



**RUCHI SOYA INDUSTRIES LIMITED**

**33<sup>RD</sup> ANNUAL REPORT 2018-19**



**RUCHI SOYA INDUSTRIES LIMITED**  
(CIN – L15140MH1986PLC038536)

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

(suspended during CIRP)

### MANAGING DIRECTOR

**Dinesh Shahra** (Director with effect from January 07, 2019)

### DIRECTOR

**Vijay Kumar Jain**  
Executive Director

**Navin Khandelwal**  
(upto October 22, 2018)

**Meera Dinesh Rajda**  
(upto November 19, 2018)

### RESOLUTION PROFESSIONAL/ MONITORING AGENT

**Shailendra Ajmera**  
(IP Registration No. IBBI/IPA-001/  
IP-P00304/2017-18/10568)

### CHIEF FINANCIAL OFFICER

**Anil Singhal**

### COMPANY SECRETARY

**R. L. Gupta**

### AUDITORS

**Chaturvedi & Shah LLP**

### COST AUDITORS

**K. G. Goyal & Co.**

### REGISTERED OFFICE

Ruchi House  
Royal Palms, Survey No. 169,  
Aarey Milk Colony, Near Mayur Nagar,  
Goregaon (East)  
Mumbai - 400 065 Maharashtra  
Phone: (+91-22) 61090100 / 200  
Email: [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com)  
Website: [www.ruchisoya.com](http://www.ruchisoya.com)

### SHARE TRANSFER AGENT

Sarthak Global Limited  
170/10, Film Colony,  
R.N.T. Marg, Indore - 452 001  
Madhya Pradesh  
Phone: (+91-731) 4279626/2523545  
Email: [investors@sarthakglobal.com](mailto:investors@sarthakglobal.com)

### ADMINISTRATIVE & HEAD OFFICE

301, Mahakosh House, 7/5, South Tukoganj,  
Nath Mandir Road, Indore - 452 001  
Madhya Pradesh  
Phone: (+91-731) 2513281 / 282 / 283  
Email: [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com)  
Website: [www.ruchisoya.com](http://www.ruchisoya.com)

### BANKERS

State Bank of India  
Central Bank of India  
Punjab National Bank  
Standard Chartered Bank – India  
Corporation Bank  
ICICI Bank Limited  
IDBI Bank Limited  
Bank of India  
UCO Bank  
Australia & New Zealand Banking Group Limited  
Union Bank of India  
Syndicate Bank  
Bank of Maharashtra  
Axis Bank Limited  
DBS Bank – Singapore  
Bank of Baroda  
IDFC Bank Limited (assigned to Edelweiss ARC)  
Dena Bank  
The Karur Vysya Bank Limited  
HDFC Bank Limited  
Oriental Bank of Commerce  
Rabo Bank  
DBS Bank – India  
Standard Chartered Bank - UK

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## RUCHI SOYA INDUSTRIES LIMITED

(CIN – L15140MH1986PLC038536)

Regd. Office : “Ruchi House”, Royal Palms, Survey No. 169, Aarey Milk Colony,  
Near Mayur Nagar, Goregaon (East), Mumbai – 400 065.

# NOTICE

The Corporate Insolvency Resolution Process (CIRP) was initiated in respect of Ruchi Soya Industries Limited with effect from December 15, 2017 under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT). As per section 17 of the IBC, the powers of the Board of Directors of the Company were suspended. Mr. Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568) was appointed as Interim Resolution Professional to manage the affairs of the Company in accordance with the provisions of the IBC. In the first meeting of the Committee of Creditors held on January 12, 2018, Mr. Shailendra Ajmera had been confirmed as Resolution Professional (hereinafter called “the Resolution Professional” or “the RP”) for the Company. By an order dated June 08, 2018, NCLT had extended the CIRP period by 90 more days with effect from June 12, 2018. Further, the resolution plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas (collectively referred to as the “Resolution Applicant”) (PAL Resolution Plan) and approved by committee of creditors was submitted by the RP before Hon'ble NCLT for its approval. The PAL Resolution Plan was approved by the NCLT vide its orders dated July 24, 2019 (conditionally) and finally on September 04, 2019 (uploaded on NCLT website on September 06, 2019) (Resolution Plan Approval Order). The PAL Resolution Plan, as approved by the NCLT, is binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved therein, as per the provisions of the Code. The Resolution Plan Approval Order, in accordance with the terms of the PAL Resolution Plan, also provided for the constitution of a Monitoring Committee and appointment of Mr. Shailendra Ajmera as Monitoring Agent until the Closing Date (defined in the PAL Resolution Plan as a period not more than 75 days from the date of the Resolution Plan Approval Order) to supervise implementation of the PAL Resolution Plan. After the Closing Date, the Resolution Applicant proposes to reconstitute the Board of Directors of the Company. Hence, this meeting is being convened by the Monitoring Agent as authorized by the Monitoring Committee, only to the limited extent of discharging the powers of the Board of Directors of the Company which has been conferred upon Monitoring Committee in terms of the Resolution Plan Approval Order passed by NCLT.

Notice is hereby given that the Thirty Third Annual General Meeting of the members of Ruchi Soya Industries Limited will be held on Friday, the December 13, 2019 at 11.00 A.M. at Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4<sup>th</sup> Floor, 18/20, K Dubhash Marg, Kala Ghoda, Mumbai – 400 001, Maharashtra, to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2019, the reports of Board of Directors and Auditors thereon; and the audited consolidated financial statements of the Company for the

financial year ended March 31, 2019 and the reports of Auditors thereon and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the standalone and consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2019, the reports of Board of Directors and the Auditors thereon, be and are hereby received, considered and adopted.”

### SPECIAL BUSINESS

2. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2020 and in this regard, to consider and if thought fit, to pass with or without modification(s), 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, and the Companies (Audit and Auditors) Rules, 2014 {including any statutory modification(s) or re-enactment thereof, for the time being in force}, the remuneration payable to M/s. K. G. Goyal & Co., Cost Accountants (Firm Registration No. 000017), appointed by the Resolution Professional as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, amounting to ₹ 4,40,000/- (Rupees Four Lacs Forty Thousand Only) plus GST subject to payment of applicable taxes thereon and re-imbursment of out of pocket expenses, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** Mr. R.L. Gupta, Company Secretary and Mr. Anil Singhal, Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limiting to, filing of necessary forms, returns and submissions under the Companies Act, 2013.”

3. To consider and approve the retirement by rotation of Mr. Dinesh Chandra Shahra, Director and not to fill up the vacancy so caused and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 152 and all other applicable provisions, if any, of the Companies Act, 2013, Mr. Dinesh Chandra Shahra (DIN: 00533055), Director, liable to retire by rotation at this annual general meeting, be retire at this meeting and the vacancy caused due to his retirement be not filled up.

**RESOLVED FURTHER THAT** Mr. Vijay Kumar Jain (DIN: 00098298), Executive Director and Mr. R. L. Gupta, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may

be considered necessary in this regard for and on behalf of the Company, including but not limiting to, filing of necessary forms, returns and submissions under the Companies Act, 2013”.

4. To approve the re-appointment of Mr. Vijay Kumar Jain as Executive Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder read with Schedule V of the Companies Act, 2013 {including any statutory modification(s) or re-enactment thereof for the time being in force}, the approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Vijay Kumar Jain (DIN:00098298) as Executive Director of the Company for a further period of three years with effect from April 1, 2019 to March 31, 2022 on the terms and conditions as set out in the explanatory statement annexed to the notice.

**RESOLVED FURTHER THAT** the Monitoring Agent and/or the Board of Directors of the Company be and are hereby authorised to vary or increase the remuneration specified from time to time to the extent the Monitoring Agent and/or Board

of Directors of the Company, may deem appropriate, provided that such variation or increase, as the case may be, shall not exceed ₹ 80.00 lacs per annum subject to the provisions of the Companies Act, 2013 and the Rules made thereunder.

**RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or inadequate profits, Mr. Vijay Kumar Jain, Executive Director shall be paid such remuneration (as set out in the explanatory statement) or such revised/increased remuneration, as approved by the Monitoring Agent and/or Board of Directors from time to time, as the case may be, as minimum remuneration subject to approval of the Central Government, if required in terms of Section 197 and schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Mr. Shailendra Ajmera, Monitoring Agent, Mr. R.L. Gupta, Company Secretary, Mr. Anil Singhal, Chief Financial Officer and Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters, things and execute all such documents, instruments and writings as may be necessary, desirable or expedient for the aforesaid purpose, including filing of relevant forms with the Office of the Registrar of Companies, Maharashtra, Mumbai in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder.”

By Order of Monitoring Agent as authorized by Monitoring Committee For **Ruchi Soya Industries Limited**

**(R L Gupta)**  
Company Secretary

**Registered Office:**

**Ruchi Soya Industries Limited**

Ruchi House, Royal Palms,  
Survey No. 169, Aarey Milk Colony,  
Near Mayur Nagar, Goregaon (East),  
Mumbai – 400 065, Maharashtra

Place: Mumbai

Date : November 09, 2019

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO 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. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. An Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, setting out the material facts in respect of the special businesses to be transacted at the meeting is annexed hereto. The necessary disclosure as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings “SS-2” issued by the Institute of Company Secretaries of India, is provided in the Notice of AGM.
3. Corporate members/Societies intending to send their authorized representative to attend the Annual General Meeting (AGM) are

requested to send a duly certified copy of Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

4. During the period beginning twenty-four hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, a member entitled to vote at the meeting is entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than three days of notice of such intention to inspect is given in writing to the Company.
5. Members, proxies and authorized representatives attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
6. Members, proxies and authorized representatives are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
7. All relevant documents referred to in accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M. on all working days except Saturday up to the date of Annual General Meeting.
8. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Members seeking any information with regard to the accounts are requested to write to the Company at least ten days before the date of Annual General Meeting so as to enable the management to keep the information ready at the meeting.

10. Members who wish to claim their dividends that remained unclaimed, are requested to correspond with the Company or to the Registrar and Share Transfer Agent. The amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred the unpaid and unclaimed dividend amount pertaining to dividend for the financial year 2010-11 to the IEPF within the stipulated time period during the year.
11. The members are requested to note that shares on which dividend remains unpaid/unclaimed for seven consecutive years, will also be transferred to the IEPF in terms of the provisions of Section 124 of the Companies Act, 2013 and the applicable rules made thereunder.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. SEBI has further strengthened the guidelines to raise industry standards for Companies and their RTAs vide its circular dated April 20, 2018 and has advised Company to take special efforts to collect copy of PAN and bank account details of members holding shares in physical form. Accordingly, letters have been sent to such shareholders through Registered Post in July, 2018, August, 2018 and November, 2018. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Registrar and Share Transfer Agent of the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque.
13. The Annual Report for the year 2018-19, the Notice of AGM along with the attendance slip/proxy form, are being sent by electronic mode to those members whose e-mail addresses are registered with the Company/depositories, unless any member has requested for a physical copy of the same. For members, who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The members may note that the Notice of the 33<sup>rd</sup> AGM and the Annual Report 2018-19 will also be available on the Company's website viz. [www.ruchisoja.com](http://www.ruchisoja.com).
14. Members holding shares in physical form are requested to intimate changes pertaining to their bank account details, mandates, nominations, change of address, e-mail address etc., if any, to the Company or Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participants.
15. To support the "Green Initiative", the members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. The facility for making/varying/cancelling nominations is available for individual shareholders of the Company. Nominations can be made in Form SH-13 and any variation/cancellation thereof can be made by giving notice in Form SH-14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The forms can be obtained from the Company/Registrar and Share Transfer Agent or from the Website of the Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).
17. The route map of the venue of the meeting is given at page no. 196 of the Annual Report. The prominent landmark for easy location of the venue of the Meeting is Kala Ghoda, Fort, Mumbai.
18. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to its members to exercise their right to vote electronically at the 33<sup>rd</sup> Annual General Meeting through the electronic voting (remote e-voting) service facilitated by the Central Depository Services (India) Limited (CDSL). The facility for voting through ballot paper will also be made available at the meeting and the members, who have not already cast their votes by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper. The members who have cast their votes by remote e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their votes again.

A. The instructions for e-voting are as under:

- (i) The voting period begins on Tuesday, the December 10, 2019 at 10.00 AM and ends on Thursday, the December 12, 2019 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. December 03, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Ruchi Soya Industries Ltd.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- B. The Monitoring Agent of the Company has appointed Mr. Prashant D. Diwan, Practicing Company Secretary as the Scrutinizer to scrutinize the remote e-voting/ ballot process in a fair and transparent manner.
- C. The Scrutinizer shall not later than 48 hours of conclusion of 33<sup>rd</sup> Annual General Meeting, submit a consolidated scrutinizer’s report to the Monitoring Agent of the Company, who shall declare the results forthwith.

## EXPLANATORY STATEMENT

[Pursuant to provisions of section 102(1) of the Companies Act, 2013]

### Item No. 2

The Resolution Professional of the Company has approved the appointment of M/s. K.G. Goyal & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2020 at a remuneration of ₹ 4,40,000/- (Rupees Four Lacs Forty Thousand Only) plus GST subject to payment of applicable taxes thereon and re-imbursment of out of pocket expenses.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought to ratify the remuneration payable to the Cost Auditors.

The Monitoring Agent as authorized by Monitoring Committee recommends the Ordinary Resolution as set out at Item No. 2 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel and their relatives, is concerned or interested, financially or otherwise, in the resolution as set out at Item No. 2 of the Notice.

### Item No. 3

Pursuant to the provisions of section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Dinesh Chandra Shahra, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting of the Company.

It may be noted that the Company was under Corporate Insolvency Resolution Process (CIRP) with effect from December 15, 2017 under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) by an Order passed by Hon’ble National Company Law Tribunal, Mumbai Bench (NCLT). As per section 17 of the IBC, the powers of the Board of Directors of the Company were suspended. Mr. Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568) was appointed as Interim Resolution Professional to manage the affairs of the Company in accordance with the provisions of the IBC. In the first meeting of the Committee of Creditors held on January 12, 2018, Mr. Shailendra Ajmera had been confirmed as Resolution Professional (hereinafter called “the Resolution Professional” or “the RP”) for the Company. By an order dated June 08, 2018, NCLT had extended the CIRP time period by 90 more days with effect from June 12, 2018. Further, the resolution plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog

Nyas (collectively referred to as the “Resolution Applicant”) (PAL Resolution Plan) and approved by committee of creditors was placed by the RP before Hon’ble NCLT and the same was approved by NCLT vide order dated July 24, 2019 and September 04, 2019 (uploaded on NCLT website on September 06, 2019). The PAL Resolution Plan, as approved by the NCLT, is binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved, as per the provisions of the Code. The Order also provided for constitution of Monitoring Committee and appointment of Mr. Shailendra Ajmera as Monitoring Agent until closing date to supervise implementation of the PAL Resolution plan. After the closing date, the Resolution Applicant proposes to reconstitute the Board of Directors of the Company.

The members may note that post retirement of Mr. Dinesh Chandra Shahra, the Board of Directors will comprise of only one director i.e. Mr. Vijay Kumar Jain until reconstitution of the Board and induction of new directors. The Monitoring Committee recommends that the vacancy caused due to retirement by rotation of Mr. Dinesh Chandra Shahra is not required to be filled up and hence, it is not proposed to fill the vacancy arising from the retirement of Mr. Dinesh Chandra Shahra. Accordingly, the Monitoring Agent, as authorized by Monitoring Committee, recommends the Ordinary Resolution set out at Item No.3 of the Notice for approval of the members.

Mr. Dinesh Chandra Shahra (DIN: 00533055), Director of the Company, retiring by rotation at this Annual General Meeting, with his relatives, is interested in the resolution. None of the other directors / key managerial personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution as set out at Item No.3 of the Notice.

#### Item No. 4

Mr. Vijay Kumar Jain was re-appointed by the members of the Company at its 30th Annual General Meeting held on September 14, 2016, as Executive Director of the Company from April 1, 2016 for a period of three years. The term of office of Mr. Vijay Kumar Jain as Executive Director expired on March 31, 2019. He is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 and has given his consent to be re-appointed as an Executive Director.

The Resolution Professional (since the powers of the Board of Directors have been suspended), at its meeting held on May 29, 2019, has re-appointed Mr. Vijay Kumar Jain as Executive Director of the Company for a further period of three years with effect from April 1, 2019, subject to approval of members on the following terms and conditions of his remuneration:

1. Basic Salary : ₹ 1,44,925/- per month.
2. House Rent Allowance : ₹ 72,463/- per month.
3. Other Allowance : ₹ 1,23,557/- per month.
4. Ex-gratia : ₹ 16,913/- per month.
5. Re-imbursment of medical expenses subject to maximum of ₹ 1,250/- per month.
6. Re-imbursment of Vehicle running and maintenance expenses subject to a maximum of ₹ 20,500/- per month.
7. Leave travel allowance, leave encashment, contribution to provident

#### Registered Office:

##### **Ruchi Soya Industries Limited**

Ruchi House, Royal Palms,  
Survey No. 169, Aarey Milk Colony,  
Near Mayur Nagar, Goregaon (East),  
Mumbai – 400 065, Maharashtra

Place: Mumbai

Date : November 09, 2019

fund and family pension fund, bonus, performance bonus and gratuity as per policy of the Company.

The Resolution Professional also approved to revise the aforesaid remuneration payable to him from time to time, as may be approved by the Monitoring Agent and/or the Board of Directors, during his tenure, subject to a maximum ceiling of ₹ 80.00 lacs (Rupees Eighty lacs only) per annum including Salary, allowances, variable salary/performance bonus, perquisites, reimbursement of expenses, Leave travel allowance, contribution to provident fund and family pension fund, leave encashment, bonus and gratuity as per policy of the Company.

Mr. Vijay Kumar Jain is 62 years old and is Bachelor of Science & holding Diploma in Business Management. He has more than 36 years experience in the field of import, export & commercial activities and is associated with the Company since more than two decades. He was appointed on the Board of the Company on September 30, 2009.

He is not related to any director or key managerial personnel of the Company and holds 141 equity shares (0%) of the Company in his individual capacity. He has drawn a total remuneration of ₹ 58.04 lacs during the year 2018-19. He is not on the Board and Committees of any other listed entity. The details of his other directorships are as under:

1. Ruchi Worldwide Limited
2. Uttaranchal Bio Fuels Ltd.
3. Evershine Oleochem Ltd.
4. Mrig Trading Pvt. Ltd.
5. RSIL Holding Pvt. Ltd.
6. Union Infrastructure Solutions Pvt. Ltd.
7. Ruchi Agri Plantation (Cambodia) Pte. Ltd.
8. Palmolien Industries Pte. Ltd.
9. Ruchi Agri PLC.
10. Ruchi Agri SARLU.

As mentioned earlier, the Company was under corporate insolvency resolution process as per orders of Hon’ble NCLT. As per the Order, the powers of the Board of Directors have been suspended and the same vest in Mr. Shailendra Ajmera, Resolution Professional (now Monitoring Agent).

The information as required under Schedule V of the Companies Act, 2013, is attached herewith.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 and regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Monitoring Agent (since the powers of Board of Directors are suspended) recommends the special resolution as set out at Item No. 4 of the Notice for approval of the members.

Save and except Mr. Vijay Kumar Jain and his relatives, to the extent of their shareholding interest, if any, none of the other directors/key managerial personnel of the Company and their relatives is in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 4 of the Notice.

By Order of Monitoring Agent as authorized by Monitoring Committee  
For **Ruchi Soya Industries Limited**

**(R L Gupta)**

Company Secretary



**ATTACHMENT TO THE EXPLANATORY STATEMENT FOR ITEM NO. 4**

The following information pertaining to Mr. Vijay Kumar Jain is furnished pursuant to the provisions of Schedule V to the Companies Act, 2013:

**I. GENERAL INFORMATION:**

**(i) Nature of Industry**

The Company is a manufacturer of edible oils, soya food, premium table spread, Vanaspati and bakery fats.

**(ii) Date of commencement of commercial production**

December, 1986.

**(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**

Not Applicable.

**(iv) Financial performance based on given indicators**

Figures of revenue, sales and profit recorded during last five financial years are as follows:

(₹ in Crores)

Financial Year	Revenue	Export Sales	Profit after tax
2018-19	12,829	464	77
2017-18	12,029	698	(5,573)
2016-17	18,620	1,063	(1,257)
2015-16	27,805	1,754	(1,062)
2014-15	28,412	3,360	61

**(v) Foreign investments or collaborations, if any**

The Company has not entered into any foreign collaboration. As per the shareholding pattern as on March 31, 2019, 5 Overseas Corporate Bodies hold 1,24,95,110 equity shares representing 3.74% and 12 Foreign Corporate Bodies hold 1,40,09,255 representing 4.19% of the paid up equity share capital of the Company.

**II. INFORMATION ABOUT THE APPOINTEE:**

(a)	Background Details	Mr. Vijay Kumar Jain is 62 years old and is Bachelor of Science & Diploma in Business Management. He was appointed on the Board of the Company on September 30, 2009. He has more than 36 years experience in the field of import, export & commercial activities and is associated with the Company since more than two decades.
(b)	Past Remuneration	₹ 58.04 Lacs for the Financial year 2018-19.
(c)	Recognition or Awards	None
(d)	Job profile and his suitability	He is responsible for the import, export & commercial matters of the Company in the ordinary course of business. Considering the above and having regard to his age, qualifications, ability, experience and looking to the business requirement, the proposed re-appointment is in the interest of the Company.

(e)	Remuneration proposed	The remuneration details are provided in the respective explanatory statement to the special business.
(f)	Comparative Remuneration profile with respect to industry, size of the Company profile of the position and person	The remuneration proposed to be paid to Mr. Vijay Kumar Jain is reasonable and as per industry standard.
(g)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Vijay Kumar Jain has no pecuniary relationship directly or indirectly with the Company or its managerial personnel other than his remuneration in the capacity of Executive Director. He holds 141 (0%) equity shares of the Company.

**III. OTHER INFORMATION:**

**(a) Reasons for loss or inadequate profits**

- Lower capacity utilization of solvent extraction plants primarily due to lower production of soya crop, poor arrival of soyabean in domestic market and disparity in export of final product:
- Lowest commodity prices; and
- Thin margin on refining of imported crude edible oil.

**(b) Steps taken or proposed to be taken for improvement and expected increase in productivity and profit in measurable terms**

The Corporate Insolvency Resolution Process (CIRP) was initiated in respect of the Company with effect from December 15, 2017 under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT). As per section 17 of the IBC, the powers of the Board of Directors of the Company were suspended. Mr. Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568) was appointed as Interim Resolution Professional to manage the affairs of the Company in accordance with the provisions of the IBC. In the first meeting of the Committee of Creditors held on January 12, 2018, Mr. Shailendra Ajmera had been confirmed as Resolution Professional (hereinafter called "the Resolution Professional" or "the RP") for the Company. By an order dated June 08, 2018, NCLT had extended the CIRP time period by 90 more days with effect from June 12, 2018. Further, the resolution plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas (collectively referred to as the "Resolution Applicant") (PAL Resolution Plan) and approved by committee of creditors was placed by the RP before Hon'ble NCLT and the same was approved by NCLT vide order dated July 24, 2019 and September 04, 2019 (posted on NCLT website on September 06, 2019). The PAL Resolution Plan, as approved by the NCLT, is binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved, as per the provisions of the Code. The Order also provided for constitution of Monitoring Committee and appointment of Mr. Shailendra Ajmera as Monitoring Agent until closing date to supervise implementation of the PAL Resolution plan. After the closing date, the Resolution Applicant proposes to reconstitute the Board of Directors of the Company. Hence, the incoming Board will decide the steps to be taken for improvement in productivity and profits.

**IV DISCLOSURES:**

Other disclosures such as remuneration package of all directors, service contracts etc. have been disclosed in the Corporate Governance Report which is a part of this annual report.

# Directors' Report

Dear Members,

Presentation on Thirty Third Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2019 is hereby submitted as under :

## APPROVAL OF RESOLUTION PLAN

The Corporate Insolvency Resolution Process (CIRP) was initiated in respect of Ruchi Soya Industries Limited with effect from December 15, 2017 under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) by an Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT). As per section 17 of the IBC, the powers of the Board of Directors of the Company were suspended. Mr. Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568) was appointed as Interim Resolution Professional to manage the affairs of the Company in accordance with the provisions of the IBC. In the first meeting of the Committee of Creditors (CoC) held on January 12, 2018, Mr. Shailendra Ajmera was confirmed as Resolution Professional (the Resolution Professional/the RP) for the Company. By an order dated June 08, 2018, the NCLT extended the CIRP period by 90 more days with effect from June 12, 2018. Further, the resolution plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas (collectively, the Resolution Applicant) (PAL Resolution Plan) and approved by CoC was submitted by the RP before the NCLT for approval. The PAL Resolution Plan was approved by NCLT vide orders dated July 24, 2019 (conditionally) and finally on September 04, 2019 (posted on NCLT website on September 06, 2019) (Resolution Plan Approval Order). The PAL Resolution Plan so approved, is binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved in it, as per the provisions of the Code. The Resolution Plan Approval Order in accordance with the terms of the PAL Resolution Plan also provided for the constitution of a Monitoring Committee and appointment of Mr. Shailendra Ajmera as the Monitoring Agent until the Closing Date (defined as a period not more than 75 days from the date of the Resolution Plan Approval Order) to supervise the implementation of the PAL Resolution Plan. After the Closing Date, the Resolution Applicant proposes to, *inter alia*, reconstitute the Board of Directors of the Company. Hence, this meeting is being convened by the Monitoring Agent as authorized by Monitoring Committee only to the limited extent of discharging the powers of the Board of Directors of the Company which has been conferred upon Monitoring Committee in terms of the Resolution Plan Approval Order passed by the NCLT.

## FINANCIAL HIGHLIGHTS

(₹ in crores)

	2018-19	2017-18
Total Income	12,829.26	12,029.28
Profit/(Loss) before Depreciation, amortization and impairment expenses, provision for doubtful debts, advances, bad debts, financial guarantee obligations, others and tax	228.36	(719.70)
Less : Provision for doubtful debts, advances, bad debts, financial guarantee obligations and others	13.40	5,150.18
Profit/(Loss) before Depreciation, amortization, impairment expenses and tax	214.96	(5,869.88)
Less : Depreciation, amortization and impairment expenses	138.24	140.36
Profit/(Loss) before tax	76.72	(6,010.24)
Add : Tax Expenses	0	436.96
Profit/(Loss) after tax for the year	76.72	(5,573.28)
Less : Items that will not be reclassified to statement of profit or loss	(6.33)	1.04
Total comprehensive income for the year	70.39	(5,572.24)

## PERFORMANCE REVIEW

Your company achieved a total income of ₹ 12,829.26 crores during the year under review as against ₹ 12,029.28 crores in the previous financial year. Profit/(Loss) after Tax for the year stood at ₹ 76.72 crores as against (₹ 5,573.28 crores) for the previous year.

## TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the year under review.

## DIVIDEND

The PAL Resolution Plan has been approved by the NCLT and the Resolution Applicant is in the process of taking over the company. Being a transition period, the Monitoring Committee/ Board of Directors (whose powers have since been suspended) does not recommend any dividend for the year 2018-19.

## EXPORTS

The export of the Company during the year was ₹ 463.73 crores as compared to ₹ 697.82 crores during the last financial year. The decline in the export was mainly due to lack of working capital and intense competition in the export market.

## CHANGE IN SHARE CAPITAL

There is no change in the share capital of the Company during the year under review.

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 ('the Act') and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements form part of this Annual Report. The Consolidated Financial Statements are prepared in accordance with the Indian Accounting Standards (IND AS) notified under section 133 of the Act read with Companies (Accounts) Rules, 2014.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Navin Khandelwal has vacated the office of Independent Director with effect from October 22, 2018 due to some other pre-occupations and time engagements. Mrs. Meera Dinesh Rajda has also vacated the office of Independent Director with effect from November 19, 2018 due to health reasons. On expiry of term of re-appointment as Managing Director, Mr. Dinesh Chandra Shahra was designated as Director of the Company with effect from January 07, 2019.

As per the provisions of section 152 of the Act, Mr. Dinesh Chandra Shahra is liable to retire by rotation at the ensuing Annual General Meeting. As mentioned hereinabove, after the closing date, the Resolution Applicant proposes to reconstitute the Board of Directors of the Company. Hence it is proposed not to fill up the vacancy caused due to retirement by rotation of Mr. Dinesh Chandra Shahra. Post retirement of Mr. Dinesh Chandra Shahra, the Board of Directors comprises of only one director i.e. Mr. Vijay Kumar Jain until reconstitution of the Board and induction of new directors.

The Resolution Professional (since the powers of the Board of Directors of the Company have been suspended) at its meeting held on May 29, 2019 has, subject to approval of shareholders, re-appointed Mr. Vijay Kumar Jain as Executive Director of the Company for a further period of three years with effect from April 1, 2019. The terms & conditions of the re-appointment of Mr. Vijay Kumar Jain are set out in the explanatory statement of the notice convening the 33<sup>rd</sup> Annual General Meeting of the Company.

The details of the familiarization programme for Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and other related matters are available on the website of the Company i.e. [http://ruchisoya.com/Familiarisation\\_programme\\_for\\_Independent\\_Directors.pdf](http://ruchisoya.com/Familiarisation_programme_for_Independent_Directors.pdf)

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the company are Mr. Vijay Kumar Jain, Executive Director, Mr. Anil Singhal, Chief Financial Officer and Mr. R L Gupta, Company Secretary.

It may be noted that, pursuant to NCLT order, the powers of the Board of Directors stand suspended and exercised by Monitoring Committee during the term of the plan i.e. until closing date.

### DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Act, the Monitoring Agent as authorised by Monitoring Committee /Board of Directors (whose powers have since been suspended during the term as per NCLT Order) confirms that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 March 31, 2019 and of the profit of the Company for that period;
- c) the directors had 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) the annual accounts of the company have been prepared on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

As per section 17 of the IBC, the powers of the Board of Directors of the Company were suspended during corporate insolvency resolution

process with effect from December 15, 2017 and such powers were vested with Mr. Shailendra Ajmera appointed as Resolution Professional. Since as per the Orders of NCLT dated July 24, 2019 and September 04, 2019 (posted on NCLT website on September 06, 2019) approving the resolution plan, the powers of the Board of Directors continued to be suspended till closing date, evaluation of Board, its Committees and individual directors has not taken place for the year 2018-19.

### MEETINGS OF THE BOARD

The corporate insolvency resolution process (CIRP) of the Company had been in operation from December 15, 2017 as per the Orders passed by Hon'ble National Company Law Tribunal, Mumbai Bench until the PAL Resolution Plan was finally approved by NCLT vide its Orders dated July 24, 2019 and September 04, 2019 (posted on NCLT website on September 06, 2019). During the period of CIRP, the powers of Board of Directors were suspended and the same were vesting in the Resolution Professional. During the period of CIRP, co-ordination meetings were held on May 30, 2018, June 07, 2018 (adjourned), August 13, 2018, November 14, 2018, December 01, 2018 and February 13, 2019 which were attended by Mr. Shailendra Ajmera, Resolution Professional, Mr. Anil Singhal, Chief Financial Officer, Mr. R L Gupta, Company Secretary and Mr. Vijay Napawalia, Statutory Auditor.

### EXTRACT OF ANNUAL RETURN OF THE COMPANY

The extract of the annual return of the Company as provided under sub-section (3) of section 92 of the Act is available at the website of the Company at link [http://www.ruchisoya.com/Form\\_MGT\\_9\\_2019.pdf](http://www.ruchisoya.com/Form_MGT_9_2019.pdf).

### AUDITORS AND THEIR REPORTS

#### Statutory Auditors

M/s. Chaturvedi & Shah LLP, Chartered Accountants (Firm Registration No.101720W) were appointed as Statutory Auditors of the company at the Annual General Meeting held on September 27, 2017, for a period of 5 years from the conclusion of 31<sup>st</sup> Annual General Meeting till the conclusion of 36<sup>th</sup> Annual General Meeting.

The Comments on the qualifications in the Auditors' Report on the financial statements of the Company for financial year 2018-19 are provided in the "Statement on Impact of Audit Qualifications" which is annexed as **Annexure I** and forms part of this report.

#### COST AUDITORS

The Company has made and maintained the cost records as specified by the Central Govt. under sub-section (1) of section 148 of the Act. The Resolution Professional has re-appointed M/s. K.G. Goyal & Co., Cost Accountants (Registration No. 000017), to conduct audit of the cost accounting records of the Company for the financial year 2019-20 at a remuneration of ₹ 4.40 lakh (Rupees Four Lacs Forty Thousand Only) plus GST, subject to payment of applicable taxes thereon and re-imbursment of out of pocket expenses. As required under Section 148 of the Act, a resolution regarding ratification of the remuneration payable to M/s. K.G. Goyal & Co., Cost Accountants, forms part of the Notice convening the 33<sup>rd</sup> Annual General Meeting of the Company.

#### SECRETARIAL AUDITORS

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Resolution Professional/Board of Directors of the Company (whose powers have since been suspended) had appointed Mr. Prashant Diwan, Practicing Company Secretary, to conduct Secretarial Audit of the Company for the year ended March 31, 2019. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed as **Annexure II** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, however, the reference to specific event / action which took place during the year are self explanatory.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2019, the Subsidiaries, Joint Ventures and Associate Companies of your Company are as follows:

### Subsidiary Companies

Ruchi Worldwide Limited (Subsidiary)  
 Mrig Trading Private Limited (Subsidiary)  
 Ruchi J-Oil Private Limited (Subsidiary) (under liquidation w.e.f. August 21, 2018)  
 Ruchi Ethiopia Holdings Limited, Dubai (Subsidiary)  
 Ruchi Industries Pte. Limited, Singapore (Subsidiary)  
 RSIL Holdings Private Limited (Subsidiary)  
 Ruchi Agri PLC, Ethiopia (Step-down Subsidiary)  
 Ruchi Agri Plantation (Cambodia) Pte. Limited, Cambodia (Step-down Subsidiary)  
 Palmolien Industries Pte. Limited, Cambodia (Step-down Subsidiary)  
 Ruchi Agri Trading Pte. Limited, Singapore (Step-down Subsidiary)  
 Ruchi Agri SARLU, Madagascar (Step-down Subsidiary)  
 Ruchi Middle East DMCC, Dubai (Step-down Subsidiary)

### Joint Ventures

Indian Oil Ruchi Biofuels LLP (upto January 25, 2019)

### Associate Companies

GHI Energy Private Limited

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

From a review of the current details available on the paid up share capital on the website of the Ministry of Corporate Affairs, it came to the notice of the Resolution Professional (RP) that GHI had issued further equity shares on May 13, 2019 as a result of which company's shareholding in GHI stood reduced from 49% to 19.34%.

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

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

Accordingly, pending confirmation of the Hon'ble Tribunal of the aforesaid reduction of share capital of GHI, the Company continues to hold only 19.34% in GHI. Upon the approval of the capital reduction by the Hon'ble Tribunal and such capital reduction being effective, the paid up share capital of GHI shall stand reduced to the extent of the shares so extinguished and the original shareholding of 49% of Company shall stand restored.

Ruchi Hi-Rich Seeds Private Limited ceased to be an associate of the company with effect from May 06, 2019.

There has been no material change in nature of business of the subsidiaries except that Ruchi J-Oil Private Limited has gone into voluntary liquidation with effect from August 21, 2018 and in the matter of Ruchi Agri Private Limited Company, the Federal First Instance Court of The Federal Democratic Republic of Ethiopia has passed an order dated November 14, 2017 mentioning that "Bankruptcy decision was passed on Ruchi Agri Private Limited. This decision is said need to be effective for the time being in line with S/L/No.982."

The statement containing salient features of the financial statements and highlights of performance of its Subsidiaries, Joint Venture and Associate Companies and their contribution to the overall performance of the Company during the period is attached with the financial statements of the Company in form AOC-1. The Annual Report of your Company, containing inter alia the audited standalone and consolidated financial statements, has been placed on the website of the Company at [www.ruchisoya.com](http://www.ruchisoya.com). Further, the audited financial statements together with related information of each of the subsidiary companies have also been placed on the website of the Company at [www.ruchisoya.com](http://www.ruchisoya.com)

The policy for determining material subsidiary as approved by the Board of Directors of the Company is available on the website of the Company at [http://ruchisoya.com/RSIL\\_Policy\\_Material\\_Subsiary.pdf](http://ruchisoya.com/RSIL_Policy_Material_Subsiary.pdf).

## PARTICULARS OF LOANS & ADVANCES, GUARANTEES, INVESTMENTS AND SECURITIES

Particulars of loans/advances, investments, guarantees made and securities provided during the year as required under the provisions of Section 186 of the Act and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the respective notes to the standalone financial statements.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Since the Company was under corporate insolvency resolution process (CIRP), the powers of Board of Directors and committees thereof were suspended. Hence, all transactions entered into by the Company with related parties during the financial year were with the approval of Committee of Creditors, on arm's length basis, in the ordinary course of business. There were no materially significant related party transactions made by the Company with related parties which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are reportable in terms of the provisions of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of transactions with related parties are provided in Note 38 to the financial statements in accordance with the Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Since all the related party transactions entered into by the Company, were in ordinary course of business and were on Arm's length basis, disclosure in form AOC- 2 as required under Section 134(3)(h) of the Act is not applicable.

The policy on materiality of related party transactions and on dealing with related party transactions is available at Company's website and may be accessed at [http://ruchisoya.com/RSIL\\_Policy\\_materiality.pdf](http://ruchisoya.com/RSIL_Policy_materiality.pdf).

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is annexed as **Annexure III** to this Report.

### INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of operations. The details relating to internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

### RISK MANAGEMENT

The company has established Risk Management process to manage various risks. The details of various risks that are being faced by the Company are provided in Management Discussion and Analysis Report, which forms part of this Report.

### CORPORATE GOVERNANCE

Detailed Report on Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided under separate section and forms part of this Annual Report.

The requisite certificate issued by Statutory Auditors of the Company confirming the compliance of the conditions stipulated under Regulations is attached to the Report on Corporate Governance.

### EMPLOYEE STOCK OPTION SCHEME (ESOS)

During the year under review, the Company has not issued stock options to the employees of the Company. The details of shares issued under the Scheme and the disclosures in compliance with Section 62 of the Act read with rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 are annexed as **Annexure IV** to this report. During the financial year 2018-19, there has been no change in the Scheme. Further, it is confirmed that the Scheme is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014. The applicable disclosures as stipulated under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to the Scheme are available on the website of the Company at [www.ruchisoya.com](http://www.ruchisoya.com). As per the terms of Employees Stock Option Scheme – 2007 of the company, the options remained outstanding as at March 31, 2019 stand cancelled. There are no outstanding options as on date.

### PARTICULARS OF EMPLOYEES

Information required pursuant to Section 197(12) of the Companies Act, 2013 (“the Act”) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure V** to this Report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the Annual Report is being sent to the members excluding the aforesaid annexure. In terms of the provisions of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary and the same will be furnished on request.

### VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism/Whistle Blower Policy in terms of the provisions of Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to provide a formal mechanism to the Directors and employees of the Company to report their genuine concerns and grievances about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics. The policy provides adequate safeguards against victimization of Directors and employees who avail such mechanism and also provides for direct access to the Vigilance Officer and the Chairman of Audit Committee. The Audit Committee of the Board is entrusted with

the responsibility to oversee the vigil mechanism. During the year, no personnel was denied access to the Audit Committee. The powers of the Board of Directors and committees thereof have been suspended and the same vest in the Resolution Professional during the year under review. Hence, audit committee is not in existence. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at [http://ruchisoya.com/RSIL\\_WhistleBlower.pdf](http://ruchisoya.com/RSIL_WhistleBlower.pdf).

### DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The aim of the policy is to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee (ICC) has also been set up to redress complaints received on sexual harassment. No complaint was pending at the beginning of the year and none was received during the year.

### NOMINATION, REMUNERATION AND EVALUATION POLICY

In accordance with the provisions of Section 178 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Nomination, Remuneration and Evaluation Policy which lays down a framework in relation to criteria for selection and appointment of Directors, Key Managerial Personnel and Senior Management of the Company along with their remuneration. The Nomination, Remuneration and Evaluation policy of the company is available at company's website and may be accessed at <http://ruchisoya.com/Nomination%20and%20remuneration%20policy.pdf>.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the year under review, the Company was under Corporate Insolvency Resolution Process (CIRP) where the powers of the Board of Directors and committees thereof were suspended and the same vest in Mr. Shailendra Ajmera, Resolution Professional. Prior to commencement of Corporate Insolvency Resolution Process, the Company had a duly constituted Corporate Social Responsibility (CSR) Committee, which was responsible for fulfilling the CSR objectives of the Company. However, the same was not in operation due to CIRP. The members of the committee were Mr. N. Murugan (Chairperson), Mr. Dinesh Chandra Shahra and Mr. Vijay Kumar Jain (Members). The CSR Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) which was approved by the Board and is available at the website of the Company at <http://ruchisoya.com/RSIL%20CSR%20Policy.pdf>.

During the year under review, the Company was not required to spend any amount on CSR activities/programs as the Company did not have positive average net profits calculated in terms of the provisions of section 135 read with section 198 of the Act. The Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure VI** to this Report.

### OTHER COMMITTEES OF THE BOARD

Since the powers of the Board of Directors and committees thereof had been suspended with effect from December 15, 2017 pursuant to the orders dated December 15, 2017 passed by Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, the powers of the various committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee have also been suspended with effect from the same date. Hence, no meetings of the committees were held during the year under review.

As per circular No. SEBI/LAD- NRO/GN/2018/21 dated 31 May, 2018 issued by Securities and Exchange Board of India, the companies under corporate insolvency resolution process are exempted from complying with regulation 18,19 and 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in regards to Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee respectively provided that the roles and responsibilities of the committees specified in the respective regulation shall be fulfilled by the RP.

#### COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable secretarial standards during the financial year 2018-19

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in a separate section forming part of the Annual Report.

#### SIGNIFICANT AND MATERIAL ORDERS

The following significant and material orders have been passed by the regulators or courts or tribunals (i) the Order dated December 15, 2017 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench initiating corporate insolvency resolution process in the company with effect from December 15, 2017. The NCLT vide its Orders dated July 24, 2019 and September 04, 2019 (posted on NCLT website on September 6, 2019) approved the resolution plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas (ii) The Ministry of Corporate Affairs has passed an Order dated April 10, 2018 in regards to investigation into the affairs of the Company under section 212(1) of the Act; (iii) the Securities and Exchange Board of India (SEBI) had passed an ex-parte ad-interim order on May 24, 2016 restricting the Company and other parties from buying, selling or dealing in the securities market either directly or indirectly, in any manner, whatsoever till further directions. Thereafter, on March 08, 2017, SEBI had confirmed the above referred order with an interim relief to the company by permitting to trade or deal in commodity derivative markets for the limited purpose of hedging the physical market positions under the supervision of the Exchanges. In the same matter, the SEBI has issued a show cause notice dated February 06, 2019 under sections 11(1), 11(4) & 11B of SEBI Act, 1992. Except the above, no other significant or material orders were passed by the Regulators or Courts or Tribunals.

#### GENERAL DISCLOSURES

The Monitoring Agent states 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:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Executive Director of the Company receives any remuneration or commission from any of its subsidiaries.
5. No fraud has been reported by the Auditors to the Audit Committee or the Board or the Monitoring Agent.
6. No change in the nature of business of the Company during the year.
7. No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.

#### CAUTIONARY STATEMENT

The statements made in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, outlook, expectations and others may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations than those expressed or implied. Important factors that could make difference to the Company's operations includes change in government policies, global market conditions, import-export policy, foreign exchange fluctuations, financial position, raw material availability, tax regimes and other ancillary factors.

#### ACKNOWLEDGEMENT

The Board of Directors (whose powers have since been suspended) and Monitoring Agent wish to express appreciation for the support and co-operation of the Committee of Creditors, various departments of Central and the State Governments, Bankers, Financial Institutions, Suppliers, Employees and Associates.

For and on behalf of the Board (whose powers have since been suspended)  
(as authorised by Monitoring Agent)

Place : Mumbai  
Date : November 09, 2019

(Vijay Kumar Jain)  
Executive Director  
DIN: 00098298

## ANNEXURE I

## RUCHI SOYA INDUSTRIES LIMITED

(a company under corporate insolvency resolution process vide NCLT order)

Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results

(Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

(₹ In Lakh)

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	12,82,925.55	12,82,925.55
	2.	Total Expenditure	12,75,253.54	14,34,458.57
	3.	Net Profit/(Loss)	7,672.01	(1,51,533.02)
	4.	Earnings Per Share	2.35	(46.42)
	5.	Total Assets	7,93,686.32	7,93,686.32
	6.	Total Liabilities	12,41,506.35	14,00,711.38
	7.	Net Worth	(4,50,328.46)	(6,09,533.49)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	<b>Audit Qualification (each audit qualification separately):</b>			
1.	a.	<b>Details of Audit Qualification:</b> For reasons mentioned in note no. 2 of the statement, the Company continues not to assess impairment of carrying value of tangible assets, capital work in progress and intangible assets in accordance with requirements of Indian Accounting Standard 36 on "Impairment of Assets". We are unable to obtain sufficient appropriate audit evidence about the recoverable amount of the Company's tangible assets, capital work in progress and intangible assets. Consequently, we are unable to determine whether any adjustments to carrying value are necessary and consequential impacts on the statement.		
	b.	<b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion		
	c.	<b>Frequency of qualification:</b> Appearing since financial year 2017-18		
	d.	<b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> N.A		
	e.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>		
	(i)	<b>Management's estimation on the impact of audit qualification:</b> N.A		
	(ii)	<b>If management is unable to estimate the impact, reasons for the same:</b> The Company is under CIRP and the Resolution professional has filed an application under Section 30(6) of the Code before the Hon'ble NCLT for its consideration and approval of the Resolution Plan submitted by the resolution applicant, as mentioned in note 1 of the statement. The same is pending for approval. Hence, the CIRP is not yet concluded and the final outcome is yet to be ascertained. The company has not taken in consideration impact on the value of the assets due to this information for impairment, if any, in preparation of Financial Result as required by Ind-AS 10 on "Events after the reporting period". Further, the Company has not made assessment of impairment as required by Ind AS 36 on Impairment of Assets, if any, as at March 31 2019 in the value of tangible, intangible assets and capital work in progress."		
	(iii)	<b>Auditors' Comments on (i) or (ii) above:</b> Refer "Basis for Qualified Opinion" in audit report read with relevant notes in the financial results, the same is self-explanatory.		
2.	<b>Audit Qualification (each audit qualification separately):</b>			
	a.	<b>Details of Audit Qualification:</b> Attention is drawn to note no. 3 of the statement, regarding non-availability of Demat Statement in respect of investments amounting to ₹ 946.10 Lakh as at March 31 2019. Accordingly, we are unable to comment on the possible financial impact, presentation and disclosures, related to those investments.		
	b.	<b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion		
	c.	<b>Frequency of qualification:</b> Appearing since financial year 2017-18		
	d.	<b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> N.A		
	e.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>		
	(i)	<b>Management's estimation on the impact of audit qualification:</b> In spite of repeated reminders to the depository participants, Demat statement could not be produced before the auditors. However the securities are available in Demat account in the absence of information to the contrary.		
	(ii)	<b>If management is unable to estimate the impact, reasons for the same:</b> N.A		
	(iii)	<b>Auditors' Comments on (i) or (ii) above:</b> Refer "Basis for Qualified Opinion" in audit report read with relevant notes in the financial results, the same is self-explanatory.		

