 2018-19	5	-
Remuneration last drawn	Basic salary of ₹ 1,43,34,672 per annum and perquisites, reimbursements and allowances as per the terms of appointment and rules of the Company	NA
Remuneration proposed to be paid	Same as above	NA
Relationship with Directors inter-se	-	-

NOTES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