3.	<p><b>Audit Qualification (each audit qualification separately):</b></p> <p>a. <b>Details of Audit Qualification:</b> As mentioned in note no. 4 of the statement, in respect of Company's borrowings from banks and financial institutions aggregating ₹ 2,74,114.55 Lakh and bank (current account and term deposits) balances aggregating ₹ 1,908.44 Lakh, balance confirmations as at March 31 2019 are not received. In cases, where the confirmations are received in respect of borrowings, there are differences between books of accounts and confirmations received mainly due to charging of interest by bank and financial institutions in their confirmations/statement and non-recognition of the same by the Company in its books of accounts subsequent to insolvency commencement date i.e. 15th December 2017. However, In accordance with the Insolvency and Bankruptcy Code ("Code"), the Resolution Professional ("RP") has to receive, collate and admit the claims submitted by the creditors as a part of Corporate Insolvency Process ("CIRP"). Such claims can be submitted to the RP till the approval of the resolution plan by the CoC. As mentioned in note no. 1 of the statement, the RP has filed an application before the Hon'ble NCLT for the Resolution Plan approval. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.</p> <p>b. <b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. <b>Frequency of qualification:</b> Appearing since financial year 2016-17</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> N.A</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>(i) <b>Management's estimation on the impact of audit qualification:</b> For non-receipt of independent balance confirmation, management is of the view that there will not be significant variation in respect of borrowings, bank balances.</p> <p>(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> In respect of claims submitted as on 15th December 2017, the RP has admitted financial and operational creditor claims in the list of creditors filed with the NCLT dated April 26, 2019. No accounting impact in the books of accounts has been made in respect of excess, short or non-receipts of claims for the financial and operational creditors.</p> <p>(iii) <b>Auditors' Comments on (i) or (ii) above:</b> Refer "Basis for Qualified Opinion" in audit report read with relevant notes in the financial results, the same is self explanatory.</p>
4.	<p><b>Audit Qualification (each audit qualification separately):</b></p> <p>a. <b>Details of Audit Qualification:</b> Attention is drawn to note no. 5 of Statement:-</p> <p>(a) Regarding non-recognition of interest on borrowing from banks and financial institutions, customer advance, inter corporate deposits and security deposits received and bank charges on borrowing from banks and financial institutions subsequent to insolvency commencement date i.e. 15<sup>th</sup> December 2017, amounting to ₹ 34,561.14 Lakh for the year ended March 31 2018 and ₹ 40,259.78 Lakh and ₹ 1,56,848.90 Lakh for the quarter and year ended March 31 2019, respectively. Interest aggregating to ₹ 1,91,410.04 Lakh has not been recognised till date. The same is not in compliance with requirements of Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".</p> <p>(b) The Company has not translated certain foreign currency trade payables, trade receivables and borrowings as at March 31 2019 using closing exchange rate having an impact on exchange difference gain of ₹ 542.04 Lakh and loss of ₹ 2,356.13 Lakh for the quarter and year ended March 31 2019, respectively (for the year ended March 31 2018 is loss of ₹ 1,926.86 Lakh). Cumulative foreign exchange difference loss of ₹ 4,282.99 Lakh till date. The same is not in compliance with Ind AS - 21 on "The Effects of Changes in Foreign Exchange Rates".</p> <p>(c) Had provision for interest, bank charges and exchange difference been recognised, finance cost and total expenses, would have been higher while profit and total comprehensive income for the quarter and year ended would have been lower by aggregate amount as mentioned above, having consequential impact on other current financial liability and other equity.</p> <p>b. <b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. <b>Frequency of qualification:</b> Appearing since financial year 2017-18</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> The Creditors submitted their claims as at 15th December 2017 to Resolution Professional and those claims have been admitted by Resolution Professional. This stand is taken on the premise that these liabilities will be discharged/settled as at 15th December 2017 under the Insolvency and Bankruptcy Code and no additional liability needs be accounted.</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>(i) <b>Management's estimation on the impact of audit qualification:</b> N.A</p> <p>(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> N.A</p> <p>(iii) <b>Auditors' Comments on (i) or (ii) above:</b> N.A.</p>



5.	<p><b>Audit Qualification (each audit qualification separately):</b></p> <p>a. <b>Details of Audit Qualification:</b>                  We have been informed by Resolution Professional that certain information including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors and NCLT. Further, we were informed that the Committee of Creditors has approved the resolution plan and is filed with Hon'ble NCLT. However, the detailed resolution plan (including the salient features, consideration agreed, terms and conditions etc.) has not been made available for our review. In the opinion of the RP, the matter is highly sensitive and confidential. Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of that information.</p> <p>b. <b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. <b>Frequency of qualification:</b> Appearing since financial year 2017-18</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> N.A</p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>(i) <b>Management's estimation on the impact of audit qualification:</b> N.A</p> <p>(ii) <b>If management is unable to estimate the impact, reasons for the same:</b>                  The RP is obliged not to share certain information which is integral part of the CIRP, in order to maintain confidentiality of the process and in line with the directions of the CoC.</p> <p>(iii) <b>Auditors' Comments on (i) or (ii) above:</b>                  Refer "Basis for Qualified Opinion" in audit report is self-explanatory.</p>
6.	<p><b>Audit Qualification (each audit qualification separately):</b></p> <p>a. <b>Details of Audit Qualification:</b>                  Attention is drawn to note no. 6 of the statement, the Company is having refund receivable, as on March 31 2019, amounting to ₹ 4259.12 Lakh in respect of financial year 2009-2010 to 2013-14 for Daloda and Gadawara unit towards investment promotional assistance equivalent to 75% of taxes (Commercial Tax / VAT and Central Sales Tax) paid by the Company as per exemption granted in the industrial promotion policy of Madhya Pradesh. However, Madhya Pradesh Trade and Investment Facilitation Corporation, Bhopal rejected the claim and accordingly, appeal was made to the Hon'ble High Court of Madhya Pradesh. During the year, Hon'ble High Court of Madhya Pradesh, Indore bench, rejected the Company's claim vide order dated 16th May, 2018. Subsequently, the Company has filed special leave petition before Hon'ble Supreme Court of India for refund of the amount, which has been admitted on 29th August, 2018. No provision for impairment against the aforesaid receivable is considered necessary till the decision of the Hon'ble Supreme Court in this matter.</p> <p>b. <b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. <b>Frequency of qualification:</b> Appeared first time.</p> <p><b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b>                  The matter is currently pending with the Hon'able Supreme Court of India and accordingly, no provision against the aforesaid receivable is considered necessary till the decision of the Supreme Court in this matter.</p> <p><b>For Audit Qualification(s) where the impact is not quantified by the auditor</b></p> <p>(i) <b>Management's estimation on the impact of audit qualification:</b> N.A.</p> <p>(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> N.A.</p> <p>(iii) <b>Auditors' Comments on (i) or (ii) above:</b> N.A</p>
III.	<p>Signatories:  <b>Anil Singhal</b>  <b>CFO</b></p> <p style="text-align: right;"><b>Shailendra Ajmera</b>  <b>Resolution Professional</b>                  IP Registration no. IBBI/IPA-001/IP-P00304/2017- 18/10568</p> <p><b>Place:</b> Mumbai  <b>Date:</b> May 29, 2019</p>
	<p><b>Auditors</b></p> <p><b>Refer our Independent Auditors' Report dated 29, May, 2019 on Standalone Financial Results of the Company</b></p> <p><b>For Chaturvedi &amp; Shah LLP</b>                  Chartered Accountants                  (Registration Number: 101720W/W100355)</p> <p><b>Vijay Napawaliya</b>                  Partner                  Membership Number: 109859</p> <p><b>Place:</b> Mumbai  <b>Date:</b> May 29, 2019</p>

## ANNEXURE II SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> 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

**Ruchi Soya Industries Limited**

Ruchi House, Royal Palms, Survey No. 169

Aarey Milk Colony, Near Mayur Nagar

Goregaon (East), Mumbai – 400 065

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ruchi Soya Industries Limited** having CIN: L15140MH1986PLC038536 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Further, the Hon’ble National Company Law Tribunal (“NCLT”), Mumbai Bench, has admitted petition for initiation of Corporate Insolvency Resolution Process (“CIRP”) u/s 7 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) filed by financial creditors vide order no. CP1371 & CP1372/I&BP/NCLT/MAH/2017 delivered on 15<sup>th</sup> December 2017. In view of this, my verification and/or examination of the Board process and compliance, Secretarial Standards as well as related relevant Minutes Books, Papers and documents etc are restricted during the year under review and wherever applicable herein after in this Secretarial Audit Report.

I have been informed by Resolution Professional (“RP”) that certain information including the Minutes of meeting of Committee of Creditors (“CoC”) and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than Committee of Creditors and NCLT. Further, I was informed that the Committee of Creditors has approved the resolution plan and was filed with Hon’ble NCLT which has since been approved by NCLT vide Orders dated 24<sup>th</sup> July, 2019 and 4<sup>th</sup> September, 2019 and Mr. Shailendra Ajmera, erstwhile Resolution Professional of the Company has been appointed as Monitoring Agent to supervise the implementation of the resolution plan. However, the detailed resolution plan has not been made available for our review. In the opinion of RP, the matter is highly sensitive and confidential. Accordingly, I am unable to comment on the Minutes of the CoC meetings and decision taken in meeting of Committee of Creditors. Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on

31<sup>st</sup> March, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings, Overseas Direct Investment and Foreign Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and
  - (d) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Food Safety and Standards Act, 2006, to the extent of filing of returns and renewal of requisite license.

As per the explanations given to me in the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations were not applicable to the Company:

- (i) 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

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

- (i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to this report to the extent applicable, except following:

- 1) The two members of the Promoter group have not complied with the Code of Conduct of Company adopted pursuant to Regulation 9 read with Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company has accordingly issued the letters to both the members to give the explanation about the trading of shares during the period when trading window was closed.

Further, the Company has also intimated to the SEBI with respect to aforesaid violations of SEBI (Prohibition of Insider Trading) Regulations, 2015 vide its letters dated 28.02.2019 and 08.05.2019 respectively to the above referred two members.

- 2) As required under Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Financial Results for the quarter and year ended 31<sup>st</sup> March, 2018 were not submitted within a period of 60 Days from the end of the financial year. In this regards, the Company has paid fine of ₹ 47,200/- (inclusive of GST ₹ 7,200/-) to BSE on 04.07.2018 and to NSE on 26.06.2018 for Non- Compliance of Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 for non-submission of Financial Results within prescribed time.

I further report that during the year under review.

- 1) Adequate notice is generally given by Company Secretary to Resolution Professional to schedule the Meetings of Resolution Professional to manage the affairs of the Company.  
Agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 2) All the decisions to manage the affairs of the Company are carried out by Resolution Professional and as informed, there were no dissenting views and hence not recorded as part of the minutes. These functions are performed by the Resolution Professional only to the limited extent of discharging the powers of the Board of Directors of the Company (suspended during CIRP) which have been conferred upon him in terms of provisions of Section 17 of the Code.

I further report that as per the explanations given to me in the representations made by the management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As per the information provided and explanations given to me in the representations made by the management and relied upon by me, I further report that, the following are the specific events/ actions took place, having a major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines, etc.,

- 1) Pursuant to Section 96 of the Companies Act, 2013, the 32<sup>nd</sup> Annual General Meeting (AGM) of the members of the Company for the year 2018 which was required to be held on or before 30<sup>th</sup> September, 2018 was held on 27<sup>th</sup> December, 2018 with the prior approval for extension of AGM from Registrar of Companies (ROC), Maharashtra, Mumbai.
- 2) It has been observed from the Audit Report for the Financial Year 2018-19 that the Company has not Complied with requirements of Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments", Ind AS - 21 on "The Effects of Changes in Foreign Exchange Rates" and Ind AS-36 on "Impairment of Assets".
- 3) The National Company Law Tribunal ("NCLT"), Mumbai Bench, vide order dated 15<sup>th</sup> December 2017 ("Insolvency Commencement Order") has initiated Corporate Insolvency Resolution Process ("CIRP") based on petitions filed by Standard Chartered Bank and DBS Bank Ltd u/s 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Mr. Shailendra Ajmera IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568 was appointed as Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of Code. In the first meeting of committee of creditors held on 12<sup>th</sup> January 2018, Mr. Shailendra Ajmera had been confirmed as Resolution Professional ("RP"/ "Resolution Professional") for the Company. Pursuant to the Insolvency Commencement Order and in line with the provisions of the Code, the powers of the Board of Directors were suspended and the same were to be exercised by IRP / RP.

By an order dated 8<sup>th</sup> June 2018, NCLT has extended the CIRP for a further period of 90 days with effect from 12<sup>th</sup> June, 2018.

The Committee of Creditors has approved the Resolution Plan submitted by Consortium of Patanjali with a vote share of 96.95%, e-voting of which concluded on 30.04.2019.

The NCLT has approved the Resolution Plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas (collectively referred to as the "Resolution Applicant") (PAL Resolution Plan) vide orders dated 24<sup>th</sup> July, 2019 and 4<sup>th</sup> September, 2019. The PAL Resolution Plan, as approved by the NCLT, is binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved, as per the provisions of the Insolvency and Bankruptcy Code. The NCLT has also approved constitution of Monitoring Committee and appointment of Mr. Shailendra Ajmera as Monitoring Agent until closing date to supervise implementation of the PAL Resolution plan.

**CS Prashant Diwan**  
**Practising Company Secretary**  
**FCS: 1403 CP: 1979**

Date: 19.10.2019  
Place: Mumbai

**PR No:-530/2017**  
**UDIN:- F001403A000125340**

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**Annexure "A"**

To  
The Members

**Ruchi Soya Industries Limited**

Ruchi House, Royal Palms, Survey No. 169  
Aarey Milk Colony, Near Mayur Nagar  
Goregaon (East), Mumbai – 400 065

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate, Specific and other applicable laws, rules, regulations, standards is the responsibility of management. My 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.

**CS Prashant Diwan**  
**Practising Company Secretary**  
**FCS: 1403 CP: 1979**

Date: 19.10.2019  
Place: Mumbai

**PR No:-530/2017**  
**UDIN:- F001403A000125340**

## ANNEXURE III TO THE DIRECTORS' REPORT

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

Ruchi Soya industries Ltd. has always believed and operated in an environment friendly and safe manner for the long-term benefit of all stakeholders. All the plants work towards reducing the impact of its operations on the environment and are always taking effective measures to conserve energy and promote the use of renewable energy to drive efficiencies in its operations. During the year under review, many steps were taken which are listed below:

#### (A) CONSERVATION OF ENERGY

##### I STEPS TAKEN FOR CONSERVATION OF ENERGY:

###### Steam Energy Saving:

- Regular monitoring of steam trap to save heat/ steam energy.
- Insulation on valves, bend, flanges to avoid heat loss & steam energy saving.
- Condensate recovery system to utilize to save heat/ steam energy.
- Reduction of open steam in process hence to reduce steam energy at refinery.
- Conversion of diesel fuel based boiler to husk based boiler to reduce operational cost.
- Installation of Plate heat exchanger to utilize heat of final crude oil or refined oil to save steam energy.
- To increase turbine utilization vacuum system designed on low pressure & preventing venting of steam.

##### II STEPS TAKEN FOR UTILISING ALTERNATE SOURCE OF ENERGY:

###### Electrical Energy saving:

- Old & inefficient gear boxes worm reduction replaced by helical type for power saving. Variable frequency drive installed to reduce excess power consumption by motors.
- Halogen lighting replaced by LED to save electrical energy.
- Higher capacity pumps & motors replaced by efficient pumps & motors after conducting audit.
- By automation on cooling tower fan with temperature of water we reduce power consumption

###### Other Areas

- To reduce effluent water load we installed nozzle centrifuge at palm oil plant to recover oil from effluent water.
- Utilization of agro fuel with coal to reduce operation cost or steam cost.
- Installation of Reject recycle RO plant to reduce wastage of water. Utilization of RO reject water/ blow down water directly in cooling tower of refinery to reduce water consumption in process.
- Continued the physical refining process of oil to reduce chemical consumption.

##### III CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS: Nil

#### (B) TECHNOLOGY ABSORPTION

##### (I) The efforts made towards technology absorption:

In order to maintain its leadership position, your Company is continuously focusing on upgrading its product and manufacturing technology as well as acquiring new and advanced technology to meet the emerging expectations of the customers. The R&D department is actively involved in the development and implementation of advanced utility generation system to make manufacturing process efficient and has procured Indigenous Technology of Co-generation (STG set-Steam Turbine & Generator set). The activities are in full consonance with the Company's objective of utilizing advanced energy efficient solutions at minimum cost.

##### (II) The benefits derived like product improvement, cost reduction, product development or import Substitution

Introduction of new technologies has helped the Company to achieve more efficient operations, manufacture high quality and safe products, reduce energy cost and better energy utilization. By adoption of latest advanced technologies, the Company intends to capitalize the technology for incorporation into its brands at competitive price for making them more attractive to the end customers. The Company is also taking measures to mitigate all future risks related to technology by taking appropriate emerging technology, green initiatives etc. to meet future emission standards

##### (III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- |   |                |
|---|----------------|
| (a) The details of technology imported  | None           |
| (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) The expenditure incurred on Research and Development:

Expenditure incurred on research and development are charged under primary heads of accounts and not allocated separately.

#### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign exchange earned in terms of actual inflows during the year was ₹ 463.73 crore (Previous year ₹ 697.82 crore) and the foreign exchange outgo during the year in terms of actual outflows was ₹ 2,793.96 crore (Previous year ₹ 3,167.27 crore).

For and on behalf of the Board (whose powers have since been suspended)  
(as authorised by Monitoring Agent)

**(Vijay Kumar Jain)**  
Executive Director  
DIN: 00098298

Place : Mumbai  
Date : November 09, 2019

## ANNEXURE IV TO THE DIRECTORS' REPORT

Information and Disclosure as required under Section 62 of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in relation to Employee Stock Option Scheme – 2007 as on March 31, 2019 are below:

<b>I</b>	<b>General Terms &amp; Conditions</b>	
(a)	Date of Shareholders' approval	November 28, 2007 as modified on June 16, 2009
(b)	Total number of options approved under ESOS	54,71,000 Options
(c)	Vesting Requirements and Conditions	The options will vest only if the eligible employee of the Company is in the continuous employment as on the date of vesting. <b>Other Conditions</b> The holders of the Employee Stock Options are entitled to exercise the option within a period of three years from the date of first vesting, failing which post expiry of grace period of one year they stand cancelled. In the case of termination of employment by the Company, all options, vested or not, stand cancelled immediately. In case of voluntary resignation, all un-vested options stand cancelled. The resigning employees may exercise the vested options concurrently with the resignation, beyond which such options stand cancelled. In the event of death of an employee, retirement or the employee becoming totally and permanently disabled, all unvested options vest immediately and can be exercised during the original term of the option.
(d)	Exercise price or pricing formula	Eligible employees are entitled against each option to subscribe for one equity share of face value of ₹ 2/- each at a premium of ₹ 33/- per share.
(e)	Maximum term of options granted	Refer (c) Vesting requirements and conditions – Other Conditions.
(f)	Source of shares	Primary
(g)	Variation in terms of option	NIL.
<b>II</b>	Method used to account for ESOS	(i) Intrinsic value - for options vested before the date of transition to Ind AS i.e. 1st April, 2015.(ii) Fair value - for options vested after date of transition to Ind AS i.e. 1st April, 2015.
<b>III</b>	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost that shall have been recognized if it had used the fair value of the options shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Not Applicable
<b>IV</b>	Option movement during the year 2018-19	
(a)	No. of options outstanding at the beginning of the period	5,22,500
(b)	No. of options granted during the year	Nil
(c)	No. of options forfeited/lapsed during the year	2,40,500
(d)	No. of options exercised during the year	Nil
(e)	No. of shares arising as a result of exercise of options	Nil
(f)	Money realized by exercise of options (Amount in ₹)	Nil
(g)	Loan repaid by the Trust during the year from exercise price received	Not Applicable
(h)	No. of options outstanding at the end of the year	2,82,000*
(i)	No. of options exercisable at the end of the year	2,82,000*
<b>V</b>	<b>Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock options.</b>	Weighted average exercise price: ₹ 35 per Share. Weighted average fair value of options: ₹ 45.85 per Share.
<b>VI</b>	<b>Employee wise details (Name of Employee, designation, number of options granted during the year, exercise price) of options granted to:</b>	
(a)	Senior Managerial Personnel (Including KMP)	None
(b)	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	None
(c)	Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None

<b>VII</b>	<b>A description of the method and significant assumptions used during the year to estimate the fair value of options.</b>	The Securities and Exchange Board of India (SEBI) has prescribed two methods to account for stock grants; (i) the intrinsic value method; (ii) the fair value method. The Company adopts the intrinsic value method to account for the stock options it grants to the employees. The Company issues the Grants at Fixed price of ₹ 35 per share. Hence other details are not applicable.
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\*As per the terms of Employees Stock Option Scheme – 2007, all options outstanding as at March 31, 2019 have since been cancelled.

For and on behalf of the Board (whose powers have since been suspended)  
(as authorised by Monitoring Agent)

**(Vijay Kumar Jain)**  
Executive Director  
DIN: 00098298

Place : Mumbai  
Date : November 09, 2019

### ANNEXURE V TO THE DIRECTORS' REPORT

The information pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as given below:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;  
Mr. Vijay Kumar Jain : 433225 : 31100
2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;
 

Mr. Dinesh Shahra, Managing Director (Managing Director till 6th January, 2019)	–	No increase. No salary since 15 <sup>th</sup> December, 2017
Mr. Vijay Kumar Jain, Executive Director	–	No increase
Mr. Anil Singhal, Chief Financial Officer	–	No increase
Mr. R.L. Gupta, Company Secretary	–	No increase
3. The percentage increase in the median remuneration of employees in the financial year: 5.38%
4. The number of permanent employees on the rolls of Company: 2898 as on March 31, 2019.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;  
Managerial – 9.07 % & Non-managerial - 8.96 %
6. Affirmation that the remuneration is as per the remuneration policy of the Company:  
The remuneration is as per the Nomination, Remuneration and Evaluation policy of the Company.

For and on behalf of the Board (whose powers have since been suspended)  
(as authorised by Monitoring Agent)

**(Vijay Kumar Jain)**  
Executive Director  
DIN: 00098298

Place : Mumbai  
Date : November 09, 2019

## ANNEXURE VI TO THE DIRECTORS' REPORT

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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 Corporate Social Responsibility Policy of the Company as approved by the Board of Directors, is uploaded on the Company's Website i.e. www.ruchisoya.com. Since the Company does not have average net profit calculated under Section 135 read with Section 198 of the Companies Act, 2013, the Company has not spent any amount on its Corporate Social Responsibility programs/activities during the financial year 2018-19.

2. The Composition of the CSR Committee:

Since during the year under review, the Company was under Corporate Insolvency Resolution Process (CIRP), the provision related to composition of the CSR Committee is not applicable.

3. Average net profit of the Company for last three financial years: NIL

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 unspent, if any: Not Applicable

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. 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 was undertaken	Amount outlay (Budget) project or programs wise (₹ in Lakh)	Amount spent on the projects or programs. Sub-heads: (1) Direct expenditure on projects or programs, (2) Overheads (₹ in Lakh)	Cumulative expenditure upto the reporting period (₹ in Lakh)	Amount spent: Director or through implementing Agency (₹ in Lakh)
—	NA	NA	NA	NA	NA	NA	NA

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report: Not Applicable.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company:

Since the Company was under Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors have been suspended.

For and on behalf of the Board (whose powers have since been suspended)  
(as authorised by Monitoring Agent)

Place : Mumbai

Date : November 09, 2019

**(Vijay Kumar Jain)**  
Executive Director  
DIN: 00098298



# Management Discussion and Analysis Report

## A. Industry structure and Development

The primary business of your Company is processing of oilseeds and refining of imported crude oil for edible use. The Company produces oil meal, food products from soya and value added products from downstream and upstream businesses. The company has an integrated value chain in palm and soya segments having a farm to fork business model.

Considering the growing population and the food habits across India, edible oils form an essential part of the modern diet. The total consumption of edible oil in India is estimated to be around 24 million metric ton out of which domestic supply is approx. 7 million metric ton due to stagnant production of edible oil seeds, leaving demand-supply gap of 17 million metric ton to be bridged by imports.

## B. Opportunities and threats

In terms of market sources, our per capita consumption of edible oil is 18 kg per annum which is quite low in comparison to world average of 24 kg. Thus there is strong potential to catch up with the global average considering the overall economic growth and improvement in per capita disposable income for food.

The consistent rise in import of edible oil to bridge the demand – supply gap impacts the trade imbalance and results in significant outflow of foreign exchange. There is strong need to improve the production and productivity of domestic oil seed sector and promote domestic supply of edible oil to address the growing the demand – supply gap imbalance.

The edible oil and oil seeds scenario in India has undergone sea change. Our dependence on import which was around 3% in 1990 has substantially increased to 70% currently. The primary reasons for the increase are insufficient domestic oil seed supply commensurate to the consumption of edible oil growth, low productivity per hectare, higher Minimum Support Price (MSP) offered by the Government to food grains than edible oil seeds resulting in preference of farmers towards sowing of food grains to edible oil seeds, higher net income of competing crops due to better end product realisations, large number of farmers having fragmented holding of farm land, low deployment of technology and productivity oriented measures due to lack of resources etc. Also, the low duty on imported edible oils and higher quantum of import to meet the demand supply gap of edible oils impact the profitability and visibility of domestic growing of oil seed crop. It is, therefore, necessary to accord utmost importance to substantially augment the domestic supply to stem the unbridled import on such basic item if mass consumption.

## C. Industry Outlook

### (i) Consumption growth

As per the industry sources, India's consumption growth is pegged at 5% p.a (6.31% in FY19) and the country is expected to be consuming around 34 Million tonnes of edible oil by 2025, with a projected vegetable oil imports bill of US\$25 Billion. The growth in consumption presents an opportunity to build around a sustainable business model to participate in the import activity and domestic business to capitalise the business prospects.

### (ii) Improvement in production of Mustard seed

India is producing about 28 million tonnes of Oilseeds out of which 7 million tonnes in Mustard oilseeds. Industry associations

have proposed Mustard oilseeds production target of 15 million tonnes by 2025, with a sub target of 10 million tonnes by 2020 thereby doubling the income of farmers to accomplish vision of Honourable Prime Minister of India in the next five years.

### (iii) Significant revival of export of oilmeals

According to industry sources, there has been a significant revival in export of oilmeal for the year 2018-19, up by 6% in volume terms compared to 2017-18. . In value terms, the overall export of oil meal has grown by 30.66% from ₹ 4761.8 Crore to ₹ 6222 Crore .The aggregate export of soyaseed meal (62%) and Rape seed meal (26%) together constitute 88% of the overall export of oilmeal for the year 2018-19. Export of soybean meal has increased over 12% from 11.9 lac MT to 13.4 lakh MT in the previous year. Rapeseed meal exports has shown quantum jump by 59% from 6.6 lakh tons to 10.5 lakh tons in 2018-19. The aggregate export of soyabean meal and Rapeseed meal have increased by 49.8% from ₹ 3901 crore to ₹ 5485 Crore .

### (iv) Need for Government's support in the growth of the oil and oil seed sector

1) As per Industry estimates import of Palm products constituting 63 % of the overall imports are subject to value based Tariff and duty differential import duty between import of crude and refined oils. The industry has been demanding, time and again, minimum import duty difference of 20% between crude palm oil and refined palm oil to encourage domestic processing industry to sustain the business operations despite challenges. The industry is catering to a large number of vast population and highly price competitive . However, unfortunately, the Govt reduced the duty differential from Malaysia from the previous level of 10% to 5% in January 2019 resulting in flooding of RBD palmolein import from Malaysia . The RBD palmolein import had gone up from 130000 MT in December 2018 to almost 312000 MT in March 2019. The growing import of refined oil may have a serious repercussions on the functioning of the domestic refining industry and the other ancillary businesses depending on them.

The Industry has been voicing the concerns in favour of a stable and proactive differential duty regime keeping in view the competitive nature of the industry, the adverse effect of import of refined edible oil into India on the utilisation of domestic refining facilities and the consequent closure leading to loss of income, employment, social imbalances etc, the negative impact on the income of oil seed growing farming community, the growing import due to increasing demand – supply gap of edible oil consumption in India and other related factors. . The industry hopes that the Government would actively consider the genuine recommendations of the Industry associations and take quick action to facilitate the domestic industry to grow and support Government initiatives of “domestic value addition” and “Make in India”.

2) During the year under review, the Government of India has hiked the Minimum Support Price (MSP) of oil seeds such as follows:

Soyabean Seed - from ₹ 30,500 per MT to ₹ 33,990 per MT

- Ground nut - from ₹ 44,500 per MT to ₹ 48,900 per MT
- Mustard Seed - from ₹ 40,000 per MT to ₹ 42,000 per MT
- 3) During the year under review, The Government of India has come out with a comprehensive “Agriculture Export Policy” aimed at doubling the agricultural exports and integrating Indian farmers and agricultural products with the global value chains. The objectives of the Agriculture Export Policy are to double agricultural exports from the present USD 30 +Billion to USD 60 + Billion by 2022 and reach USD 100 Billion in the next few years with a stable trade policy regime.
  - 4) The Government of India, in response to the long pending request of industry associations, has issued an order to exempt ‘ Oil seeds and Edible Oils “ from Storage control Order 1977, with effect from 13<sup>th</sup> June 2018. This has set the rights the anomaly with reference to the imported oil, which is already exempt, and restore free market and movement for oils and oil seeds produced from domestic sources.
  - 5) The industry associations have made representations to the Govt of India a detailed action plan to promote oil seed cultivation, including introduction of GM seeds of mustard and policy change to encourage shift from wheat to mustard, encourage oil palm cultivation increase import duty on crude vegetable oils and higher duty difference to encourage domestic industry, land consolidation without affecting farmers’ holding etc. The recommendations have been made in the larger context of social good and growth initiatives of the Government. It is fervently hoped that the Govt pays heed to such requests and facilitates constant interactions for better understanding and outcome oriented actions.

It is essential that the Government proactively continues to consider and support the recommendation of the industry made from time to time, in the larger context and benefit of farmers, Industry, consumer and regional development. The positive response will encourage the industry to make productive suggestions which support the initiatives and well-intended schemes of the Government. This will also address the structural changes required in the long term sustainability of the oil and oil seed industry, while balancing the equitable interests of various stake holders such as farmers, consumers industry and the Government

### INFORMATION TECHNOLOGY

This year IT Security cost reduction was major focus, firewalls were implemented and we have subscribed internet leased lines as backup against MPLS links resulting in more secure and cost effective solution. Further, to enhance the security, VPN IP binding feature enabled, for better traceability of users entering our network. Other security policy for guest users by providing one time password for guests connecting in Company’s network helped us to keep guests away from our main network.

The other cost effective security features which we implemented were Kaspersky Antivirus for end point security, email system was shifted to Rediff mail Email Services for safe e-mail communication. Further, server virtualization was done using VM/Hyper-V resulting in more control on redundancy / backup and reducing cost of hardware and power utilization.

### HUMAN RESOURCES

The company continued to be under “Corporate Insolvency Resolution Process”, hence the identified strategic priorities for human resources management were as under:

- 1) Sustaining “Ongoing status” of the organization by retaining critical talent.
- 2) Quick recruitment in select instances of exit of critical resource
- 3) Controlling fixed cost
- 3) Continued employee communication to neutralize grapevine talks
- 4) Bolstering core HR processes

The main focus was “*continuity of business as a going concern*” under constrained resources and sustaining faith of employees on future of the company. Attention was put on sustained employee communication to ensure concerns of employees arising out of grapevine discussions were neutralised. One year “short term” wage settlement was signed with union to maintain peaceful ongoing operations.

### RISK AND CONCERNS

#### Corporate Insolvency Resolution Process (CIRP)

As per the Order of Hon’ble National Company Law Tribunal (“NCLT”), Mumbai Bench, the Company was under CIRP with effect from 15<sup>th</sup> December 2017 till the date of approval of the resolution plan by the Hon’ble NCLT on 4<sup>th</sup> September 2019.

#### Price Volatility

Your Company is exposed to commodity price fluctuations in its business. All major raw materials as well as finished goods being agro-based are subject to market price variations. Prices of these commodities continue to be linked to both domestic and international prices, which in turn are dependent on various Macro/ Micro factors. Also Commodities are increasingly becoming asset classes. Prices of the Raw materials and finished products manufactured by your Company fluctuate widely due to a host of local and international factors. Your Company continues to place a strong emphasis on the risk management and has successfully introduced and adopted various measures for hedging the price fluctuations in order to minimize its impact on profitability.

#### Government Policies

The policies announced by the Government have been generally progressive and are expected to remain likewise in future, and have generally taken an equitable view towards various stake holders, including domestic farmers, industry, consumers etc.

#### Freight & Port Infrastructure

A substantial part of the international operations of your Company are within the Asian region, and given the following import and export activities of your Company, the element of freight is not likely to cause any adverse effect on the operational performance. Your Company has a proactive information and management system to address the issues arising out of port congestions to the maximum extent possible and has also made sufficient arrangements for storage infrastructure at the ports.

#### Weather Conditions & Monsoon

Your Company has processing facilities at major ports and several inland locations, and therefore, the business model of your Company is designed to carry-on a majority of its production operations even in situations of extreme changes in weather conditions due to balanced business model to cater to the strong domestic consumption in India.

#### Volatility in Foreign Currencies

Your Company is exposed to risks arising out of volatility in foreign currencies, the exposure on this account extends to:

Products imported for sale in domestic markets;

Products exported to other territories and

Foreign currency Loans.

Your Company utilises the hedging instruments available in the markets on an ongoing basis and manages the currency exposures as and when required subject to the availability of facilities granted by banks to the company.

**Fuel Prices**

Fuel prices continue to be an area of concern as fuel particularly Coal is widely used in manufacturing operations has a direct impact on total costs. Your Company has taken productivity linked measures aimed at controlling costs and taken further steps to focus on production of high margin products.

**Domestic Economy**

Your Company is well geared with multi-processing capabilities to cater to the variances and changing consumer preferences. Also keeping in view the overall growth of the economy, emerging health consciousness and growing retail in India, it is expected that the packaged edible oil consumption will continue to outgrow the overall edible oil growth.

**FINANCIAL REVIEW AND ANALYSIS**

(₹ In crore)

Highlights	2018-19	2017-18
Total Revenue	12,829.26	12,029.28
Total Expenditure	12,752.54	18,039.52
EBIDTA	235.36	136.04
Depreciation, amortization and impairment expenses (net)	138.24	140.37
Finance costs	6.99	855.73
Profit before tax	76.72	(6,010.24)
Tax Expense	-	(436.96)
Profit after tax	76.72	(5,573.28)

**TEN YEARS FINANCIAL HIGHLIGHTS**

Ten Year Financial Performance - at a Glance

(₹ In crore)

Performance	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Total Revenue	12,829	12,029	18,620	27,805	28,412	24,601	26,485	26,224	16,763	13,530	12,172	11,069	8,648
EBITDA	235	136	(687)	114	626	734	942	890	648	437	292	430	298
PBT	77	(6,010)	(1,630)	(1,264)	81	50	304	228	306	272	151	254	156
PAT	77	(5,573)	(1,257)	(1,062)	61	13	236	122	213	172	93	159	101
Equity Share Capital	65	65	65	65	67	67	67	67	67	53	38	38	36
Preference Share Capital	2	2	2	2	2	2	2	2	2	-	45	45	45
Total Equity / Net Worth	(4,478)	(4,549)	1,024	2,473	2,206	2,336	2,364	2,202	2,156	1,925	1,140	1,061	843
Total Borrowings (net of FDRs on Buyers credit)	7,854	7,170	5,329	5,268	3,246	2,710	2,900	2,380	2,086	1,098	914	1,187	962
Gross Fixed Assets	6,035	6,036	6,042	6,040	3,877	3,692	3,519	3,211	2,808	2,511	1,744	1,502	1,308
Export Turnover	464	698	1,063	1,754	3,360	3,599	4,321	3,234	2,267	1,346	1,693	1,361	888
Long Term Debt-Equity Ratio (Times)	-	-	0.58	0.31	0.50	0.60	0.56	0.49	0.43	0.46	0.80	1.12	1.14
Key Indicators Per equity share (in ₹)													
Book value	(137)	(139)	31	76	66	70	70	66	67	77	60	58	231
Dividend	-	-	-	-	0.16	0.16	0.32	0.32	0.50	0.50	0.50	0.50	2.40
Turnover per Equity share of ₹ 2 each.*	393	369	570	852	850	737	794	787	521	546	647	584	2,365

**Notes**

- Total borrowings are net of borrowings backed by fixed deposits with banks.
- The Company has sub-divided each equity share of ₹ 10/- into five equity shares of ₹ 2/- each during the year 2007-08. Therefore, the key indicators as mentioned above for the year 2007-08 are not comparable with those of earlier years.
- Book value, earning and turnover per share has been computed on weighted average number of equity shares outstanding at the end of the year.
- The Company has adopted IND AS from April 1, 2016. Accordingly, all previous year figures are as per then applicable Indian GAAP, hence not comparable
- Previous year's figures have been regrouped, whenever necessary.

For and on behalf of the Board (whose powers have since been suspended)  
(as authorised by Monitoring Agent)

Place : Mumbai  
Date : November 09, 2019

**(Vijay Kumar Jain)**  
Executive Director  
DIN: 00098298

# Corporate Governance Report

## CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)

The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, admitted petition in CP1371 & CP1372/I&BP/NCLT/MAH/2017 ("Company Petition") for initiation of Corporate Insolvency Process ("CIRP") u/s 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code") filed by financial creditors vide order dated 15<sup>th</sup> December 2017 and appointed Mr. Shailendra Ajmera (IP Registration No. IBBI/IPA-001/IP-P00304/2017-18/10568) as the Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of Code. The Committee of Creditors ("CoC") of the Company, in its meeting held on 12<sup>th</sup> January, 2018 confirmed the IRP as Resolution Professional ("RP") for the Company. In view of the pendency of the CIRP, the management of affairs of the Company and powers of Board of Directors were vested with RP. By an order dated 8<sup>th</sup> June 2018, the NCLT extended the CIRP period by 90 more days with effect from 12<sup>th</sup> June, 2018.

The CoC in accordance with the directions of the Hon'ble Supreme Court of India, considered the resolution plans as submitted before it afresh. After due deliberations, the CoC approved the resolution plan submitted by the consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Private Limited and Patanjali Gramudhyog Nyas ("PAL Resolution Plan"), by e-voting concluded on 30<sup>th</sup> April, 2019. The RP filed an application bearing MA No. 1721 of 2019 in the Company Petition under Section 30(6) of the Code before the Hon'ble NCLT for its consideration and approval of the PAL Resolution Plan. The Hon'ble NCLT by its order dated July 24, 2019 conditionally approved the PAL Resolution Plan ("24<sup>th</sup> July 2019 Order"), subject to the submission of an additional affidavit by the Resolution Applicant accepting the modifications to the PAL Resolution Plan and providing of other information, as directed by the Hon'ble NCLT in the 24<sup>th</sup> July 2019 Order, by 1<sup>st</sup> August, 2019. As directed by the Hon'ble NCLT, necessary filings were made and upon perusal of the said filings and hearing of all the relevant parties, the Hon'ble NCLT, vide its order dated 4<sup>th</sup> September 2019 (uploaded on the NCLT website on 6<sup>th</sup> September 2019), approved the PAL Resolution Plan with certain modifications ("Resolution Plan Approval Order") which have been duly accepted by the Resolution Applicant.

The PAL Resolution Plan, as approved by the NCLT, is binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved therein, as per the provisions of the Code. The NCLT also approved appointment of Mr. Shailendra Ajmera as monitoring agent as authorised by the monitoring committee until closing date to supervise the implementation of the PAL Resolution plan.

As per Notification no. SEBI/LAD-NRO/GN/2018/21 dated May 31, 2018, regulations 17, 18, 19, 20 and 21 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related to Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee respectively, shall not be applicable during the CIRP period in respect of a listed entity which is undergoing CIRP under the Code provided that the role and responsibilities of the Board of Directors as specified under regulation 17 shall be fulfilled by the IRP/ RP / Monitoring agent as authorised by monitoring committee in accordance with the provisions of the Code.

As mentioned above, in terms of the SEBI LODR Regulations, a company undergoing CIRP is not required to comply with various regulations hence other consequential requirements mentioned in regulations may not be complied with by the Company such as prior

approval of related party transactions by audit committee, review of financial statements of the subsidiary companies by audit committee, placing of minutes of meeting of board of directors of unlisted subsidiary company, obligations with respect to independent directors (regulations 25), confirmation of compliances of code of conduct by board members and senior management personnel, disclosures by senior management to board of directors relating to material, financial and commercial transactions, familiarization programme imparted to independent directors, etc.

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company believes in transparency, empowerment, accountability and integrity in its operations having duly delegated authority to the various functional heads that are responsible for attaining the corporate plans with the ultimate purpose of enhancement of "stake holder value".

## BOARD OF DIRECTORS:

### Composition, Category and size of the Board

As per Notification no. SEBI/LAD-NRO/GN/2018/21 dated May 31, 2018, regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Board of Directors, shall not be applicable during the insolvency resolution process period in respect of a listed entity which is undergoing CIRP under the Code provided that the role and responsibilities of the Board of Directors as specified under regulation 17 shall be fulfilled by the interim resolution professional / resolution professional / Monitoring agent as authorised by monitoring committee in accordance with the provisions of the Insolvency Code.

During the year, Mr. Navin Khandelwal has vacated the office of Independent Director with effect from October 22, 2018 due to some other pre-occupations and time engagements. Mrs. Meera Dinesh Rajda has vacated the office of Independent Director with effect from November 19, 2018 due to health reasons.

The Board of Directors of the Company (suspended during CIRP) ("The Board") comprises of two directors. Mr. Dinesh Shahra, is the promoter director of the Company and Mr. Vijay Kumar Jain is an executive director. There is no institutional or nominee or government director on the Board.

Mr. Dinesh Shahra was designated as Director with effect from 7<sup>th</sup> January, 2019 on completion of his term as Managing Director and is liable to retire by rotation in terms of provisions of Section 152(6) of the Companies Act, 2013 at the ensuing Annual General Meeting. As mentioned in the resolution plan approval order, after the "Closing date" the resolution applicant proposes to reconstitute the board of directors of the company, hence it is proposed not to fill up the vacancy caused due to retirement by rotation of Mr. Dinesh Chandra Shahra. Post retirement of Mr. Dinesh Chandra Shahra, the Board of Directors comprises of only one director i.e. Mr. Vijay Kumar Jain until reconstitution of the Board and induction of new directors.

The Resolution Professional (since the powers of the Board of Directors of the Company have been suspended) at its meeting held on May 29, 2019 has, subject to approval of shareholders, re-appointed Mr. Vijay Kumar Jain as Executive Director of the Company for a further period of three years with effect from April 1, 2019. The terms & conditions of the re-appointment of Mr. Vijay Kumar Jain are set out in the notice convening the 33<sup>rd</sup> Annual General Meeting of the Company.

## BOARD PROCEDURES AND MEETINGS HELD:

No board meetings were held during the year ended 31<sup>st</sup> March, 2019 since the powers of the Board of Directors were suspended due to commencement of corporate insolvency resolution process and the

**Attendance Record of Directors:**

Name of director	DIN Number	Category	Number of Board meetings held during the Financial year 2018-19		Whether attended the last AGM	Number of Directorships in other Indian Public Ltd. Companies as on March 31, 2019		Number of Committee positions in other Indian Public Ltd. Companies as on March 31, 2019	
			Held	Attended		Chairman	Member of Board	Chairman	Member of Committee
Mr. Dinesh Chandra Shakra*	00533055	Promoter- Director	Nil	Nil	No	0	0	0	0
Mr. Vijay Kumar Jain	00098298	Whole Time Director (Professional executive)	Nil	Nil	No	0	2	0	1
Mr. Navin Khandelwal**	00134217	Independent (Non-executive)	Nil	Nil	No	NA	NA	NA	NA
Mrs. Meera Dinesh Rajda ***	07130303	Independent (Non-executive)	Nil	Nil	No	NA	NA	NA	NA

None of the Directors of the Company is on the Board of any other listed entity.

\*On expiry of term, Mr. Dinesh Sahara has vacated office of managing director with effect from January 07, 2019 and continued to be director of the Company.

\*\* Mr. Navin Khandelwal Vacated the office of independent director with effect from October 22, 2018.

\*\*\*Mrs. Meera Dinesh Rajda has vacated the office of independent director with effect from November 19, 2018.

same vest in the Resolution Professional. However, six co-ordination meetings were called by Resolution Professional (RP) during the financial year 2018-19. The date of co-ordination meetings are 30<sup>th</sup> May, 2018, 7<sup>th</sup> June, 2018 (Adjourned), 13<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018, 1<sup>st</sup> December, 2018 and 13<sup>th</sup> February, 2019.

Video conferencing facilities were used to facilitate directors present at other locations, to participate in meetings.

Private Limited and Section 8 companies (if any) as defined under Companies Act, 2013 where the Directors of the Company are directors, have been excluded for the above purpose. Further, as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, chairman/membership of audit committees and Stakeholders Relationship committees are only considered for the purpose of committee positions.

None of the Directors is a Director in more than 10 Public Limited Companies or serves as an Independent Director in more than 7 listed Companies. Further none of the directors act as a member of more than 10 committees or act as a chairman of more than 5 committees across all Public Limited companies in which he is a director.

**Relationship between directors inter se**

None of directors are related to any other directors on the Board.

**Shares held by Non-executive Directors:**

S. No.	Name of Non-executive Director	No. of equity shares held
1.	Mr. Dinesh Shakra*	21,11,383

\*On expiry of term, Mr. Dinesh Sahara has vacated the office of Managing Director with effect from January 07, 2019 and continued to be director of the Company.

**Familiarization Program**

The powers of the Board of Directors have been suspended due to commencement of corporate insolvency resolution process with effect from December 15, 2017 and again on approval of resolution plan by NCLT vide its Orders dated July 24, 2019 and September 04, 2019 (Order uploaded on NCLT website on 6<sup>th</sup> September, 2019) till Closing date of the plan.

**Web link Familiarization Program**

[http://www.ruchisoya.com/Familiarisation\\_programme\\_for\\_Independent\\_Directors.pdf](http://www.ruchisoya.com/Familiarisation_programme_for_Independent_Directors.pdf)

**Skill/ Expertise/ Competence of the Board of Directors**

The Board of Directors has identified the following skills/competencies for its effective functions:

1. Leadership and Management Strategy
2. Expertise in chemical engineering
3. Expertise in marketing, logistics, import & exports, commercial including taxation, bio fuels, public relations and business development.
4. Leading Overseas projects.

**Confirmation for Independent Directors**

No Independent directors were on the board as on 31<sup>st</sup> March 2019 and the powers of the Board of Directors were suspended from the date of commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017. Hence it is not applicable.

**Reason for resignation of independent directors**

- Mr. Navin Khandelwal, independent director vacated the office of independent director due to some other pre-occupations and time engagements.
- Mrs. Meera Dinesh Rajda, independent director vacated the office of independent director due to health reasons.

**Code of Conduct**

The company has laid down a comprehensive Code of Conduct for Directors and Senior Management of the Company. The Code has also been posted on the website of the Company. All Directors and Senior Management personnel except Mr. Dinesh Sahara, Director and Mr. Shailendra Ajmera, Monitoring Agent have affirmed the compliance thereof for the year ended March 31, 2019.

**COMMITTEES**

The provisions as specified in regulations 18, 19, 20 and 21 were not applicable during the insolvency resolution process period in respect of a listed entity which is undergoing corporate insolvency resolution process under the Insolvency Code provided that the roles and responsibilities of the committees specified in the respective regulations shall be fulfilled by the interim resolution professional or resolution professional / monitoring agent as authorised by monitoring committee.

## AUDIT COMMITTEE

Prior to commencement of corporate insolvency resolution process, Audit Committee was constituted by the Board of Directors in accordance with the requirement of section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

### Constitution and composition:

The Audit Committee, as on the date of commencement of CIRP, consists of Mr. Vijay Kumar Jain, Mr. Navin Khandelwal, Mr. Murugan Navamani and Mrs. Meera Dinesh Rajda. Mr. Navin Khandelwal, the Chairman of the Committee was an Independent, Non-executive Director and had a strong financial and accounting background with immense experience. All the members of the Committee were financially literate and the composition of Committee was in accordance with the regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Mr. Murugan Navamani vacated the office of Independent Director and member of the Audit Committee of the Company with effect from March 26, 2018. Mr. Navin Khandelwal vacated the office of Independent Director and chairman of the Audit Committee of the Company with effect from October 22, 2018. Mrs. Meera Dinesh Rajda vacated the office of Independent Director and member of the Audit Committee of the Company with effect from November 19, 2018.

### Meeting and attendance during the year:

The powers of the Board of Directors and committees thereof were suspended from the date of commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017. Hence no meeting of audit committee was held during the year ended 31<sup>st</sup> March, 2019.

### Powers of Audit Committee

Prior to commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017, audit committee had following powers which have since been vested in interim resolution professional / resolution professional / monitoring agent as authorised by monitoring committee.

To investigate any activity within its terms of reference.

To seek information from any employee.

To obtain outside legal or other professional advice.

To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Role of Audit Committee

Prior to commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017, the role of audit committee included the following which is being exercised by interim resolution professional / resolution professional / Monitoring agent as authorised by monitoring committee.

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements, auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. 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) section 134 of the Companies Act, 2013.

- b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Review and monitor the auditor's independence and performance and effectiveness of audit process;
  7. Approval or any subsequent modification of transactions of the Company with related parties;
  8. Scrutiny of inter-corporate loans and investments;
  9. Valuation of undertakings or assets of the Company, wherever it is necessary;
  10. Evaluation of internal financial controls and risk management systems;
  11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  12. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  13. Discussion with internal auditors of any significant findings and follow up thereon;
  14. 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 any material nature and reporting the matter to the board;
  15. Discussion with the statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  16. To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  17. To review the functioning of the Whistle Blower mechanism;
  18. Approval of appointment of CFO (i.e. whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience and background etc. of the candidate;
  19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Review of information by Audit Committee

Prior to commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017, the following information was reviewed by Audit Committee which are since been reviewed by interim resolution professional / resolution professional / monitoring agent as authorised by monitoring committee.

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee) submitted by Management.

- Internal audit reports relating to internal control weakness.
- Management letters / letters of internal control weaknesses issued by the statutory auditors; and
- The appointment, removal and terms of remuneration of Internal Auditors is subject to review by the Audit Committee.
- Statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**NOMINATION AND REMUNERATION COMMITTEE:**

Prior to commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017, the Nomination and Remuneration Committee had been constituted by the Board of Directors in accordance with the requirement of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The brief terms of reference of the Nomination and Remuneration Committee were as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommended to the Board of Directors for their appointment and removal.
5. Whether to extend or continue the terms of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Director.
6. Recommend to the Board of Directors, all remuneration in whatever form payable to senior management.

**Constitution and composition:**

Prior to commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017, the Nomination and Remuneration Committee was chaired by Mr. Murugan Navamani. Its other members

were Mr. Navin Khandelwal and Mrs. Meera Dinesh Rajda. The Chairman of the Committee was an Independent, non-Executive Director. The composition of committee was in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. Mr. Murugan Navamani, who was chairman of the Committee, vacated the office of Director of the Company with effect from March 26, 2018. Mr. Navin Khandelwal and Mrs. Meera Dinesh Rajda, Independent Directors also vacated the office of Directors with effect from 22<sup>nd</sup> October, 2018 and 19<sup>th</sup> November, 2018 respectively.

**Meeting and attendance during the year:**

The powers of the Board of Directors and committees thereof were suspended from the date of commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017. Hence no meeting of Nomination and Remuneration committee was held during the year ended 31<sup>st</sup> March, 2019.

**Performance Evaluation criteria for Independent Directors:**

Prior to commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017, the evaluation of performance of Independent Directors was based on the following criteria. However Since commencement of CIRP the power of Board of directors have been suspended and the same are exercised by interim resolution professional / resolution professional / monitoring agent as authorised by monitoring committee.

- Leadership & stewardship abilities
- Contributing to clearly define corporate objectives & plans
- Communication of expectations & concerns clearly with subordinates
- Obtain adequate, relevant & timely information from external sources.
- Review & approval of achievement of strategic and operational plans, objectives, budgets
- Regular monitoring of corporate results against projections
- Identify, monitor & mitigate significant corporate risks
- Assess policies, structures & procedures
- Direct, monitor & evaluate KMPs, senior officials
- Review management’s succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles & monitoring activities of committees
- Review of company’s ethical conduct

**REMUNERATION OF DIRECTORS:**

**(a) Remuneration of whole time directors:**

The particulars of remuneration paid to whole time director during the financial year 2018-19 is as under: (₹ in Lacs)

Name of Director(s)	Salary	Commission	Perquisites	Total	Service Contract	
					Tenure**	Notice period***
Mr. Vijay Kumar Jain	58.04	—	—	58.04	3 years	3 months
Mr. Dinesh Sahara*	—	—	—	—	3 years	30 days

\*On expiry of term, Mr. Dinesh Sahara has vacated office of Managing Director with effect from January 07, 2019 and continued to be director of the Company.

\*\* From the date of appointment.

\*\*\* There is no separate provision for payment of severance fees.

**Notes:**

1. The above does not include reimbursement of expenses incurred for the Company.
2. The above remuneration does not include contribution to gratuity and provision for leave encashment, as these are lump sum amounts for all employees based on actuarial valuation.

**(b) Remuneration of Non-Executive Directors:**

During the year, no sitting fees was paid to non-executive directors of the company.

**STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Prior to commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017, the Stakeholders Relationship Committee had been constituted by the Board of Directors in accordance with the requirement of section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Committee considers and resolves the grievances of the shareholders of the Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends etc.

**Constitution and composition:**

Prior to commencement of corporate insolvency resolution process with effect from 15<sup>th</sup> December, 2017, the Stakeholders Relationship Committee of the Board comprises of Mr. Vijay Kumar Jain, Whole-time Director and Mr. Murugan Navamani, Independent Director being chairman of the Committee. The composition of the committee was in compliance with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. R.L. Gupta V.P (Corporate Planning) & Company Secretary is the Compliance Officer of the Company. However, Mr. Murugan Navamani vacated the office of independent director with effect from March 26, 2018.

**Meeting and attendance:**

Since the powers of Board of Directors and committees thereof are suspended during CIRP, no meeting of Stakeholders Relationship Committee was held during the financial year 2018-19.

**Detail of complaints received and resolved during the year:**

During the year, the company received 5 complaints and all the complaints were resolved to the satisfaction of the investors and there are no pending complaints as on March 31, 2019.

**INFORMATION ON GENERAL BODY MEETINGS****Annual General Meetings:**

Out of last three Annual General Meetings (AGMs) of the Company, 30<sup>th</sup> AGM was held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400 018 and 31<sup>st</sup> and 32<sup>nd</sup> AGMs were held at Rangswar Hall, Chavan Centre, Yashwantrao Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Mumbai – 400021. The dates and time of holding of the said AGMs and particulars of special resolutions passed thereat are as under:

**30th AGM held on September 14, 2016 at 10.45 A.M**

Approval for Re-appointment of Mr. Vijay Kumar Jain as Whole Time Director

Approval for excess remuneration paid/payable to Mr. Dinesh Chandra Shahra, Managing Director

Approval for revision of remuneration payable to Mr. Dinesh Chandra Shahra, Managing Director

**31<sup>st</sup> AGM held on September 27, 2017 at 11.30 A. M.**

Approval for revision in remuneration payable to Mr. Dinesh Chandra Shahra, Managing Director

**32<sup>nd</sup> AGM held on December 27, 2018 at 11.00 A. M.**

No special resolution was passed at 32<sup>nd</sup> Annual General Meeting of the Company.

**Extra-ordinary General Meeting:**

No extra-ordinary general meeting of the members of the Company was convened after the 32<sup>nd</sup> Annual General Meeting of the Company held on December 27, 2018.

**Postal Ballot:**

No postal ballot was conducted during the year under review. At present, there is no proposal for passing any Special Resolution through Postal Ballot.

**SHAREHOLDERS' COMMUNICATION:**

Quarterly un-audited financial statements prepared in accordance with the Accounting Standards notified under Rule 7 of the Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, are generally published in Free Press Journal and Nav Shakti. Beside this, the Company has its own website (www.ruchisoya.com) on which important public domain information is posted. Besides being placed on the website, all the financial, vital and price sensitive official news releases are also properly communicated to the concerned stock exchanges. The website also contains information on several other matters, such as corporate presentation to investors and analysts, Net worth history, Turnover and Net profit for preceding years etc.

**GENERAL SHAREHOLDERS' INFORMATION****Annual General Meeting:**

(a) **Date:** December 13, 2019

**Time:** 11.00 A.M.

**Venue:** Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4<sup>th</sup> Floor, 18/20, K Dubhash Marg, Kala Ghoda, Mumbai – 400 001, Maharashtra.

(b) **Financial Year:** 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019.

(c) **Dividend Payment date:** No dividend was recommended for the financial year 2018-19.

(d) **Cutoff date** for the purpose of voting by electronic means: December 03, 2019

(e) **Name and Address of Stock Exchanges and Stock Codes:**

- BSE Ltd.  
25<sup>th</sup> floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
- National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

(f) **Listing fees:** The Company has duly paid the annual listing fee for the Financial Year 2018-19 and 2019- 20 to the BSE Limited and National Stock Exchange of India Limited.

(g) **Company Code /Stock Code:**

- BSE Ltd – 500368
- National Stock Exchanges of India Limited – RUCHISOYA

(h) **ISIN of the Company:** INE619A01027



(i) **MARKET PRICE DATA:**

The monthly high and low quotations at the BSE during the financial year 2018-19 are as follows:

Period	High (₹)	Low (₹)
April, 2018	17.60	15.20
May, 2018	16.05	9.50
June, 2018	15.84	10.58
July, 2018	11.95	8.46
August, 2018	10.89	8.70
September, 2018	10.00	5.95
October, 2018	7.54	4.89
November, 2018	6.99	5.40
December, 2018	9.04	6.00
January, 2019	9.40	6.66
February, 2019	7.51	5.53
March, 2019	8.29	5.74

(j) **COMPARISON OF STOCK PERFORMANCE OF RSIL WITH BSE SENSEX**



(k) **Suspension of Securities :** The Company's shares are not suspended from trading.

(l) **Registrars and Share Transfer Agent:**

Sarthak Global Limited, 170/10, Film Colony, R. N. T. Marg, Indore-452001

(m) **Share Transfer System:**

Shares lodged in physical form with the Company/its Registrars & Share Transfer Agent are processed and generally returned, duly transferred within 15 days, except in cases where litigation is involved. In respect of shares held in dematerialized mode, the transfer takes place instantaneously between the transferor and transferee at the depository participant(s) through which electronic debit/ credit of the accounts are involved.

(n) **SHAREHOLDING PATTERN AND DISTRIBUTION OF SHAREHOLDING AS AT MARCH 31, 2019**

Category		No. of shares held	% of holding
<b>Promoter holding</b>			
1	Promoters		
	Indian Promoters	9,38,22,430	28.08
	Foreign Promoters	—	—
2	Persons acting in concert	—	—
	<b>Sub-total</b>	<b>9,38,22,430</b>	<b>28.08</b>
<b>Non-Promoters Holding</b>			
1	<b>Institutions</b>		
	a) Mutual Funds	23,000	0.01
	b) Banks/ FIs/Insurance Companies	2,60,007	0.08
	c) FIIs	—	—
	<b>Sub-total</b>	<b>2,83,007</b>	<b>0.09</b>
2	<b>Central Govt./State Govt.(s)/President of India</b>		
	Central Govt./State Govt.(s)/President of India	7,84,985	0.23
	<b>Sub-total</b>	<b>7,84,985</b>	<b>0.23</b>
3	<b>Non Institutions</b>		
	Bodies Corporate	5,61,09,504	16.79
	Individuals holding nominal capital up to Rs. 2.00 lacs	14,18,09,641	42.45
	Individuals holding nominal capital more than Rs. 2.00 lacs	2,97,34,991	8.90
	Any other (Clearing Members, NRIs, HUF and Trust)	1,15,56,164	3.46
	<b>Sub-total</b>	<b>23,92,10,300</b>	<b>71.60</b>
<b>Custodian (depository for shares underlying GDRs)</b>		—	—
<b>GRAND TOTAL</b>		<b>33,41,00,722</b>	<b>100</b>

## (o) Distribution of shareholding as on March 31, 2019

Range of Shares	No. of Shareholders	% of Shareholders	No. of Share held	% of Shareholding
001 — 2,500	67,815	76.581	2,60,61,184	7.800
2,501 — 5,000	9,224	10.416	1,70,67,100	5.108
5,001 — 10,000	5,748	6.491	2,19,56,215	6.572
10,001 — 20,000	2,969	3.353	2,27,39,094	6.806
20,001 — 30,000	924	1.043	1,14,12,107	3.416
30,001 — 40,000	549	0.620	99,85,432	2.989
40,001 — 50,000	291	0.329	66,55,119	1.992
50,001 — 100,000	564	0.637	2,05,46,717	6.150
100,001 & Above	469	0.530	1,97,67,754	59.167
<b>TOTAL</b>	<b>88,553</b>	<b>100.00</b>	<b>33,41,00,722</b>	<b>100.00</b>

## (p) DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The trading in shares of the Company are under compulsory demat segment. The Company is listed on BSE and NSE. The Company's shares are available for trading in the depository systems of both NSDL and CDSL. 32,19,61,494 equity shares of the Company, equal to 96.37 % of total issued capital of the Company as on March 31, 2019 were in dematerialized form.

## (q) OUTSTANDING CONVERTIBLE INSTRUMENTS:

Except the options granted and outstanding under the Employees Stock Option Scheme – 2007 of the Company, there were no other instruments convertible into equity shares outstanding at the end of the year.

The status of options granted and options outstanding as at March 31, 2019 under the Employees Stock Option Scheme-2007 is as under:

Date of Grant	No. of options granted	Balance as on 01.04.18	Options cancelled
April 1, 2008	12,37,000	-	-
October 1, 2009	14,95,000	-	-
April 1, 2010	2,53,500	-	-
April 1, 2011	1,98,000	-	-
April 1, 2012	15,000	-	-
April 1, 2013	2,19,000	-	-
April 1, 2014	2,75,000	1,71,000	1,71,000
April 1, 2015	4,37,500	3,51,500	3,51,500
<b>TOTAL</b>		<b>5,22,500</b>	<b>5,22,500</b>

## (r) MANUFACTURING PLANT LOCATIONS OF THE COMPANY:

Mangliagaon, A.B. Road, Indore (M.P.)  
 Baikampady Industrial Area, Mangalore (Karnataka)  
 Village Esambe, TalukaKhalapur, Distt. Raigad (Maharashtra)  
 Bijoyramchak, Ward No. 9, P.O. Durgachak, Haldia (West Bengal)

Village Butibori, Tehsil Nagpur (Maharashtra)

Village Kamati, Gadardwada, Distt. Narsinghpur (M.P.)

Gram MithiRohar, TalukaGandhidham, Distt.Bhuj (Gujarat)

Kannigaiper Village, UthukottaiTaluk, Thiruvallur Distt. (Tamilnadu)

RIICO UdyogVihar, Sriganganagar (Rajasthan)

RIICO Industrial Area, GovindpurBawari, Post TaleraDistt. Bundi (Rajasthan)

Kusmoda, A.B. Road, Guna (M.P.)

Kota Road, Baran (Rajasthan)

Rani Piparia, Dist. Hoshangabad (M.P.)

SIDCO Industrial Estate, Bari Brahmana, Jammu (J&K)

Village Daloda, Dist. Mandsaur (M.P.)

Survey No. 178, Surkandi Road, Washim (Maharashtra)

BapulapaduMandal, Ampapuram Village, Krishna District, Vijaywada (A.P.)

IDA, ADB Road, Peddapuram, East Godawari District (A.P.)

Village Karanpura, Durgawati, Dist. Kaimur (Bihar)

Survey No. 162 & 163, Bhuvad, Taluka- Anjar, Dist- Kutch, (Gujrat)

Beach Road, Dummalpet, Kakinada (Andhra Pradesh)

Village Makhanpur post – Bhagwanpur Tehsil Roorkee (Uttarakhand)

## (s) ADDRESS FOR CORRESPONDENCE:

The shareholders may send their communications, queries, suggestions and grievances to the Compliance Officer at the following address:

Mr. R.L. Gupta

Company Secretary

Ruchi House, Royal Palms,

Survey No. 169, Aarey Milk Colony,

Near Mayur Nagar, Goregaon (East),

Mumbai - 400065

Email address: rl\_gupta@ruchisoya.com

The shareholders may also e-mail their queries, suggestions and grievances at ruchisoyasecretarial@ruchisoya.com.

(s) **Credit rating**

During the year, CARE (CARE Ratings Ltd) has reviewed the rating to the Company, the credit rating of Long term bank facility, CARE D-; Issuer not cooperating and Long term / Short term bank facilities, CARE D-; Issuer not cooperating.

**OTHER DISCLOSURES:**

(a) **Transactions with related parties:**

The Company has not entered into any transaction of material nature with related parties that may have any potential conflict with the interest of the Company. The “Policy on materiality of related party transactions and dealing with related party transaction” as approved by the Board may be accessed on the Company’s website at [www.ruchisoya.com](http://www.ruchisoya.com). Since the company was under CIRP, the powers of board of directors and committees thereof were suspended hence all transactions entered into by the company with related parties during the financial year were with the approval of committee of creditors, on arm’s length basis and in the ordinary course of business.

(b) **Compliance by the Company:**

The Company has complied with the requirements of stock exchanges, SEBI and other statutory authorities on matters related to capital markets during last three years. No penalties have been imposed on the Company or strictures passed by any Stock Exchange or SEBI or any other authorities relating to capital markets except penalty of ₹ 76,550 in FY 2017-18 and ₹ 94,400 in FY 18-19 levied by BSE and NSE for non-compliance of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company, as a legal entity has, however, been by an ex-parte ad-interim order dated 24<sup>th</sup> May, 2016 passed by SEBI, restrained from buying, selling or dealing in the securities market, either directly or indirectly, in any manner whatsoever, till further directions. Later on, by an Order dated 8<sup>th</sup> March, 2017, the SEBI has confirmed the above referred Order with an interim relief to the company by permitting to trade or deal in commodity derivative markets for the limited purpose of hedging the physical market positions under the supervision of the Exchange. In the same matter, the SEBI has issued a show cause notice dated February 06, 2019 under sections 11(1), 11(4) & 11B of SEBI Act, 1992.

(c) **Vigil Mechanism and Whistle Blower Policy:**

The Company promotes ethical behavior and has in place mechanism for reporting and redressal of illegal and unethical behavior. The Company has a vigil mechanism and Whistle Blower Policy for due protection of whistle blowers. It is hereby confirmed that no personnel has been denied access to the Resolution Professional.

(d) **Web link of material subsidiary**

Policy for determination of material subsidiary is available on website of the company i.e. [http://www.ruchisoya.com/Policy\\_Determining\\_Material.pdf](http://www.ruchisoya.com/Policy_Determining_Material.pdf). The other disclosures in terms of Regulation 46(2) are also made available in the said website link.

(e) **Web Link for Related Party Transactions**

The web link of Company’s policy on Related Party Transaction is [http://www.ruchisoya.com/Policy\\_Materiality\\_Transactions.pdf](http://www.ruchisoya.com/Policy_Materiality_Transactions.pdf). The other disclosures in terms of Regulation 46(2) are also made available in the said website link.

(f) **Commodity Price risk, foreign exchange risk and hedging activities:**

The Company has adopted Commodity Price Risk Management Policy and Foreign Exchange Risk Management Policy.

During the financial year 2018-19, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 41 to the Annual Accounts.

(g) **Detail of Utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not Applicable

(h) **Certificate from a company secretary in practice**

The Company has received certificate from practicing company secretary to the effect 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 SEBI/ Ministry of Corporate Affairs or any such statutory authority.

(i) **Recommendation by any committee**

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.

Since the company was under CIRP where the powers of board of directors and committees thereof vest in Resolution professional/ Monitoring committee, this clause is not applicable.

(j) **Fees paid to Statutory Auditors**

The amount of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to, the Statutory Auditor in the financial year 2018-19 is disclosed in Note No. 31 of consolidated financial statements.

(k) **Disclosure in relation to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:**

As disclosed in the Directors’ Report, during the year, no case of sexual harassment was filed in the Company in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(l) **Demat suspense account**

There are no unclaimed shares / securities of the Company.

(m) **CFO Certification**

Pursuant to initiation of CIRP process vide NCLT order dated 15<sup>th</sup> December, 2017, the powers of the Board of Directors stood suspended with effect from 15<sup>th</sup> December, 2017. Hence, only the CFO certification is provided with this report.

(n) **Disclosures on compliance with corporate governance**

Disclosures on compliance with corporate governance requirements specified in regulations 17 to 27 have been included in the relevant sections of this report. Appropriate information has been placed on the Company’s website pursuant to clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**(o) Adoption of Non Mandatory Requirements/ Discretionary Requirements**

Since the Company was under CIRP, the discretionary/ non-mandatory requirements as stipulated in Regulation 27(1) read with Part E of Schedule II of the SEBI (LODR) Regulations, 2015 could not be adopted by the Company.

**(p) Compliance Certificate of the Auditor**

Certificate from the Company's Auditor, Chaturvedi & Shah LLP, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

**(q) Audit Qualifications**

The Company's Standalone and Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2019 contain audit qualifications. For details, refer to Standalone and Consolidated audit report.

**(r) Reporting of Internal Auditor**

The Internal Audit reports are submitted to the Resolution Professional/Monitoring Agent as authorised by monitoring committee on quarterly basis.

**Subsidiary monitoring framework**

All subsidiaries of the Company are Board managed with their respective Boards having rights and obligations to manage such companies in the best interest of their respective stakeholders. The Company monitors the performance of all subsidiary companies inter alia by the following means:

- (a) Financial statements including the investments, if any made by the unlisted subsidiary companies are reviewed and noted by the Interim resolution professional /resolution professional/ monitoring agent as authorised by monitoring committee.
- (b) All minutes of the meetings of the unlisted subsidiary companies are placed before the interim resolution professional /resolution

professional/monitoring agent as authorised by monitoring committee.

- (c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary company is placed before the interim resolution professional /resolution professional/ monitoring agent as authorised by monitoring committee.

Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, defines material subsidiary as a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively of the listed entity and its subsidiaries in the immediately preceding accounting year.

As mandated by Regulation 46 of SEBI (LODR) Regulations, the Company has framed a policy on Material Subsidiaries and has displayed it on [http://www.ruchisoya.com/Policy\\_Determining\\_Material.pdf](http://www.ruchisoya.com/Policy_Determining_Material.pdf). The Company does not have a 'material non-listed Subsidiary'

**Code of Conduct for Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by the Designated Persons.

**Management Discussion and Analysis**

Management Discussion and Analysis Report forms part of the Annual Report.

For and on behalf of Board of Directors (whose powers have since been suspended)  
(as authorised by Monitoring Agent)

Place: Mumbai  
Date: November 09, 2019

**(Vijay Kumar Jain)**  
Executive Director  
DIN: 00098298

**CFO CERTIFICATE**

[Issue in accordance with provisions of Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015

To,

The Board of Directors  
Ruchi Soya Industries Limited  
“ RUCHI HOUSE”, Royal Palms,  
Survey No. 169, Aarey Milk Colony,  
Goregaon (E), Mumbai - 400065

Dear Sir,

I, the undersigned, do hereby certify that:

- a. I have reviewed financial statement and the cash flow statement of Ruchi Soya Industries Limited (“the Company”) for the year ended on 31<sup>st</sup> March, 2019 and that to the best of my knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and I have disclosed to the auditors, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps taken or proposed to be taken to rectify these deficiencies.
- d. I have indicated to the auditors
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

Yours faithfully  
**For Ruchi Soya Industries Limited**

Place : Mumbai  
Dated : May 29, 2019

**(Anil Singhal)**  
Chief Financial Officer

**Independent Auditor's Certificate on compliance with the condition of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure) Regulations, 2015**

**To the Members of  
Ruchi Soya Industries Limited**

- The Corporate Governance Report prepared by Ruchi Soya Industries Limited ("the Company") contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure) Regulations, 2015 as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for year ended 31<sup>st</sup> March, 2019. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.
- The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, admitted petition for initiation of Corporate Insolvency Process ("CIRP") u/s 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code") filed by financial creditors vide order no. CP1371 & CP1372/I&BP/NCLT/MAH/2017 delivered on 15th December 2017 and appointed an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of Code. The Committee of Creditors of the Company, in its meeting held on 12th January 2018 confirmed the IRP as Resolution Professional ("RP") for the Company. In view of pendency of the CIRP the management of affairs of the Company and power of Board of Directors were vested with RP. By an order dated 8th June 2018 NCLT has extended the CIRP time period by 90 more days with effect from 12th June 2018. The NCLT had delivered its orders approving Resolution Plan submitted by consortium of Patanjali Ayurved Limited, Divya Yog Mandir Trust (through its business undertaking, Divya Pharmacy), Patanjali Parivahan Pvt Ltd and Patanjali Gramudhyog Nyas. According to NCLT Order, Monitoring Committee shall be constituted which shall supervise the implementation of the Plan, undertake and monitor the management and operations of the Company in ordinary course until "Closing Date" as referred in approved resolution plan. Mr. Shailendra Ajmera, erstwhile RP, has been appointed as Monitoring Agent to supervise the implementation of the resolution plan.
- As per Notification no. SEBI/LAD-NRO/GN/2018/21 dated May 31, 2018, regulations 17, 18, 19, 20 and 21 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related to Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee respectively, shall not be applicable during the insolvency resolution process period in respect of a listed entity which is undergoing CIRP. According to Approved Resolution plan dated 04<sup>th</sup> September 2019 (posted on NCLT website on 6<sup>th</sup> September, 2019), all the powers of board of directors will be exercised by monitoring agent as authorised by monitoring committee.

**Management's and Monitoring Committee's Responsibility**

- The preparation of the Corporate Governance Report is the responsibility of the Management / Monitoring Agent (erstwhile RP) of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- The Management / Monitoring Agent (erstwhile RP) along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

- Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
- We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in Compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors and Monitoring Agent (erstwhile RP) of the Company.
- The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness and accuracy of any of the financial information or the financial statement of the Company taken as a whole.

**Opinion**

- Based on the procedures performed by us as referred in paragraph 9 and 10 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of the Corporate Governance as stipulated in the listing regulations, to the extent applicable, for the year ended 31<sup>st</sup> March, 2019 referred to in the paragraph 1 above read with paragraph 3 above.

**Other Matter and Restriction on Use**

- This certificate is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the Management / Monitoring Agent (erstwhile RP) has conducted the affairs of the Company.
- This certificate is addressed to and provided to the members of the Company for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**For Chaturvedi & Shah LLP**  
Chartered Accountants  
(Registration No.101720W/W100355)

**Vijay Napawaliya**  
Partner

Place : Mumbai  
Date : 09/11/2019

Membership No. 109859  
UDIN: 19109859AAAAC17700

# Independent Auditors' Report

To the Members of  
**Ruchi Soya Industries Limited (A Company under corporate insolvency resolution process vide NCLT order)**

## REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

### QUALIFIED OPINION

We have audited the standalone financial statements of **Ruchi Soya Industries Limited** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2019, and the statement of Profit and Loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the aforesaid financial statements 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 31<sup>st</sup> March, 2019 and its profit, changes in equity and its cash flows for the year ended on that date.

### BASIS FOR QUALIFIED OPINION

- (i) For reasons mentioned in Note no. 44 of the standalone financial statements, the Company continues not to assess impairment of carrying value of tangible assets, capital work in progress and intangible assets in accordance with requirements of Indian Accounting Standard 36 on "Impairment of Assets". We are unable to obtain sufficient appropriate audit evidence about the recoverable amount of the Company's tangible assets, capital work in progress and intangible assets. Consequently, we are unable to determine whether any adjustments to carrying value are necessary and consequential impacts on the standalone financial statements.
- (ii) Attention is drawn to Note no. 45 of the standalone financial statements, regarding non-availability of Demat Statement in respect of investments amounting to ₹ 946.10 Lakh as at 31<sup>st</sup> March 2019. Accordingly, we are unable to comment on the possible financial impact, presentation and disclosures, related to those investments.
- (iii) As mentioned in Note no. 46 of the standalone financial statements:-
  - (a) In respect of Company's borrowings from banks and financial institutions aggregating ₹ 2,74,114.55 Lakh and bank (current account and term deposits) balances aggregating ₹ 1,908.44 Lakh, balance confirmations as at 31<sup>st</sup> March 2019 are not received. In cases, where the confirmations are received in respect of borrowings, there are differences between books of accounts and confirmations received mainly due to charging of interest by bank and financial institutions in their confirmations/statement and non-recognition of the same by

the Company in its books of accounts subsequent to insolvency commencement date i.e. 15<sup>th</sup> December 2017.

- (b) In accordance with the Insolvency and Bankruptcy Code ("Code"), the Resolution Professional ("RP") has to receive, collate and admit the claims submitted by the creditors as a part of Corporate Insolvency Process ("CIRP"). Such claims can be submitted to the RP till the approval of the resolution plan by the CoC. As mentioned in Note no. 43 of the standalone financial statements, the RP has filed an application before the Hon'ble NCLT for the Resolution Plan approval. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.
- (iv) Attention is drawn to Note no. 47 of the standalone financial statements:-
  - (a) Regarding non-recognition of interest on borrowing from banks and financial institutions, customer advance, inter corporate deposits and security deposits received and bank charges on borrowing from banks and financial institutions subsequent to insolvency commencement date i.e. 15<sup>th</sup> December 2017, amounting to ₹ 34,561.14 Lakh for the year ended 31<sup>st</sup> March 2018 and ₹ 1,56,848.90 Lakh for the year ended 31<sup>st</sup> March 2019. Interest aggregating to ₹ 1,91,410.04 Lakh has not been recognised till date. The same is not in compliance with requirements of Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".
  - (b) The Company has not translated certain foreign currency trade payables, trade receivables and borrowings as at 31<sup>st</sup> March 2019 using closing exchange rate having an impact on exchange difference loss of ₹ 2,356.13 Lakh for the year ended 31<sup>st</sup> March 2019 (for the year ended 31<sup>st</sup> March 2018 is loss of ₹ 1,926.86 Lakh). Cumulative foreign exchange difference loss of ₹ 4,282.99 Lakh till date. The same is not in compliance with Ind AS - 21 on "The Effects of Changes in Foreign Exchange Rates".
  - (c) Had provision for interest, bank charges and exchange difference been recognised, finance cost and total expenses, would have been higher while profit and total comprehensive income for year ended would have been lower by aggregate amount as mentioned above, having consequential impact on other current financial liability and other equity.
- (v) We have been informed by Resolution Professional that certain information including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors and NCLT. Further, we were informed that the Committee of Creditors has approved

*the resolution plan and is filed with Hon'ble NCLT. However, the detailed resolution plan (including the salient features, consideration agreed, terms and conditions etc.) has not been made available for our review. In the opinion of the RP, the matter is highly sensitive and confidential. Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of that information.*

- (vi) *Attention is drawn to Note no. 48 of the standalone financial statement, the Company is having refund receivable, as on 31st March 2019, amounting to ₹ 4259.12 Lakh in respect of financial year 2009-2010 to 2013-14 for Daloda and Gadarwara unit towards investment promotional assistance equivalent to 75% of taxes (Commercial Tax / VAT and Central Sales Tax) paid by the Company as per exemption granted in the industrial promotion policy of Madhya Pradesh. However, Madhya Pradesh Trade and Investment Facilitation Corporation, Bhopal rejected the claim and accordingly, appeal was made to the Hon'ble High Court of Madhya Pradesh. During the year, Hon'ble High Court of Madhya Pradesh, Indore bench, rejected the Company's claim vide order dated 16<sup>th</sup> May, 2018. Subsequently, the Company has filed special leave petition before Hon'ble Supreme Court of India for refund of the amount, which has been admitted on 29<sup>th</sup> August, 2018. No provision for impairment against the aforesaid receivable is considered necessary till the decision of the Hon'ble Supreme Court in this matter.*

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

#### **EMPHASIS OF MATTERS**

- (i) Attention is drawn to Note no. 32 (A) (c) ii of the standalone financial statement, regarding impounding of three plants at Kandla Gujarat i.e. Edible Oil Refinery, Oleochem Division and Guargum Division by the Gujarat Commercial Tax Department against their VAT claim of ₹ 43276.81 Lakh.
- (ii) Attention is drawn to Note no. 49 regarding the balance confirmations of trade receivables and advances given to

vendors, customers' advances received & trade payables. During the course of preparation of standalone financial statements, e-mails/letters have been sent to various parties by the company with a request to confirm their balances to us out of which few parties have confirmed their balances directly to us. In the absence of the confirmation of balances, the possible adjustment, if any, will be accounted for as and when the accounts is settled / reconciliation / finality of the balances with those parties.

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

#### **MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw attention to the Note no. 34 of the standalone financial statement, regarding preparation of standalone financial statements on going concern basis, which states that the Company has incurred cash losses, its liabilities exceeded total assets and its net worth has been fully eroded as on 31st March 2019. In view of the continuing default in payment of dues, certain lenders have sent notices/letters recalling their loans given and called upon the Company to pay entire dues and other liability, receipt of invocation notices of corporate guarantees given by the Company, while also invoking the personal guarantee of promoter director. Few of the lenders also issued wilful defaulter notices and filed petition for winding up of the Company. Capacity utilization of manufacturing processing facilities is very low and Corporate Insolvency Process against the Company is in process. Since the CIRP is currently in progress, as per the Code, it is required that the Company be managed as a going concern during the CIRP. The standalone financial statements is continued to be prepared on going concern basis. However there exists material uncertainty about the Company's ability to continue as going concern since the same is dependent upon the resolution plan to be approved by NCLT. The appropriateness of preparation of standalone financial statements on going concern basis is critically dependent upon CIRP as specified in the Code. Our opinion is not modified in respect of this matter.

#### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion*, Emphasis of matters & Material Uncertainty Related to Going Concern section, we have determined the matters described below to be key audit matters to be communicated in our report.



Key Audit Matters	How our audit addressed the key audit matter
<b>(i) Litigations Matters &amp; Contingent liabilities</b>	
<p>The Company is subject to number of legal and tax related claims which have been disclosed / provided for in the standalone financial statements based on the facts and circumstances of each case.</p> <p>There is a high level of judgment required in estimating the level of provisioning required and appropriateness of disclosure of contingent liabilities.</p> <p>Refer to Note 2(B) “Significant Accounting Policies” and Note 32 – “Contingent Liabilities and Commitments” of the standalone financial statements.</p>	<p>Our audit procedures included the following :</p> <ul style="list-style-type: none"> <li>• Reviewing the process of identification of claims, litigations and contingent liabilities.</li> <li>• Reviewing the Company’s legal and tax cases and assessed management’s position through discussion on both the probability of success in significant cases and the magnitude of any potential loss.</li> <li>• Discussion with the management on the development in these litigations during the year ended 31st March, 2019.</li> <li>• Verifying that accounting and /or disclosure as the case may be in the standalone financial statements is in accordance with the assessment of management.</li> <li>• Obtaining representation letter from the management on the assessment of those matters as per SA 580 (revised) - written representations.</li> </ul>
<b>(ii) Inventories</b>	
<p>As of 31st March, 2019, inventories appear on the standalone financial statements for an amount of ₹ 1,26,085.13 Lakh, which constitutes 49.73% of the total current assets. As indicated in Note no. 1(e) to the financial statements, inventories are valued at the lower of cost and net realizable value: The Company may recognize an inventory allowance if inventory items are damaged, if the selling price has declined, or if the estimated costs to completion or to be incurred to make the sale have increased. We focused on this matter because of the:</p> <ul style="list-style-type: none"> <li>• Significance of the inventory balance.</li> <li>• Complexity involved in determining inventory quantities on hand due to the number, location and diversity of inventory storage locations.</li> <li>• Valuation procedure including of obsolete inventories.</li> </ul>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Reviewing the Company’s process and procedures for physical verification of inventories at year end.</li> <li>• Assessing the methods used to value inventories and ensuring ourselves of the consistency of accounting methods.</li> <li>• Reviewing of the reported acquisition cost on a sample basis.</li> <li>• Analyzing of the Company’s assessment of net realizable value, as well as reviewing of assumptions and calculations for stock obsolescence.</li> <li>• Assessing of appropriateness of disclosures provided in the financial statements.</li> </ul>

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON**

The Company’s Board of Directors / Resolution Professional/ Management are responsible for the other information. The other information comprises the information included in the Annual Report (but does not include the financial statements and our auditor’s report thereon), which is expected to be made available to us after that date.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

**RESPONSIBILITIES OF MANAGEMENT AND RESOLUTION PROFESSIONAL AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS**

The Hon’ble National Company Law Tribunal (“NCLT”), Mumbai Bench, admitted petition for initiation of Corporate Insolvency Process (“CIRP”) u/s 7 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) filed by financial creditors vide order no. CP1371 & CP1372/I&BP/NCLT/MAH/2017 delivered on 15<sup>th</sup> December 2017 and appointed an Interim Resolution Professional (“IRP”) to manage affairs of the Company in accordance with the provisions of Code. The

# “Annexure A” to Independent Auditors’ Report

Committee of Creditors of the Company, in its meeting held on 12<sup>th</sup> January 2018 confirmed the IRP as Resolution Professional (“RP”) for the Company. In view of pendency of the CIRP the management of affairs of the Company and power of Board of Directors are now vested with RP. By an order dated 8<sup>th</sup> June 2018 NCLT has extended the CIRP time period by 90 more days with effect from 12<sup>th</sup> June 2018. Further, as mentioned in Note no. 43 and in terms of Sections 14(4) and 31(3) of the Code, until the resolution plan has been approved by the Hon’ble NCLT, moratorium shall continue to be in effect and accordingly, the RP shall continue to manage operations of the Company on a going concern basis during the CIRP. These standalone financial statements have been prepared by the management of the Company and Certified by Mr. Anil Singhal, Chief Financial Officer and approved by RP.

The Company’s Board of Directors/Resolution Professional / Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors / Resolution Professional / Management are also responsible for overseeing the Company’s financial reporting process.

## AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies act, 2013, 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

## Annexure A to Independent Auditors' Report (Contd..)

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.

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comment in the Annexure A, as required by Section 143 (3) of the Act, we report that:
  - a. We have sought and *except for matters described in the Basis for Qualified Opinion paragraph above* have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. *Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above*, 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 other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d. *Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above*, in our opinion, the aforesaid Standalone financial statements comply with Ind AS prescribed under Section 133 of the Act read with relevant rules there under;
  - e. On the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March 2019, and taken on record in the meeting of RP, we report that none of the directors is disqualified as on

31<sup>st</sup> March 2019 from being appointed as a director in terms of Section 164(2) of the Act;

- f. The matters described in the Basis for Qualified Opinion paragraph above and matters described in paragraphs above under "Material uncertainty related to going concern", in our opinion, may have an adverse effect on the functioning of the Company;
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act;
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i. The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the *Basis for Qualified Opinion paragraph above*;
- j. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company, as detailed in Note no. 32 to the standalone financial statements has disclosed the impact of pending litigations on its financial position.
  - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Chaturvedi & Shah LLP**

Chartered Accountants  
Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner  
Membership Number: 109859

Place: Mumbai  
Date: 29 May, 2019

## “Annexure A” to Independent Auditors’ Report

(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Ruchi Soya Industries Limited on the standalone financial statements for the year ended 31<sup>st</sup> March 2019)

- (i) In respect of fixed assets:-
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As explained to us, the fixed assets are physically verified by the management during / at the end of the year, 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 physical verification as compared with the available records.
- (c) In our opinion and according to information and explanations given to us and on the basis of our examination of available records of the Company, the title deeds of immovable properties are held in the name of the Company except the following :-

(₹ In Lakh)

Particulars	Leasehold	Freehold	Total
	Land	Land	
No. of cases	1	3	4
Gross Block as on 31 <sup>st</sup> March 2019	71.55	110.05	181.60
Net Block as on 31 <sup>st</sup> March 2019	-	110.05	110.05

- (ii) In respect of its inventories:-  
As explained to us, inventories have been physically verified during the year by the management except goods in transit and stocks with third parties. In our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company and the same have been properly dealt with.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, during the year, the Company has not made any loan, investment and guarantees to any person specified under section 185 and section 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. During the year, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the records of the Company and information and explanations given to us, the Company has generally been regular except slight few delays in few cases, in depositing undisputed statutory dues, including provident fund, employees’ state insurance, income tax, duty of customs, goods and service tax, cess and any other statutory dues to the appropriate authorities as applicable during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and goods and service tax, which have not been deposited on account of any dispute except as mentioned below:-

(₹ In Lakh)

Name of the Statute	Nature of Dues	Amount Disputed	Amount deposited under Protest	Period to which Dispute Relates	Forum where Dispute is Pending
The Central Sales Tax Act, 1956, VAT Act and Local Sales Tax Acts	Vat Tax/Sales Tax/Entry Tax/Sales Tax Demand and penalty, as applicable	16,299.85	713.43	FY* 1999-00 to 2015-16 & 18-19	High Court
		8,331.16	606.77	FY 1997-98 to 2013-14 & 2017-18	Tribunal (CESTAT)
		3,250.80	760.79	FY 2001-02 to 2013-14 & 2016-17	Commissioner (Appeals)
		61,878.15	903.63	FY 1999 - 2000 to 2018-19	DC Appeals / Joint Commissioner (Appeals)

# Annexure A to Independent Auditors' Report (Contd..)

(₹ In Lakh)

Name of the Statute	Nature of Dues	Amount Disputed	Amount deposited under Protest	Period to which Dispute Relates	Forum where Dispute is Pending
		77.48	28.97	FY 2002 to 2006	Settlement Commission
The Central Excise Act, 1944	Excise Duty	454.79	14.89	2004-05 to 2005-06	High Court
		6,911.39	39.11	2001-02 to 2016-17	Tribunal
		183.03	5.37	2005-06 to 2014-15	Commissioner (Appeals)
Service Tax under Finance Act, 1994	Service Tax	1,177.59	29.14	2002-03 & 2008-09 to 2012-13	Tribunal
		282.58	11.91	2006-07 to 2013-14, 14-15, 2018-19	Commissioner (Appeals)
The Customs Duty Act, 1962	FY 2001-02 to 2004-05 2006-07, 2007-08, 2015-16 & 2017-18	5,003.43	108.16	FY 2001-02, 02-03, 2003-04 & 2015-16	Supreme Court
		5,663.99	92.78		High Court
		16,795.90	20.51	FY 1998-99, 2000-01, 2003-04 to 2006-07, 2012-13 to 2013-14, 2015-16 & 2017-18	Tribunal CESTAT
		321.26	4.75	FY 2003-04, 2005-06, 2006-07, 2013-14 & 2018-19	Commissioner (Appeals)
		1,738.30	530.55	FY 2001-02, 2004-05 & 2009-10	AC Appeals / DC Appeals
The Income Tax Act, 1961	Income Tax	181.67	-	AY* 2007-08	ITAT
		6,317.29	1.68	AY 2004-05 & 2008-09 to 2015-16	DC Appeals / Joint Commissioner (Appeals)
		18.08	-	AY 2007-08 to 2018-19	Assessing Officer
<b>Total</b>		<b>1,34,886.74</b>	<b>3872.44</b>		

\*FY – Financial Year, \*\*AY – Assessment Year

(viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank and government as at balance sheet date except as mentioned below. There are no dues to debenture holders as at the balance sheet date.

### A. In respect of Term loans from banks:

(₹ In Lakh)

Particulars	Amount of continuing default as on 31 <sup>st</sup> March 2019		Period of Default
	Principal	Interest *	
TERM LOAN-STATE BANK INDIA. (CORP-IV)	8,999.62	1,382.29	As per Recall Notice vide dated April 07,2017
TERM LOAN-STATE BANK INDIA-65CR. G'GUM	2,578.66	371.11	As per Recall Notice vide dated April 07,2017
TERM LOAN-STATE BANK OF INDIA (CTL-V)	17,000.00	2,656.78	As per Recall Notice vide dated April 07,2017
TERM LOAN-STATE BANK OF INDIA-60CR	3,531.02	642.43	As per Recall Notice vide dated April 07,2017
ECB-DBS BANK,SINGAPORE (ECB - II & III)	22,177.15	2,074.55	As per Recall Notice vide dated September 23,2016
FCCB-STANDARD CHARTERED BANK –SCB	3,190.27	295.82	As per Recall Notice vide dated January 25,2017
<b>Total</b>	<b>57,476.72</b>	<b>7,422.99</b>	

\* Interest accrued up to 15<sup>th</sup> December 2017

# Annexure A to Independent Auditors' Report (Contd..)

## B. In respect of Short term loans from various banks: (₹ In lakh)

Bank Name	Amount of Continuing Default as on 31 <sup>st</sup> March 2019		Period of Default
	Principal	Interest*	
State Bank of India – Group	1,29,732.69	15,275.34	As per Recall Notice vide dated 07.04.2017
Central Bank of India	79,119.75	2,851.25	As per Recall Notice vide dated 05.09.2016 and F.Y. 2018-19
Punjab National Bank	73,239.19	1,184.39	Financial Year 2016-17 to 2018-19
Standard Chartered Bank	35,152.41	-	As per Recall Notice vide dated 25.01.2017
Corporation Bank	45,020.49	5,593.23	As per Recall Notice vide dated 01.07.2017
ICICI Bank Limited	48363.00	15.38	Financial Year 2015-16 to 2018-19
IDBI	46,497.00	3,529.00	As per Recall Notice vide dated 30.05.2017
Bank of India	30,501.39	4,825.92	As per Recall Notice vide dated 31.07.2017
UCO Bank	29,070.15	5,100.41	As per Recall Notice NPA w.e.f.23.09.2016
Union Bank of India	24,016.46	5,060.88	As per Recall Notice vide dated 11.08.2017
Syndicate Bank	25,785.80	3,013.11	As per Recall Notice vide dated 08.05.2017
Bank of Maharashtra	23,252.67	3,102.69	Financial Year 2015-16 to 2018-19
Axis Bank Limited	24,131.59	1,379.91	As per Recall Notice vide dated 13.11.2017
Bank of Baroda	21,683.54	1,991.16	As per Recall Notice vide dated 25.09.2017
IDFC - Edelweiss ARC	19,303.21	3,863.85	As per Recall Notice vide dated 07.05.2016
Dena Bank	18,877.01	2,672.99	As per Recall Notice NPA w.e.f.31.03.2017
Karur Vysya Bank	20,740.91	42.00	Financial Year 2015-16 to 2018-19
HDFC Bank	13501.51	2,768.40	Financial Year 2013-14 to 2018-19
Oriental Bank of Commerce	12,876.00	1,145.00	As per Recall Notice NPA w.e.f.01.06.2016
Rabo Bank	72,977.30	4,862.68	As per Review Letter vide dated 10.08.2016
DBS Bank – India	2,944.74	269.91	As per Recall Notice vide dated 27.09.2016
ANZ	19,005.65	713.79	Financial Year 2015-2016 (As per endorsement)
<b>TOTAL</b>	<b>8,15,792.46</b>	<b>69,261.29</b>	

\* Interest accrued up to 15<sup>th</sup> December 2017

## C. In respect of sales tax deferment:

(₹ In Lakh)

Particulars	Amount of Continuing default as on 31 <sup>st</sup> March 2019	Period of default
IFST Deferral scheme of Government, Tamilnadu	4,474.54	Outstanding since December 2017

(ix) According to the information and explanations given to us, the Company did not raise any moneys by way of initial public offer, further public offer (including debt instruments) and no term loans was raised during the year. Therefore, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to

us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management/ RP. However, we have been informed that Company has received communication dated 10<sup>th</sup> May 2018 from Serious Fraud Investigation Office, Ministry of Corporate Affairs, New Delhi regarding investigation into the affairs of the Company under section 212 (1) of the Companies Act, 2013, the matter is still going on.

## Annexure A to Independent Auditors' Report (Contd..)

- (xi) In our opinion and according to the information and explanations given to us, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

**For Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Membership Number: 109859

Place: Mumbai

Date: 29 May, 2019

# “Annexure B” to the Independent Auditors’ Report

Referred to in paragraph 2(g) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Ruchi Soya Industries Limited on the standalone financial statements for the year ended 31<sup>st</sup> March 2019.

## REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of Ruchi Soya Industries Limited (“the Company”) as of 31<sup>st</sup> March 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

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

### AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. 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, prescribed 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 was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

### OPINION

According to the information and explanations given to us and based on the audit of test of controls, except for strengthening of documentation of policies regarding delegation of authority and access rights to financial records and process of archival of records and periodic review which we are informed that is in process, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 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.

**For Chaturvedi & Shah LLP**  
Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: 29 May, 2019

Membership Number: 109859



**RUCHI SOYA INDUSTRIES LIMITED**  
(a company under corporate insolvency resolution process vide NCLT order)

**ANNEXURE I**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results**

(Standalone)

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019**

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

(₹ In Lakh)

I. Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	12,82,925.55	12,82,925.55
2.	Total Expenditure	12,75,253.54	14,34,458.57
3.	Net Profit/(Loss)	7,672.01	(1,51,533.02)
4.	Earnings Per Share	2.35	(46.42)
5.	Total Assets	7,93,686.32	7,93,686.32
6.	Total Liabilities	12,41,506.35	14,00,711.38
7.	Net Worth	(4,50,328.46)	(6,09,533.49)
8.	Any other financial item(s) (as felt appropriate by the management)	-	-

**II. Audit Qualification (each audit qualification separately):**

1. a. **Details of Audit Qualification:** For reasons mentioned in note no. 2 of the statement, the Company continues not to assess impairment of carrying value of tangible assets, capital work in progress and intangible assets in accordance with requirements of Indian Accounting Standard 36 on "Impairment of Assets". We are unable to obtain sufficient appropriate audit evidence about the recoverable amount of the Company's tangible assets, capital work in progress and intangible assets. Consequently, we are unable to determine whether any adjustments to carrying value are necessary and consequential impacts on the statement.

b. **Type of Audit Qualification :** Qualified Opinion / Disclaimer of Opinion / Adverse Opinion

c. **Frequency of qualification:** Appearing since financial year 2017-18

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** N.A

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) Management's estimation on the impact of audit qualification: N.A

(ii) **If management is unable to estimate the impact, reasons for the same**

The Company is under CIRP and the Resolution professional has filed an application under Section 30(6) of the Code before the Hon'ble NCLT for its consideration and approval of the Resolution Plan submitted by the resolution applicant, as mentioned in note 1 of the statement. The same is pending for approval. Hence, the CIRP is not yet concluded and the final outcome is yet to be ascertained. The company has not taken in consideration impact on the value of the assets due to this information for impairment, if any, in preparation of Financial Result as required by Ind-AS 10 on "Events after the reporting period". Further, the Company has not made assessment of impairment as required by Ind AS 36 on Impairment of Assets, if any, as at 31st March 2019 in the value of tangible, intangible assets and capital work in progress."

(iii) **Auditors' Comments on (i) or (ii) above**

Refer "Basis for Qualified Opinion" in audit report read with relevant notes in the financial results, the same is self-explanatory.

2. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:** Attention is drawn to note no. 3 of the statement, regarding non-availability of Demat Statement in respect of investments amounting to ₹ 946.10 Lakh as at 31<sup>st</sup> March 2019. Accordingly, we are unable to comment on the possible financial impact, presentation and disclosures, related to those investments.

b. **Type of Audit Qualification :** Qualified Opinion / Disclaimer of Opinion / Adverse Opinion

c. **Frequency of qualification:** Appearing since financial year 2017-18

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** N.A

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) <b>Management's estimation on the impact of audit qualification:</b> In spite of repeated reminders to the depository participants, Demat statement could not be produced before the auditors. However the securities are available in Demat account in the absence of information to the contrary.
(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> N.A
(iii) <b>Auditors' Comments on (i) or (ii) above:</b> Refer "Basis for Qualified Opinion" in audit report read with relevant notes in the financial results, the same is self-explanatory.
<b>3. Audit Qualification (each audit qualification separately):</b>
a. <b>Details of Audit Qualification:</b> As mentioned in note no. 4 of the statement, in respect of Company's borrowings from banks and financial institutions aggregating ₹ 2,74,114.55 Lakh and bank (current account and term deposits) balances aggregating ₹ 1,908.44 Lakh, balance confirmations as at 31st March 2019 are not received. In cases, where the confirmations are received in respect of borrowings, there are differences between books of accounts and confirmations received mainly due to charging of interest by bank and financial institutions in their confirmations/statement and non-recognition of the same by the Company in its books of accounts subsequent to insolvency commencement date i.e. 15th December 2017. However, In accordance with the Insolvency and Bankruptcy Code ("Code"), the Resolution Professional ("RP") has to receive, collate and admit the claims submitted by the creditors as a part of Corporate Insolvency Process ("CIRP"). Such claims can be submitted to the RP till the approval of the resolution plan by the CoC. As mentioned in note no. 1 of the statement, the RP has filed an application before the Hon'ble NCLT for the Resolution Plan approval. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.
b. <b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
c. <b>Frequency of qualification:</b> Appearing since financial year 2016-17
d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> N.A
e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>
(i) <b>Management's estimation on the impact of audit qualification:</b> For non-receipt of independent balance confirmation, management is of the view that there will not be significant variation in respect of borrowings, bank balances.
(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> In respect of claims submitted as on 15th December 2017, the RP has admitted financial and operational creditor claims in the list of creditors filed with the NCLT dated April 26, 2019. No accounting impact in the books of accounts has been made in respect of excess, short or non-receipts of claims for the financial and operational creditors.
(iii) <b>Auditors' Comments on (i) or (ii) above:</b> Refer "Basis for Qualified Opinion" in audit report read with relevant notes in the financial results, the same is self explanatory.
<b>4. Audit Qualification (each audit qualification separately):</b>
a. <b>Details of Audit Qualification:</b> Attention is drawn to note no. 5 of Statement:-
(a) Regarding non-recognition of interest on borrowing from banks and financial institutions, customer advance, inter corporate deposits and security deposits received and bank
b. <b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
c. <b>Frequency of qualification:</b> Appearing since financial year 2017-18
d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> The Creditors submitted their claims as at 15th December 2017 to Resolution Professional and those claims have been admitted by Resolution Professional. This stand is taken on the premise that these liabilities will be discharged/settled as at 15th December 2017 under the Insolvency and Bankruptcy Code and no additional liability needs be accounted.
e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>
(i) <b>Management's estimation on the impact of audit qualification:</b> N.A
(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> N.A
(iii) <b>Auditors' Comments on (i) or (ii) above:</b> N.A.

5. **Audit Qualification (each audit qualification separately):**

- a. **Details of Audit Qualification:** We have been informed by Resolution Professional that certain information including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors and NCLT. Further, we were informed that the Committee of Creditors has approved the resolution plan and is filed with Hon'ble NCLT. However, the detailed resolution plan (including the salient features, consideration agreed, terms and conditions etc.) has not been made available for our review. In the opinion of the RP, the matter is highly sensitive and confidential. Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of that information.
- b. **Type of Audit Qualification :** Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
- c. **Frequency of qualification:** Appearing since financial year 2017-18d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** N.Ae. **For Audit Qualification(s) where the impact is not quantified by the auditor:**
- (i) **Management's estimation on the impact of audit qualification:** N.A
- (ii) **If management is unable to estimate the impact, reasons for the same:** The RP is obliged not to share certain information which is integral part of the CIRP, in order to maintain confidentiality of the process and in line with the directions of the CoC.
- (iii) **Auditors' Comments on (i) or (ii) above:** Refer "Basis for Qualified Opinion" in audit report is self-explanatory.

6. **Audit Qualification (each audit qualification separately):**

- a. **Details of Audit Qualification:** Attention is drawn to note no. 6 of the statement, the Company is having refund receivable, as on 31st March 2019, amounting to ₹ 4259.12 Lakh in respect of financial year 2009-2010 to 2013-14 for Daloda and Gadarwara unit towards investment promotional assistance equivalent to 75% of taxes (Commercial Tax / VAT and Central Sales Tax) paid by the Company as per exemption granted in the industrial promotion policy of Madhya Pradesh. However, Madhya Pradesh Trade and Investment Facilitation Corporation, Bhopal rejected the claim and accordingly, appeal was made to the Hon'ble High Court of Madhya Pradesh. During the year, Hon'ble High Court of Madhya Pradesh, Indore bench, rejected the Company's claim vide order dated 16th May, 2018. Subsequently, the Company has filed special leave petition before Hon'ble Supreme Court of India for refund of the amount, which has been admitted on 29th August, 2018. No provision for impairment against the aforesaid receivable is considered necessary till the decision of the Hon'ble Supreme Court in this matter.
- b. **Type of Audit Qualification :** Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
- c. **Frequency of qualification:** Appeared first timed.
- d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** The matter is currently pending with the Hon'able Supreme Court of India and accordingly, no provision against the aforesaid receivable is considered necessary till the decision of the Supreme Court in this matter.
- e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**
- (i) **Management's estimation on the impact of audit qualification:** N.A.
- (ii) **If management is unable to estimate the impact, reasons for the same:** N.A.
- (iii) **Auditors' Comments on (i) or (ii) above:** N.A

III. Signatories:

Anil Singhal  
CFO

Shailendra Ajmera  
Resolution Professional

IP Registration no. IBBI/IPA-001/IP-P00304/2017- 18/10568

Place: Mumbai

Date: 29 May, 2019

# Auditors

Refer our Independent Auditors' Report dated 29, May, 2019 on Standalone Financial Results of the Company

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Registration Number: 101720W/W100355)

**Vijay Napawaliya**

Partner

Membership Number: 109859

**Place:** Mumbai

**Date:** 29, May 2019

# Ruchi Soya Industries Limited

## Balance Sheet as at March 31, 2019

(₹ in lakh)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	370,808.11	384,167.70
(b) Capital work-in-progress	3	2,691.30	2,812.25
(c) Intangible assets	4	151,589.30	151,634.34
(d) Financial Assets			
(i) Investments	5(a)	1,450.55	3,471.48
(ii) Loans	5(b)	3,529.61	3,912.67
(iii) Others	5(c)	1,413.93	930.69
(e) Other non-current assets	6	8,638.82	10,648.90
<b>Total Non-current assets</b>		<b>540,121.62</b>	<b>557,578.03</b>
<b>(2) Current assets</b>			
(a) Inventories	7	126,085.13	119,106.35
(b) Financial Assets			
(i) Investments	8(a)	1,679.35	1,579.63
(ii) Trade receivables	8(b)	26,223.61	24,961.47
(iii) Cash and cash equivalents	8(c)	15,802.32	3,701.34
(iv) Bank balances other than (iii) above	8(d)	27,201.25	13,942.15
(v) Loans	8(e)	113.13	559.02
(vi) Others	8(f)	339.44	236.44
(c) Other Current Assets	9	55,752.91	50,024.66
Assets Classified as held for Sale	10	367.56	367.56
<b>Total Current assets</b>		<b>253,564.70</b>	<b>214,478.62</b>
<b>Total Assets</b>		<b>793,686.32</b>	<b>772,056.65</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	6,529.41	6,529.41
(b) Other Equity	12	(454,349.44)	(461,388.89)
<b>Total Equity</b>		<b>(447,820.03)</b>	<b>(454,859.48)</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	1,607.27	5,775.68
(b) Other non-current liabilities	15	552.69	606.47
(c) Provision	16	681.27	-
<b>Total Non-Current Liabilities</b>		<b>2,841.23</b>	<b>6,382.15</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17(a)	727,980.20	659,209.83
(ii) Trade Payables			
(b) Total Outstanding due to Micro and small enterprises.	17(b)	433.96	412.34
(c) Total Outstanding due to creditors other than Micro and small enterprises.	17(b)	223,103.74	290,379.55
(iii) Other financial liabilities	17(c)	276,358.71	252,923.52
(c) Other current liabilities	18	10,439.33	16,679.92
(d) Provisions	19	176.18	755.82
Liabilities directly associated with assets classified as held for sale	20	173.00	173.00
<b>Total Current liabilities</b>		<b>1,238,665.12</b>	<b>1,220,533.98</b>
<b>Total Equity and Liabilities</b>		<b>793,686.32</b>	<b>772,056.65</b>

See accompanying Notes to the financial statements from 1 to 52

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no. IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary

# Ruchi Soya Industries Limited

## Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakh)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME</b>			
I Revenue from Operations	21	1,272,923.31	1,199,413.30
II Other Income	22	10,002.25	3,514.73
<b>III Total Income (I+II)</b>		<b>1,282,925.56</b>	<b>1,202,928.03</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	23	1,096,789.57	920,872.09
Purchases of Stock-in-Trade	24	35,535.68	142,570.08
Changes in inventories of finished goods, work-in-progress and stock in trade	25	7,879.88	563.52
Employee Benefits Expense	26	15,118.96	15,741.32
Finance Costs	27	699.07	85,573.39
Depreciation, amortisation and impairment Expenses	28	13,824.44	14,036.69
Provision for Doubtful Debts, Advances, Bad Debts, Financial guarantee obligations and others	29	1,340.25	515,017.83
Other Expenses	30	104,065.70	109,577.51
<b>Total Expenses (IV)</b>		<b>1,275,253.55</b>	<b>1,803,952.43</b>
<b>V Profit/(loss) before tax (III-IV)</b>		<b>7,672.01</b>	<b>(601,024.40)</b>
<b>VI Tax expense</b>			
Deferred Tax	14	-	(44,535.95)
Tax for earlier years		-	839.54
<b>VII Profit/(loss) for the year (V-VI)</b>		<b>7,672.01</b>	<b>(557,327.99)</b>
<b>VIII Other Comprehensive Income</b>			
Items that will not be reclassified to statement of profit or loss	31	(632.57)	103.48
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>7,039.44</b>	<b>(557,224.51)</b>
<b>X Earnings per equity share of face value of ₹ 2 each</b>			
Basic and Diluted earnings per share	39		
a Basic (in ₹)		2.35	(170.73)
b Diluted (in ₹)		2.35	(170.73)

See accompanying Notes to the financial statements from 1 to 52

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no. IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary

# Ruchi Soya Industries Limited

## Statement of Changes in Equity (SOCIE)

### for the year ended March 31, 2019

	March 31, 2019		March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	3,341.01	6,682.01	3,341.01	6,682.01
Changes in Equity share capital during the year	-	-	-	-
	<b>3,341.01</b>	<b>6,682.01</b>	<b>3,341.01</b>	<b>6,682.01</b>
Less : 76,30,115 (Previous year 76,30,115 Treasury Equity Shares) [Refer Note 11(b)]	76.30	152.60	76.30	152.60
Balance at the end of the reporting year	<b>3,264.71</b>	<b>6,529.41</b>	<b>3,264.71</b>	<b>6,529.41</b>

**Other Equity**  
As at March 31, 2019 [Refer Note 12]

₹ in Lakh

Particulars	Note Reference	Reserves and Surplus						Total	
		Capital Redemption Reserve	Share Options Outstanding Account	Securities Premium account	General Reserve	Capital Reserve	Equity Instruments through Other Comprehensive Income		Retained Earnings
Balance at the beginning of the reporting year		8,770.98	39.53	45,186.45	41,775.98	3,328.75	(9,119.42)	(551,371.16)	(461,388.89)
Profit/(Loss) for the year		-	-	-	-	-	-	7,672.01	7,672.01
Other Comprehensive Income for the year	31	-	-	-	-	-	(471.87)	(160.69)	(632.56)
Total comprehensive income for the year		-	-	-	-	-	(471.87)	7,511.32	7,039.45
Transactions with the owners in their capacity as the owners									
- Employee Stock option expenses	12 B	-	(39.53)	-	-	-	-	-	(39.53)
Other changes during the year									
- Add/Less: Movement during the Year	12 D	-	-	-	39.53	-	-	-	39.53
Balance at the end of the reporting year		8,770.98	-	45,186.45	41,815.51	3,328.75	(9,591.29)	(543,859.84)	(454,349.44)

a.

b. (i)

# Ruchi Soya Industries Limited

## Statement of Changes in Equity (SOCIE)

### for the year ended March 31, 2019 (Contd.)

₹ in Lakh

Particulars	Note Reference	Reserves and Surplus							Total		
		Capital Redemption Reserve	Share Options Outstanding Account	Securities Premium Account	General Reserve	Business development reserve	Capital Reserve	Foreign Currency Monetary Item Translation Difference Account		Equity Instruments through Other Comprehensive Income	Retained Earnings
Balance at the beginning of the reporting year		8,770.98	110.25	45,186.45	41,775.98	60.68	3,328.75	(125.82)	(9,169.96)	5,903.89	95,841.20
Profit/(Loss) for the year		-	-	-	-	-	-	-	-	(557,327.99)	(557,327.99)
Other Comprehensive Income for the year	31	-	-	-	-	-	-	-	50.54	52.94	103.48
<b>Total comprehensive income for the year</b>		-	-	-	-	-	-	-	<b>50.54</b>	<b>(557,275.05)</b>	<b>(557,224.51)</b>
<b>Transactions with the owners in their capacity as the owners</b>											
- Employee Stock option expenses	12 B	-	(70.72)	-	-	-	-	-	-	-	(70.72)
<b>Other changes during the year</b>											
- Current Year charge to Business development Reserve	12 E	-	-	-	-	(60.68)	-	-	-	-	(60.68)
- Charge during the year to Foreign Currency Monetary Item Translation Difference Account	-	-	-	-	-	-	-	125.82	-	-	125.82
<b>Balance at the end of the reporting year</b>		<b>8,770.98</b>	<b>39.53</b>	<b>45,186.45</b>	<b>41,775.98</b>	<b>-</b>	<b>3,328.75</b>	<b>-</b>	<b>(9,119.42)</b>	<b>(551,371.16)</b>	<b>(461,388.89)</b>

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**R. L. Gupta**  
Company Secretary

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no. IBB/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019



# Ruchi Soya Industries Limited

## Statement of Cash Flows for the year ended March 31, 2019

(₹ In Lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(A) Cash flow from operating activities</b>		
Profit/(Loss) before tax	7,672.01	(601,024.40)
<b>Adjustments to reconcile profit before tax to net cash used in operating activities</b>		
Depreciation, amortisation and impairment Expenses	13,824.44	14,036.69
Net Loss on Sale/Discard of Fixed Assets	414.83	103.15
Share-based payment expense	-	(70.72)
Impairment on investments and Fair value adjustments (net)	266.87	3,983.98
Interest Income	(1,162.13)	(420.52)
Dividend Income	-	(4.42)
Finance costs	699.07	85,573.39
Loss on foreign currency transaction/translation	1,351.84	208.43
Provision for Doubtful Debts, Loans and advances	1,340.25	515,017.83
Provision for Gratuity and compensated absences	101.63	(93.81)
(Gain)/loss on sale of Investment	(359.74)	-
Provision from loss in LLP	-	0.24
<b>Operating profit before working capital changes</b>	<b>24,149.07</b>	<b>17,309.84</b>
<b>Working capital adjustments</b>		
(Increase)/ Decrease in inventories	(6,978.78)	4,779.22
(Increase)/ Decrease in trade and other receivables	(7,662.97)	28,128.50
Increase/ (Decrease) in trade and other payables	12,548.05	37,943.17
<b>Cash generated from operations</b>	<b>22,055.37</b>	<b>88,160.73</b>
Income Tax paid	1,923.33	(10.51)
<b>Net cash flows from operating activities</b>	<b>23,978.70</b>	<b>88,150.22</b>
<b>(B) Cash flow from investing activities</b>		
Payment for Purchase and Construction of Property, Plant and Equipment	(850.03)	(165.82)
Proceeds from sale of Property, Plant and Equipment	136.35	451.55
Proceeds on account of Capital reduction	1,632.00	-
(Increase)/ Decrease in Other Balance with Banks	(13,259.10)	(7,742.49)
Interest income	1,162.13	420.52
Dividend received	-	4.42
<b>Net cash flows from investing activities</b>	<b>(11,178.65)</b>	<b>(7,031.82)</b>

(₹ In Lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(C) Cash flow from financing activities</b>		
Finance Cost	(699.07)	(85,573.39)
<b>Net cash flows from financing activities</b>	<b>(699.07)</b>	<b>(85,573.39)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>12,100.98</b>	<b>(4,454.99)</b>
Cash and cash equivalents at the beginning of the year	3,701.34	8,156.33
<b>Cash and cash equivalents at the end of the year</b>	<b>15,802.32</b>	<b>3,701.34</b>
<b>Reconciliation of Cash and Cash equivalents with the Balance Sheet</b>		
Cash and Bank Balances as per Balance Sheet [Note 8c]		
Cash in hand	45.30	68.90
Bank balances (including bank deposits)	15,757.02	3,632.44
<b>Cash and Cash equivalents as restated as at the year end</b>	<b>15,802.32</b>	<b>3,701.34</b>

Note: -

- 1 Previous year figure have been regrouped and rearranged wherever necessary.
- 2 The above statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 “ Statement of Cash Flow “.

**Changes in liability arising from financing activity :-**

Particulars	1st April, 2018	Devolvement of Letter of Credit	31st March 2019
Borrowings - Current & Current maturities	716,671.80	68,797.60	785,469.40

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no.IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE 1-2

### 1 CORPORATE INFORMATION

**Ruchi Soya Industries Limited** ('the Company') is a Public Limited Company engaged primarily in the business of processing of oil-seeds and refining of crude oil for edible use. The Company also produces oil meal, food products from soya and value added products from downstream and upstream processing. The Company is also engaged in trading in various products and generation of power from wind energy. The Company has manufacturing plants across India and is listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company's registered office is at Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (E), Mumbai – 400065, Maharashtra.

Corporate Insolvency Resolution Process ("CIRP") has been initiated in case of the Company vide an order no. CP1371 & CP1372/I&BP/NCLT/MAH/2017 delivered on 15th December 2017 of Hon'able National Company Law Tribunal ("NCLT"), Mumbai Bench under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company are now vested with the Resolution Professional ("RP") who is appointed by the Committee of Creditors ("CoC"). These financial statements have been prepared by the management of the Company and certified by Mr. Anil Singhal, Chief Financial Officer and Mr. R. L. Gupta, Company Secretary, and approved by Resolution Professional Mr. Shailendra Ajmera [IP Registration no.IBBI/IPA-001/IP-P00304/2017-18/10568].

### 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### (A) BASIS OF PREPARATION

##### a Statement of Compliance

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

##### b Functional and presentation currency

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

##### c Basis of Measurement

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

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

### Determining the Fair Value

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

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

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

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

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

#### d Use of Estimates and Judgement

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

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

#### (i) Judgements

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

- Leases identification- Whether an agreement contains a lease.
- Classification of lease - Whether Operating or Finance

#### (ii) Assumptions and Estimations

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

#### 1 Impairment test of non financial assets

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

# Notes

to the Financial Statements for the year ended March 31, 2019

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

## 2 Allowance for bad debts

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

## 3 Recognition and measurement of Provisions and Contingencies

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

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

## 4 Recognition of Deferred Tax Assets

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

## 5 Measurements of Defined benefit obligations plan

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

## 6 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions

and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## 7 Income Taxes

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

## 8 Useful lives of Property, plant and equipment

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

## e Current and non-current classification

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

### An asset is classified as current when it is:

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

All other assets are classified as non-current.

### A liability is classified as current when it is:

- (a) Expected to be settled in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

# Notes

to the Financial Statements for the year ended March 31, 2019

## (B) SIGNIFICANT ACCOUNTING POLICIES

### a PROPERTY, PLANT AND EQUIPMENT:

#### (i) Recognition and measurement

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

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

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

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

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

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

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

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

#### (iii) Subsequent expenditure

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

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

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

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

Depreciation is computed with reference to cost.

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

### b INTANGIBLE ASSETS

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

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

#### (i) Recognition and measurement

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

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

#### (ii) Subsequent expenditure

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

#### (iii) Amortisation

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

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

# Notes

to the Financial Statements for the year ended March 31, 2019

## c Impairment of assets

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

## d FINANCIAL INSTRUMENTS

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

### (i) Financial assets

#### Classification

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

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

#### In case of investments

##### In Equity instruments

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

##### In Mutual fund

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

##### Guarantee Commission

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

##### Debt instruments

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

## Derecognition of financial assets

A financial asset is derecognised only when:

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

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

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

## Impairment of financial assets

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

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

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

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

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

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

### (ii) Financial liabilities

#### Classification

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

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

# Notes

to the Financial Statements for the year ended March 31, 2019

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

## Initial recognition and measurement

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

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

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

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

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

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

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

## Loans and borrowings

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

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

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

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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

## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## Financial guarantee contracts

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

## e INVENTORIES

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

Net realisable value is estimated selling price in the ordinary course of business, less estimated cost of completion and

# Notes

to the Financial Statements for the year ended March 31, 2019

the estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to selling prices of finished products.

## f CASH AND CASH EQUIVALENT

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

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

## g CONTRIBUTED EQUITY

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

### I Dividends

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

### II Earnings per share

#### (i) Basic earnings per share

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

#### (ii) Diluted earnings per share

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

## h BORROWINGS

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

Preference shares are classified as liabilities. The dividends on these preference shares, if approved, by shareholders in the forthcoming Annual General Meeting, are recognised in

profit or loss as finance costs, in the year when approved.

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

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

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

## i TRADE AND OTHER PAYABLES

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

## j FOREIGN CURRENCY

### (i) Foreign currency transactions

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

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

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

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



# Notes

to the Financial Statements for the year ended March 31, 2019

## k Revenue recognition

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

The ministry of corporate affairs (MCA) on 28th March 2018, notified Ind AS 115 “Revenue from contracts with customers” as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018 and the same is effective for accounting period beginning on or after 1st April 2018. The Company has applied modified retrospective approach in adopting the new standard. In Compliance with Ind AS 20 on Government Grants and consequent to issuance of Education Material by The Institute of Chartered Accounts of India on Ind AS 115, the amount of export incentives have been reclassified from “Other Operating Revenue” to “Other Income”. The adoption of this standard did not have any material impact to the financial statements of the Company and these reclassifications have no impact on reported Profit before tax.

### (i) Sale of Goods/ Services

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

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

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

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

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

### Contract balances

#### Trade receivables

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

## Contract liabilities

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

### (ii) Other Operating Revenue

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

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

### (iii) Other Income

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

## 1 GOVERNMENT GRANTS

(i) Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

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

## m EMPLOYEE BENEFITS

### (i) During Employment benefits

#### (a) Short term employee benefits

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

#### (b) Share-based payment transactions

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

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight

# Notes

to the Financial Statements for the year ended March 31, 2019

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

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

## (ii) Post Employment benefits

### (a) Defined contribution plans

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

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

### (b) Defined benefit plans

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

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

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

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

### (c) Termination benefits

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

## n INCOME TAXES

Income tax expense comprises current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the other

comprehensive income or in equity. In which case, the tax is also recognised in the other comprehensive income or in equity.

### (i) Current tax

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

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

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

### (ii) Deferred tax

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

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

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

Deferred tax assets and liabilities are offset only if:

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

## o BORROWING COSTS

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

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

# Notes

to the Financial Statements for the year ended March 31, 2019

## p LEASES

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

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

#### As a lessee

Leases of property plant and equipment where the Company, as lessee, has substantially all the risks and rewards of the ownership are classified as finance leases. Finance lease are capitalised at the lower of lease's inception at the fair value of the lease property and the present value of minimum lease payments. The corresponding rental obligations, if any net of finance charges are included in borrowing or other financial liabilities as appropriate. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of Interest on the remaining balance of liability for each period.

Leases in which a significant portion of risk and rewards of ownership are not transferred to the Company as a lessee are classified as operating lease. Payments made under operating leases are charged to Profit and Loss on a straight line basis over the period of lease except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

#### As a lessor

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

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

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

### r Provisions and contingent liabilities

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

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

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence

will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

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

### s Segment reporting

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

### t Biological Assets

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

### u Standard issued:

#### a) Effective during the year:

There is no impact on account of applying the Ind AS 115 "Revenue from contracts with customers" instead of erstwhile Ind AS 18 "Revenue" on the Standalone financial statements of the Company for the year ended 31st March 2019.

#### b) Not effective during the year:

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1st April, 2019.

### I) Issue of Ind AS 116 - Leases

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

### II) Amendment to Existing Standard

The MCA has also carried out amendments of the following accounting standards

- i. Ind AS 12 – Income Taxes
- ii. Ind AS 19 – Employee Benefits
- iii. Ind AS 23 – Borrowing Costs
- iv. Ind AS 28 - Investment in Associates and Joint Ventures
- v. Ind AS 101- First time adoption of Indian Accounting Standards
- vi. Ind AS 103 – Business Combinations
- vii. Ind AS 109 - Financial Instruments
- viii. Ind AS 111 – Joint Arrangements

Application of above standards is not expected to have any significant impact on the Company's standalone financial statements.

## Notes

to the Financial Statements for the year ended March 31, 2019

Particulars	Freehold land	Lease Hold Land [Refer Note 3a (iv) below]	Buildings [Refer Note 3a (iv) below]	Plant & Equipment [Refer Note 3a (iv) below]	Windmills	Furniture & Fixtures	Vehicles	Office Equipments	Total	Capital work-in-progress
<b>A. Year ended March 31, 2019</b>										
Gross carrying amount										
Opening gross carrying amount as at 1 April, 2018	160,661.55	1,430.81	60,061.85	163,371.86	55,067.75	1,646.22	1,946.09	3,615.01	447,801.14	2,812.25
Add : Additions	-	-	4.02	897.50	-	2.68	7.81	51.86	963.87	977.47
Less : Disposals	-	-	0.01	659.32	-	5.82	242.57	60.51	968.23	-
Less : Transfers	-	-	-	-	-	-	-	-	-	1,098.42
Closing gross carrying amount	160,661.55	1,430.81	60,065.86	163,610.04	55,067.75	1,643.08	1,711.33	3,606.36	447,796.78	2,691.30
Accumulated depreciation and impairment										
Opening accumulated depreciation and impairment as at 1 April, 2018	-	381.26	7,268.36	30,638.75	19,089.05	1,298.33	1,673.27	3,284.42	63,633.44	-
Add : Depreciation charge during the year	-	28.94	2,184.15	9,432.27	1,850.54	77.79	77.00	121.59	13,772.28	-
Less : Disposals/ Adjustments	-	-	0.01	161.91	-	4.34	201.80	48.99	417.05	-
Closing accumulated depreciation and impairment	-	410.20	9,452.50	39,909.11	20,939.59	1,371.78	1,548.47	3,357.02	76,988.67	-
Net carrying amount	160,661.55	1,020.61	50,613.36	123,700.93	34,128.16	271.30	162.86	249.34	370,808.11	2,691.30
<b>B. Year ended March 31, 2018</b>										
Gross carrying amount										
Opening gross carrying amount as at 1 April, 2017	160,662.56	1,432.38	60,035.80	163,535.04	55,067.75	1,727.63	2,610.42	3,658.22	448,729.80	2,916.26
Add : Additions	80.00	-	26.05	52.03	-	0.40	-	101.73	260.21	780.14
Less : Assets classified as held for sale [Refer Note 10 & 20]	80.00	-	-	-	-	-	-	-	80.00	-
Less : Disposals	1.01	1.57	-	215.22	-	81.80	664.33	144.94	1,108.87	-
Less : Transfers	-	-	-	-	-	-	-	-	-	884.15
Closing gross carrying amount	160,661.55	1,430.81	60,061.85	163,371.85	55,067.75	1,646.23	1,946.09	3,615.01	447,801.14	2,812.25
Accumulated depreciation and impairment										
Opening accumulated depreciation and impairment as at 1 April, 2017	-	346.62	5,087.27	21,200.73	17,238.51	1,279.99	1,825.94	3,236.54	50,215.60	-
Add : Depreciation charge during the year	-	29.19	2,181.09	9,477.24	1,850.54	100.14	157.41	170.72	13,966.33	-
Add : Impairment loss	-	5.68	-	-	-	-	-	-	5.68	-
Less : Disposals/ Adjustments	-	0.23	-	39.22	-	81.80	310.08	122.84	554.17	-
Closing accumulated depreciation and impairment	-	381.26	7,268.36	30,638.75	19,089.05	1,298.33	1,673.27	3,284.42	63,633.44	-
Net carrying amount	160,661.55	1,049.55	52,793.49	132,733.10	35,978.70	347.90	272.82	330.59	384,167.70	2,812.25

## Note 3a

- (i) Addition during the year includes :-  
Adjustment on account of exchange differences gain of ₹ NIL [Previous Year gain of ₹ 257.01/- Lakh] Refer Note 37.
- (ii) Property Plant and Equipment include assets having carrying value of ₹ 16,490.56/- Lakh [Previous Year ₹ 17,781.34/- Lakh] representing plant & equipments and building which are not wholly used. The Company is in the process of finding alternate use of such assets.
- (iii) Buildings include ₹ 0.02/- Lakh [Previous Year ₹ 0.02/- Lakh] being cost of Shares in Co-operative Societies. Title deeds in respect of shares amounting to ₹ 0.01/- Lakh are in the process of transfer.

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE-3 PROPERTY, PLANT AND EQUIPMENT (Contd.)

(₹ in Lakh)

### (iv) Assets Given on lease

Particulars	Lease Hold Land	Buildings	Plant & Equipment	Total
<b>A. Year ended March 31, 2019</b>				
Gross carrying amount				
Opening gross carrying amount as at 1 April, 2018	-	-	7.56	7.56
Additions	-	4.35	-	4.35
Asset taken back	-	-	4.38	4.38
Closing gross carrying amount	-	4.35	3.18	7.53
Accumulated depreciation and impairment				
Opening accumulated depreciation and impairment as at 1 April, 2018	-	-	1.01	1.01
Depreciation charge during the year	-	0.04	0.22	0.26
Disposals	-	-	0.76	0.76
Closing accumulated depreciation and impairment	-	0.04	0.47	0.51
Closing net carrying amount	-	4.31	2.71	7.02
<b>B. Year ended March 31, 2018</b>				
Gross carrying amount				
Opening gross carrying amount as at 1 April, 2018	12.73	151.01	11.57	175.31
Additions	-	-	7.56	7.56
Asset taken back	12.73	151.01	11.57	175.31
Closing gross carrying amount	-	-	7.56	7.56
Accumulated depreciation and impairment				
Opening accumulated depreciation and impairment as at 1 April, 2017	2.11	16.03	1.15	19.29
Depreciation charge during the year	0.19	5.66	0.33	6.18
Disposals	2.30	21.69	0.46	24.45
Closing accumulated depreciation and impairment	-	-	1.02	1.02
Closing net carrying amount	-	-	6.54	6.54

## NOTE - 4 INTANGIBLE ASSETS

(₹ in Lakh)

Particulars	Trade Marks/ Brands	Computer Software	Total
<b>A. Year ended March 31, 2019</b>			
Gross carrying amount			
Opening gross carrying amount as at 1 April, 2018	151,584.00	1,396.27	152,980.27
Additions	-	7.11	7.11
Closing gross carrying amount	151,584.00	1,403.38	152,987.38
Accumulated amortisation			
Opening accumulated amortisation	36.00	1,309.93	1,345.93
Amortisation charge during the year	-	52.15	52.15
Closing accumulated amortisation	36.00	1,362.08	1,398.08
Closing net carrying amount	151,548.00	41.30	151,589.30
<b>B. Year ended March 31, 2018</b>			
Gross carrying amount			
Opening gross carrying amount as at 1 April, 2017	151,584.00	1,386.65	152,970.65
Additions	-	9.62	9.62
Closing gross carrying amount	151,584.00	1,396.27	152,980.27
Accumulated amortisation			
Opening accumulated amortisation	36.00	1,239.57	1,275.57
Amortisation charge during the year	-	70.36	70.36
Closing accumulated amortisation	36.00	1,309.93	1,345.93
Closing net carrying amount	151,548.00	86.34	151,634.34

# Notes

to the Financial Statements for the year ended March 31, 2018

## NOTE - 5a FINANCIAL ASSETS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>Non-Current Financial Investments</b>		
<b>Investments In Subsidiaries and Joint Ventures (Measured at cost) [Refer Note 5a - D(a) below]</b>		
<b>A Investment in Equity Instruments: (fully paid up)</b>		
<b>a) In Subsidiary companies</b>		
- <b>Unquoted</b>		
i) 99,40,700 [Previous Year 99,40,700] Equity Shares of ₹ 10/- each fully paid in Ruchi Worldwide Limited	-	-
ii) 60,00,000 [Previous Year 60,00,000] Equity Shares of USD 1 each fully paid up in Ruchi Industries Pte Limited [Impairment ₹ NIL Lakh (Previous Year ₹ 3,802.48 Lakh)]	-	-
iii) 28,543 [Previous Year 28,543] Equity Shares of 1,000 United Arab Emirates Dirhams (AED) each fully paid up in Ruchi Ethiopia Holdings Limited	-	-
iv) 10,000 [Previous Year 10,000] Equity Shares of ₹ 10/- each fully paid up in Mrig Trading Private Limited	1.00	1.00
v) 60,60,000 [Previous Year 60,60,000] Equity Shares of ₹ 10/- each fully paid in RSIL Holdings Private Limited [Impairment ₹ NIL Lakh (Previous Year ₹ 51.51 Lakh)]	348.10	348.10
<b>b) In Joint Venture</b>		
22,060 [Previous Year 2,04,000] Equity Shares of ₹ 10/- each fully paid in Ruchi J-Oil Private Limited	154.26	1,426.52
<b>c) Investments in Other Entities</b>		
Investment in Limited Liability Partnership (LLP) [Refer Note E below] [Impairment ₹ 1.53/- Lakh (Previous Year ₹ NIL)]	-	1.53
<b>Total</b>	<b>503.36</b>	<b>1,777.15</b>
<b>B Investment in Equity Instruments - Other than in Subsidiary, Associate and Joint Venture companies</b>		
<b>(Designated at Fair value through Other Comprehensive Income (FVTOCI) [Refer Note 31 (A) 1 (ii)]</b>		
<b>a) Quoted</b>		
i) 8,83,500 [Previous Year 8,83,500] Equity Shares of ₹ 10/- each fully paid up in National Steel & Agro Industries Limited	49.39	254.45
ii) 4,00,000 [Previous Year 4,00,000] Equity Shares of ₹ 10/- each fully paid up in Anik Industries Limited	63.20	124.60
iii) 2,73,24,239 [Previous Year 2,73,24,239] Equity Shares of ₹ 1/- each fully paid up in Ruchi Infrastructure Limited	792.40	997.33
iv) 17,71,700 [Previous Year 17,71,700] Equity Shares of ₹ 10/- each fully paid up in Ruchi Strips & Alloys Limited	33.67	31.54
v) 1,19,300 [Previous Year 1,19,300] Equity Shares of ₹ 10/- each fully paid up in Sarthak Global Limited	6.44	9.27

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE-5a FINANCIAL ASSETS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
vi) 1,80,000 [Previous Year 1,80,000] Equity Shares of ₹ 2/- each fully paid up in Blue Chip India Limited	0.59	0.38
vii) 35,000 [Previous Year 35,000] Equity Shares of ₹ 10/- each fully paid up in Sharadraj Tradelink Limited	-	-
viii) 21,500 [Previous Year 21,500] Equity Shares of ₹ 10/- each fully paid up in Hereld Commerce Limited	0.41	0.41
<b>b) Unquoted</b>		
i) 25,000 [Previous Year 25,000] Equity shares of ₹ 10/- each fully paid-up in Ruchi Infotech Limited [Impairment ₹ 2.50/- Lakh (Previous Year ₹ NIL)]	-	2.50
ii) 6,00,000 [Previous Year 6,00,000] Equity shares of ₹ 10/- each fully paid-up in Ruchi Acroni Industries Limited [Impairment ₹ 272.76/- Lakh (Previous Year ₹ NIL)]	-	272.76
iii) 35,000 [Previous Year 35,000] Equity shares of ₹ 10/- each fully paid-up in E-DP Marketing (P) Limited [Formerly known as E-Ruchi Marketing (P) Limited]	-	-
iv) 16,100 [Previous Year 16,100] Equity Shares of ₹ 10/- each fully paid up in National Board of Trade Private Limited	-	-
<b>Total</b>	<b>946.10</b>	<b>1,693.24</b>
<b>C Investment in Government or Trust Securities measured at Amortised cost</b>		
National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	1.09	1.09
<b>Total</b>	<b>1.09</b>	<b>1.09</b>
<b>GRAND TOTAL</b>	<b>1,450.55</b>	<b>3,471.48</b>
Aggregate amount of quoted investments - Cost	10,774.61	10,774.61
Fair Market Value of quoted investments	946.10	1,417.98
Aggregate amount of unquoted investments	504.45	2,053.50
Aggregate amount of Impairment of unquoted investments	(12,449.30)	(12,172.51)
<b>Category-wise Non-current Investment</b>		
Financial assets carried at AC	1.09	1.09
Financial assets measured at cost	503.36	1,777.15
Financial assets measured at FVTOCI	946.10	1,693.24
<b>D</b>		
(a) Investment in Subsidiaries, Associates and Joint ventures are measured at cost and tested for impairment. Impairment (if any) denotes permanent diminution and charged to Statement of Profit and loss.		
(b) Investment in Other than Subsidiaries, Associates and Joint ventures are measured at FVTOCI and is charged/added to "Other Comprehensive Income". Fair Valuation of unlisted securities is determined based on the valuation reports and in case of listed securities the same is determined based on the prevailing market prices.		
<b>E</b>		
i) During the year with effect from January 25, 2019, Indian Oil Corporation Limited exited as a partner from Indian Oil Ruchi Biofuels, LLP [LLP No AAA-1445].		
ii) As on March 31, 2018, the Company was holding 50% of the partner's contribution in the Limited Liability Partnership (LLP). Details are as below:		
Name of the LLP Firm	Indian Oil Ruchi Biofuels LLP	
Name of the Partners of the LLP Firm	Ruchi Soya Industries Limited	Indian Oil Corporation Limited
Total Capital	₹ 319.60/- Lakh	
Shares of each Partner	50%	50%

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 5b LOANS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>Security &amp; Other Deposits-Unsecured</b>		
Considered good*	3,529.61	3,912.67
Considered having significant increase in Credit Risk*	750.00	-
Credit impaired	(750.00)	-
	<b>3,529.61</b>	<b>3,912.67</b>

\*Includes Security and Other Deposits from related parties ₹ 1,365.00/- Lakh (Previous Year ₹ 2,115.00/- Lakh) [Refer Note 38]

## NOTE - 5c OTHER FINANCIAL ASSETS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Interest Accrued but not due		
On Investments	6.67	6.51
On Fixed Deposits With Bank	-	25.89
Amount due from erstwhile subsidiary [Refer Note 33]	528.20	560.09
Others	-	5.35
Fixed Deposit with banks more than 12 months maturity [Refer Note 8c (a)]		
- Against Margin Money [Under lien]	817.72	331.79
- Others	61.34	1.06
	<b>1,413.93</b>	<b>930.69</b>

## NOTE - 6 OTHER NON-CURRENT ASSETS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good (unless otherwise stated)		
Capital Advances	282.46	444.44
Other loans and Advances		
- Advance Income-Tax including tax deducted at source (Net of Provisions)	3,939.16	5,862.49
- Deposits paid under Protest	4,183.75	4,087.83
- Prepaid expenses	233.45	254.14
	<b>8,638.82</b>	<b>10,648.90</b>



# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 7 INVENTORIES

(₹ in Lakh)

### (As valued and certified by the Management)

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

	As at March 31, 2019	As at March 31, 2018
a) Raw Materials (including packing material)		
Goods in transit	8,598.94	12,659.06
others	55,915.98	37,193.55
b) Work-in-progress	487.15	485.58
c) Finished goods		
Goods in transit	541.98	941.54
others (Net of Provision for write down of Inventory)	50,799.13	56,747.22
d) Stock-in- Trade (in respect of goods acquired for trading) [Refer Note (i) below]	57.43	250.75
e) Realisable by-products	2,457.62	3,798.10
f) Stores and Spares	4,844.84	4,382.89
g) Consumables	2,382.06	2,647.66
	<b>126,085.13</b>	<b>119,106.35</b>

### Note:

(i) The following inventories are measured at Fair Value	(₹ In Lakh)	
Particulars	March, 2019 Fair Value	March, 2018 Fair Value
Stock-in-trade	57.43	250.75

**Measurement of Fair Value :** Classified as Level 2 [Refer Note 40 B]

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

## NOTE - 8a CURRENT INVESTMENTS

(₹ in Lakh)

### Quoted

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

	As at March 31, 2019	As at March 31, 2018
i) 1,00,000 Units [Previous Year 1,00,000 Units] of SBI Magnum Multicap fund- Growth of ₹ 10 each.	48.67	45.96
ii) 60,681.871 Units [Previous Year 60,681.871 Units] of SBI Magnum Equity Fund -Regular plan- Growth of ₹ 42.97 each.	63.49	56.18
iii) 50,000 Units [Previous Year 50,000 Units] of SBI Infrastructure Fund- Regular plan Growth of ₹ 10/- each.	7.53	7.64
iv) 774.446 Units [Previous Year 774.446 Units] of PNB Principal Emerging Blue Chip Fund - Regular plan Growth of ₹ 21.68/- each.	0.81	0.80

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 8a CURRENT INVESTMENTS (Contd.) (₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>B INVESTMENT IN PREFERENCE SHARES MEASURED AT AMORTISED COST</b>		
<b>Unquoted</b>		
10,46,435 [Previous Year 10,46,435] 6% Non Cumulative, Non Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up in GHI Energy Private Limited	731.24	641.44
<b>C IN ASSOCIATE COMPANY</b>		
4,40,050 [Previous Year 4,40,050] Equity Shares of ₹ 10/- each fully paid up in GHI Energy Private Limited	819.24	819.24
<b>D. INVESTMENT IN GOVERNMENT OR TRUST SECURITIES MEASURED AT AMORTISED COST [AC]</b>		
<b>Unquoted</b>		
National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	8.37	8.37
<b>Total</b>	<b>1,679.35</b>	<b>1,579.63</b>
Aggregate amount of quoted investments-Cost	<b>41.25</b>	<b>41.25</b>
Market Value of quoted investment	<b>120.50</b>	<b>110.58</b>
Aggregate amount of unquoted investments	<b>2,360.75</b>	<b>2,360.75</b>
Fair value adjustments for Investments	<b>(722.65)</b>	<b>(822.37)</b>

## NOTE - 8b TRADE RECEIVABLES (₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Trade Receivables		
Considered good- Secured	-	8,747.78
(Guaranteed by bank to the extent of ₹ NIL (Previous Year ₹ 8,693.18/- Lakh)		
Considered good- Unsecured	27,516.05	41,175.16
Considered having significant increase in credit risk	-	-
Credit impaired	654,594.24	631,599.32
	682,110.29	681,522.26
Less: Allowance for credit impaired/Expected credit loss	655,886.68	656,560.79
<b>Total</b>	<b>26,223.61</b>	<b>24,961.47</b>

## NOTE - 8c CASH AND CASH EQUIVALENTS (₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>Balances with Banks</b>		
i) In Current Accounts	6,678.86	3,632.34
ii) In Deposit Accounts with less than or equal to 3 months maturity	9,078.16	0.10
Cash in hand	45.30	68.90
	<b>15,802.32</b>	<b>3,701.34</b>

### Note :

- (a) Confirmations from banks (current, term deposits and earmarked dividend account) in respect of bank balances aggregating to debit balances of ₹ 1,908.44/- Lakh (Previous Year ₹ 1,343.39/- Lakh) have not been received from the banks in response to the requests sent. The Company has, however requested for the confirmations and followed up with the banks.

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 8d BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE (₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Earmarked Unclaimed Dividend Accounts [Refer Note 8c (a)]	17.31	24.48
In Current Accounts [Refer Note (i) Below]	-	6,575.19
In Deposit Accounts [Refer Note 8c (a)]		
Original Maturity less than or equal to 3 months		
– Against Margin Money [Under lien] [Refer Note (ii) Below]	25,768.18	5,910.28
More than 3 months but less than or equal to 12 months maturity		
– Against Margin Money [Under lien]	1,391.43	927.87
– Others	24.33	504.33
	<b>27,201.25</b>	<b>13,942.15</b>

### Note :

- (i) Earnest money deposited in designated bank account from applicants during CIRP process.
- (ii) Deposits with bank includes Earnest money deposit and Performance deposit aggregating to ₹ 25,050.18/- Lakh received from potential resolution applicants.

## NOTE - 8e LOANS (₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Security and Other Deposits	6.38	400.54
Loans to Related parties (Refer Note 38)	3.32	3.55
Loan to employees	103.43	154.93
	<b>113.13</b>	<b>559.02</b>

## NOTE - 8f OTHER FINANCIAL ASSETS (₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Unsecured considered good		
Interest Accrued but not due		
On Fixed Deposits with Banks	180.29	95.90
On Other deposits	35.12	40.35
Derivative Assets		
– Forward contract	-	7.84
– Commodity Contracts	124.03	92.35
	<b>339.44</b>	<b>236.44</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 9 OTHER CURRENT ASSETS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
a) Advances recoverable in cash or in kind or for value to be received		
Unsecured- Considered good [Refer Note (i) below]	23,906.06	15,017.02
Unsecured- Credit impaired	48,970.29	50,966.47
	72,876.35	65,983.49
Less: Allowance for credit impaired	48,970.29	50,966.47
	23,906.06	15,017.02
b) Gratuity excess of Planned assets over obligations [Refer Note 19]	695.27	281.89
c) Balances with government authorities	23,360.73	28,036.86
d) Other Receivables	7,233.63	6,163.93
e) Prepaid expenses	557.22	524.96
	<b>55,752.91</b>	<b>50,024.66</b>

**Note :**

(i) The above advances includes advance of ₹ 8.59/- Lakh are with Related Party. [Refer Note 38]

## NOTE - 10 ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Property, Plant & Equipment [Refer Note 3]	357.56	357.56
Other Advances	10.00	10.00
	<b>367.56</b>	<b>367.56</b>

**Note:**

The Company has entered into an agreement on December 5, 2016 to sale 18.1890 acres land situated at Taluka Alibag, District Raigad for consideration of ₹ 345.77/- Lakh. As per the terms of the agreement, the Company is required to bear the conversion expenses upto ₹ 3.75/- Lakh per acre and also carry out certain improvements over the said land which shall be reimbursed by the purchaser. The Company has received part of the consideration by way of advance payment. The Company has also entered into contract for the purpose of undertaking the improvements agreed upon and paid an advance to the contractor. The land agreed to sold and the advances paid for improvement are classified as Assets Classified as held for sale [Refer Note 10] and the amount of advance received from the buyer has been classified as Liabilities directly associated with assets classified as held for sale [Refer Note 20].

## NOTE - 11 EQUITY SHARE CAPITAL

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
(a) <b>Authorised</b>		
<b>i) Equity Shares</b>		
1,01,02,50,000 (Previous Year 1,01,02,50,000) of face value of ₹ 2/- each	20,205.00	20,205.00
<b>ii) Cummulative Redeemable Preference Share</b>		
51,00,000 (Previous Year 51,00,000) of face value ₹ 100/- each	5,100.00	5,100.00
	<b>25,305.00</b>	<b>25,305.00</b>
(b) <b>Issued, Subscribed and paid-up</b>		
Equity Shares		
33,41,00,722 (Previous Year 33,41,00,722) of face value of ₹ 2/- each fully paid-up [Refer Note (a) of SOCIE]	6,682.01	6,682.01
Less: 76,30,115 Treasury Equity Shares [Previous year 76,30,115] [Refer Note 11(h)]	152.60	152.60
	<b>6,529.41</b>	<b>6,529.41</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 11 EQUITY SHARE CAPITAL (Contd.)

(₹ in Lakh)

(c) **Rights, Preferences and Restrictions attached to shares**

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

(d) **Lock in Restrictions**

None of the shares are subject to lock in restrictions.

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

Particulars	March 31, 2019		March 31, 2018	
	No. of Shares	%	No. of Shares	%
<b>EQUITY SHARES</b>				
Disha Foundation trust*	-	-	50,940,350	15.25%
Soyumm Marketing Private Limited	42,535,159	12.73%	45,635,159	13.66%
Spectra Realities Pvt. Ltd.	18,400,000	5.51%	18,400,000	5.51%
Sawit Plantation Pte Ltd.*	-	-	19,607,913	5.87%

\* Holding as on 31st March, 2019 does not exceed more than 5 percent

(f) For shares reserved for issue under options - Refer Note 12 B and 12 I (ii)

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

(h) Pursuant to Schemes u/s. 391-394, of then applicable The Companies Act, 1956 approved by the Hon'ble High Court of judicature at Mumbai and Delhi in an earlier year, 76,30,115 Equity shares of the Company are held by a Trust for the benefit of the Company and its successor. The investment Cost of acquisition of these treasury shares have been netted off from the Equity Shares Capital and Securities premium account as per the provisions of Ind AS. The Dividend of earlier period received by the Trust in respect of these shares is included under the head 'Dividend' under 'Other Income' in Note 22(B).

(i) Shares allotted under the Employee stock option plan scheme 2017 as modified from time to time. [Refer Note 12B]

## NOTE - 12 OTHER EQUITY

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
A Capital Redemption Reserve	8,770.98	8,770.98
B Share Options Outstanding Account [Refer Note 12 I (ii)]	-	39.53
C Securities Premium Account	45,186.45	45,186.45
D General Reserve	41,815.51	41,775.98
E Business Development Reserve	-	-
F Capital Reserve	3,328.75	3,328.75
G Equity Instruments through Other Comprehensive Income [Refer Note 31 (A) I (ii)]	(9,591.29)	(9,119.42)
H Retained Earnings	(543,859.84)	(551,371.16)
<b>TOTAL</b>	<b>(454,349.44)</b>	<b>(461,388.89)</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 12 OTHER EQUITY (Contd.)

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>A Capital Redemption Reserve</b>		
Balance as at the beginning of the year	8,770.98	8,770.98
Add/Less: Movement during the year	-	-
<b>Balance as at the end of the year</b>	8,770.98	8,770.98
<b>B Share Options Outstanding Account [Refer Note 12 I (ii)]</b>		
Employee stock Option Outstanding	39.53	110.25
Less: reversal on expiry of option	39.53	70.72
<b>Options outstanding as at the end of the year</b>	-	39.53
<b>C Securities Premium Account</b>		
Balance as at the beginning of the year	45,186.45	45,186.45
Add/Less: Movement during the year	-	-
<b>Balance as at the end of the year</b>	45,186.45	45,186.45
<b>D General Reserve</b>		
Balance as at the beginning of the year	41,775.98	41,775.98
Add/Less: Movement during the year	39.53	-
<b>Balance as at the end of the year</b>	41,815.51	41,775.98
<b>E Business Development Reserve</b>		
Balance as at the beginning of the year	-	60.68
Advertisement & sales promotion expenses (net of current tax) [Refer Note 30 (II)]	-	60.68
<b>Balance as at the end of the year</b>	-	-
<b>F Capital Reserve</b>		
Balance as at the beginning of the year	3,328.75	3,328.75
Add/Less: Movement during the year	-	-
<b>Balance as at the end of the year</b>	3,328.75	3,328.75
<b>G Equity Instruments through Other Comprehensive Income [Refer Note 31 (A) I (ii)]</b>		
Balance as at the beginning of the year	(9,119.42)	(9,169.96)
Add/Less: Movement during the year	(471.87)	50.54
<b>Balance as at the end of the year</b>	(9,591.29)	(9,119.42)
<b>H Retained Earnings</b>		
<b>Balance as at the beginning of the year</b>	(551,371.16)	5,903.89
Add: Net Profit/(Loss) for the year	7,672.01	(557,327.99)
<b>Less:</b>		
- Remeasurement of the defined benefit plans through other comprehensive income [Refer Note 31 (A) I (i)]	160.69	(52.94)
<b>Balance as at the end of the year</b>	(543,859.84)	(551,371.16)
	<b>(454,349.44)</b>	<b>(461,388.89)</b>

### I NATURE AND PURPOSE OF RESERVES

#### (i) Capital Redemption Reserve

Capital Redemption Reserve was created out of profits of the Company for the purpose of redemption of shares.

#### (ii) Share Options Outstanding Account

The Share options Outstanding account is used to recognise Intrinsic Value/Fair value of the options issued to employees at the grant date under the Ruchi Soya Stock Option plan 2007.

**Description of share-based payment arrangements**

# Notes

to the Financial Statements for the year ended March 31, 2019

## Employee stock options - equity settled Share-based payment arrangements:

The Company vide resolution passed at their Extra Ordinary General Meeting held on November 28, 2007 as modified by resolution passed at the Extra Ordinary Meeting held on June 16, 2009 approved grant of up to 54,71,000 options to eligible directors and employees of the Company and its subsidiary Ruchi Worldwide Limited.

In terms of the said approval, the eligible employees / directors are entitled against each option to subscribe for one equity share of face value of INR 2/- each at a premium of INR 33/- per share.

The holders of the Employee Stock Options are entitled to exercise the option within a period of three years from the date of first vesting, failing which they stand cancelled. In the case of termination of employment by the Company, all options, vested or not, stand cancelled immediately. In case of voluntary resignation, all un-vested options stand cancelled. Please refer below table for details on vesting period. There are no other vesting conditions, apart from service condition.

As per the terms of the plan, the Company has granted stock options in following tranches to its eligible employees:

Date of Grant	Number of Options April 1, 2015	Exercise Price INR	Particulars of vesting		
			20%	30%	50%
April 1, 2008	1,237,000	35/-	April 1, 2009	April 1, 2010	April 1, 2011
October 1, 2009	1,495,000	35/-	October 1, 2010	October 1, 2011	October 1, 2012
April 1, 2010	253,500	35/-	April 1, 2011	April 1, 2012	April 1, 2013
April 1, 2011	198,000	35/-	April 1, 2012	April 1, 2013	April 1, 2014
April 1, 2012	15,000	35/-	April 1, 2013	April 1, 2014	April 1, 2015
April 1, 2013	219,000	35/-	April 1, 2014	April 1, 2015	April 1, 2016
April 1, 2014	275,000	35/-	April 1, 2015	April 1, 2016	April 1, 2017
April 1, 2015	437,500	35/-	April 1, 2016	April 1, 2017	April 1, 2018
<b>Total</b>	<b>4,130,000</b>				

The movement in the Employee Stock Options during the year ended March 31, 2019 is as follows:

Date of Grant	Opening Balance as on April 1, 2018	Issued during the year	Cancelled	Exercised during the year	Closing Balance as on March 31, 2019
April 1, 2014	171,000	-	171,000	-	-
April 1, 2015	351,500	-	351,500	-	-
<b>Total</b>	<b>522,500</b>	-	<b>522,500</b>	-	-
<b>Previous Year</b>	<b>734,500</b>	-	<b>212,000</b>	-	<b>522,500</b>

Particulars	For the year ended March 31, 2019		
	Shares arising out of options	Range of exercise prices	Weighted average exercise price
<b>Options outstanding at the beginning of the year</b>	<b>522,500</b>	<b>35</b>	<b>35</b>
Add: Options granted during the year	-	35	35
Less: Options lapsed during the year	522,500	35	35
Less: Options exercised during the year	-	35	35
<b>Options outstanding at the year end</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black-Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

**Share price:** The closing price on NSE as on the date of grant has been considered for valuing the options granted.

**Exercise Price:** Exercise Price is the price as determined by the Remuneration and Compensation Committee.

# Notes

to the Financial Statements for the year ended March 31, 2019

**Expected Volatility:** The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

**Expected Option Life:** Expected Life of option is the period for which the Company expects the options to be live.

**Expected dividends:** Expected dividend assumed to be 8 % paid each year

**Risk free interest rate:** The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the yield curve for Government bonds.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards. The weighted average inputs used in computing the fair value of options granted were as follows:

## Grants made during the year

Grant date	<b>April 1, 2015</b>
Fair value	21.79
Share price as on date	45.85
Exercise price	35.00
Expected volatility (weighted-average)	0.4215
Expected life (weighted-average) [3 years + 1 year Grace period]	4 years
Expected dividends	8.00%
Risk-free interest rate (based on government bonds)	8.00%

### (iii) Securities Premium Account

Securities Premium account is created on recording of premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### (iv) General Reserve

The same is Created out of Surplus profits transferred as per the provisions of the Act, it is utilised as per provisions of the Act.

### (v) Business Development Reserve

(a) In an earlier year, the Hon'ble High Court of judicature of Mumbai, had approved u/s. 391-394 the Scheme of Amalgamation and Arrangement of 'Mac Oil Palm Limited' with Ruchi Soya Industries Limited and its shareholders, which was effective from April 1, 2009.

(b) Pursuant to the Scheme referred to in (a) above, the Company had, in an earlier year, created Business Development Reserve from the balance standing to the credit of General Reserve & Securities Premium Account.

In terms of the Scheme, as and when deemed fit by the Board, the said Business Development Reserve is available for adjusting various expenses, including advertisement, sales promotion, development of brands, research and development activities, provision / write off of doubtful debtors/current assets/loans and advances, additional depreciation necessitated by revaluation of fixed assets and expenses of amalgamation including expenses of the Transferor Company i.e. Mac Oil Palm Limited, incurred on or after 1st April 2009, after adjusting for any tax effects, both current and deferred tax thereon.

(c) For amounts debited during previous year to Business Development Reserve in accordance with the said Scheme. Refer Note 12(E).

(d) Had the Scheme, approved by the Hon'ble High Court, not prescribed the accounting treatment as described in (b) above,

i) the Company would have been required to:

Credit an amount of ₹ 36,157.70/- Lakh to Revaluation Reserve instead of the Business Development Reserve and Debit the additional charges as mentioned above in Note 12 (E).



# Notes

to the Financial Statements for the year ended March 31, 2019

- ii) As a cumulative impact of the treatment described in para (i) above, the accumulated balance in the General Reserve and Securities Premium account as at March 31, 2019 would have been higher by ₹ 5,193.54/- Lakh and ₹ 23,842.30/- Lakh respectively. The accumulated balance in the Statement of Profit and Loss as at March 31, 2019 would have been lower by ₹ 43,701.06/- Lakh, the balance in Revaluation Reserve would have been higher by ₹ 14,665.23/- Lakh and the balance in Business Development Reserve would have been ₹ Nil.

However, the aggregate balance in Reserves and Surplus as at March 31, 2019 would have remained the same.

## (vi) Capital Reserve

Capital Reserve amounting to ₹ 3,228.75/- Lakh was created on :

- amalgamation with Palm tech India Ltd by ₹ 1,087.07/- Lakh, and
- On 3,53,25,000 share warrants issued in an earlier year to the promoter/promoter group on preferential basis by ₹ 2,241.69/- Lakh. Holders of 64,00,000 warrants exercised the option and were allotted equity shares during the year. Holders of balance 2,89,25,000 warrants did not exercise their option which was further lapsed, on expiry on 18 months from the date of issue of warrants. Consequently, the amount of ₹ 2,241.69/- Lakh paid by these warrant holders were forfeited and transferred to capital reserve.

## (vii) Equity Instruments through Other Comprehensive Income

The company has elected to recognise changes in fair value of certain class of investments in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted on derecognition of investment.

## (viii) Retained Earnings

The same is created out of profits over the years and shall be utilised as per the provisions of the Act.

## NOTE - 13 BORROWINGS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>A Term Loans from Banks [Refer Note D (i), (ii) and E below]</b>		
<b>Secured</b>		
- Rupee Loans	-	-
- Foreign Currency Loans	-	-
<b>B Deferred payment liabilities</b>		
<b>Unsecured</b>		
- Deferred Sales Tax Liability [Refer Note F below]	1,444.07	5,622.00
<b>C Cumulative Redeemable Preference Shares [Refer Note G below]</b>		
<b>Unsecured</b>		
2,00,000 [Previous year 2,00,000] of face value of ₹ 100/- each fully paid-up	163.20	153.68
	<b>1,607.27</b>	<b>5,775.68</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

₹ in Lakh

## NOTE - 13 BORROWINGS (Contd.)

Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	March 31, 2019	March 31, 2018
D (i) Rupee Loans Term loan from State Bank of India	MCLR + 11.60% p.a.	a) Secured by first exclusive charge on movable and immovable fixed assets of the Company's unit located at Village Bhuvad, Tehsil Anjar, District Kutch, Gujarat. b) Collateral Second charge over the entire current assets including stocks of raw material and finished goods, receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Company.	2018-2019	Repayable in 20 equal quarterly installments (commenced from March 2014) of the sanctioned amount of ₹ 6,500 lakh.	2,949.77	2,949.77
Corporate Loan IV from State Bank of India	MCLR + 11.60% p.a.	a) Secured by an Extension of exclusive first charge on movable and immovable fixed assets located at Shriganganagar (Rajasthan), Kota (Rajasthan) and Chennai (Tamil Nadu) and extension of first pari passu charge on movable and immovable fixed assets located at Haldia (West Bengal), Mangalore (Karnataka) Patalganga & Nagpur (Maharashtra), and Mangliya (Madhya Pradesh) and b) Collateral Second charge over the entire current assets including stocks of raw material and finished goods receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Company.	2017-2018	Repayable in 20 equal quarterly installments (commenced from June 2013) of the sanctioned amount of ₹ 30,000 lakh.	10,381.91	10,381.91
Corporate Loan V from State Bank of India	MCLR + 11.60% p.a.	a) Secured by first exclusive charge/extension of exclusive charge on movable and immovable fixed assets of the Company's unit located at Shriganganagar A 69-70 & C 366-367, RIICO Udyog Vihar, Kota RIICO Industrial Area Bundi, Chennai Kannigapuer Village, Talavali Chanda Mangliya village Indore, Mangliya b) Secured by Extension of first pari passu charge on movable and immovable fixed assets of the Company's unit located at Haldia, Mangalore Bikampady Industrial Area, Patalganga & Nagpur. Collateral Security : Second charge over the entire current assets including stocks of raw material and finished goods, receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Company.	2018-19	Repayable in 20 quarterly installments (commenced from June 2014) of sanctioned amount of ₹ 30,000 lakh out of that first four installment shall be of ₹ 1,000 lakh each, next twelve installments shall be of ₹ 1,500 lakh each, and last four installment shall be of ₹ 2,000 lakh each.	19,656.79	19,656.79

# Notes

to the Financial Statements for the year ended March 31, 2019

(₹ in Lakh)

## NOTE - 13 BORROWINGS (Contd.)

D (i)	Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	March 31, 2019	March 31, 2018
	<b>Rupee Loans</b>						
	Term loan from State Bank of India	MCLR +11.60% p.a.	Secured by a hypothecation of (a) Wind power receivables of the Company against supply of power from the 22.50 MW wind power project at Palsodi, Ratlam, Madhya Pradesh to MP Power trading Co. Limited and 2.50 MW Wind power project at Shinband, Dhule, Maharashtra to Maharashtra state electricity distribution Company Limited and (b) The movable fixed assets of the company relating and pertaining to the 22.50 MW wind power project at Palsodi, Ratlam, Madhya Pradesh and 2.50 MW windpower project at Shindbad, Dhule, Maharashtra.	2025-26	Repayable in 40 equal quarterly installments (commenced from June 2015) of sanctioned amount of ₹ 6,000 lakh	4,173.45	4,173.45
	<b>Foreign Currency Loans</b>						
	ECB II in foreign currency from DBS Bank Ltd.	LIBOR 6 months + 490 bps p.a.	Secured by a first charge over the fixed assets, both present and future, of manufacturing Refinery unit(s) at Kandla (Gujarat).	2016-17	Repayable in 6 semi annual installments (commenced from September, 2014) of 13%, 13%, 13%, 13%, 13%, 24% & 24% of sanctioned amount of USD 200 lakh.	6,728.79	6,728.79
	ECB III in foreign currency from DBS Bank Ltd.	LIBOR 6 months + 570 bps p.a.	Secured by a first charge over the fixed assets, both present and future, of manufacturing units at Guna (Madhya Pradesh), Daloda (Madhya Pradesh), Baran (Rajasthan), Gadavara (Madhya Pradesh) and Refinery unit(s) at Kandla (Gujarat).	2017-18	Repayable in 5 semi annual installments (commenced from March, 2016) of 16.66%, 20%, 20%, 20% & 23.34% of sanctioned amount of USD 300 lakh.	17,522.91	17,522.90
	ECB III in foreign currency from Standard Chartered Bank	LIBOR 3 months + 540 bps p.a.	Secured by first and exclusive charge on movable fixed assets, both present and future, of refinery at Kakinada (Andhra Pradesh).	2016-17	Repayable in 18 quarterly installments (commenced from June, 2012) of sanctioned amount of USD 158.95 lakh.	3,486.09	3,486.09

# Notes

to the Financial Statements for the year ended March 31, 2019

(₹ in Lakh)

## NOTE - 13 BORROWINGS (Contd.)

D (i)	Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	March 31, 2019	March 31, 2018	
	<b>Rupee Loans</b>							
	<b>Long Term Maturity Of Finance Lease Obligation</b>							
	Vehicle Loan from HDFC Bank	9.51% p.a.	Hypothecation of vehicles acquired out of the said loan	2018-19	Repayable in 60 equal monthly installments (commenced from July 2013) of the sanctioned amount of 81 lakh.	12.47	12.47	
	<b>Amortisation Of The Upfront Fees As Per Ind AS</b>							
	<b>Total Non Current Borrowing</b>						<b>64,912.18</b>	<b>64,884.95</b>
	<b>Classified under</b>							
	Long term debts classified under other financial liabilities [Refer Note 17 (c)]						57,476.73	57,449.50
	Current maturities of finance lease obligations [Refer Note 17 (c)]						12.47	12.47
	Interest accrued [Refer Note 17 (c)]						7,422.98	7,422.98
	<b>Non-current borrowings as per balance sheet</b>							
	BBR- Bank Base Rate						-	-
	MCLR-Marginal cost of funds based lending Rate						-	-
	LIBOR-London Interbank Offered Rate						-	-

(ii) The Company has not satisfied debt covenants as prescribed in the bank agreements, hence the said borrowings are classified under Other current financial liabilities under Note 17 c.

# Notes

to the Financial Statements for the year ended March 31, 2019

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

₹ in Lakh

Particulars of Loans	Amount of continuing default as on March 31, 2019		Due date for payment
	of Principal Amount	of Interest accrued up to 15th December, 2017	
Corporate Loan IV from State Bank of India	8,999.62	1,382.29	As per recall notice issued dated 7th April, 2017
Corporate Loan V from State Bank of India	17,000.01	2,656.78	As per recall notice issued dated 7th April, 2017
Term loan from State Bank of India	2,578.66	371.11	As per recall notice issued dated 7th April, 2017
Term loan from State Bank of India	3,531.02	642.43	As per recall notice issued dated 7th April, 2017
ECB III in foreign currency from DBS Bank Ltd.	16,023.95	2,074.55	As per recall notice issued dated 23rd September, 2016
ECB II in foreign currency from DBS Bank Ltd.	6,153.20		As per recall notice issued dated 23rd September, 2016
ECB III in foreign currency from Standard Chartered Bank	3,190.27	295.82	As per recall notice issued dated 25th January, 2017
<b>Total</b>	<b>57,476.73</b>	<b>7,422.98</b>	

**F** Deferred Payment Liability is on account of Deferred Sales tax denotes interest free sales tax deferral under Schemes of State Governments of Andhra Pradesh & Tamil Nadu. The same are repayable in annual and monthly installments beginning from June 2014 in case of Andhra Pradesh and from August 2015 in case of Tamil Nadu respectively. In respect of this, sales tax dues are not paid after 15th December 2017 amounting to ₹ 4,474.54/- Lakh.

**G Rights, Preferences and Restrictions attached to shares**

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

These preference shares are redeemable as follows:

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

(ii) Reconciliation of number of shares:-

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Preference Shares</b>		
Balance at the beginning of the year	200,000.00	200,000.00
Add: Shares issued during the year	-	-
<b>Balance at the end of the year</b>	<b>200,000.00</b>	<b>200,000.00</b>

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

Particulars	March 31, 2019	%	March 31, 2018	%
<b>PREFERENCE SHARES</b>				
Ruchi Infrastructure Limited	200,000	100	200,000	100

**H** For status of unconfirmed balances refer Note 17a (E).

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 14 DEFERRED TAX

The company has not recognised the deferred tax asset (net) amounting to ₹ 2,16,568.84/- Lakh [Previous year ₹ 2,42,261.90/- Lakh] arising out of Provision for doubtful debts & advances, Unabsorbed Depreciation, Brought forward business losses and Other timing differences and items due to non-existence of profitability of taxable income against which the assets can be realised and the same shall be reassessed at subsequent Balance Sheet date.

### Reconciliation of effective rate of tax

(₹ in Lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
<b>Profit before tax</b>	<b>7,672.01</b>	<b>(601,024.40)</b>
Applicable Tax Rate	34.94%	34.61%
Computed Tax Expense	<b>2,680.91</b>	<b>(208,002.52)</b>
<b>Tax effect of :</b>		
Expenses disallowed	58,456.26	199,100.49
Additional allowances	61,137.17	4,127.35
<b>Current Tax</b>	-	<b>(4,774.68)</b>
<b>Current Tax Provision (A)</b>	-	-
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	-	(6,614.35)
Incremental Deferred Tax Asset on account of Financial Assets and Other timing differences	-	188,128.03
Deferred tax asset not recognised	-	150,206.43
<b>Deferred tax Provision (B)</b>	-	<b>(44,535.95)</b>
<b>Tax Expenses Charge/(Credit) in Statement of Profit and Loss (A+B)</b>	-	<b>(44,535.95)</b>

The movement in the deferred tax balances is as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred Tax Liabilities</b>	<b>(104,370.34)</b>	<b>(105,311.25)</b>
Depreciation	(104,370.34)	(105,311.25)
<b>Deferred Tax Assets</b>	<b>320,939.17</b>	<b>347,573.15</b>
Provision for doubtful debts & advances	246,305.22	244,861.03
Brought forward losses	58,249.03	60,923.42
Unabsorbed Depreciation	13,877.71	10,145.51
Other timing differences	2,507.22	31,643.19
<b>Net Deferred tax Asset/ (Liabilities)</b>	<b>216,568.84</b>	<b>242,261.90</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

# Notes

to the Financial Statements for the year ended March 31, 2019

Unused tax losses for which no deferred tax assets has been recognised:

Assessment Year	Business Loss	Unabsorbed Depreciation	Business Loss Available for utilization till
2015-2016	-	905.31	
2016-2017	79,626.91	14,650.55	A.Y. 2024-2025
2017-2018	76,543.66	13,759.64	A.Y. 2025-2026
2018-2019	10,521.93	10,398.63	A.Y. 2026-2027
<b>Total</b>	<b>166,692.50</b>	<b>39,714.13</b>	

## NOTE - 15 OTHERS NON CURRENT LIABILITIES

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
(a) Government Grants - Deferred Income [Refer Note (i) below]	549.36	600.64
(b) Other Liabilities	3.33	5.83
	<b>552.69</b>	<b>606.47</b>

Note:

### (i) Government Grants - Deferred Income

Opening Balance	652.09	703.58
Less: Released to profit and loss [Refer Note 21(C) (iii)]	51.45	51.49
<b>Closing balance</b>	<b>600.64</b>	<b>652.09</b>
Classified under Non-Current Liabilities [Refer Note 15 (a)]	549.36	600.64
Classified under Current Liabilities [Refer Note 18 (c)]	51.28	51.44

## NOTE - 16 PROVISIONS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
i) Provision for Compensated absences [Refer Note 19]	681.27	-
	<b>681.27</b>	<b>-</b>

## NOTE - 17 A BORROWINGS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>A Loans repayable on demand</b>		
i) Secured		
<b>From Banks</b>		
Working Capital Loans	725,950.20	657,179.83
<b>From Others</b>		
Working Capital Loans	2,000.00	2,000.00
<b>B i) Intercorporate Deposit</b>	30.00	30.00
	<b>727,980.20</b>	<b>659,209.83</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

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

D The Holding Company has defaulted in repayment of the loan which remain outstanding are as follows:			
Particulars of Loans	Amount of continuing default as on March 31, 2019 (₹ in Lakh)		Due date for payment
	of Principal Amount	of Interest accrued	
Export Packing Credit / Cash Credit	136,055.06	14,279.47	September 16, 2016 to December 15, 2017
Inland Letter of Credit	59,160.86	4,056.61	October 25, 2016 to December 15, 2017
Foreign Bill Discounting	4,599.36	646.26	August 2, 2016 to December 15, 2017
Buyers Credit	113,423.87	9,492.79	August 4, 2016 to December 15, 2017
Foreign Letter of Credit	399,222.01	33,483.15	September 6, 2016 to December 15, 2017
Short Term Loan	15,501.51	2,344.01	May 7, 2016 to December 15, 2017
<b>Total</b>	<b>727,962.67</b>	<b>64,302.29</b>	

E Confirmations from banks in respect of bank balances aggregating to credit balances of ₹ 2,74,114.55 Lakh [Previous Year ₹ 1,78,660.55 Lakh] have not been received from the banks in response to the requests sent. The Company has, however requested for the confirmations and followed up with the banks. The account balances and the interest and other charges have been accounted on the basis of informations available with the Company.

## NOTE - 17 B TRADE PAYABLES DUE TO

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Micro and Small Enterprises	433.96	412.34
Related parties [Refer Note no. 38]	56,101.27	56,086.76
Other than Micro and Small Enterprises	167,002.47	234,292.79
	<b>223,537.70</b>	<b>290,791.89</b>



# Notes

to the Financial Statements for the year ended March 31, 2019

## Note:

- (i) The Company has identified (based on information available) Micro, Small and Medium Enterprises as those registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Principal amount due and remaining unpaid	966.13	622.46
Interest due on above and the unpaid interest	310.65	204.73
Interest paid	-	-
Payment made beyond the appointed day during the year	8,252.80	3,013.33
Amount of interest due and payable for period of delay in making payment excluding interest specified under MSMED Act	-	-
Interest accrued and remaining unpaid	310.65	204.73
Amount of further interest remaining due and payable in succeeding years	-	-

- (ii) Due to others includes Bills Payable amounting to ₹ NIL [Previous Year ₹ 1,427.10/- Lakh]. [Secured against first pari passu charge on current assets of the Company, second pari passu charge on movable and immovable fixed assets and personal guarantee of promoter director among working capital consortium member banks].
- (iii) Trade Payables include 87,829.78/- Lakh on account of Bills of Exchange drawn by the suppliers on the company (for the goods supplied to company) and discounted by the suppliers with their bankers without recourse basis.

## NOTE - 17 C OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Term Loans from Banks [Refer Note 13 D (ii) and 17a E]		
Secured		
- Rupee Loans	32,109.31	32,088.20
- Foreign Currency Loans	25,367.42	25,361.30
Current maturities of long-term debt		
- From State Government [Refer Note 13 B]	4,474.54	296.62
Current Maturities of finance lease obligations [Refer note 17a E]	12.47	12.47
Derivative Liability		
- Commodity Contracts	-	490.74
Interest accrued	76,684.29	76,684.29
Unclaimed Dividends [Refer note (i) below]	17.31	24.48
Agency & Other Deposits	1,003.08	1,122.79
Customers' Advances [Refer Note (ii) below]	94,254.73	94,254.73
Financial Guarantee Obligation	10,489.64	10,489.64
Earnest Money deposit received for CIR Process	25,050.18	6,575.19
Creditors for capital expenditure	73.33	95.80
Other financial liabilities [Refer note (iii) below]	6,822.41	5,427.27
	<b>276,358.71</b>	<b>252,923.52</b>

## Note:

- (i) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.
- (ii) As the Company has not been able to make the scheduled Exports as per the agreement, these customer advances are now repayable and hence are classified as financial liability. Interest on this had been provided till 15th December, 2017. Debit balance of one of the customer amounting to ₹ 15,859.06/- Lakh against export is net off against the same.
- (iii) Other financial liabilities include ₹ 33.49/- Lakh [Previous Year ₹ ₹ 23.85/- Lakh] due to Related parties. [Refer Note 38]

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 18 OTHER CURRENT LIABILITIES (₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
(a) Customers' Advances	2,017.07	2,976.32
(b) Other liabilities (Including Statutory Dues Payable) [Refer Note (i) and (ii) below]	8,370.98	13,652.16
(c) Government Grant - Deferred Income [Refer Note 15 (i)]	51.28	51.44
	<b>10,439.33</b>	<b>16,679.92</b>

### Note:

- (i) Other liabilities include NIL [Previous Year ₹ 0.07/- Lakh] due to related parties.[Refer Note 38]
- (ii) Regarding Remission of tax under West Bengal Incentive Scheme, 1999 the Company had already received remission of tax, where Company is eligible as per the eligibility certificate which is renewed but, till date Company had not received any approval for additional benefit of ₹ 4,009.39/- Lakh from government of West Bengal which is included in Other liabilities.

## NOTE - 19 PROVISIONS (₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
i) Provision for Compensated absences	176.18	755.82
	<b>176.18</b>	<b>755.82</b>

The Company contributes to the following post-employment defined benefit plans in India.

**A. Defined Contribution Plans:**The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the specified rate as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and it Company has no further contractual, or any constructive obligation. The Company has recognised ₹ 670.39/- Lakh [Previous Year ₹ 687.85/- Lakh] towards contribution to Provident Fund and ₹ 122.03/- Lakh [Previous Year ₹ 124.33/- Lakh] towards Employee State Insurance in Profit and Loss account.

### B. Defined Benefit Plan:

#### a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/resignation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number completed years of service. The gratuity plan is a funded plan and Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

#### b) Leave Obligations

The leave obligations cover the Company's liability for casual, sick & earned leave. The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

# Notes

to the Financial Statements for the year ended March 31, 2019

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined benefit obligation	2,389.67	857.45	2,130.02	811.94
Fair value of plan assets	3,084.94	-	2,411.92	56.12
<b>Net defined benefit (obligation)/assets</b>	<b>695.27</b>	<b>(857.45)</b>	<b>281.90</b>	<b>(755.82)</b>
Non-current [Refer Note 16]	-	(681.27)	-	-
Current	695.27	(176.18)	281.90	(755.82)

## Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

	(₹ in Lakh)			
	March 31, 2019		March 31, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Defined benefit obligations</b>				
Opening balance	2,130.02	811.94	2,114.21	908.53
Current service cost	159.70	142.58	168.22	136.00
Past service cost	-	-	95.87	-
Interest cost (income)	167.85	63.98	153.49	65.96
	2,457.57	1,018.50	2,531.79	1,110.49
<b>Included in OCI</b>				
Demographic assumptions	11.66	(3.23)	13.01	(2.56)
Financial assumptions	32.60	11.37	(104.37)	(38.25)
Experience adjustment	126.51	42.96	43.37	(249.68)
	2,628.34	1,069.60	2,483.80	820.00
<b>Other</b>				
Contributions paid by the employer	-	(212.16)	-	-
Benefits paid	(238.67)	-	(353.78)	(8.05)
<b>Closing balance</b>	<b>2,389.67</b>	<b>857.44</b>	<b>2,130.02</b>	<b>811.95</b>
<b>Fair value of plan asset</b>				
Opening balance	2,411.92	56.12	2,235.04	58.90
Interest income	190.06	0.64	162.26	4.28
	2,601.98	56.76	2,397.30	63.18
<b>Included in OCI</b>				
Experience adjustment	10.08	-	4.95	0.09
	2,612.06	56.76	2,402.25	63.27
<b>Other</b>				
Contributions paid by the employer	711.56	(56.76)	363.45	0.91
Benefits paid	(238.67)	-	(353.78)	(8.05)
<b>Closing balance</b>	<b>3,084.95</b>	<b>-</b>	<b>2,411.92</b>	<b>56.13</b>
<b>Represented by</b>				
Net defined benefit asset	695.27	-	281.90	-
Net defined benefit liability	-	857.46	-	(755.82)
	<b>695.27</b>	<b>857.46</b>	<b>281.90</b>	<b>(755.82)</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

	March 31, 2019		March 31, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Expense recognised in Statement of Profit and Loss</b>				
Current service cost	159.70	142.58	168.22	136.00
Net Interest cost	(22.21)	63.34	(8.77)	61.68
Actuarial (gain)/loss on obligation for the period	-	51.11	-	(290.58)
Past service cost	-	-	95.87	-
<b>Expense recognised in Statement of Profit and Loss</b>	<b>137.49</b>	<b>257.03</b>	<b>255.32</b>	<b>(92.90)</b>
<b>Expense recognised in Other Comprehensive Income (OCI)</b>				
Actuarial (gain)/loss on obligation for the period	170.77	-	(47.99)	-
Return on plan assets excluding interest income	(10.08)	-	(4.95)	-
<b>Net (Income)/ Expense for the period recognized in OCI [Refer Note 31 A (I) (i)]</b>	<b>160.69</b>	<b>-</b>	<b>(52.94)</b>	<b>-</b>

## C. Plan assets

Plan assets comprise the following

### Investment in LIC India

Insurer managed fund (100%)	3,084.95	-	2,411.92	56.13
	<b>3,084.95</b>	<b>-</b>	<b>2,411.92</b>	<b>56.13</b>

## D. Defined benefit obligations

### i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.69%	7.88%
Salary escalation rate	6.00%	6.00%
Rate of return on plan assets	7.69%	7.88%
Retirement Age	58 Years & 60 Years	58 Years & 60 Years
Attrition Rate	For service 4 years & below 10.31% p.a. & For service 5 years and above 2% p.a.	For service 4 years & below 17.76% p.a. & For service 5 years and above 2% p.a.
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

### ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakh)

Particulars	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(162.83)	185.99	(151.01)	172.91
Future salary growth (1% movement)	177.87	(159.13)	163.85	(146.00)
Employee Turnover (1% movement)	23.14	(25.73)	26.30	(29.20)
Average Expected Life	12 Years	12 Years	12 Years	12 Years

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

# Notes

to the Financial Statements for the year ended March 31, 2019

## iii) Expected Contributions in next year

Particulars	March 31, 2019	March 31, 2018
Provident Fund	620.21	590.43

## NOTE - 20 LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
Other Current Liabilities (Refer Note 10)	173.00	173.00
	<b>173.00</b>	<b>173.00</b>

## NOTE - 21 REVENUE FROM OPERATIONS

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A Sales of products (including excise duty)</b>	1,266,027.50	1,189,165.72
<b>B Sale of Services</b>		
Processing charges received	2,286.40	2,649.83
<b>C Other Operating revenue</b>		
(i) Export Incentive	-	2,949.13
(ii) Vat/CST/Entry tax- Refund /Remission	-	308.70
(iii) Government grants [Refer Note 15(i)]	51.45	51.49
(iv) Income from Power generation [Including Carbon Credits VER/CERs amounting to ₹ NIL [Previous Year ₹ 7.40/- Lakh]	4,557.96	4,288.43
	<b>1,272,923.31</b>	<b>1,199,413.30</b>

## NOTE - 22 OTHER INCOME

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A Interest Income (under the effective interest method)</b>		
- On Fixed Deposits	1,034.46	369.10
- Others	127.67	51.42
<b>B Dividend Income:</b>		
- From Other than Subsidiaries, associates and Joint Ventures entities	-	4.42
<b>C Net Gain on sale of:-</b>		
-Investments (Capital Reduction)	359.74	-
<b>D Lease Rental income</b>	127.99	55.85
<b>E Other Non-Operating Income</b>		
- Liabilities no longer required written back	5,130.70	2,184.26
- Sales Tax and customs Refund	58.56	9.90
- Guarantee Commission	-	139.30
- Unwinding income of investment	89.80	97.95
- Other Receipts	347.24	592.17
<b>F Fair value adjustments for Investments (net)</b>	9.92	10.36
<b>G Export Incentive</b>	2,716.17	-
	<b>10,002.25</b>	<b>3,514.73</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 23 COST OF MATERIALS CONSUMED

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Raw Material	1,050,923.02	874,720.48
b) Packing Material	45,866.55	46,151.61
	<b>1,096,789.57</b>	<b>920,872.09</b>

## NOTE - 24 PURCHASES OF STOCK-IN-TRADE

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Purchases of Stock-in-Trade	35,535.68	142,570.08

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

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Finished goods</b>		
Opening Stock	61,486.86	55,050.00
Closing Stock	53,798.73	61,486.86
	<b>7,688.13</b>	<b>(6,436.86)</b>
<b>Work-in-progress</b>		
Opening Stock	485.58	478.43
Closing Stock	487.15	485.58
	<b>(1.57)</b>	<b>(7.15)</b>
<b>Traded goods</b>		
Opening Stock	250.75	7,258.28
Closing Stock	57.43	250.75
	<b>193.32</b>	<b>7,007.53</b>
	<b>7,879.88</b>	<b>563.52</b>

## NOTE - 26 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salary, Wages and Bonus	13,533.43	14,054.94
Contribution to Provident and Other Funds	798.91	816.82
Gratuity [Refer Note 19]	137.49	271.08
Leave Compensation Absences [Refer Note 19]	257.03	158.25
Staff Welfare expenses	392.10	440.23
	<b>15,118.96</b>	<b>15,741.32</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 27 FINANCE COSTS

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expense	481.41	79,856.27
Other borrowing costs	217.66	5,717.12
	<b>699.07</b>	<b>85,573.39</b>

## NOTE - 28 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSE

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on Plant, property and Equipment	13,772.29	13,966.33
Amortisation on Intangible assets	52.15	70.36
	<b>13,824.44</b>	<b>14,036.69</b>

## NOTE - 29 PROVISION FOR DOUBTFUL DEBTS, ADVANCES, BAD DEBTS, FINANCIAL GUARANTEE OBLIGATIONS AND OTHERS

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Provision for Doubtful Debts/ Credit impaired	19.21	458,256.72
Provision for Advances /Credit impaired	1,321.04	46,271.47
Corporate Guarantee Liability Obligation Expenses	-	10,489.64
	<b>1,340.25</b>	<b>515,017.83</b>

### Note:

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

## NOTE - 30 OTHER EXPENSES

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Manufacturing Expenses</b>	8,480.79	7,650.32
Consumables	8,047.12	6,715.50
Consumption of Stores & Spares parts	4,385.69	3,287.98
Power & Fuel (net of recoveries)	20,042.01	17,379.53
Lease Rental expenses (net of recoveries)	2,484.88	4,750.62
Repairs and Maintenance		
- Plant & Machinery	1,856.07	1,808.22
- Buildings	211.28	171.15
- Others	617.28	611.64
	<b>46,125.12</b>	<b>42,374.96</b>

# Notes

to the Financial Statements for the year ended March 31, 2019

**NOTE - 30 OTHER EXPENSES (Contd.)**

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Selling and distribution expenses</b>		
Freight & forwarding (net of recoveries)	32,704.71	34,329.68
Export expenses	1,543.50	2,231.33
Advertisement & sales promotion [Refer Note II below]	4,158.80	2,570.65
	<b>38,407.01</b>	<b>39,131.66</b>
<b>Establishment and Other expenses</b>		
Rates & Taxes	765.71	988.76
Insurance (net of recoveries)	1,035.57	1,129.46
Payment to Auditors [Refer Note I below]	104.33	102.69
Donations	1.36	1.44
Provision for loss in Limited Liability Partnership	-	0.24
Net Loss on Sale/Discard of Fixed Assets	414.83	103.15
Net (Gain) on Sale/Loss on foreign currency transaction/translation	1,351.84	208.43
Impairment in value of Investment	276.79	3,994.34
Commission	3,853.05	3,501.56
Travelling & conveyance	1,040.13	1,214.09
Bank Commission & charges	42.10	86.07
Other expenses (Net of recoveries)	10,647.86	16,740.66
	<b>19,533.57</b>	<b>28,070.89</b>
	<b>104,065.70</b>	<b>109,577.51</b>

Note:

**(I) Payment to Auditors :-****(i) Remuneration to the Statutory auditors**

## (a) As Auditors

- For Statutory Audit	53.00	53.00
- For Taxation Matters	11.00	11.00
- For Other Matters (Including for certification)	24.90	18.30

(b) Travelling and other out of pocket expenses	11.03	3.58
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**(ii) Remuneration to Branch Auditors**

## (a) As Branch auditors

- For Branch Audit	-	6.74
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(b) Travelling and other out of pocket expenses	-	5.67
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<b>(iii) Remuneration to Cost Auditors</b>	4.40	4.40
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**(II)** Excludes ₹ NIL [Previous Year ₹ 60.68/- Lakh] net of current tax thereon debited to Business Development Reserve. [Refer Note 12 E]



# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 31 (A) OTHER COMPREHENSIVE INCOME (₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>I Item that will not be reclassified to profit or loss</b>		
(i) Remeasurement of the defined benefit plans [Refer Note 12 H]	(160.69)	52.94
(ii) Equity Instruments through Other Comprehensive Income [Refer Note 12 G]	(471.88)	50.54
	<b>(632.57)</b>	<b>103.48</b>

## NOTE - 32 CONTINGENT LIABILITIES AND COMMITMENTS (₹ in Lakh)

A Contingent liabilities	As at March 31, 2019	As at March 31, 2018
<b>a) Claims against the Company not acknowledged as debts (to the extent quantified)</b>	3,095.15	2,578.57
<b>b) Guarantees</b>		
(i) Outstanding bank Guarantees	1,866.72	2,947.99
(ii) Outstanding corporate guarantees given on behalf of - Indian Associate (Sanctioned amount ₹ 9,600.00/- Lakh [Previous Year ₹ 9,600.00/- Lakh])	3,726.00	4,572.00
<b>c) Other Money for which Company is Contingently liable</b>		
(i) Disputed Demand:		
1 Excise Duty	8,811.87	8,915.49
2 Service Tax	1,542.36	1,491.62
3 Customs Duty	18,429.42	18,866.97
4 Income tax	3,093.16	1,992.88
5 Other Acts	29.37	349.78
6 Sales Tax [Refer Note (ii) below]	83,456.94	80,221.93
(ii) Deputy State Tax Commissioner Corporate, Rajkot, Gujarat, during inspection under Gujarat Value Added Tax Act-2003 alleged that dealers from whom purchases were made by the Company during FY 2013-2014 to 2017-2018 have not paid tax to government treasury and due to that input credit claimed by the Company is not eligible. It is also alleged that the Company has not done transactions on market price. Therefore, demand of ₹ 13,441.18/- Lakh of Tax and ₹ 28,835.63/- Lakh of penalty aggregating to ₹ 43,276.81/- Lakh has been made against the Company and Company's plants at Kandla which include Refinery, Oleochem and Guargum Division has been impounded. The Company has made submissions and following up the matter with the appropriate authorities. The Company, based on merits of the case, does not expect material liability on this account hence no provision has been made in the books of accounts. Furthermore, Gujarat High Court passed an order in this matter pursuant whereby the retrospective cancellation of registration has stayed and the matter is remanded to Tribunal for further hearing, which is pending.		
(iii) During an earlier year, the Company had received claims amounting to US\$ 662,67,857.31 (to the extent quantified) from two overseas entities (claimants) in respect of performance guarantees purportedly given by the Company as a second guarantor on behalf of an overseas entity in respect of contracts entered into between the claimants and the overseas entity. The Company denies giving the guarantees and has disputed the claims and is has taken appropriate legal actions and making suitable representations in the matter. The Company does not expect that any amount will become payable in respect of the claims made. No provision is made in respect of the same in the books of account.		
(iv) In relation to trading in Castor seed contracts on National commodity and Derivative Exchange limited (NCDEX), pending investigation by Securities and Exchange Board of India [SEBI], amount of liability, if any, can not be ascertained at this stage.		
(v) The Competition Commission of India has issued a notice under section 36(2) read with section 41(2) of The Competition Act, 2002 (the Act) into alleged violations of the said Act. The Company has made representation in the matter from time to time. Later a investigation by Director General was initiated under section 26(1) of the Act.		

# Notes

to the Financial Statements for the year ended March 31, 2019

The hearing was completed on 28.06.2016 and Competition Commission of India had passed an order clearly stating that there was no contravention of the Provisions of the Act. Aggrieved by the same, the other party filed the writ petition in High Court in Delhi challenging the order of the Competition Commission of India. The final order of the High Court is awaited. Pending receipt of the order, liability, if any, that may arise in this regard cannot be ascertained at this stage.

(vi) The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

(vii) EPCG Licences benefit in event of default of Export Obligation	20.98	16.21
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## B Commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	145.98	290.40
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### b) Other Commitments

Export Obligations in relation to EPCG Benefits	716.49	138.19
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## NOTE - 33

On divestment of shares of Gemini Edibles and Oil Pvt. Ltd. in an earlier year, pursuant to the Share Purchase Agreement, the Company paid an amount of ₹ 2,836.52/- Lakh to the said Company by way of deposit which is refundable on receipt of various incentives by the said Company from Government authorities. Of the total amount paid, the Company has received refund of ₹ 2,308.31/- Lakh till March 31, 2019. The Company expects to recover the balance amount of ₹ 528.21/- Lakh fully. Accordingly, no provision for doubtful debts is considered necessary in this regards.

## NOTE - 34

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

As mentioned in note no. 43, the Honourable NCLT has admitted a petition to initiate insolvency proceeding against the Company under the Code. As per the Code, it is required that the Company be managed as a going concern during the CIRP. Further, as mentioned in note no. 43, the CIRP period continues to be in effect till the CoC approved Resolution Plan of PAL is approved by the NCLT.

The future prospects of the Company would be determined on the completion of CIRP. Hence, in view of the above facts and continuing operations of the Company, the financial statements have been prepared on a going concern basis.

## NOTE - 35

Disclosures pursuant to regulation 34(3) and 53(f) of schedule V of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015

Particulars	(₹ in Lakh)	
	As at March 31, 2019	As at March 31, 2018
(a) Loans & Advance in the nature of loans to Subsidiaries	0.23	0.23
(b) Loans & Advance in the nature of loans to Associates	NIL	NIL
(c) Loans and Advances in the nature of loans to Firms/Companies in which directors are interested	NIL	NIL
(d) Investment by the loanee in the shares of the company, when the Company has made a loan or advance in the nature of loan	NIL	NIL

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 36

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

The exchange difference to the extent it relates to acquisition of depreciable asset is adjusted to the cost of the depreciable asset and depreciated over the balance life of the asset.

In other cases, the exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset/ liability.

Accordingly, during the year the Company;

- (a) has adjusted exchange (loss) of (₹ NIL) [Previous Year ₹ 257.01/- Lakh] in respect of long term foreign currency monetary items relating to acquisition of depreciable fixed assets to the cost of fixed assets [Refer Note 3a(i)(b)].

## NOTE - 37 SEGMENT REPORTING

### A. General Information

#### (a) Factors used to identify the entity's reportable segments, including the basis of organisation

Based on the criterion as mentioned in Ind-As-108-"Operating Segment", the Company has identified its reportable segments, as follows:

- Segment-1 Extractions
- Segment-2, Vanaspati
- Segment-3, Oils
- Segment-4, Food Products
- Segment-5, Wind Power Generation
- Segment-6, Others

Unallocable - All the segments other than segments identified above are collectively included in this segment. The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments.

#### (b) Following are reportable segments

Reportable segment	Description
Extractions	Various types of seed extractions
Vanaspati	Vanaspati, Bakery fats and Table spread
Oils	Crude oils, Refined oils
Food Products	Textured Soya protein and Soya flour
Wind Power Generation	Electricity Generation from Wind Mills

#### (c) Other Segment

Others	Seeds, Coffee, Soap, Fresh Fruit Bunch, Seedling, Plant and Equipment , Toiletry preparations and Castor seed.
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By products related to each segment have been included under the respective segment.

Extraction is considered as the primary product resulting from the solvent extraction process and crude oil as the secondary product. While computing segment results, all costs related to solvent extraction process are charged to the extraction segment and recovery on account of crude oil is credited to the said segment. Credit for recovery of crude oil is taken on the basis of average monthly market price.

# Notes

to the Financial Statements for the year ended March 31, 2019

(₹ in Lakh)

## NOTE - 37 SEGMENT REPORTING (Contd.)

### B.1. Information about reportable segments- Financial Year 2018-2019

Particulars	Extractions	Vanaspati	Oils	Food Products	Wind Turbine Power Generation	Others	Unallocated	Total
<b>SEGMENT REVENUE</b>								
External Revenue	286,240.87	77,693.24	1,075,050.90	51,099.14	5,877.59	13,022.09		1,508,983.83
Less Intersegment Sales	166,573.48	-	68,167.41	-	1,319.64	-		236,060.52
<b>Total Segment Revenue</b>	119,667.39	77,693.24	1,006,883.49	51,099.14	4,557.95	13,022.09		1,272,923.31
<b>Segment Profit / (Loss) before interest and taxes</b>	635.28	228.31	9,933.35	1,710.83	2,726.75	(6,778.18)		8,456.34
Add: Unallocable Income net of Unallocable Expenses							1,255.00	1,254.99
Less: Interest / Finance cost							699.07	699.07
Less: Provision for Doubtful Debts and advances and Bad Debts and Financial Guarantee Obligation and Others							1,340.25	1,340.25
<b>Profit before tax</b>								7,672.01
<b>Tax Expenses</b>								-
<b>Profit after tax</b>								7,672.01
<b>Other Information</b>								
SEGMENT ASSETS	68,454.55	18,376.35	190,146.51	12,368.80	37,801.52	26,204.18	440,334.41	793,686.32
SEGMENT LIABILITIES	7,388.88	13.24	262,195.85	261.49	136.53	48,896.21	922,612.15	1,241,506.35
CAPITAL EXPENDITURE	446.16	5.37	330.79	79.81	-	108.86	-	970.99
DEPRECIATION / AMORTISATION	3,523.42	1,119.90	5,709.10	539.99	1,866.71	598.15	467.17	13,824.44
NON CASH EXPENSES							1,340.25	1,340.25

### B.2. Information about reportable segments-Financial Year 2017-2018

Particulars	Extractions	Vanaspati	Oils	Food Products	Wind Turbine Power Generation	Others	Unallocated	Total
<b>SEGMENT REVENUE</b>								
External Revenue	210,636.87	74,664.44	1,014,767.64	50,635.20	5,686.67	38,513.49	-	1,394,904.31
Less Intersegment Sales	123,964.29	-	70,128.48	-	1,398.24	-	-	195,491.01
<b>Total Segment Revenue</b>	86,672.58	74,664.44	944,639.16	50,635.20	4,288.43	38,513.49	-	1,199,413.30
<b>Segment Profit / (Loss) before interest and taxes</b>	142.45	290.03	15,676.18	1,117.41	2,513.26	(16,603.10)	-	3,136.23
Add: Unallocable Income net of Unallocable Expenses							3,569.41	3,569.41
Less: Interest / Finance cost							85,573.39	85,573.39
Less: Provision for Doubtful Debts and advances and Bad Debts and Financial Guarantee Obligation and Others							515,017.83	515,017.83
<b>Profit before tax</b>								(601,024.40)
<b>Tax Expenses credited to profit and loss</b>								(43,696.41)
<b>Profit after tax</b>								(557,327.99)
<b>Other Information</b>								
SEGMENT ASSETS	73,623.25	23,672.76	177,105.58	12,957.43	40,308.86	23,507.54	420,881.23	772,056.65
SEGMENT LIABILITIES	8,871.79	14.78	330,981.20	400.41	-	46,800.00	859,847.95	1,226,916.13
CAPITAL EXPENDITURE	55.23	16.66	226.65	8.84	-	(37.55)	-	269.83
DEPRECIATION / AMORTISATION	3,513.77	1,124.87	5,759.60	537.97	1,866.71	595.02	638.75	14,036.69
NON CASH EXPENSES							515,017.83	515,017.83

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 37 SEGMENT REPORTING (Contd.) (₹ in Lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>I Revenue</b>		
Domestic	1,226,550.67	1,129,631.93
Foreign	46,372.64	69,781.37
<b>Total Revenue</b>	<b>1,272,923.31</b>	<b>1,199,413.30</b>
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>II Non-Current Assets*</b>		
Within India	529,788.37	543,400.70
Outside India	-	-

\*Non-current assets other than financial assets and income tax

## NOTE - 38 RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

As per Ind AS-24, the disclosure of transactions with related parties are given below :

(A) List of related parties where control exists and related parties with whom transactions have taken place and relationships :

(i) Person or a close members has control or joint control, significant influence on the reporting entity or is member of KMP in reporting entity :

(a) Name of persons/KMP	Relation
Mr. Dinesh Shahra	Promoter Director
Mr. V. K. Jain	Whole-time Director
Mr. Ramjilal Gupta	Company Secretary
Mr. Anil Singhal	Chief Financial Officer
Mr. Navin Khandelwal up to 22.10.2018	Independent Director
Mr. Prabhu Lal Dwivedi upto 28.04.2017	Independent Director
Mr. N. Murugan upto 28.03.2018	Independent Director
Mrs. Meera Dinesh Rajda upto 19.11.2018	Independent Director
(b) Name of the close members	Relation
Mr. Kailash Shahra	Brother of Promoter Director
Mr. Sarvesh Shahra	Son of Promoter Director

(ii) (a) Entity and reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others) :

Name of persons/entities	Relation
Ruchi Worldwide Limited	Subsidiary
RSIL Holdings Pvt. Ltd.	Subsidiary
Ruchi Agri Trading Pte. Limited, Singapore	Step-down Subsidiary
Mrig Trading Pvt. Limited	Subsidiary
Ruchi Ethiopia Holdings Limited	Subsidiary
Ruchi Industries Pte. Limited	Subsidiary
Ruchi Agri Private Limited Company	Step-down Subsidiary
Ruchi Agri Plantation (Cambodia) Pte. Limited	Step-down Subsidiary
Palmolien Industries Pte. Limited	Step-down Subsidiary
Ruchi Agri, SARLU	Step-down Subsidiary
Ruchi Middle East DMCC	Step-down Subsidiary

# Notes

to the Financial Statements for the year ended March 31, 2019

- (ii) (b) **One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)**

Name of persons/entities	Relation
Ruchi Hi-rich Seeds Pvt Ltd	Associate
Ruchi J-Oil Private Limited [Liquidation w.e.f. 21.08.2018]	Joint Venture
GHI Energy Private Limited	Associate
Indian Oil Ruchi Biofuels LLP [upto 25.01.2019] [Refer Note 5a E]	Partner
RSIL Beneficiary Trust	Trust

- (iii) **The entity is controlled or jointly controlled by a person identified in (i)**

Name of persons/entities
Shahra Brothers Private Limited
Mahadeo Shahra & Sons
High Tech Realty Pvt. Ltd.
Disha Foundation Trust
Mahakosh Holdings Pvt. Ltd.
Ruchi Biofuels Pvt. Ltd.
Suresh Shahra HUF
Santosh Shahra HUF
Mahadeo Shahra Sukrat Trust
Mahakosh Family Trust

**Note:** The list of investments in subsidiaries, associates and joint venture along with proportion of ownership interest held and country of incorporation are disclosed in consolidated financial statements.

(₹ in Lakh)

S. No.	Particulars	2018-19	2017-18
1	<b>Payment to Key Managerial Personnel / Relative</b>		
	Mr. Dinesh Shahra	-	89.29
	Mr. V. K. Jain	58.04	51.67
	Mr. Ramjilal Gupta	70.18	64.05
	Mr. Anil Singhal	92.01	81.32
2	<b>Sitting Fee Expenses</b>		
	Mr. Navin Khandelwal	-	1.05
	Mr. N. Murugan	-	0.70
	Mrs. Meera Dinesh Rajda	-	0.55
3	<b>Rent Paid/ Storage Charges Expenses</b>		
	Mr. Dinesh Shahra	0.08	0.90
	Shahra Brothers Private Limited	3.16	3.11
	Disha Foundation (Trust)	20.78	218.83
	Mahakosh Holdings Private Limited	-	4.87
	Suresh Shahra HUF	9.64	9.57
	Santosh Shahra HUF	4.12	3.39
4	<b>Revenue from Operations</b>		
	Ruchi Worldwide Limited	-	1,693.55
	Ruchi J-Oil Private Limited	-	1,090.78
5	<b>Money Received on Capital Reduction</b>		
	Ruchi J-Oil Private Limited	1,632.00	-
6	<b>Reimbursement of Expenses Received (Net)</b>		
	Ruchi J-Oil Private Limited	-	69.20
7	<b>Purchase of Goods</b>		
	Ruchi Agritrading Pte. Limited	-	4,065.58
	Ruchi J-Oil Private Limited	-	1,089.06
	Mahadeo Shahra & Sons	-	173.38
8	<b>Reimbursement of Expenses</b>		
	Shahra Brothers Private Limited	1.59	1.59
9	<b>Donation Given</b>		
	Mahadeo Shahra Sukrat Trust	-	5.00

# Notes

to the Financial Statements for the year ended March 31, 2019

(₹ in Lakh)

S. No.	Particulars	2018-19	2017-18
10	<b>Impairment in value of investment</b>		
	RSIL Holdings Pvt. Ltd.	-	54.51
	Ruchi Industries Pte. Limited	-	3,802.48
	GHI Energy Private Limited	-	137.34
	Indian Oil Ruchi Biofuels LLP	1.53	-
11	<b>Provision for Doubtful Debts and Advances</b>		
	High Tech Realties Private Limited	750.00	-
12	<b>Loans and Advances Receivable</b>		
	Mr. Ramjilal Gupta	2.47	2.70
	Mr. Anil Singhal	2.90	-
	RSIL Beneficiary Trust	0.85	0.85
	Mrig Trading Private Limited	0.23	0.23
	Mahakosh Family Trust	5.46	5.46
13	<b>Other Liabilities Payable</b>		
	Mr. Anil Singhal	-	0.07
14	<b>Other Financial Liabilities</b>		
	Mr. Dinesh Shahra	13.34	13.27
	Mr. V. K. Jain	10.55	0.49
	Mr. Anil Singhal	-	0.40
	Mr. Kailash Shahra	3.50	3.50
	Mr. Sarvesh Shahra	5.08	5.08
	Mr. Ramjilal Gupta	-	1.00
15	<b>Trade Payables*</b>		
	Ruchi Worldwide Limited	37,010.36	37,010.36
	Ruchi Agritrading Pte. Limited	18,959.98	18,959.98
	Ruchi J-Oil Private Limited	26.30	31.13
	Shahra Brothers Private Limited	2.31	2.31
	Mahadeo Shahra & Sons	0.15	0.15
	Disha Foundation (Trust)	95.08	76.06
	Mahakosh Holdings Private Limited	1.61	1.61
	Suresh Shahra HUF	4.33	4.26
	Santosh Shahra HUF	1.15	0.90
16	<b>Trade Receivables</b>		
	Mahakosh Family Trust	38.60	38.60
17	<b>Security Deposit Receivable</b>		
	High Tech Realties Private Limited	-	750.00
	Disha Foundation (Trust)	1,350.00	1,350.00
	Mahakosh Family Trust	15.00	15.00
18	<b>Sitting Fees Payable</b>		
	Mr. Kailash Shahra	0.15	0.15
19	<b>Service Charges Received / Receivable</b>		
	Ruchi J-Oil Private Limited	4.83	-
20	<b>Guarantees Given</b>		
	Ruchi Worldwide Limited	61,065.73	61,065.73
	GHI Energy Private Ltd.	9,600.00	9,600.00
21	<b>Investment in Subsidiary, Associate and Joint Venture</b>		
	RSIL Holdings Pvt. Ltd.	348.10	348.10
	Mrig Trading Pvt. Limited	1.00	1.00
	Ruchi J-Oil Private Limited	154.26	1,426.52
	GHI Energy Private Limited	819.24	819.24
	Indian Oil Ruchi Biofuels LLP	-	1.53

\* Trade Payables includes ₹ 19,005.65 Lakh on account of Bills of Exchange drawn by the suppliers on the company (for the goods supplied to company) and discounted by the suppliers with their bankers on without recourse basis. [Refer Note 17b]

## Note :-

- In view of pendency of the CIRP the management of affairs of the Company and power of board of directors are now vested with Resolutional Professional.
- Since Resolution Professional Mr. Shailendra Ajmera has been appointed pursuant to NCLT order dated 15.12.2017 under IBC, he is not considered as Related Party.

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 39 EARNINGS PER SHARE (EPS)

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/(Loss) attributable to equity holders 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.

### i. Profit attributable to Equity holders (₹ in Lakh)

Particulars	March 31, 2019	March 31, 2018
Profit / (Loss) after tax attributable to equity holders	7,672.01	(557,327.99)
<b>Profit/(Loss) attributable to equity holders for basic earnings</b>	<b>7,672.01</b>	<b>(557,327.99)</b>
Expenses directly charged to Reserves	-	(60.68)
<b>Profit/(Loss) attributable to equity holders</b>	<b>7,672.01</b>	<b>(557,388.67)</b>

### ii. Weighted average number of shares for Basic EPS and Diluted EPS 3,264.71                      3,264.71

#### Basic and Diluted earnings per share (i/ii)

Particulars	March 31, 2019	March 31, 2018
<b>Basic earnings per share ( in ₹)</b>	<b>2.35</b>	<b>(170.73)</b>
<b>Diluted earnings per share ( in ₹)</b>	<b>2.35</b>	<b>(170.73)</b>

#### Note:

In Previous Year Stock options has an anti-dilutive effect on earnings per share hence have not been considered for the purpose of computing diluted earning per share.

## NOTE - 40 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value. A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(₹ in Lakh)

(i) March 31, 2019	Notes	Carrying amount					Fair value			
		FVTPL	FVTOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non Current assets</b>										
<b>Financial assets</b>										
(i) Investments	5(a)	-	946.10	946.10	504.45	<b>1,450.55</b>	946.10	-	-	<b>946.10</b>
(ii) Loans	5(b)	-	-	-	3,529.61	<b>3,529.61</b>	-	-	-	-
(iii) Others	5(c)	-	-	-	1,413.93	<b>1,413.93</b>	-	-	-	-
<b>Current assets</b>										
<b>Financial assets</b>										
(i) Investments	8(a)	1,670.98	-	1,670.98	8.37	<b>1,679.35</b>	120.50	1,550.48	-	<b>1,670.98</b>
(ii) Trade receivables	8(b)	-	-	-	26,223.61	<b>26,223.61</b>	-	-	-	-
(iii) Cash and cash equivalents	8(c)	-	-	-	15,802.32	<b>15,802.32</b>	-	-	-	-
(iv) Bank Balance other than above	8(d)	-	-	-	27,201.25	<b>27,201.25</b>	-	-	-	-
(v) Loans	8(e)	-	-	-	113.13	<b>113.13</b>	-	-	-	-
(vi) Others	8(f)	124.03	-	124.03	215.41	<b>339.44</b>	-	124.03	-	<b>124.03</b>
<b>Total</b>		<b>1,795.01</b>	<b>946.10</b>	<b>2,741.11</b>	<b>75,012.08</b>	<b>77,753.19</b>	<b>1,066.60</b>	<b>1,674.51</b>	-	<b>2,741.11</b>
<b>Non Current liabilities</b>										



# Notes

to the Financial Statements for the year ended March 31, 2019

(i) March 31, 2019	Notes	Carrying amount					Fair value			
		FVTPL	FVTOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>										
(i) Borrowings	13	163.20	-	163.20	1,444.07	1,607.27	-	163.20	-	163.20
<b>Current liabilities</b>										
<b>Financial liabilities</b>										
(i) Borrowings	17(a)	-	-	-	727,980.20	727,980.20	-	-	-	-
(ii) Trade payables	17(b)	-	-	-	223,537.70	223,537.70	-	-	-	-
(iii) Other Financial liability	17(c)	-	-	-	276,358.71	276,358.71	-	-	-	-
<b>Total</b>		<b>163.20</b>	<b>-</b>	<b>163.20</b>	<b>1,229,320.68</b>	<b>1,229,483.88</b>	<b>-</b>	<b>163.20</b>	<b>-</b>	<b>163.20</b>

₹ in Lakh

(ii) March 31, 2018	Notes	Carrying amount					Fair value			
		FVTPL	FVTOCI	Total Fair Value	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non Current assets</b>										
<b>Financial assets</b>										
(i) Investments	5(a)	-	1,693.24	1,693.24	1,778.24	3,471.48	1,417.98	272.76	2.50	1,693.24
(ii) Loans	5(b)	-	-	-	3,912.67	3,912.67	-	-	-	-
(iii) Others	5(c)	-	-	-	930.69	930.69	-	-	-	-
<b>Current assets</b>										
<b>Financial assets</b>										
(i) Investments	8(a)	1,571.26	-	1,571.26	8.37	1,579.63	110.58	1,460.68	-	1,571.26
(ii) Trade receivables	8(b)	-	-	-	24,961.47	24,961.47	-	-	-	-
(iii) Cash and cash equivalents	8(c)	-	-	-	3,701.34	3,701.34	-	-	-	-
(iv) Bank Balance other than above	8(d)	-	-	-	13,942.15	13,942.15	-	-	-	-
(v) Loans	8(e)	-	-	-	559.02	559.02	-	-	-	-
(vi) Other	8(f)	100.19	-	100.19	136.25	236.44	-	100.19	-	100.19
<b>Total</b>		<b>1,671.45</b>	<b>1,693.24</b>	<b>3,364.69</b>	<b>49,930.20</b>	<b>53,294.89</b>	<b>1,528.56</b>	<b>1,833.63</b>	<b>2.50</b>	<b>3,364.69</b>
<b>Non Current liabilities</b>										
<b>Financial liabilities</b>										
(i) Borrowings	13	153.68	-	153.68	5,622.00	5,775.68	-	153.68	-	153.68
<b>Current liabilities</b>										
<b>Financial liabilities</b>										
(i) Borrowings	17(a)	-	-	-	659,209.83	659,209.83	-	-	-	-
(ii) Trade payables	17(b)	-	-	-	290,791.89	290,791.89	-	-	-	-
(iii) Other Financial liability	17(c)	490.74	-	490.74	252,432.78	252,923.52	-	490.74	-	490.74
<b>Total</b>		<b>644.42</b>	<b>-</b>	<b>644.42</b>	<b>1,208,056.50</b>	<b>1,208,700.92</b>	<b>-</b>	<b>644.42</b>	<b>-</b>	<b>644.42</b>

## B. Measurement of fair values

Valuation techniques and significant unobservable inputs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

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

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

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

# Notes

to the Financial Statements for the year ended March 31, 2019

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

## Financial instruments measured at fair value

Type	Valuation technique
Currency Futures	Based on exchange rates listed on NSE/MCX stock exchange
Commodity futures	Based on commodity prices listed on MCX/ NCDX/ACE stock exchange
Forward contracts	Based on FEDAI Rates
Interest rate swaps	Based on Closing Rates provided by Banks
Open purchase and sale contracts	Based on commodity prices listed on NCDEX stock exchange, and prices Available on Solvent Extractor's association (SEA) along with quotations from brokers and adjustments made for grade and location of commodity
Options	Based on Closing Rates provided by Banks

## NOTE - 41 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

### Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
  - (a) Currency risk;
  - (b) Interest rate risk;
  - (c) Commodity Risk;
  - (d) Equity Risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

### Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

#### (i) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

##### (a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies (INR) of Ruchi Soya Industries Limited.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

# Notes

to the Financial Statements for the year ended March 31, 2019

## Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported by the management of the Company is as follows:

Particulars	March 31, 2019			March 31, 2018		
	EUR Exposure in ₹	USD Exposure in ₹	AUD Exposure in ₹	EUR Exposure in ₹	USD Exposure in ₹	AUD Exposure in ₹
<b>Receivable net exposure</b>						
Trade receivables*	3,770.12	129,287.50	7.66	3,852.85	131,149.86	4.21
<b>Net statement of financial position exposure</b>	<b>3,770.12</b>	<b>129,287.50</b>	<b>7.66</b>	<b>3,852.85</b>	<b>131,149.86</b>	<b>4.21</b>
Forward exchange contracts against exports	-	-	-	-	9,707.80	-
<b>Receivable net exposure</b>	<b>3,770.12</b>	<b>129,287.50</b>	<b>7.66</b>	<b>3,852.85</b>	<b>121,442.06</b>	<b>4.21</b>
<b>Payable net exposure</b>						
Borrowings	-	27,731.67	-	-	27,731.67	-
Trade payables and other financial liabilities	-	250,929.95	-	-	319,984.19	-
<b>Statement of financial position exposure</b>	<b>-</b>	<b>278,661.62</b>	<b>-</b>	<b>-</b>	<b>347,715.86</b>	<b>-</b>
Forward exchange contracts against imports and foreign currency payables	-	-	-	-	11,319.67	-
<b>Payable net exposure</b>	<b>-</b>	<b>278,661.62</b>	<b>-</b>	<b>-</b>	<b>336,396.19</b>	<b>-</b>
<b>Total net exposure on Receivables / (Payables)</b>	<b>3,770.12</b>	<b>(149,374.12)</b>	<b>7.66</b>	<b>3,852.85</b>	<b>(214,954.13)</b>	<b>4.21</b>

## Sensitivity analysis

A 1% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

(₹ in Lakh)

Effect in Indian Rupees	Profit/(Loss) March 31, 2019		Profit/(Loss) March 31, 2018	
	Strengthening	Weakening	Strengthening	Weakening
<b>EUR</b>	37.70	(37.70)	38.53	(38.53)
<b>USD</b>	(1,493.74)	1,493.74	(2,149.54)	2,149.54
<b>AUD</b>	0.08	(0.08)	0.04	(0.04)

\*Excluding provision for doubtful debts ₹ 1,30,255.27/- Lakh.

## (b) 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 market risk for changes in interest rates relates to borrowings from financial institutions and others.

For details of the Company's short-term and long term loans and borrowings, Refer Note 13(a), 17 (a) and 17(c) of these financial statements.

### Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings Preference Shares issued to Ruchi Infrastructure Limited @ 6% in the year 2010-2011 and Investments into Preference Shares of GHI Energy Private Limited @ 6% in the year 2011-2012 are carried at fair value. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

# Notes

to the Financial Statements for the year ended March 31, 2019

## Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.

A. March 31, 2019		(₹ in Lakh)	
Particulars	Impact on Profit/ (loss) before tax		
	100 bp increase	100 bp decrease	
On account of Variable Rate Borrowings from Banks	(7,897.94)	7,897.94	
<b>Sensitivity</b>	<b>(7,897.94)</b>	<b>7,897.94</b>	
B. March 31, 2018		(₹ in Lakh)	
Particulars	Impact on Profit/ (loss) before tax		
	100 bp increase	100 bp decrease	
On account of Variable Rate Borrowings from Banks	(7,964.19)	7,964.19	
<b>Sensitivity</b>	<b>(7,964.19)</b>	<b>7,964.19</b>	

## (c) Commodity risk

The prices of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living and global production of similar and competitive crops. During its ordinary course of business, the value of the Company's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Company is subjected to price fluctuations in the commodities market.

While the Company is exposed to fluctuations in agricultural commodities prices, its policy is to minimise its risks arising from such fluctuations by hedging its sales either through direct purchases of a similar commodity or through futures contracts on the commodity exchanges. The prices on the commodity exchanges are generally quoted up to twelve months forward.

In the course of hedging its sales either through direct purchases or through futures, the Company may also be exposed to the inherent risk associated with trading activities conducted by its personnel. The Company has in place a risk management system to manage such risk exposure.

At the balance sheet date, a 1% increase/decrease of the commodities price indices, with all other variables remaining constant, would result in (decrease)/increase in profit before tax and equity by the amounts as shown below:

Particulars	(₹ in Lakh)			
	Profit/ (loss)			
	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
<b>Effect of (increase) / decrease in prices</b>	<b>5.22</b>	<b>(5.22)</b>	<b>(33.32)</b>	<b>33.32</b>
<b>Assumptions used for calculation</b>				
Inventory	Commodity price * 1%			
Derivative contract	Rate * 1%			

## (d) Equity risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments in Fair value through Other Comprehensive Income securities exposes the Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of equity securities as of March 31, 2019, was ₹ 946.10/- Lakh [Previous Year 1,417.98/- Lakh]. A sensex standard deviation of 4% [Previous Year 5%] would result in change in equity prices of securities held as of March 31, 2019 by ₹ 37.60/- Lakh. [Previous Year ₹ 70.90/- Lakh]

# Notes

to the Financial Statements for the year ended March 31, 2019

## (ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customer. The Company establishes an allowance for doubtful debts and impairment that represents its estimate on expected loss model.

### A. Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Neither past due nor impaired		
<b>Past due but not impaired</b>		
Past due 0-90 days	24,675.60	22,909.11
Past due 91-180 days	298.50	980.48
Past due more than 180 days	1,229.12	1,537.13
	<b>26,203.22</b>	<b>25,426.72</b>

### Expected credit loss assessment for customers as at March 31, 2019 and March 31, 2018

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine expected credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances. The company has made further provision for Doubtful debts.

The movement in the allowance for trade and other receivables having significant increase in credit risk during the year was as follows.

(₹ in Lakh)

	March 31, 2019
<b>Balance as at April 1, 2018</b>	<b>656,560.79</b>
Reversal of Expected credit Loss	(674.11)
<b>Balance as at March 31, 2019</b>	<b>655,886.68</b>

The movement in the allowance for trade and other receivables having significant increase in credit risk during the year was as follows.

(₹ in Lakh)

	March 31, 2018
<b>Balance as at April 1, 2017</b>	<b>213,946.42</b>
Impairment loss recognised as per ECL/ Provision for doubtful debts	442,614.37
<b>Balance as at March 31, 2018</b>	<b>656,560.79</b>

### B. Cash and cash equivalents

The Company holds cash and cash equivalents with credit worthy banks and financial institutions of ₹ 15,802.32/- Lakh as at March 31, 2019 [Previous Year ₹ 3,701.34/- Lakh]. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

### C. Derivatives

The derivatives are entered into with credit worthy banks and financial institution on counterparties. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

### D. Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

# Notes

to the Financial Statements for the year ended March 31, 2019

## Financial Instruments - fair values and risk management

### (iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Liquidity crises has led to default in repayment of principle and interest to lenders. The Company has been taking measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the Company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine headroom or any short falls. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.

### Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for: \* all non derivative financial liabilities\* net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flows.

(₹ in Lakh)

Particulars	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	> 5 years
<b>A As at March 31, 2019</b>						
<b>Non-derivative financial liabilities</b>						
Secured term loans and borrowings	785,469.40	785,469.40	785,469.40	-	-	-
Unsecured term loans and borrowings	5,918.61	5,918.62	4,474.54	236.95	650.80	556.33
Redemable preference shares	163.20	200.00	-	-	200.00	-
Trade payables	223,537.70	223,537.70	223,537.70	-	-	-
Other financial liabilities (repayable on demand)	214,394.97	214,394.97	214,394.97	-	-	-

(₹ in Lakh)

Particulars	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	> 5 years
<b>B As at March 31, 2018</b>						
<b>(i) Non-derivative financial liabilities</b>						
Secured term loans and borrowings	716,671.80	716,641.80	716,641.80	-	-	-
Unsecured term loans and borrowings	5,918.62	5,918.62	296.62	501.07	4,662.20	458.73
Redemable preference shares	153.68	200.00	-	-	200.00	-
Trade payables	290,791.90	290,791.90	290,791.90	-	-	-
Other financial liabilities (repayable on demand)	194,674.18	194,674.18	194,674.18	-	-	-
<b>(ii) Derivative financial liabilities</b>						
Foreign exchange forward contract						
– Outflow	-	28.95	28.95	-	-	-
– Inflow	-	36.79	36.79	-	-	-
Commodity contracts	490.74	490.74	490.74	-	-	-

### Note :

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 42 CAPITAL MANAGEMENT

The Company's objective when managing the capital is to safeguard the Company's ability to continue as a going concern. In order to provide the return to shareholders and benefits to other stakeholder's and to maintain an optimal capital structure to reduce the capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Equity comprises of Equity share capital and other equity. However, in view of certain adverse factors and liquidity problems faced by the Company, the net worth of the Company has been fully eroded and the Company is presently under CIRP process and thereby continue to operate as a going concern.

The Company's adjusted net debt to adjusted equity ratio was as follows:

A. Particulars	(₹ in Lakh)	
	As at March 31, 2019	As at March 31, 2018
Non-current Borrowings	1,607.27	5,775.68
Current Borrowings	727,980.20	659,209.83
<b>Current Maturity :</b>		
- From State Government	4,474.54	296.62
- Finance lease obligations	12.47	12.47
Interest accrued	76,684.29	76,684.29
<b>Term Loans from Banks :</b>		
- Rupee Loans	32,109.31	32,088.20
- Foreign Currency Loans	25,367.42	25,361.30
<b>Total Debt</b>	<b>868,235.50</b>	<b>799,428.39</b>
Less : Cash and cash equivalent	15,802.32	3,701.34
<b>Adjusted net debt</b>	<b>852,433.18</b>	<b>795,727.05</b>
<b>Total equity</b>	<b>(447,820.03)</b>	<b>(454,859.48)</b>
Adjusted net debt to adjusted equity ratio	<b>(1.90)</b>	<b>(1.75)</b>

### B. Dividends

No dividend is paid by the Company in last three Year

### C. Loan Covenants

In order to achieve this overall objective, the Company capital management amongs other things, aims to ensure that it meets financial covenants attached to the interest bearing loan and borrowings that defined capital structure requirements. There have been breaches in the financial covenants of interest bearing loan and borrowings in the current period and previous periods. The lenders have declared the borrowings has non-performing assets as per prudential norms of Reserve Bank of India.[Refer Note 43]

## NOTE - 43

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

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

The RP filed a Miscellaneous Application 926/2018 ("MA 926/2018") under Section 30(6) of the Code before the Hon'ble NCLT for its consideration of the resolution plan as approved by the CoC by e-voting concluded on 23rd August, 2018. The Hon'ble Supreme



# Notes

to the Financial Statements for the year ended March 31, 2019

Court of India, by its order dated 31st January, 2019 in Civil Appeal no. 8430 of 2018 (“SC Order”), directed re-consideration of all resolution plans afresh by the CoC. In light of the SC order, the Hon’ble NCLT vide order dated 7th February 2019 dismissed the M.A. 926/2018 as withdrawn.

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

The RP filed an application bearing MA No. 1721 of 2019 in the Company Petition under Section 30(6) of the Code before the Hon’ble NCLT for its consideration and approval of the PAL Resolution Plan. The same is pending for approval.

In terms of Sections 14(4) and 31(3) of the Code, until the resolution plan is approved by the Hon’ble NCLT, the moratorium shall continue to be in effect and accordingly, the RP shall, continue to manage operations of the Company on a going concern basis during the CIRP.

These financial statements were placed before the RP, the CFO and the Company Secretary on 29 May, 2019 for their consideration. Accordingly, the financial statements were considered and recommended in the meeting. In view thereof, the RP, in reliance of such examination by and the representations, clarifications and explanations provided by the CFO, has approved the same. The CFO has provided the certifications and representations with responsibility in respect of various secretarial, compliance and broad matters pertaining to the period prior to Insolvency Commencement Date. The Resolution Professional is relying on the management representation letter dated 29 May, 2019 for all information and confirmations in relation to the day to day functioning of the Company.

The RP has approved these financial statements only to the limited extent of discharging the powers of the Board of Directors of the Company (suspended during CIRP) which has been conferred upon him in terms of provisions of Section 17 of the Code.

## NOTE - 44

The carrying value of tangible assets (including capital work in progress of ₹ 2,691.30 Lakh) and intangible assets as at 31st March 2019 is ₹ 3,73,856.97 Lakh and ₹ 1,51,589.30 Lakh, respectively. As explained in note no 43 above, the Company is under CIRP. As such, the Company has not taken into consideration any impact on the value of the tangible and intangible assets, if any, in preparation of Financial statements as required by Ind-AS 10 on “Events after the reporting period”. Further, the Company has also not made full assessment of impairment as required by Ind AS 36 on Impairment of Assets, if any, as at 31st March, 2019 in the value of tangible and intangible assets.

## NOTE - 45

The Demat Statement as at 31st March, 2019 which is evidence of ownership for certain investments amounting to ₹ 946.10 Lakh has not been provided by the depository participant.

## NOTE - 46

In respect of Company’s borrowings from banks and financial institutions aggregating ₹ 2,74,114.55 Lakh, bank balances (current account and term deposits) aggregating ₹ 1,908.44 Lakh, balance confirmations as at 31st March 2019 has not been received by the Company. In accordance with the Code, the IRP/RP has to receive, collate and admit the claims submitted against the Company. Such claims can be submitted to the IRP/RP during CIRP, till the approval of a resolution plan by the CoC. Pursuant to the claims received on December 29, 2017, the CoC was formed on January 5, 2018, and the list of such creditors was duly notified to the NCLT and uploaded on the company website.

In respect of claims submitted as on 15th December 2017, the RP has admitted financial and operational creditor claims in the list of creditors filed with the NCLT dated April 26, 2019. No accounting impact in the books of accounts has been made in respect of excess, short or non-receipts of claims for the financial and operational creditors.



# Notes

to the Financial Statements for the year ended March 31, 2019

## NOTE - 47

- (i) The Company has not recognised interest payable, after the insolvency commencement date i.e. 15th December 2017, on borrowings from banks and financial institutions, customer advance, inter corporate deposits and security deposits received and bank charges on borrowing from banks and financial institutions. Accordingly, interest and bank charges amounting to ₹ 1,56,848.90 Lakh for the year ended 31st March 2019, has not been recognised (₹ 34,561.14 Lakh for the year ended 31st March 2018). Cumulative interest till 31st March 2019 is ₹ 1,91,410.04 Lakh. The same is not in compliance with Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".
- (ii) Certain trade payables, trade receivables and borrowings denominated in foreign currency and outstanding at insolvency commencement date i.e. 15th December 2017 and which continue to remain outstanding as at 31st March, 2019, impact of exchange difference i.e. loss of ₹ 2,356.13 Lakh for year ended 31 March 2019 on the same is not recognised (Loss of ₹ 1,926.86 Lakh for the year ended 31st March 2018). Cumulative foreign exchange difference loss is ₹ 4,282.99 Lakh till 31st March, 2019. The same is not in compliance with Ind AS - 21 on "The Effects of Changes in Foreign Exchange Rates" that requires foreign currency monetary items shall be translated using the closing rate.
- (iii) Had provision for interest, exchange difference and bank charges would be recognised, finance cost and total expenses would have been higher and profit for the year and total comprehensive income would have been lower by equivalent amount as mentioned above having consequential impact on other current financial liability and other equity.

## NOTE - 48

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

## NOTE - 49

In respect of Company's trade receivables and advances given to vendors, customers' advances received & trade payables balance confirmations has been sent to various parties out of which few parties have confirmed their balance as at 31st March 2019.

## NOTE - 50

M. P. Power Management Co. Ltd. one of the customers to whom wind power is sold, has remitted ₹ 1,189.24 Lakh in one of the bank account of the Company which was not credited in the Company's bank account till March 31, 2019. Post March 31, 2019, the same has been credited in the Company's bank account.

## NOTE - 51

- (i) The ministry of corporate affairs (MCA) on 28th March 2018, notified Ind AS 115 "Revenue from contracts with customers" as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018 and the same is effective for accounting period beginning on or after 1st April 2018. The Company has applied modified retrospective approach in adopting the new standard. In Compliance with Ind AS 20 on Government Grants and consequent to issuance of Education Material by The Institute of Chartered Accounts of India on Ind AS 115, the amount of export incentives have been reclassified from "Other Operating Revenue" to "Other Income". The adoption of this standard did not have any material impact to the financial statements of the Company and these reclassifications have no impact on reported Profit before tax.
- (ii) Sale of products for the periods up to 30th June 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST). In accordance with 'Ind AS 18 - Revenue', GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the previous year is not comparable with those of current year.

# Notes

to the Financial Statements for the year ended March 31, 2019

(iii) The Company disaggregates revenue from contracts with customers by type of Business and geography . Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers”.

(iv) Revenue disaggregation based on Geography and Revenue by business segments have been in Note no. 37 (Segment Reporting)

(v) **Reconciliation of Revenue from Operation (Sale of Products) with contract price:** (₹ in Lakh)

Particulars For the Year Ended 31st March, 2019	
Contract Price	1,265,830.50
<b>Less : Reduction towards variables considerations components *</b>	197.00
<b>Revenue from Operations</b>	<b>1,266,027.50</b>

\* The reduction towards variable consideration comprises of volume discounts, rate difference and quality claim etc.

## NOTE - 52

The figures for the previous year have been re-grouped/ re-arranged, wherever necessary, to correspond with the current year’s classification/disclosure.

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no.IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary

# Independent Auditors' Report

To the Members of

**Ruchi Soya Industries Limited (A Company under corporate insolvency resolution process vide NCLT order)**

**REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS**

## QUALIFIED OPINION

We have audited the accompanying consolidated financial statements of **Ruchi Soya Industries Limited** (hereinafter referred to as the 'Parent Company') and its subsidiaries (Parent Company and its subsidiaries together referred to as 'the Group'), its associates and a joint venture, which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2019, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view of in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at 31<sup>st</sup> March, 2019, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year ended.

## BASIS FOR QUALIFIED OPINION

- (i) For reasons mentioned in Note no. 46 of the consolidated financial statements, the Parent Company continues not to assess impairment of carrying value of tangible assets, capital work in progress and intangible assets in accordance with requirements of Indian Accounting Standard 36 on "Impairment of Assets". We are unable to obtain sufficient appropriate audit evidence about the recoverable amount of the Parent Company's tangible assets, capital work in progress and intangible assets. Consequently, we are unable to determine whether any adjustments to carrying value are necessary and consequential impacts on the consolidated financial statements of the group.
- (ii) Attention is drawn to Note no. 47 of the consolidated financial statements, regarding non-availability of Demat Statement in respect of investments of parent company amounting to Rs. 946.10 Lakh as at 31<sup>st</sup> March 2019. Accordingly, we are unable to comment on the possible financial impact, presentation and disclosures, related to those investments.
- (iii) As mentioned in Note no. 48 of the consolidated financial statements:-
  - (a) In respect of Parent Company's borrowings from banks and financial institutions aggregating Rs. 2,74,114.55 Lakh and bank (current account and term deposits) balances aggregating Rs. 1,908.44 Lakh, balance confirmations as at 31<sup>st</sup> March 2019 are not received. In cases, where the confirmations are

received in respect of borrowings, there are differences between books of accounts and confirmations received mainly due to charging of interest by bank and financial institutions in their confirmations/statement and non-recognition of the same by the Parent Company in its books of accounts subsequent to insolvency commencement date i.e. 15<sup>th</sup> December 2017.

- (b) In accordance with the Insolvency and Bankruptcy Code ("Code"), the Resolution Professional ("RP") has to receive, collate and admit the claims submitted by the creditors as a part of Corporate Insolvency Process ("CIRP"). Such claims can be submitted to the RP till the approval of the resolution plan by the CoC. As mentioned in Note no. 45 of the consolidated financial statement, the RP has filed an application before the Hon'ble NCLT for the Resolution Plan approval. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.
- (iv) Attention is drawn to Note no. 49 of the consolidated financial statements:-
  - (a) Regarding non-recognition of interest on borrowing from banks and financial institutions, customer advance, inter corporate deposits and security deposits received and bank charges on borrowing from banks and financial institutions subsequent to insolvency commencement date i.e. 15<sup>th</sup> December 2017, amounting to Rs. 34,561.14 Lakh for the year ended 31<sup>st</sup> March 2018 and Rs. 1,56,848.90 Lakh for the year ended 31<sup>st</sup> March 2019. Interest aggregating to Rs. 1,91,410.04 Lakh has not been recognised till date. The same is not in compliance with requirements of Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".
  - (b) The Parent Company has not translated certain foreign currency trade payables, trade receivables and borrowings as at 31<sup>st</sup> March 2019 using closing exchange rate having an impact on exchange difference loss of Rs. 2,356.13 Lakh for the year ended 31<sup>st</sup> March 2019 (for the year ended 31<sup>st</sup> March 2018 is loss of Rs. 1,926.86 Lakh). Cumulative foreign exchange difference loss of Rs. 4,282.99 Lakh till date. The same is not in compliance with Ind AS - 21 on "The Effects of Changes in Foreign Exchange Rates".
  - (c) Had provision for interest, bank charges and exchange difference been recognised, finance cost and total expenses, would have been higher while loss and total comprehensive income for the year ended would have been higher by aggregate amount as mentioned above, having consequential impact on other current financial liability and other equity.
- (v) We have been informed by Resolution Professional that certain information including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors and NCLT. Further,

*we were informed that the Committee of Creditors has approved the resolution plan and is filed with Hon'ble NCLT. However, the detailed resolution plan (including the salient features, consideration agreed, terms and conditions etc.) has not been made available for our review. In the opinion of the RP, the matter is highly sensitive and confidential. Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of that information.*

- (vi) *Attention is drawn to Note no. 50 of the consolidated financial statements, the Parent Company is having refund receivable, as on 31st March 2019, amounting to Rs. 4259.12 Lakh in respect of financial year 2009-2010 to 2013-14 for Daloda and Gadarnara unit towards investment promotional assistance equivalent to 75% of taxes (Commercial Tax / VAT and Central Sales Tax) paid by the Parent Company as per exemption granted in the industrial promotion policy of Madhya Pradesh. However, Madhya Pradesh Trade and Investment Facilitation Corporation, Bhopal rejected the claim and accordingly, appeal was made to the Hon'ble High Court of Madhya Pradesh. During the year, Hon'ble High Court of Madhya Pradesh, Indore bench, rejected the Parent Company's claim vide order dated 16<sup>th</sup> May, 2018. Subsequently, the Parent Company has filed special leave petition before Hon'ble Supreme Court of India for refund of the amount, which has been admitted on 29<sup>th</sup> August, 2018. No provision for impairment against the aforesaid receivable is considered necessary till the decision of the Hon'ble Supreme Court in this matter.*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics issued by ICAI*, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **EMPHASIS OF MATTERS**

- (i) Attention is drawn to Note no. 33 A (c) (ii) of the consolidated financial statements, regarding impounding of three plants at Kandla Gujarat i.e. Edible Oil Refinery, Oleochem Division and Guargum Division by the Gujarat Commercial Tax Department against their VAT claim of ₹ 43276.81 Lakh.
- (ii) Attention is drawn to Note no. 51 regarding the balance confirmations of trade receivables and advances given to vendors, customers' advances received & trade payables.

During the course of preparation of consolidated financial statements, e-mails/letters have been sent to various parties by the parent company with a request to confirm their balances to us out of which few parties have confirmed their balances directly to us. In the absence of the confirmation of balances, the possible adjustment, if any, will be accounted for as and when the accounts is settled / reconciliation / finality of the balances with those parties.

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

#### **MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw attention to the Note no. 35 of the consolidated financial statements, regarding preparation of consolidated financial statements on going concern basis, which states that the Parent Company has incurred cash losses, its liabilities exceeded total assets and its net worth has been fully eroded as on 31st March 2019. In view of the continuing default in payment of dues, certain lenders have sent notices/letters recalling their loans given and called upon the Parent Company to pay entire dues and other liability, receipt of invocation notices of corporate guarantees given by the Parent Company, while also invoking the personal guarantee of promoter director. Few of the lenders also issued wilful defaulter notices and filed petition for winding up of the Parent Company. Capacity utilization of manufacturing processing facilities is very low and Corporate Insolvency Process against the Parent Company is in process. Since the CIRP is currently in progress, as per the Code, it is required that the Parent Company be managed as a going concern during the CIRP. The consolidated financial statements is continued to be prepared on going concern basis. However there exists material uncertainty about the Parent Company's ability to continue as going concern since the same is dependent upon the resolution plan to be approved by NCLT. The appropriateness of preparation of consolidated financial statements on going concern basis is critically dependent upon CIRP as specified in the Code. Our opinion is not modified in respect of this matter.

#### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion*, Emphasis of matters & Material Uncertainty Related to Going Concern section, we have determined the matters described below to be key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
<b>(i) Litigations Matters &amp; Contingent liabilities</b>	
<p>The Group is subject to number of legal and tax related claims which have been disclosed/provided for in the consolidated financial statements based on the facts and circumstances of each case.</p> <p>There is a high level of judgment required in estimating the level of provisioning required and appropriateness of disclosure of contingent liabilities.</p> <p>Refer to Note 2 (B) (r) “Significant Accounting Policies” and Note 33 – “Contingent Liabilities and Commitments” of the consolidated financial statements.</p>	<p>Our audit procedures included the following :-</p> <ul style="list-style-type: none"> <li>• Reviewing the process of identification of claims, litigations and contingent liabilities.</li> <li>• Reviewing the Group’s legal and tax cases and assessed management’s position through discussion on both the probability of success in significant cases and the magnitude of any potential loss.</li> <li>• Discussion with the management on the development in these litigations during the year ended 31st March, 2019.</li> <li>• Verifying that accounting and /or disclosure as the case may be in the consolidated financial statements is in accordance with the assessment of management.</li> <li>• Obtaining representation letter from the management on the assessment of those matters as per SA 580 (revised) - written representations.</li> </ul>
<b>(ii) Inventories</b>	
<p>As of 31st March, 2019, inventories appear on the consolidated financial statements for an amount of ₹ 1,26,182.44 Lakh, which constitutes 49.56% of the total current assets. As indicated in Note no. 2 (B) (e) to the financial statements, inventories are valued at the lower of cost and net realizable value:</p> <p>The Group may recognize an inventory allowance if inventory items are damaged, if the selling price has declined, or if the estimated costs to completion or to be incurred to make the sale have increased.</p> <p>We focused on this matter because of the:</p> <ul style="list-style-type: none"> <li>• Significance of the inventory balance.</li> <li>• Complexity involved in determining inventory quantities on hand due to the number, location and diversity of inventory storage locations.</li> <li>• Valuation procedure including of obsolete inventories.</li> </ul>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Reviewing the Group’s process and procedures for physical verification of inventories at year end.</li> <li>• Assessing the methods used to value inventories and ensuring ourselves of the consistency of accounting methods.</li> <li>• Reviewing of the reported acquisition cost on a sample basis.</li> <li>• Analyzing of the Group’s assessment of net realizable value, as well as reviewing of assumptions and calculations for stock obsolescence.</li> <li>• Assessing of appropriateness of disclosures provided in the financial statements.</li> </ul>

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON**

The Parent Company’s Board of Directors / Resolution Professional are responsible for the other information. The other information comprises the information included in the Annual Report (but does not include the consolidated financial statements and our auditor’s report thereon), which is expected to be made available to us after that date.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**RESPONSIBILITIES OF MANAGEMENT AND RESOLUTION PROFESSIONAL AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Hon’ble National Company Law Tribunal (“NCLT”), Mumbai Bench, admitted petition for initiation of Corporate Insolvency Process (“CIRP”) u/s 7 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) filed by financial creditors vide order no. CP1371 & CP1372/I&BP/NCLT/MAH/2017 delivered on 15<sup>th</sup> December 2017 and appointed an Interim Resolution Professional (“IRP”) to manage affairs of the Parent Company in accordance with the provisions of Code. The

Committee of Creditors of the Parent Company, in its meeting held on 12<sup>th</sup> January 2018 confirmed the IRP as Resolution Professional (“RP”) for the Parent Company. In view of pendency of the CIRP the management of affairs of the Parent Company and power of Board of Directors are now vested with RP. By an order dated 8<sup>th</sup> June 2018 NCLT has extended the CIRP time period by 90 more days with effect from 12<sup>th</sup> June 2018. Further, as mentioned in Note no. 45 and in terms of Sections 14(4) and 31(3) of the Code, until the resolution plan has been approved by the Hon’ble NCLT, moratorium shall continue to be in effect and accordingly, the RP shall continue to manage operations of the Parent Company on a going concern basis during the CIRP. These consolidated financial statements have been prepared by the management of the Parent Company and Certified by Mr. Anil Singhal, Chief Financial Officer and approved by RP.

The Parent Company’s Board of Directors / Resolution Professional/Management is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and a Joint Venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and a joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and a joint venture are responsible for assessing the ability of the Group and of its associates and a joint venture 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.

The respective Board of Directors / Resolution Professional/ Management of the companies included in the Group, and of its associates and a joint venture are responsible for overseeing the financial reporting process of the Group and of its associates and a joint venture.

## AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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 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 Companies Act, 2013, 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 ability of the Group and its associates and a joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and its associates and a joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and a joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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.

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

#### OTHER MATTERS

- (i) The financial statements of 8 subsidiaries included in the consolidated financial statements which reflects total assets of ₹ 2,812.77 Lakh as at 31<sup>st</sup> March 2019, total revenues of ₹ 1,595.73 Lakh and net cash outflows of ₹ 43.67 Lakh for the year then ended, have been audited by other auditors, whose financial statements / financial information have been furnished to us by management and our opinion on the Statement in so far as it related to these subsidiaries are based on reports of other auditors of those subsidiaries on which we have placed reliance.
- (ii) The accompanying consolidated financial statement include unaudited financial statements and other unaudited financial information in respect of 3 subsidiaries, whose financial statements and other financial information reflect

total assets of ₹ 264.01 Lakh as at 31<sup>st</sup> March 2019, total revenue of ₹ 54.42 Lakh and net cash outflows of ₹ 44.40 Lakh for the year then ended. The consolidated financial statements also includes the Group's share of net profit of ₹ 24.52 Lakh for the year ended 31<sup>st</sup> March, 2019, as considered in the consolidated financial statements in respect of a joint venture. These unaudited financial statements and other unaudited financial information have been furnished to us by management. Our opinion, in so far as it relates to amounts and disclosures included in respect of these subsidiaries and joint venture are based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by management, these financial statements and other financial information are not material to the Group.

- (iii) We did not audit the financial statements of 2 associates included in the consolidated financial statement, whose financial statements reflect group share of total net loss of ₹ 31.72 Lakh, for the year ended 31<sup>st</sup> March 2019. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements, is based solely on the reports of such auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the said matters with respect to our reliance on the work done and the audit reports of the other auditors and our reliance on the financial statement/ financial information certified by management.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and *except for matters described in the Basis for Qualified Opinion paragraph above* 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 financial statements;
- (b) *Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above*, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with

- by this Report are in agreement with the relevant books of accounts, maintained for the purpose of preparation of the consolidated financial statements;
- (d) *Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above*, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules there under;
- (e) On the basis of the written representations received from the directors of the Parent Company as on 31<sup>st</sup> March 2019, taken on record in the meeting of RP of the Parent Company and the reports of the statutory auditor of its subsidiary, associates and joint venture, none of the directors of these companies is disqualified as on 31<sup>st</sup> March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The matters described in the Basis for Qualified Opinion paragraph above, and matters described in paragraphs above under “Material uncertainty related to going concern”, in our opinion, may have an adverse effect on the functioning of the Group;
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Parent Company, its subsidiaries, associates and a joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197 (16) of the Act;
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (i) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the *Basis for Qualified Opinion* paragraph above;
- (j) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31<sup>st</sup> March, 2019 on the consolidated financial position of the Group – Refer Note no. 33 to the consolidated financial statements.
  - ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company subsidiary, associates, joint venture companies incorporated in India during the year ended 31<sup>st</sup> March 2019.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Registration Number: 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership Number: 109859

Place: Mumbai  
Date: 29 May, 2019



## “Annexure A” to the Independent Auditor’s Report

Referred to in paragraph (g) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Ruchi Soya Industries Limited on the Consolidated financial statements for the year ended 31st March 2019.

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

In conjunction with our audit of consolidated financial statements of Ruchi Soya Industries Limited (“the Parent Company”) as of 31st March 2019 we have audited the internal financial controls over financial reporting of the Parent Company, Subsidiaries and associate, which are companies incorporated in India.

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Parent company, subsidiaries and associate which incorporated in India is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these Companies 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **AUDITORS’ RESPONSIBILITY**

Our responsibility is to express an opinion on the Parent Company, subsidiaries and associate which are incorporated in India, internal financial controls over financial reporting 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 prescribed 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 was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over

financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and 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 internal financial controls system over financial reporting.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **OPINION**

According to the information and explanations given to us and based on the audit of test of controls, except for strengthening

of documentation of policies regarding delegation of authority & access rights to financial records and process for archival of records & periodic review, which we are informed is in process, in our opinion, to the best of our information and according to the explanations given to us and consideration of reports of other auditors, as referred in other matter paragraph, the Parent Company, its subsidiary, associates, joint venture, which are incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**OTHER MATTER**

Our report under Section 143(3)(i) of the Act on the adequacy

and operating effectiveness of the internal financial controls over financial reporting of the Parent Company, its subsidiaries and associate, which are companies incorporated in India, insofar as it relates to, 3 Subsidiaries and 1 associate which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matter.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Membership Number: 109859

Place: Mumbai

Date: 29 May, 2019

# Ruchi Soya Industries Limited

## Consolidated Balance Sheet as at March 31, 2019

(₹ in lakh)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	372,475.02	387,227.72
(b) Capital work-in-progress	3	2,691.30	2,812.25
(c) Intangible assets	4	151,589.30	151,634.34
(d) Financial Assets			
(i) Investments	5(a)	1,365.88	3,268.21
(ii) Loans	5(b)	3,538.76	3,998.49
(iii) Others	5(c)	1,415.48	944.03
(e) Other non-current assets	6	8,741.53	10,751.44
<b>Total Non-current assets</b>		<b>541,817.27</b>	<b>560,636.48</b>
<b>(2) Current assets</b>			
(a) Inventories	7	126,182.44	119,126.23
(b) Financial Assets			
(i) Investments	8(a)	1,756.02	1,135.50
(ii) Trade receivables	8(b)	26,411.03	28,315.97
(iii) Cash and cash equivalents	8(c)	15,912.65	3,899.79
(iv) Bank balances other than (iii) above	8(d)	27,208.56	13,942.15
(v) Loans	8(e)	112.90	558.80
(vi) Others	8(f)	341.88	237.99
(c) Other Current Assets	9	56,296.26	51,130.11
Assets Classified as held for Sale	10	367.56	367.56
<b>Total Current assets</b>		<b>254,589.30</b>	<b>218,714.10</b>
<b>Total Assets</b>		<b>796,406.57</b>	<b>779,350.58</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	6,529.41	6,529.41
(b) Other Equity	12	(478,419.06)	(477,214.79)
<b>Equity attributable to the owners of the Company</b>		<b>(471,889.65)</b>	<b>(470,685.38)</b>
(c) Non-Controlling Interest	12	(30,392.66)	(22,617.64)
<b>Total Equity</b>		<b>(502,282.31)</b>	<b>(493,303.02)</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	1,607.96	7,335.23
(b) Provisions	14	1,153.11	1.04
(c) Deferred tax liabilities (Net)	15	12.42	11.32
(d) Other non-current liabilities	16	1,065.04	1,087.60
<b>Total Non-Current Liabilities</b>		<b>3,838.53</b>	<b>8,435.19</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17(a)	822,909.84	742,848.34
(ii) Trade payables	17(b)		
(a) Total Outstanding due to Micro and small enterprises.		433.96	827.19
(b) Total Outstanding due to creditors other than Micro and small enterprises.		186,470.27	253,620.65
(iii) Other financial liabilities	17(c)	272,211.18	246,592.54
(b) Other current liabilities	18	12,471.67	19,400.26
(c) Provisions	19	178.99	756.41
(d) Current tax liabilities (Net)	20	1.44	0.02
Liabilities directly associated with assets classified as held for sale	21	173.00	173.00
<b>Total Current liabilities</b>		<b>1,294,850.35</b>	<b>1,264,218.41</b>
<b>Total Equity and Liabilities</b>		<b>796,406.57</b>	<b>779,350.58</b>

See accompanying Notes to the financial statements from 1 to 56

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no. IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary

# Ruchi Soya Industries Limited

## Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakh)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME</b>			
I Revenue from Operations	22	1,272,923.31	1,202,705.07
II Other Income	23	12,014.79	3,688.69
III <b>Total Income (I+II)</b>		<b>1,284,938.10</b>	<b>1,206,393.76</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	24	1,096,789.69	916,817.06
Purchases of Stock-in-Trade	25	35,632.99	151,860.92
Changes in inventories of finished goods, work-in-progress and stock in trade	26	7,782.57	563.52
Employee Benefits Expense	27	15,342.96	15,994.24
Finance Costs	28	14,220.36	97,037.61
Depreciation, amortisation and impairment expenses	29	13,850.33	14,279.46
Provision for Doubtful Debts and advances	30	5,489.79	519,535.10
Other Expenses	31	104,623.99	108,871.88
<b>Total Expenses (IV)</b>		<b>1,293,732.68</b>	<b>1,824,959.79</b>
V <b>Profit/(loss) before tax (III-IV)</b>		<b>(8,794.58)</b>	<b>(618,566.03)</b>
<b>VI Tax expense</b>			
Current Tax		1.40	(44.63)
Deferred Tax	15	1.14	(44,533.97)
Tax for earlier years		-	839.54
VII <b>Profit/(loss) after tax for the year before share in profit/(loss) of joint venture and associates</b>		<b>(8,797.12)</b>	<b>(574,826.97)</b>
VIII Share of Net Profit/(Loss) of joint venturers and Associates		(7.20)	(633.49)
IX <b>Profit/(loss) after tax for the year after share in profit/(loss) of joint venture and associates</b>		<b>(8,804.32)</b>	<b>(575,460.46)</b>
<b>X Other Comprehensive Income</b>			
(A) (i) <b>Items that will not be reclassified to statement of profit or loss</b>	32		
(a) Remeasurement of the defined benefit plans		(160.69)	52.58
(b) Equity Instruments through Other Comprehensive Income		(471.88)	50.54
(B) <b>Items that will be reclassified to profit or loss</b>			
Exchange differences in translating the financials statements of foreign operations		457.60	739.43
XI <b>Total comprehensive income for the year (IX+X)</b>		<b>(8,979.29)</b>	<b>(574,617.91)</b>
<b>XII Profit attributable to:</b>			
Owners of the Company		(1,029.30)	(563,769.65)
Non-Controlling interests	40	(7,775.02)	(11,690.81)
<b>XIII Other comprehensive income attributable to:</b>			
Owners of the Company		(174.97)	842.91
Non-Controlling interests	40	-	(0.36)
<b>XIV Total comprehensive income attributable to:</b>			
Owners of the Company		(1,204.27)	(562,926.74)
Non-Controlling interests	40	(7,775.02)	(11,691.17)
<b>XV Earnings per equity share of face value of Rs. 2 each</b>			
<b>Basic and Diluted earnings per share</b>			
a Basic (in ₹)		(0.32)	(172.70)
b Diluted (in ₹)		(0.32)	(172.70)

See accompanying Notes to the financial statements from 1 to 56

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no. IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary

# Ruchi Soya Industries Limited

## Consolidated Statement of Changes in Equity (SOCIE) for the year ended on March 31, 2019

	March 31, 2019	March 31, 2018
No. of Shares	Amount	No. of Shares
	6,682.01	6,682.01
	3,341.01	3,341.01
	-	-
	3,341.01	3,341.01
	152.60	76.30
	6,529.41	3,264.71
	6,682.01	6,682.01
	152.60	152.60
	6,529.41	6,529.41

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

Balance at the end of the reporting year

Particulars	Notes	Reserves and Surplus							Total	
		Capital Redemption Reserve	Share Options Outstanding Account	Securities Premium account	General Reserve	Capital Reserve	Foreign Currency Translation reserves	Equity Instruments through Other Comprehensive Income		Retained Earnings
Balance at the beginning of the reporting year		8,770.98	39.53	45,186.45	41,800.94	3,328.75	1,551.35	(9,119.19)	(568,773.60)	(477,214.79)
Profit/(Loss) for the year		-	-	-	-	-	-	-	(1,029.30)	(1,029.30)
Other Comprehensive Income for the year	32	-	-	-	-	-	-	(471.88)	(160.69)	(632.57)
<b>Total comprehensive income for the year</b>		-	-	-	-	-	-	(471.88)	(1,189.99)	(1,661.87)
<b>Transactions with the owners in their capacity as the owners</b>										
- Employee Stock option expenses	12 B	-	(39.53)	-	-	-	-	-	-	(39.53)
<b>Other changes during the year</b>										
- Charge during the year	12 G	-	-	-	39.53	-	457.60	-	-	497.13
<b>Balance at the end of the reporting year</b>		8,770.98	-	45,186.45	41,840.47	3,328.75	2,008.95	(9,591.07)	(569,963.59)	(478,419.06)

(₹ In Lakh)

### a. Equity share capital

Balance at the beginning of the reporting year

Changes in Equity share capital during the year

# Ruchi Soya Industries Limited

## Consolidated Statement of Changes in Equity (SOCIE)

### for the year ended on March 31, 2019 (Contd.)

(₹ In Lakh)

Particulars	Notes	Reserves and Surplus										Total
		Capital Redemption Reserve	Share Options Outstanding Account	Securities Premium Account	General Reserve	Business development reserve	Capital Reserve	Foreign Currency Monetary Item Translation Difference Account	Foreign Currency Translation reserves	Equity Instruments through Other Comprehensive Income	Retained Earnings	
Balance at the beginning of the reporting year		8,770.98	110.25	45,186.45	41,800.94	60.67	3,328.75	(125.82)	811.92	(9,169.96)	(5,056.52)	85,717.66
Profit/(Loss) for the year	32	-	-	-	-	-	-	-	-	-	(563,769.65)	103.12
Other Comprehensive Income for the year		-	-	-	-	-	-	-	-	50.54	52.58	(563,769.65)
Total comprehensive income for the year		-	-	-	-	-	-	-	-	50.54	(563,717.07)	(563,666.53)
Transactions with the owners in their capacity as the owners												
- Employee Stock option expenses	12 B	-	(70.72)	-	-	-	-	-	-	-	-	(70.72)
Other changes during the year												
- Current Year charge to Business development Reserve	12 E	-	-	-	-	(60.67)	-	-	-	-	-	(60.67)
- Charge during the year	12 G	-	-	-	-	-	-	125.82	739.43	0.22	-	865.47
Balance at the end of the reporting year		8,770.98	39.53	45,186.45	41,800.94	-	3,328.75	-	1,551.35	(9,119.20)	(568,773.59)	(477,214.79)

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W/100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited

(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no. IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary

# Ruchi Soya Industries Limited

## Consolidated Statement of Cash flows for the year ended on March 31, 2019

(₹ in lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(A) Cash flow from operating activities</b>		
<b>Profit/(Loss) before tax</b>	<b>(8,794.58)</b>	<b>(618,566.03)</b>
<b>Adjustments to reconcile profit before tax to net cash used in operating activities</b>		
Depreciation, amortisation and impairment Expenses	13,850.33	14,279.46
Net Loss on Sale/Discard of Fixed Assets	414.83	89.22
Share-based payment expense	-	(70.72)
Impairment on investments and Fair value adjustments (net)	266.87	240.76
Interest Income	(1,163.03)	(421.61)
Dividend Income	-	(4.42)
Finance costs	14,220.36	97,037.61
Loss on foreign currency transaction/translation	226.50	537.72
Provision for Doubtful Debts, Loans and advances	5,489.79	519,535.10
Provision for Gratuity and compensated absences	103.85	(92.91)
(Gain)/loss on sale of Investment	(359.74)	-
Provision from loss in LLP	-	0.24
<b>Operating profit before working capital changes</b>	<b>24,255.18</b>	<b>12,564.42</b>
<b>Working capital adjustments</b>		
(Increase)/ Decrease in inventories	(7,056.21)	4,785.72
(Increase)/ Decrease in trade and other receivables	(7,067.20)	46,804.87
Increase/ (Decrease) in trade and other payables	10,006.89	33,715.73
<b>Cash generated from operations</b>	<b>20,138.66</b>	<b>97,870.74</b>
Income Tax paid	2,391.13	43.02
<b>Net cash flows from operating activities</b>	<b>22,529.79</b>	<b>97,913.76</b>
<b>(B) Cash flow from investing activities</b>		
Payment for Purchase and Construction of Property, Plant and Equipment	(1,401.22)	(1,034.59)
Proceeds from sale of Property, Plant and Equipment	2,054.74	941.02
Proceeds from sales/(Purchase) of Investments	1,632.00	593.87
(Increase)/ Decrease in Other Balance with Banks	(13,266.41)	(7,740.34)
Interest income	1,163.03	421.61
Dividend received	-	4.42
<b>Net cash flows from investing activities</b>	<b>(9,817.86)</b>	<b>(6,814.01)</b>

# Statement of Cash flows for the year ended March 31, 2019 (Contd.)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(C) Cash flow from financing activities</b>		
Finance Cost	(699.07)	(97,037.61)
<b>Net cash flows from financing activities</b>	<b>(699.07)</b>	<b>(97,037.61)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>12,012.86</b>	<b>(5,937.86)</b>
Cash and cash equivalents at the beginning of the year	3,899.79	9,837.65
<b>Cash and cash equivalents at the end of the year</b>	<b>15,912.65</b>	<b>3,899.79</b>
<b>Reconciliation of Cash and Cash equivalents with the Balance Sheet</b>		
Cash and Bank Balances as per Balance Sheet [Note 8c]		
Cash in hand	45.82	69.58
Bank balances (including bank deposits)	15,866.83	3,830.21
<b>Cash and Cash equivalents as restated as at the year end</b>	<b>15,912.65</b>	<b>3,899.79</b>

**Note: -**

- 1 Previous year figure have been regrouped and rearranged wherever necessary.
- 2 The above consolidated statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 “Statement of Cash Flow “.

**Changes in liability arising from financing activity :-**

Particulars	1st April, 2018	Devolvement of Letter of Credit and other adjustments	31st March 2019
Borrowings - Current & Current maturities	800,310.31	80,088.73	880,399.04

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no. IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE 1-2

### 1 CORPORATE INFORMATION

**Ruchi Soya Industries Limited** (‘the Company’) is a Public Limited Company. The Company and its subsidiaries collectively referred as ‘the Group’ engaged primarily in the business of processing of oil-seeds and refining of crude oil for edible use. The consolidated financial statements as at March 31, 2019 presents the financial position of the Group as well as its interest in associate companies and joint venture. The Group also produces oil meal, food products from soya and value added products from downstream and upstream processing. The Group is also engaged in trading in various products and generation of power from wind energy. The Group has manufacturing plants across India and is listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

Corporate Insolvency Resolution Process (‘CIRP’) has been initiated in case of Holding Company vide an order no. CP1371 & CP1372/I&BP/NCLT/MAH/2017 delivered on 15th December 2017 of Hon’able National Company Law Tribunal (‘NCLT’), Mumbai Bench under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Holding Company and powers of board of directors of the Holding Company are now vested with the Resolution Professional (‘RP’) who is appointed by the Committee of Creditors (‘CoC’). These Consolidated Financial Statements have been prepared by the management of the Holding Company and certified by Certified by Mr. Anil Singhal, Chief Financial Officer and Mr. R. L. Gupta, Company Secretary, and approved by Resolution Professionals Mr. Shailendra Ajmera [IP Registration no. IBBI/IPA-001/IP-P00304/2017-18/10568].

### 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### (A) BASIS OF PREPARATION

##### a Statement of Compliance

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

##### b Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates are presented in Indian Rupees (₹) which is also the Group functional currency. The functional currency of the Holding Company and its Indian Subsidiaries is Indian

Rupees (₹). The functional currency of foreign subsidiaries is the currency of their countries of domicile.

##### c Basis of Measurement

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

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

##### Determining the Fair Value

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

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

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

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

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

##### d Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group. It also includes the Group’s share of profits, net assets and retained post acquisition reserves of joint venture and associates that are consolidated using the equity or proportionate method of consolidation, as applicable.

Control over an entity in the Group is achieved when the Group is exposed to, or has rights to the variable returns of the entity and ability to affect those returns through its power over the entity.

The results of subsidiaries, joint venture and associates acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholder's may be initially measured either at Fair Value or at the non-controlling interests proportionate share of the Fair Value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequently to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having deficit balance.

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 the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

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 during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statements till the date the Group ceases to control the subsidiary.

## e Consolidation Procedures

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the

Parent's share of net assets at the time of acquisition of control in the subsidiaries is recognised in the consolidated financial statement as goodwill. However, resultant gain (bargain purchase) is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.

- (iii) Intra-Group balances and transactions, and any unrealized income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements.
- (iv) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity 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.
- (v) Consolidated 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, 2019. When the end of the reporting period of the parent is different from that of a subsidiary, associates, joint venture, if any, the they prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of those entity, unless it is impracticable to do so.

## f Investment in associates

Associates are those enterprises in which the group has significant influence, but does not have control.

Investment in associates are accounted for using the equity method and are initially recognised at cost, from the date significant influence commences until the date that significant influence ceases. Subsequent changes in the carrying value reflect the post-acquisition changes in the Group's share of net assets of the associate and impairment charges, if any.

When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition further losses is discounted, except to the extent that the Group has incurred obligations in respect of the associates.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates, unrealised losses are also eliminated unless the transaction provides evidence

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

of an impairment of the asset transferred and where material, the results of associates are modified to confirm to the Group's accounting policies.

## g Interest in joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity where the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control.

Where Group entity undertakes its activities under joint arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other parties are recognised in its financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on the accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint arrangements expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to the Group and their amount can be measured reliably.

Joint arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as joint ventures. The Group reports its interests in joint ventures using the equity method of accounting whereby an interest in joint venture is initially recorded at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of joint venture. The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture.

Unrealised gains on transactions between the Company and its joint venture are eliminated to the extent of the Group's interest in the joint venture, unrealised losses are also eliminated unless the transactions provides evidence of an impairment of the asset transferred and where material, the results of joint ventures are modified to confirm to the Group's accounting policies.

## h Use of Estimates and Judgement

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

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

and assumptions are described below:

### (i) Judgements

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

- Leases identification- Whether an agreement contains a lease.
- Classification of lease - Whether Operating or Finance

### (ii) Assumptions and Estimations

#### 1 Impairment test of non financial assets

For the purpose of assessing recoverability of non-financial assets, assets are grouped at the lower levels for which there are individually identifiable cash flows (Cash Generating Units).

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 Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

#### 2 Allowance for bad debts

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

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

### 3 Recognition and measurement of Provisions and Contingencies

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

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

### 4 Recognition of Deferred Tax Assets

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

### 5 Measurements of Defined benefit obligations

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

### 6 Impairment of financial assets

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

### 7 Income Taxes

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded,

such differences will impact the income tax and deferred tax in the period in which such determination is made.

### 8 Useful lives of Property, plant and equipment

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

#### i Current and non-current classification

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

**An asset is classified as current when it is:**

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

All other assets are classified as non-current.

**A liability is classified as current when it is:**

- (a) Expected to be settled in normal operating cycle,
- (b) Held primarily for the purpose of trading,
- (c) Due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## (B) SIGNIFICANT ACCOUNTING POLICIES

### a PROPERTY, PLANT AND EQUIPMENT:

#### (i) Recognition and measurement

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

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

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

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

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

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

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

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

#### (iii) Subsequent expenditure

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

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

Depreciation is calculated using the Straight Line

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

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

Depreciation is computed with reference to cost.

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

### b INTANGIBLE ASSETS

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

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

#### (i) Recognition and measurement

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

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

#### (ii) Subsequent expenditure

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

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## (iii) Amortisation

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

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

## c Impairment of assets

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

## d FINANCIAL INSTRUMENTS

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

### (i) Financial assets

#### Classification

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

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

#### In case of investments

##### In Equity instruments

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

## In Mutual fund

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

## Guarantee Commission

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

## Debt instruments

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

## Derecognition of financial assets

A financial asset is derecognised only when:

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

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

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

## Impairment of financial assets

In accordance with Ind-AS 109, the 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, and bank balance.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

b) Trade receivables.

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

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

The application of simplified approach does not require the 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. Expected Credit Loss Model is used to provide for impairment loss.

(ii) **Financial liabilities**

**Classification**

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

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

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

**Initial recognition and measurement**

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

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

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

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

Financial liabilities at fair value through profit or loss [FVTPL] include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the 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 at the initial date of recognition, only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to statement of profit or loss. However, the 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.

**Loans and borrowings**

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

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

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

**Derecognition**

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

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## Financial guarantee contracts

Financial guarantee contracts issued by the 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 and the amount recognised less cumulative amortisation.

## e INVENTORIES

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

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

## f CASH AND CASH EQUIVALENT

For the purpose of presentation in the statement of the cash flows, cash and cash equivalent includes the cash on hand, deposits held at call with financial institutions other short term, highly liquid investments with original maturity of three months or less that

are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

## g CONTRIBUTED EQUITY

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

## I Dividends

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

## II Earnings per share

### (i) Basic earnings per share

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

### (ii) Diluted earnings per share

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

## h BORROWINGS

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

Preference shares are classified as liabilities. The dividends on these preference shares, if approved,



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

by shareholders in the forthcoming Annual General Meeting, are recognised in profit or loss as finance costs, in the year when approved.

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

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

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

## i TRADE AND OTHER PAYABLES

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

## j FOREIGN CURRENCY TRANSACTIONS

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

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

Difference on account of changes in foreign currency

are generally charged to the statement of profit & loss except the following:

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

The consolidated financial statements of the Group are presented in (Indian Rupees), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the consolidated financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at Fair Value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the Fair Value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the consolidated financial statements before the beginning of the first Ind As financial reporting period in respect of which the Group has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind As 101-"First time adoption of Indian Accounting Standard" are recognised directly in equity or added/deducted to/ fro the cost of assets as the case may be, Such exchange differences recognised in equity or as part of cost of assets is recognised in the consolidated financial statement of profit and loss on a systematic basis.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the consolidated statement of profit and loss for the period.

For the purpose of presenting financial statements, the assets and liabilities of the Group's foreign operations are expressed in Indian Rupees using exchange rates prevailing at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity. On the disposal of a foreign operation, all of the accumulated exchange differences

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

in respect of that operation attributable to the Group are reclassified to the consolidated statement of profit and loss.

## k Revenue recognition

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

The ministry of corporate affairs (MCA) on 28th March 2018, notified Ind AS 115 “Revenue from contracts with customers” as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018 and the same is effective for accounting period beginning on or after 1st April 2018. The Group has applied modified retrospective approach in adopting the new standard. In Compliance with Ind AS 20 on Government Grants and consequent to issuance of Education Material by The Institute of Chartered Accounts of India on Ind AS 115, the amount of export incentives have been reclassified from “Other Operating Revenue” to “Other Income”. The adoption of this standard did not have any material impact to the consolidated financial statements of the Group and these reclassifications have no impact on reported Profit before tax.

### (i) Sale of Goods/ Services

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

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

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

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds

one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

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

### Contract balances

#### Trade receivables

A receivable represents the Group’s right to an amount of consideration that is unconditional.

#### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the 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. Contract liabilities are recognised as revenue when the Group performs under the contract.

### (ii) Other Operating Revenue

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

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

### (iii) Other Income

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

## 1 GOVERNMENT GRANTS

(i) Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

(ii) Government grant relating to purchase of Property, Plant and Equipment are included in “Other current/non-current liabilities” as Government Grant -

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

Deferred Income and are credited to Profit or loss on a straight line basis over the expected life of the related asset and presented within "Other operating Income".

## m EMPLOYEE BENEFITS

### (i) During Employment benefits

#### (a) Short term employee benefits

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

#### (b) Share-based payment transactions

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

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

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

### (ii) Post Employment benefits

#### (a) Defined contribution plans

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

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

#### (b) Defined benefit plans

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

Act, 1972.

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

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

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

### (c) Termination benefits

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

## n INCOME TAXES

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

### (i) Current tax

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

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

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

### (ii) Deferred tax

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised,

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

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

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

Deferred tax assets and liabilities are offset only if:

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

## o BORROWING COSTS

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

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

## p LEASES

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

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

#### As a lessee

Leases of property plant and equipment where the Group, as lessee, has substantially all the risks and rewards of the ownership are classified as finance leases. Finance lease are capitalised at the lower of lease's inception at the fair value of the lease property and the present value of minimum lease payments. The corresponding rental obligations, if any net of finance charges are included in borrowing or other financial liabilities as appropriate. Each lease payment is allocated between the liability and the finance cost.

The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of Interest on the remaining balance of liability for each period.

Leases in which a significant portion of risk and rewards of ownership are not transferred to the Group as a lessee are classified as operating lease. Payments made under operating leases are charged to Profit and Loss on a straight line basis over the period of lease except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

#### As a lessor

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

## q Non- Current assets held for sale:

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

## r Provisions and contingent liabilities

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

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

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

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

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

**s Segment reporting**

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

**t Biological Assets**

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

**w Standard issued:**

**a) Effective during the year:**

There is no impact on account of applying the Ind AS 115 “Revenue from contracts with customers” instead of erstwhile Ind AS 18 “Revenue” on the consolidated financial statements of the Group for the year ended 31st March 2019.

**b) Not effective during the year:**

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Group from 1st April, 2019.

**D) Issue of Ind AS 116 - Leases**

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

**II) Amendment to Existing Standard**

The MCA has also carried out amendments of the following accounting standards

- i. Ind AS 12 – Income Taxes
- ii. Ind AS 19 – Employee Benefits
- iii. Ind AS 23 – Borrowing Costs
- iv. Ind AS 28 - Investment in Associates and Joint Ventures
- v. Ind AS 101- First time adoption of Indian Accounting Standards
- vi. Ind AS 103 – Business Combinations
- vii. Ind AS 109 - Financial Instruments
- viii. Ind AS 111 – Joint Arrangements

Application of above standards is not expected to have any significant impact on the Company’s financial statements.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

(₹ in Lakh)

## NOTE-3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Lease Hold Land [Refer Note 3a (iv) below]	Buildings [Refer Note 3a (iv) below]	Plant & Equipment [Refer Note 3a (iv) below]	Windmills	Furniture & Fixtures	Vehicles	Office Equipments	Total	Capital work-in-progress
<b>A. Year ended March 31, 2019</b>										
Gross carrying amount										
Opening gross carrying amount as at 1 April, 2018	161,592.94	2,679.32	60,230.75	164,780.06	55,067.75	2,262.51	2,497.80	3,749.62	452,860.75	2,812.25
Add : Additions	450.19	-	104.97	897.50	-	2.68	7.82	51.90	1,515.06	977.47
Less : Disposals	-	879.12	168.90	2,067.52	-	553.31	621.56	174.76	4,465.17	1,098.42
Closing gross carrying amount	162,043.13	1,800.20	60,166.82	163,610.04	55,067.75	1,711.88	1,884.06	3,626.76	449,910.64	2,691.30
Accumulated depreciation and impairment										
Opening accumulated depreciation and impairment as at 1 April, 2018	-	841.56	7,317.35	31,151.04	19,089.05	1,714.43	2,109.98	3,409.62	65,633.03	-
Add : Depreciation charge during the year	-	28.94	2,185.74	9,432.27	1,850.54	78.18	100.45	122.06	13,798.18	-
Less : Disposals/ Adjustments	-	90.90	39.05	674.20	-	416.30	620.12	155.02	1,995.59	-
Closing accumulated depreciation and impairment	-	779.60	9,464.04	39,909.11	20,939.59	1,376.31	1,590.31	3,376.66	77,435.62	-
Net carrying amount	162,043.13	1,020.60	50,702.78	123,700.93	34,128.16	335.57	293.75	250.10	372,475.02	2,691.30
<b>B. Year ended March 31, 2018</b>										
Gross carrying amount										
Opening gross carrying amount as at 1 April, 2017	161,593.95	2,211.10	60,343.86	165,302.25	55,067.75	2,344.22	3,108.98	3,794.40	453,766.51	2,916.26
Add : Additions	80.00	793.41	44.96	52.03	-	0.40	58.03	100.16	1,128.99	780.14
Less : Assets classified as held for sale [ Refer Note 10 & 21]	80.00	-	-	-	-	-	-	-	80.00	-
Less : Disposals	1.01	325.19	158.07	574.22	-	82.11	669.21	144.94	1,954.75	-
Less : Transfers	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	161,592.94	2,679.32	60,230.75	164,780.06	55,067.75	2,262.51	2,497.80	3,749.62	452,860.75	2,812.25
Accumulated depreciation and impairment										
Opening accumulated depreciation and impairment as at 1 April, 2017	-	270.37	5,147.92	21,993.59	17,238.51	1,658.05	2,097.92	3,358.41	51,764.77	-
Add : Depreciation charge during the year	-	30.79	2,188.09	9,477.24	1,850.54	138.28	347.60	176.57	14,209.11	-
Add : Adjustments	-	540.63	-	-	-	(0.10)	29.87	13.26	583.66	-
Less : Disposals/ Adjustments	-	0.23	18.66	319.79	-	81.80	365.41	138.62	924.51	-
Closing accumulated depreciation and impairment	-	841.56	7,317.35	31,151.04	19,089.05	1,714.43	2,109.98	3,409.62	65,633.03	-
Net carrying amount	161,592.94	1,837.76	52,913.40	133,629.02	35,978.70	548.08	387.82	340.00	387,227.72	2,812.25

### Note 3a

- (i) Addition during the year includes -  
Adjustment on account of exchange differences gain of ₹ Nil, [Previous Year gain of ₹ 257.01/- Lakh] Refer Note 37.
- (ii) Property Plant and Equipment include assets having carrying value of ₹ 16,490.56/- Lakh [Previous Year ₹ 17,781.34/- Lakh] representing plant & equipments and building which are not wholly used. The Holding Company is in the process of finding alternate use of such assets.
- (iii) Buildings include ₹ 0.02/- Lakh [Previous Year ₹ 0.02/- Lakh] being cost of Shares in Co-operative Societies. Title deeds in respect of shares amounting to ₹ 0.01/- Lakh are in the process of transfer.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE-3 PROPERTY, PLANT AND EQUIPMENT (Contd.)

(₹ in Lakh)

(iv) Assets Given on lease

	Particulars	Lease Hold Land	Buildings	Plant & Equipment	Total
<b>A</b>	<b>Year ended March 31, 2019</b>				
	Gross carrying amount				
	Opening gross carrying amount as at 1 April 2018	-	-	7.56	7.56
	Additions	-	4.35	-	4.35
	Asset taken back	-	-	4.38	4.38
	Closing gross carrying amount	-	4.35	3.18	7.53
	Opening accumulated depreciation and impairment as at 1 April, 2018	-	-	1.01	1.01
	Depreciation charge during the year	-	0.04	0.22	0.26
	Disposals	-	-	0.76	0.76
	Closing accumulated amortisation and impairment	-	0.04	0.47	0.51
	Closing net carrying amount	-	4.31	2.71	7.02
<b>B</b>	<b>Year ended March 31, 2018</b>				
	Gross carrying amount				
	Opening gross carrying amount as at 1 April 2017	12.73	151.01	11.57	175.31
	Additions	-	-	7.56	7.56
	Asset taken back	12.73	151.01	11.57	175.31
	Closing gross carrying amount	-	-	7.56	7.56
	Accumulated depreciation and impairment				
	Opening accumulated depreciation and impairment as at 1 April, 2017	2.11	16.03	1.15	19.29
	Depreciation charge during the year	0.19	5.66	0.33	6.18
	Disposals	2.30	21.69	0.46	24.45
	Closing accumulated amortisation and impairment	-	-	1.02	1.02
	Net carrying amount	-	-	6.54	6.54

## NOTE-4 INTANGIBLE ASSETS

(₹ in Lakh)

Particulars	Trade Marks/ Brands	Computer Software	Total
<b>A. Year ended March 31, 2019</b>			
Gross carrying amount			
Opening gross carrying amount as at 1 April 2018	151,584.00	1,396.27	152,980.27
Additions	-	7.11	7.11
Closing gross carrying amount	151,584.00	1,403.38	152,987.38
Accumulated amortisation			
Opening accumulated amortisation	36.00	1,309.93	1,345.93
Amortisation charge for the year	-	52.15	52.15
Closing accumulated amortisation	36.00	1,362.08	1,398.08
Closing net carrying amount	151,548.00	41.30	151,589.30
<b>B. Year ended March 31, 2018</b>			
Gross carrying amount			
Opening gross carrying amount as at 1 April 2017	151,584.00	1,386.65	152,970.65
Additions	-	9.62	9.62
Closing gross carrying amount	151,584.00	1,396.27	152,980.27
Accumulated amortisation			
Opening accumulated amortisation	36.00	1,239.57	1,275.57
Amortisation charge for the year	-	70.36	70.36
Closing accumulated amortisation	36.00	1,309.93	1,345.93
Closing net carrying amount	151,548.00	86.34	151,634.34

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 5a FINANCIAL ASSETS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>Non-Current Financial Investments</b>		
<b>Investments In Associates and Joint Ventures using equity method)</b>		
<b>A Investment in Equity Instruments: (fully paid up)</b>		
<b>In associate companies and Joint Venture</b>		
58,76,970 [Previous Year 58,76,970] Equity Shares of ₹10/- each fully paid in Ruchi Hi-rich Seeds Private Limited	239.91	228.94
22,060 [ Previous Year 2,04,000 ] Equity Shares of ₹ 10/- each fully paid in Ruchi J-Oil Private Limited [Refer note D]	178.78	1,343.41
<b>Investments in Other Entities</b>		
Investment in Limited Liability Partnership (LLP) [Refer Note E below] [Impairment ₹ 1.53/- Lakh ( Previous Year ₹ NIL )]	-	1.53
<b>Total</b>	<b>418.69</b>	<b>1,573.88</b>
<b>B Investment in Equity Instruments - Other than Associate and Joint Venture Company</b>		
<b>( Designated at Fair value through Other Comprehensive Income (FVTOCI) [32 (A) 1 (ii)]</b>		
<b>Quoted</b>		
8,83,500 [Previous Year 8,83,500] Equity Shares of ₹10/- each fully paid up in National Steel & Agro Industries Limited	49.39	254.45
4,00,000 [ Previous Year 4,00,000 ] Equity Shares of ₹10/- each fully paid up in Anik Industries Limited	63.20	124.60
2,73,24,239 [ Previous Year 2,73,24,239 ] Equity Shares of ₹1/- each fully paid up in Ruchi Infrastructure Limited	792.40	997.33
17,71,700 [ Previous Year 17,71,700 ] Equity Shares of ₹10/- each fully paid up in Ruchi Strips & Alloys Limited	33.66	31.54
1,19,300 [ Previous Year 1,19,300 ] Equity Shares of ₹10/- each fully paid up in Sarthak Global Limited	6.44	9.27
1,80,000 [ Previous Year 1,80,000 ] Equity Shares of ₹ 2/- each fully paid up in Blue Chip India Limited	0.59	0.38
35,000 [ Previous Year 35,000 ] Equity Shares of ₹10/- each fully paid up in Sharadraj Tradelink Limited	-	-
21,500 [ Previous Year 21,500 ] Equity Shares of ₹10/- each fully paid up in Hereld Commerce Limited	0.40	0.41
<b>Unquoted</b>		
25,000 [Previous Year 25,000 ] Equity shares of ₹ 10/- each fully paid-up in Ruchi Infotech Limited [Impairment ₹ 2,50,000/- (Previous Year ₹ NIL)]	-	2.50
6,00,000 [Previous Year 6,00,000 ] Equity shares of ₹10/- each fully paid-up in Ruchi Acroni Industries Limited	-	272.76
35,000 [Previous Year 35,000] Equity shares of ₹10/- each fully paid-up in E-DP Marketing (P) Limited [Formerly known as E-Ruchi Marketing (P) Limited]	-	-
16,100 [Previous Year 16,100] Equity Shares of ₹10/- each fully paid up in National Board of Trade Private Limited	-	-
<b>Total</b>	<b>946.10</b>	<b>1,693.24</b>



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

		As at March 31, 2019	As at March 31, 2018
<b>C</b>	<b>Investment in Government or Trust Securities measured at Amortised cost</b>		
	National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	1.09	1.09
	<b>Total</b>	<b>1.09</b>	<b>1.09</b>
	<b>GRAND TOTAL</b>	<b>1,365.88</b>	<b>3,268.21</b>
	Aggregate amount of quoted investments - Cost	<b>10,774.61</b>	<b>10,774.61</b>
	Fair Market Value of quoted investments	<b>946.10</b>	<b>1,417.98</b>
	Aggregate amount of unquoted investments	<b>419.78</b>	<b>1,850.23</b>
	Aggregate amount of Impairment of unquoted investments	<b>2,853.79</b>	<b>2,577.00</b>
	<b>Category-wise Non-current Investment</b>		
	Financial assets carried at AC	<b>1.09</b>	<b>1.09</b>
	Financial assets measured using equity method	<b>418.69</b>	<b>1,573.88</b>
	Financial assets measured at FVTOCI	<b>946.10</b>	<b>1,693.24</b>

D The Holding Company has 51% interests in one joint venture viz. Ruchi J-Oil Private Limited which is under voluntary liquidation on August 21, 2018 and official liquidator has been appointed. In view of this, profit till the date of commencement of liquidation has been considered for consolidation.

- E i) During the year with effect from January 25, 2019, Indian Oil Corporation Limited exited as a partner from Indian Oil Ruchi Biofuels, LLP [ LLP No AAA-1445]
- ii) As on March 31, 2018, the Holding Company was holding 50% of the partner's contribution in the Limited Liability Partnership (LLP). Details are as below:

Name of the LLP Firm	Indian Oil Ruchi Biofuels LLP	
Name of the Partners of the LLP Firm	Ruchi Soya Industries Limited	Indian Oil Corporation Limited
Total Capital	₹ 319.60/- Lakh	
Shares of each Partner	50%	50%

## NOTE - 5b LOANS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Loans</b>		
<b>Security &amp; Other Deposits-Unsecured</b>		
Considered good*	3,538.76	3,998.49
Considered having significant increase in Credit Risk*	750.00	-
Credit impaired	(750.00)	-
	<b>3,538.76</b>	<b>3,998.49</b>

\*Includes Security and Other Deposits from related parties ₹ 1,365/- Lakh (Previous Year ₹ 2,115/- Lakh) [Refer Note 39]

## NOTE - 5c OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest Accrued but not due		
On Investments	6.67	6.50
On Fixed Deposits With Bank	0.77	26.67
Amount due from erstwhile subsidiary [ Refer Note 34 ]	528.21	560.09
Others	-	5.35
Fixed Deposit with banks more than 12 months maturity [Refer Note 8c (a)]		
- Against Margin Money [Under lien]	817.72	331.79
- Others	62.11	13.63
	<b>1,415.48</b>	<b>944.03</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 6 OTHER NON-CURRENT ASSETS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good (unless otherwise stated)		
Capital Advances	282.46	444.45
Other loans and Advances		
- Advance Income-Tax including tax deducted at source (Net of Provisions)	4,041.88	5,965.03
- Deposits paid under Protest	4,183.74	4,087.83
- Prepaid expenses	233.45	254.13
	<b>8,741.53</b>	<b>10,751.44</b>

## NOTE - 7 INVENTORIES

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>(As valued and certified by the Management)</b>		
(At lower of cost and net realisable value except for stock-in-trade measured at fair value and realisable by-products at net realisable value) [ Refer Note (i) below]		
a) Raw Materials (including packing material)		
Goods in transit	8,598.94	12,659.06
others	55,915.98	37,213.40
b) Work-in-progress	487.15	485.58
c) Finished goods		
Goods in transit	541.98	941.54
others (Net of Provision for write down of Inventory)	50,799.12	56,747.22
d) Stock- in- Trade (in respect of goods acquired for trading) [Refer Note (i) below]	154.74	250.75
e) Realisable by-products	2,457.62	3,798.10
f) Stores and Spares	4,844.84	4,382.89
g) Consumables	2,382.07	2,647.69
	<b>1,26,182.44</b>	<b>1,19,126.23</b>

Note:

(i) The following inventories are measured at Fair Value

Particulars	March, 2019 Fair Value (₹ in Lakh)	March, 2018 Fair Value (₹ in Lakh)
Stock-in-trade	154.74	250.75

**Measurement of Fair Value :** Classified as Level 2 [Refer Note 42 B]

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

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 8a CURRENT INVESTMENTS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A. Investments in Mutual Funds measured at fair value through Profit and Loss [FVTPL]</b>		
<b>Quoted</b>		
i) 1,00,000 Units [Previous Year 1,00,000 Units] of SBI Magnum Multicap fund- Growth of ₹ 10 each.	48.67	45.96
ii) 60,681.871 Units [Previous Year 60,681.871 Units] of SBI Magnum Equity Fund -Regular plan- Growth of ₹ 42.97 each.	63.49	56.18
iii) 50,000 Units [Previous Year 50,000 Units] of SBI Infrastructure Fund-Regular plan Growth of ₹ 10/- each.	7.53	7.64
iv) 774.446 Units [Previous Year 774.446 Units] of PNB Principal Emerging Blue Chip Fund - Regular plan Growth of ₹ 21.68/- each.	0.81	0.81
<b>B Investment in Preference Shares measured at Amortised cost</b>		
<b>Unquoted</b>		
10,46,435 [Previous Year 10,46,435] 6% Non Cumulative, Non Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up in GHI Energy Private Limited	731.24	641.44
<b>C In Associate Company</b>		
4,40,050 [Previous Year 4,40,050] Equity Shares of ₹ 10/- each fully paid up in GHI Energy Private Limited	895.91	375.10
<b>D Investment in Government or Trust securities measured at Amortised Cost [AC]</b>		
<b>Unquoted</b>		
National Saving Certificates/Kisan Vikas Patra (deposited with Government authorities)	8.37	8.37
<b>T O T A L :</b>	<b>1,756.02</b>	<b>1,135.50</b>
Aggregate amount of quoted investments	41.24	41.24
Market Value of quoted investment	120.50	110.58
Aggregate amount of unquoted investments	2,360.75	2,360.75
Fair value adjustments for Investments	(722.65)	(822.37)

## NOTE - 8b TRADE RECEIVABLES

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Considered good - Secured	-	8,747.78
(Guaranteed by bank to the extent of ₹ NIL ( Previous Year ₹ 8,693.18/- Lakh)		
Considered good- Unsecured	95,638.30	44,529.67
Considered having significant increase in credit risk	-	-
Credit impaired	6,54,594.24	6,96,303.12
	7,50,232.54	7,49,580.57
Less: Allowance for credit impaired/Expected credit loss	7,23,821.51	7,21,264.60
<b>Total Receivables</b>	<b>26,411.03</b>	<b>28,315.97</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 8c CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
i) In Current Accounts	6,788.67	3,830.06
ii) In Deposit Accounts with less than or equal to 3 months maturity	9,078.16	0.15
iii) Cash in hand	45.82	69.58
	<b>15,912.65</b>	<b>3,899.79</b>

Note :

- (a) Confirmations from banks (current, term deposits and earmarked dividend account) in respect of bank balances aggregating to debit balances of ₹ 1,908.44/- Lakh (Previous Year ₹ 1,343.39/- Lakh) have not been received from the banks in response to the requests sent. The Holding Company has, however requested for the confirmations and followed up with the banks.

## NOTE - 8d BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Earmarked Unclaimed Dividend Accounts [Refer Note 8c (a)]	17.31	24.47
In Current Accounts [Refer Note (i) Below]	-	6,575.19
In Deposit Accounts [Refer Note 8c (a)]		
Original Maturity less than or equal to 3 months		
- Against Margin Money [Under lien] [Refer Note (ii) Below]	25,775.45	5,910.28
More than 3 months but less than or equal to 12 months maturity		
- Against Margin Money [Under lien]	1,391.42	927.87
- Others	24.38	504.34
	<b>27,208.56</b>	<b>13,942.15</b>

Note :

- (i) Earnest money deposited in Holding Company's designated bank account from applicants during CIRP process.
- (ii) The Holding Company's deposits with bank includes Earnest money deposit and Performance deposit aggregating to ₹ 25,050.18/- Lakh received from potential resolution applicants.

## NOTE - 8e LOANS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Security and Other Deposits	6.38	400.54
Loans to Related parties [Refer Note 39]	3.09	3.32
Loan to employees	103.43	154.94
	<b>112.90</b>	<b>558.80</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 8f OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured considered good		
Other Receivables	1.54	1.54
Interest Accrued but not due		
On Fixed Deposits with Banks	180.29	95.90
On Other deposits	36.01	40.35
Derivative Assets		
- Forward contract	-	7.84
- Commodity Contracts	124.04	92.36
	<b>341.88</b>	<b>237.99</b>

## NOTE - 9 OTHER CURRENT ASSETS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
a) Advances recoverable in cash or in kind or for value to be received		
Unsecured- Considered good [Refer Note (i) below]	24,175.91	15,434.68
Unsecured- Credit impaired	50,793.58	54,027.38
	74,969.49	69,462.06
Less: Allowance for doubtful advances	50,793.58	54,027.38
	24,175.91	15,434.68
b) Gratuity excess of Planned assets over obligations [Refer Note 19]	695.27	281.89
c) Balances with government authorities	23,631.94	28,713.92
d) Other Receivables	7,235.81	6,174.66
e) Prepaid expenses	557.33	524.96
	<b>56,296.26</b>	<b>51,130.11</b>

Note :

(i) The above advances includes advance of ₹ 8.59/- Lakh are with Related Party. [Refer Note 39]

## NOTE - 10 ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Property, Plant & Equipment [Refer Note 3]	357.56	357.56
Other Advances	10.00	10.00
	<b>367.56</b>	<b>367.56</b>

Note :

The Holding Company has entered into an agreement on December 5, 2016 to sale 18.1890 acres land situated at Taluka Alibag, District Raigad for consideration of ₹ 345.77/- Lakh. As per the terms of the agreement, the Company is required to bear the conversion expenses upto ₹ 3.75/- Lakh per acre and also carry out certain improvements over the said land which shall be reimbursed by the purchaser. The Holding Company has received part of the consideration by way of advance payment. The Holding Company has also entered into contract for the purpose of undertaking the improvements agreed upon and paid an advance to the contractor. The land agreed to sold and the advances paid for improvement are classified as Assets Classified as held for sale [Refer Note 10] and the amount of advance received from the buyer has been classified as Liabilities directly associated with assets classified as held for sale [Refer Note 21].

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 11 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) <b>Authorised</b>		
<b>i) Equity Shares</b>		
1,01,02,50,000 (Previous Year 1,01,02,50,000) of face value of ₹ 2/- each	20,205.00	20,205.00
<b>ii) Cummulative Redeemable Preference Share</b>		
51,00,000 (Previous Year 51,00,000) of face value ₹ 100/- each	5,100.00	5,100.00
	<b>25,305.00</b>	<b>25,305.00</b>
(b) <b>Issued, Subscribed and paid-up</b>		
Equity Shares		
33,41,00,722 (Previous Year 33,41,00,722) of face value of ₹ 2/- each fully paid-up [Refer Note (a) of SOCIE]	6,682.01	6,682.01
Less: 76,30,115 Treasury Equity Shares [Previous year 76,30,115] [Refer Note 11(h)]	152.60	152.60
	<b>6,529.41</b>	<b>6,529.41</b>

(c) **Rights, Preferences and Restrictions attached to shares**

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

(d) **Lock in Restrictions**

None of the shares are subject to lock in restrictions.

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

Particulars	March 31, 2019		March 31, 2018	
	No. of Shares	%	No. of Shares	%
<b>EQUITY SHARES</b>				
Disha Foundation Trust*	-		5,09,40,350	15.25%
Soyumm Marketing Private Limited	4,25,35,159	12.73%	4,56,35,159	13.66%
Spectra Realities Private Limited	1,84,00,000	5.51%	1,84,00,000	5.51%
Sawit Plantations Pte Limited*	-	-	1,96,07,913	5.87%

\* Holding as on 31st March, 2019 does not exceed more than 5 percent

(f) For shares reserved for issue under options - Refer Note 12 B and 12 K(ii)

(g) For reconciliation of number of shares outstanding at the beginning and at the end of the year - Refer Note (a) of Statement of Changes in Equity (SOCIE).

(h) Pursuant to Schemes u/s. 391-394 ,of then applicable The Companies Act, 1956 approved by the Hon'ble High Court of judicature at Mumbai and Delhi in an earlier year, 76,30,115 Equity shares of the Holding Company are held by a Trust for the benefit of the Holding Company and its successor. The investment Cost of acquisition of these treasury shares have been netted of from the Equity Shares Capital and Securities premium account as per the provisions of Ind AS. The Dividend of earlier period received by the Trust in respect of these shares is included under the head 'Dividend' under 'Other Income' in Note 23(B).

(i) Shares allotted under the Employee stock option plan scheme 2017 as modified from time to time. [Refer Note 12B]

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 12 OTHER EQUITY

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A Capital Redemption Reserve</b>	8,770.98	8,770.98
<b>B Share Options Outstanding Account [Refer Note 12 K(ii)]</b>	-	39.53
<b>C Securities Premium Account</b>	45,186.45	45,186.45
<b>D General Reserve</b>	41,840.47	41,800.94
<b>E Business Development Reserve</b>	-	-
<b>F Capital Reserve</b>	3,328.75	3,328.75
<b>G Foreign Currency Translation reserves</b>	2,008.95	1,551.35
<b>H Equity Instruments through Other Comprehensive Income [Refer Note 32A I(ii)]</b>	(9,591.07)	(9,119.20)
<b>I Retained Earnings [Refer Note 12 J]</b>	(5,69,963.59)	(5,68,773.60)
<b>TOTAL</b>	<b>(4,78,419.06)</b>	<b>(4,77,214.80)</b>
<b>A Capital Redemption Reserve</b>		
Balance as at the beginning of the year	8,770.98	8,770.98
Add/Less: Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>8,770.98</b>	<b>8,770.98</b>
<b>B Share Options Outstanding Account [Refer Note 12 K(ii)]</b>		
Employee stock Option Outstanding	39.53	110.25
Less: reversal on expiry of option	39.53	70.72
<b>Options outstanding as at the end of the year</b>	<b>-</b>	<b>39.53</b>
<b>C Securities Premium Account</b>		
Balance as at the beginning of the year	45,186.45	45,186.45
Add/Less: Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>45,186.45</b>	<b>45,186.45</b>
<b>D General Reserve</b>		
Balance as at the beginning of the year	41,800.94	41,800.94
Add/Less: Movement during the year	39.53	-
<b>Balance as at the end of the year</b>	<b>41,840.47</b>	<b>41,800.94</b>
<b>E Business Development Reserve</b>		
Balance as at the beginning of the year	-	60.67
Advertisement & sales promotion expenses (net of current tax) [Refer Note 31 (II)]	-	60.67
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>
<b>F Capital Reserve</b>		
Balance as at the beginning of the year	3,328.75	3,328.75
Add/Less: Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>3,328.75</b>	<b>3,328.75</b>
<b>G Foreign Currency Translation reserves</b>		
Balance as at the beginning of the year	1,551.35	811.92
Add/Less: Movement during the year	457.60	739.43
<b>Balance as at the end of the year</b>	<b>2,008.95</b>	<b>1,551.35</b>
<b>H Equity Instruments through Other Comprehensive Income [Refer Note 32A I(ii)]</b>		
Balance as at the beginning of the year	(9,119.19)	(9,169.74)
Add/Less: Movement during the year	(471.88)	50.54
<b>Balance as at the end of the year</b>	<b>(9,591.07)</b>	<b>(9,119.20)</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 12 OTHER EQUITY (Contd.)

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>I Retained Earnings [Refer Note 12 I]</b>		
Balance as at the beginning of the year	(5,68,773.60)	(5,056.53)
Add: Net Profit/(Loss) for the year	(1,029.30)	(5,63,769.65)
<b>Less:</b>		
- Remeasurement of the defined benefit plans through other comprehensive income [Refer Note 32A I (i)]	160.69	(52.58)
<b>Balance as at the end of the year</b>	<b>(5,69,963.59)</b>	<b>(5,68,773.60)</b>
	<b>(4,78,419.06)</b>	<b>(4,77,214.80)</b>
<b>J Non-controlling interest</b>		
Balance as at the beginning of the year	(22,617.64)	(10,926.83)
Less: contribution during the year	7,775.02	11,690.81
<b>Balance as at the end of the year</b>	<b>(30,392.66)</b>	<b>(22,617.64)</b>

### K NATURE AND PURPOSE OF RESERVES

#### (i) Capital Redemption Reserve

Capital Redemption Reserve was created out of profits of the Holding Company for the purpose of redemption of shares.

#### (ii) Share Options Outstanding Account

The Share options Outstanding account is used to recognise Intrinsic Value/Fair value of the options issued to employees at the grant date under the Ruchi Soya Stock Option plan 2007.

#### Description of share-based payment arrangements

##### Employee stock options - equity settled Share-based payment arrangements:

The Holding Company vide resolution passed at their Extra Ordinary General Meeting held on November 28, 2007 as modified by resolution passed at the Extra Ordinary Meeting held on June 16, 2009 approved grant of up to 54,71,000 options to eligible directors and employees of the Holding Company and its subsidiary Ruchi Worldwide Limited.

In terms of the said approval, the eligible employees / directors are entitled against each option to subscribe for one equity share of face value of INR 2/- each at a premium of INR 33/- per share.

The holders of the Employee Stock Options are entitled to exercise the option within a period of three years from the date of first vesting, failing which they stand cancelled. In the case of termination of employment by the Holding Company, all options, vested or not, stand cancelled immediately. In case of voluntary resignation, all un-vested options stand cancelled. Please refer below table for details on vesting period. There are no other vesting conditions, apart from service condition.

As per the terms of the plan, the Company has granted stock options in following tranches to its eligible employees:

Date of Grant	Number of Options April 1, 2015	Exercise Price INR	Particulars of vesting		
			20%	30%	50%
April 1, 2008	12,37,000	35/-	April 1, 2009	April 1, 2010	April 1, 2011
October 1, 2009	14,95,000	35/-	October 1, 2010	October 1, 2011	October 1, 2012
April 1, 2010	2,53,500	35/-	April 1, 2011	April 1, 2012	April 1, 2013
April 1, 2011	1,98,000	35/-	April 1, 2012	April 1, 2013	April 1, 2014
April 1, 2012	15,000	35/-	April 1, 2013	April 1, 2014	April 1, 2015
April 1, 2013	2,19,000	35/-	April 1, 2014	April 1, 2015	April 1, 2016
April 1, 2014	2,75,000	35/-	April 1, 2015	April 1, 2016	April 1, 2017
April 1, 2015	4,37,500	35/-	April 1, 2016	April 1, 2017	April 1, 2018
<b>Total</b>	<b>41,30,000</b>				



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 12 OTHER EQUITY (Contd.)

(₹ in Lakh)

The movement in the Employee Stock Options during the year ended March 31, 2019 is as follows:

Date of Grant	Opening Balance as on April 1, 2018	Issued during the year	Cancelled	Exercised during the year	Closing Balance as on March 31, 2019
April 1, 2014	1,71,000	-	1,71,000	-	-
April 1, 2015	3,51,500	-	3,51,500	-	-
<b>Total</b>	<b>5,22,500</b>	<b>-</b>	<b>5,22,500</b>	<b>-</b>	<b>-</b>
<b>Previous Year</b>	<b>7,34,000</b>	<b>-</b>	<b>2,12,000</b>	<b>-</b>	<b>5,22,500</b>

Particulars	For the year ended March 31, 2019		
	Shares arising out of options	Range of exercise prices	Weighted average exercise price
<b>Options outstanding at the beginning of the year</b>	<b>5,22,500</b>	<b>35</b>	<b>35</b>
Add: Options granted during the year	-	35	35
Less: Options lapsed during the year	5,22,500	35	35
Less: Options exercised during the year	-	35	35
<b>Options outstanding at the year end</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black-Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

**Share price:** The closing price on NSE as on the date of grant has been considered for valuing the options granted.

**Exercise Price:** Exercise Price is the price as determined by the Remuneration and Compensation Committee.

**Expected Volatility:** The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

**Expected Option Life:** Expected Life of option is the period for which the Company expects the options to be live.

**Expected dividends:** Expected dividend assumed to be 8 % paid each year

**Risk free interest rate:** The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the yield curve for Government bonds.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Holding Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards. The weighted average inputs used in computing the fair value of options granted were as follows:

### Grants made during the year

Grant date	<b>April 1, 2015</b>
Fair value	21.79
Share price as on date	45.85
Exercise price	35.00
Expected volatility (weighted-average)	0.4215
Expected life (weighted-average) [3 years + 1 year Grace period]	4 years
Expected dividends	8.00%
Risk-free interest rate (based on government bonds)	8.00%

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 12 OTHER EQUITY (Contd.)

(₹ in Lakh)

### (iii) Securities Premium Account

Securities Premium Account is created on recording of premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### (iv) General Reserve

The same is Created out of Surplus profits transferred as per the provisions of the Act, it is utilised as per provisions of the Act.

### (v) Business Development Reserve

(a) In an earlier year, the Hon'ble High Court of judicature of Mumbai, had approved u/s. 391-394 the Scheme of Amalgamation and Arrangement of 'Mac Oil Palm Limited' with Ruchi Soya Industries Limited and its shareholders, which was effective from April 1, 2009.

(b) Pursuant to the Scheme referred to in (a) above, the Company had, in an earlier year, created Business Development Reserve from the balance standing to the credit of General Reserve & Securities Premium Account.

In terms of the Scheme, as and when deemed fit by the Board, the said Business Development Reserve is available for adjusting various expenses, including advertisement, sales promotion, development of brands, research and development activities, provision / write off of doubtful debtors/current assets/loans and advances, additional depreciation necessitated by revaluation of fixed assets and expenses of amalgamation including expenses of the Transferor Company i.e. Mac Oil Palm Limited, incurred on or after 1st April 2009, after adjusting for any tax effects, both current and deferred tax thereon.

(c) For amounts debited during the year to Business Development Reserve in accordance with the said Scheme. Refer Note 12(E).

(d) Had the Scheme, approved by the Hon'ble High Court, not prescribed the accounting treatment as described in (b) above,

i) the Holding Company would have been required to:

Credit an amount of ₹ 36,157.70/- Lakh to Revaluation Reserve instead of the Business Development Reserve and Debit the additional charges as mentioned above in Note 12 (E).

ii) As a cumulative impact of the treatment described in para (i) above, the accumulated balance in the General Reserve and Securities Premium account as at March 31, 2019 would have been higher by ₹ 5,193.54/- Lakh and ₹ 23,842.30/- Lakh respectively. The accumulated balance in the Statement of Profit and Loss as at March 31, 2019 would have been lower by ₹ 43,701.06/- Lakh, the balance in Revaluation Reserve would have been higher by ₹ 14,665.23/- Lakh and the balance in Business Development Reserve would have been ₹ Nil.

However, the aggregate balance in Reserves and Surplus as at March 31, 2019 would have remained the same.

### (vi) Capital Reserve

Capital Reserve amounting to ₹ 3,228.75/- Lakh was created on :

a) amalgamation with Palm tech India Ltd by ₹ 1,087.07/- Lakh and

b) On 3,53,25,000 share warrants issued in an earlier year to the promoter/promoter group on preferential basis by ₹ 2,241.69/- Lakh. Holders of 64,00,000 warrants exercised the option and were allotted equity shares during the year. Holders of balance 2,89,25,000 warrants did not exercise their option which was further lapsed, on expiry on 18 months from the date of issue of warrants. Consequently, the amount of 2,241.69/- Lakh paid by these warrant holders were forfeited and transferred to capital reserve.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## (vii) Equity Instruments through Other Comprehensive Income

The company has elected to recognise changes in fair value of certain class of investments in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted on derecognition of investment.

## (viii) Retained Earnings

The same is created out of profits over the years and shall be utilised as per the provisions of the Act.

## NOTE - 13 BORROWINGS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A Term Loans from Banks [Refer Note D (i), (ii) and E below]</b>		
<b>Secured</b>		
- Rupee Loans	-	-
- Foreign Currency Loans	-	1,559.55
<b>B (i) Deferred payment liabilities</b>		
<b>Unsecured</b>		
- Deferred Sales Tax Liability [Refer Note G below]	1,444.07	5,622.00
(ii) Unsecured loan	0.69	-
<b>C Cumulative Redeemable Preference Shares [Refer Note G below]</b>		
<b>Unsecured</b>		
2,00,000 [Previous year 2,00,000] of face value of ₹ 100/- each fully paid-up	163.20	153.68
	<b>1,607.96</b>	<b>7,335.23</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 13 BORROWINGS (Contd.)

(₹ in Lakh)

Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	March 31, 2019	March 31, 2018
<b>D (i) Rupee Loans</b>						
Term loan from State Bank of India	MCLR + 11.60% p.a.	a) Secured by first exclusive charge on movable and immovable fixed assets of the Holding Company's unit located at Village Bhuvad, Tehsil Anjar, District Kutch, Gujarat. b) Collateral Second charge over the entire current assets including stocks of raw material and finished goods, receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Holding Company.	2018-2019	Repayable in 20 equal quarterly installments (commenced from March 2014) of the sanctioned amount of ₹ 6,500 lakh.	2,949.77	2,949.77
Corporate Loan IV from State Bank of India	MCLR + 11.60% p.a.	a) Secured by an Extension of exclusive first charge on movable and immovable fixed assets located at Shriganganagar (Rajasthan), Kota (Rajasthan) and Chennai (Tamil Nadu) and extension of first pari passu charge on movable and immovable fixed assets located at Haldia (West Bengal), Mangalore (Karnataka) Patalganga & Nagpur (Maharashtra), and Mangliya (Madhya Pradesh) and b) Collateral Second charge over the entire current assets including stocks of raw material and finished goods receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Holding Company.	2017-2018	Repayable in 20 equal quarterly installments (commenced from June 2013) of the sanctioned amount of ₹ 30,000 lakhs.	10,381.91	10,381.91

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 13 BORROWINGS (Contd.)

(₹ in Lakh)

Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	March 31, 2019	March 31, 2018
Corporate Loan V from State Bank of India	MCLR + 11.60% p.a.	a) Secured by first exclusive charge/extension of exclusive charge on movable and immovable fixed assets of the Company's unit located at Shrigangangar A 69-70 & C. 366-367, RIICO Udyog Vihar, Kota RIICO Industrial Area Bundi, Chennai Kannigaipuer Village, Talavali Chanda Mangliya village Indore, Mangliya b) Secured by Extension of first pari passu charge on movable and immovable fixed assets of the Company's unit located at Haldia, Mangalore Bikampady Industrial Area, Patalganga & Nagpur. Collateral Security : Second charge over the entire current assets including stocks of raw material and finished goods, receivables and other current assets on pari passu basis, with other term lenders and personal guarantee of Managing Director of the Holding Company.	2018-2019	Repayable in 20 quarterly installments (commenced from June 2014) of sanctioned amount of ₹ 30,000 lakhs out of that first four installments shall be of ₹ 1,000 lakhs each, next twelve installments shall be of ₹ 1,500 lakhs each, and last four installments shall be of ₹ 2,000 lakhs each.	19,656.79	19,656.79
Term loan from State Bank of India	MCLR + 11.60% p.a.	Secured by a hypothecation of (a) Wind power receivables of the Holding Company against supply of power from the 22.50 MW wind power project at Palsodi, Ratlam, Madhya Pradesh to MP Power trading Co. Limited and 2.50 MW Wind power project at Shinband, Dhule, Maharashtra to Maharashtra state electricity distribution Company Limited and (b) The movable fixed assets of the Holding Company relating and pertaining to the 22.50 MW wind power project at Palsodi, Ratlam, Madhya Pradesh and 2.50 MW windpower project at Shinband, Dhule, Maharashtra.	2025-26	Repayable in 40 equal quarterly installments (commenced from June 2015) of sanctioned amount of ₹ 6,000 lakh.	4,173.45	4,173.45
Term loan from Development Bank of Ethiopia	8.5% p.a	First degree mortgage upon the whole entire assets and property of the project (including all vehicles) with principal Registration Certificate number EIA-PC-01/3349/09 at Ethiopia.	2019-20	Repayable in installments as mutually agreed of sanctioned amount of ₹ 4,100.70 lakhs.	-	1,559.55

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 13 BORROWINGS (Contd.)

(₹ in Lakh)

Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	March 31, 2019	March 31, 2018
<b>Foreign Currency Loans</b>						
ECB II in foreign currency from DBS Bank Ltd.	LIBOR 6 months + 490 bps p.a.	Secured by a first charge over the fixed assets, both present and future, of manufacturing Refinery unit(s) at Kandla (Gujarat).	2016-17	Repayable in 6 semi annual installments (commenced from September, 2014) of 13%, 13%, 13%, 13%, 13% & 24% of sanctioned amount of USD 200 lakh.	6,728.79	6,728.79
ECB III in foreign currency from DBS Bank Ltd.	LIBOR 6 months + 570 bps p.a.	Secured by a first charge over the fixed assets, both present and future, of manufacturing units at Guna (Madhya Pradesh), Daloda (Madhya Pradesh), Baran (Rajasthan), Gadarwara (Madhya Pradesh) and Refinery unit(s) at Kandla (Gujarat).	2017-18	Repayable in 5 semi annual installments (commenced from March, 2016) of 16.66%, 20%, 20%, 20% & 23.34% of sanctioned amount of USD 300 lakh.	17,522.90	17,522.90
ECB III in foreign currency from Standard Chartered Bank	LIBOR 3 months + 540 bps p.a.	Secured by first and exclusive charge on movable fixed assets, both present and future, of refinery at Kakimada ( Andhra Pradesh).	2016-17	Repayable in 18 quarterly installments (commenced from June, 2012) of sanctioned amount of USD 158.95 lakh.	3,486.10	3,486.09
<b>Long Term Maturity Of Finance Lease Obligation</b>						
Vehicle Loan from HDFC Bank	9.51% p.a.	Hypothecation of vehicles acquired out of the said loan	2018-19	Repayable in 60 equal monthly installments (commenced from July 2013) of the sanctioned amount of 81 lakh.	12.47	12.47
<b>Amortisation Of The Upfront Fees As Per Ind AS</b>					-	(27.22)
<b>Total Non Current Borrowing</b>					<b>64,912.18</b>	<b>66,444.50</b>
<b>Less : Classified under</b>						
Long term debts classified under other financial liabilities [ Refer Note 17 (c) ]					57,476.73	57,449.50
Current maturities of finance lease obligations [ Refer Note 17 (c) ]					12.47	12.47

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 13 BORROWINGS (Contd.)

(₹ in Lakh)

Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	March 31, 2019	March 31, 2018
Interest accrued [Refer Note 17 (c)]					7,422.98	7,422.98
<b>Non-current borrowings as per balance sheet</b>					-	1,559.55
BBR- Bank Base Rate						
MCLR-Marginal cost of funds based lending Rate						
LIBOR-London Interbank Offered Rate						

(ii) The Holding Company has not satisfied debt covenants as prescribed in the bank agreements, hence the said borrowings are classified under Other current financial liabilities under Note 17 c.

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

Particulars of Loans	Amount of continuing default as on March 31, 2019 (in Lakh)		Due date for payment
	Principal Amount	of Interest accrued up to 15th December, 2017	
Corporate Loan IV from State Bank of India	8,999.62	1,382.29	As per recall notice issued dated 7th April, 2017
Corporate Loan V from State Bank of India	17,000.01	2,656.78	As per recall notice issued dated 7th April, 2017
Term loan from State Bank of India	2,578.66	371.11	As per recall notice issued dated 7th April, 2017
Term loan from State Bank of India	3,531.02	642.43	As per recall notice issued dated 7th April, 2017
ECB III in foreign currency from DBS Bank Ltd.	16,023.95	2,074.55	As per recall notice issued dated 23rd September, 2016
ECB II in foreign currency from DBS Bank Ltd.	6,153.20		As per recall notice issued dated 23rd September, 2016
ECB III in foreign currency from Standard Chartered Bank	3,190.27	295.82	As per recall notice issued dated 25th January, 2017
<b>Total</b>	<b>57,476.73</b>	<b>7,422.98</b>	

(F) Deferred Payment Liability is on account of Deferred Sales tax denotes interest free sales tax deferral under Schemes of State Governments of Andhra Pradesh & Tamil Nadu. The same are repayable in annual and monthly installments beginning from June 2014 in case of Andhra Pradesh and from August 2015 in case of Tamil Nadu respectively. In respect of this, sales tax dues are not paid after 15th December 2017 amounting to ₹ 4,474.54/- Lakh.

(G) **Rights, Preferences and Restrictions attached to shares**

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

- a) First installment of ₹33/- per preference share on completion of 144 months from March 31, 2009.

- b) Second installment of ₹33/- per preference share on completion of 156 months from March 31, 2009.

- c) Third installment of ₹34/- per preference share on completion of 168 months from March 31, 2009.

(H) For status of unconfirmed balances refer Note 17a (E).

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 14 PROVISIONS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
A) Provision for Compensated absences [Refer Note 19]	682.31	1.04
B) Others Provisions	470.80	-
	<b>1,153.11</b>	<b>1.04</b>

## NOTE - 15 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities	12.42	11.32
	<b>12.42</b>	<b>11.32</b>

The Holding Company has not recognised the deferred tax asset (net) amounting to ₹ 2,16,568.84/- Lakh [Previous year ₹ 2,65,749.21/- Lakh] arising out of Provision for doubtful debts & advances, Unabsorbed Depreciation, Brought forward business losses and Other timing differences and items due to non-existence of profitability of taxable income against which the assets can be realised and the same shall be reassessed at subsequent Balance Sheet date.

### Reconciliation of effective rate of tax

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
<b>Profit before tax</b>	<b>(8,794.58)</b>	<b>(6,18,566.03)</b>
Applicable Tax Rate	34.94%	34.61%
Computed Tax Expense	<b>(3,073.18)</b>	<b>(2,14,073.33)</b>
<b>Tax effect of :</b>		
Expenses disallowed	58,456.26	2,17,864.42
Additional allowances	55,381.68	(4,156.29)
<b>Current Tax</b>	<b>1.40</b>	<b>(365.20)</b>
<b>Current Tax Provision (A)</b>	-	-
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	1.14	(5,780.84)
Incremental Deferred Tax Asset on account of Financial Assets and Other timing differences	-	2,11,972.31
Deferred tax asset not recognised	-	1,73,205.88
<b>Deferred tax Provision (B)</b>	<b>1.14</b>	<b>(44,547.27)</b>
<b>Tax Expenses Charge/(Credit) in Statement of Profit and Loss (A+B)</b>	<b>2.54</b>	<b>(44,547.27)</b>



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

The movement in the deferred tax balances is as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred Tax Liabilities</b>	<b>(1,04,370.34)</b>	<b>(1,05,668.03)</b>
Depreciation	(1,04,370.34)	(1,05,668.03)
<b>Deferred Tax Assets</b>	<b>3,20,939.17</b>	<b>3,71,417.24</b>
Provision for doubtful debts & advances	2,46,305.22	2,68,313.05
Brought forward losses	58,249.03	60,923.42
Unabsorbed Depreciation	13,877.71	10,145.51
Other timing differences	2,507.22	32,035.26
<b>Net Deferred tax Asset/ (Liabilities)</b>	<b>2,16,568.84</b>	<b>2,65,749.21</b>

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

## NOTE - 16 OTHERS NON CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Government Grants - Deferred Income [ Refer Note (i) below]	549.36	600.64
(b) Other Liabilities [ Refer Note (ii) below]	515.68	486.96
	<b>1,065.04</b>	<b>1,087.60</b>
<b>Note:</b>		
(i) <b>Government Grants - Deferred Income</b>		
Opening Balance	652.09	703.58
Less: Released to profit and loss [Refer Note 22(C)(iii)]	51.45	51.49
<b>Closing balance</b>	<b>600.64</b>	<b>652.09</b>
Classified under Non-Current Liabilities [Refer Note 16 (a)]	549.36	600.64
Classified under Current Liabilities [Refer Note 18 (c)]	51.28	51.44

## NOTE - 17a BORROWINGS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A Loans repayable on demand</b>		
i) <b>Secured</b>		
<b>From Banks</b>		
Working Capital Loans	8,20,879.84	7,40,818.34
<b>From Others</b>		
Working Capital Loans	2,000.00	2,000.00
<b>B i) Intercorporate Deposit</b>	30.00	30.00
	<b>8,22,909.84</b>	<b>7,42,848.34</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 17a BORROWINGS (Contd.)

(₹ in Lakh)

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

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

Particulars of Loans	Amount of continuing default as on March 31, 2019 (₹ In Lakh)		Due date for payment
	of Principal Amount	of Interest accrued	
Export Packing Credit / Cash Credit	1,52,720.63	14,279.47	September 16, 2016 to December 15, 2017
Inland Letter of Credit	70,590.63	4,056.61	October 25, 2016 to December 15, 2017
Foreign Bill Discounting	11,744.25	646.26	August 2, 2016 to December 15, 2017
Buyers Credit	1,13,423.87	9,492.79	August 4, 2016 to December 15, 2017
Foreign Letter of Credit	3,99,222.01	33,483.15	September 6, 2016 to December 15, 2017
Short Term Loan	15,501.51	2,344.01	May 7, 2016 to December 15, 2017
<b>Total</b>	<b>7,63,202.90</b>	<b>64,302.29</b>	

E Confirmations from banks in respect of bank balances aggregating to credit balances of ₹ 2,74,114.55 Lakh [Previous Year ₹ 1,78,660.55 Lakh] have not been received from the banks in response to the requests sent. The Holding Company has, however requested for the confirmations and followed up with the banks. The account balances and the interest and other charges have been accounted on the basis of informations available with the Holding Company.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 17b TRADE PAYABLES DUE TO

(₹ in Lakh)

Particulars	As at	
	March 31, 2019	March 31, 2018
- Micro and Small Enterprises	433.96	827.19
- Related parties [Refer Note no. 39]	19,090.91	19,030.06
- Other than Micro and Small Enterprises	1,67,379.36	2,34,590.59
	<b>1,86,904.23</b>	<b>2,54,447.84</b>

**Note:**

- (i) The Group has identified (based on information available) Micro, Small and Medium Enterprises as those registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

Particulars	As at	
	March 31, 2019	March 31, 2018
Principal amount due and remaining unpaid	966.13	622.46
Interest due on above and the unpaid interest	310.65	204.73
Interest paid	-	-
Payment made beyond the appointed day during the year	8,252.80	3,013.33
Amount of interest due and payable for period of delay in making payment excluding interest specified under MSMED Act	-	-
Interest accrued and remaining unpaid	310.65	204.73
Amount of further interest remaining due and payable in succeeding years	-	-

- (ii) Due to others includes Bills Payable amounting to ₹ NIL [Previous Year ₹ 1,427.10/- lakh]. [Secured against first pari passu charge on current assets of the Holding Company, second pari passu charge on movable and immovable fixed assets and personal guarantee of promoter director among working capital consortium member banks].
- (iii) Trade Payables include ₹ 87,829.78/- Lakh on account of Bills of Exchange drawn by the suppliers on the Holding company (for the goods supplied to Holding company) and discounted by the suppliers with their bankers without recourse basis.

## NOTE - 17c OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Term Loans from Banks [Refer Note 13 D(ii) and 17a E]</b>		
<b>Secured</b>		
- Rupee Loans	32,109.31	32,088.20
- Foreign Currency Loans	25,367.42	25,361.30
Current maturities of long-term debt		
- From Banks	-	-
- From State Government [Refer Note 13 B]	4,474.54	296.62
Current Maturities of finance lease obligations [Refer note 17a E]	12.47	12.47
Derivative Liability		
- Commodity Contracts	-	490.74
Interest accrued	83,025.81	80,841.96
Unclaimed Dividends [Refer note (i) below]	17.31	24.47
Agency & Other Deposits	1,003.08	1,122.77
Customers' Advances [Refer Note (ii) below]	94,254.73	94,254.73
Earnest Money deposit received for CIR Process	25,050.18	6,575.19
Creditors for capital expenditure	73.33	95.80
Other financial liabilities [Refer note (iii) below]	6,823.00	5,428.29
	<b>2,72,211.18</b>	<b>2,46,592.54</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## Note:

- (i) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.
- (ii) As the Holding Company has not been able to make the scheduled Exports as per the agreement, these customer advances are now repayable and hence are classified as financial liability. Interest on this had been provided till 15th December, 2017. Debit balance of one of the customer amounting to ₹ 15,859.06/- Lakh against export is net off against the same.
- (iii) Other financial liabilities include ₹ 32.47/- Lakh [Previous Year ₹ 23.74/- Lakh] due to Related parties. [Refer Note 39]

## NOTE - 18 OTHER CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Customers' Advances	2,572.92	3,532.17
(b) Other liabilities (Including Statutory Dues Payable) [Refer Note (i) and (ii) below]	9,847.47	15,816.65
(c) Government Grant - Deferred Income [Refer Note 16 (i)]	51.28	51.44
	<b>12,471.67</b>	<b>19,400.26</b>

## Note:

- (i) Other liabilities include NIL [Previous Year ₹ 0.07/- Lakh] due to related parties. [Refer Note 39]
- (ii) Regarding Remission of tax under West Bengal Incentive Scheme, 1999 the Holding Company had already received remission of tax, where Company are eligible as per the eligibility certificate which is renewed but, till date Holding Company had not received any approval for additional benefit of ₹ 4,009.39/- Lakh from government of West Bengal which is included in Other liabilities.

## NOTE - 19 PROVISIONS

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
i) Provision for Compensated absences	178.99	756.41
	<b>178.99</b>	<b>756.41</b>

The Company contributes to the following post-employment defined benefit plans in India.

### A Defined Contribution Plans:

The Group has certain defined contribution plans. Contributions are made to provident fund in India for employees at the specified rate as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Group is limited to the amount contributed and Group has no further contractual, or any constructive obligation. The Group has recognised ₹ 670.39/- Lakh [Previous Year ₹ 687.85/- Lakh] towards contribution to Provident Fund and ₹ 122.03/- Lakh [Previous Year ₹ 124.33/- Lakh] towards Employee State Insurance in Profit and Loss account.

### B Defined Benefit Plan:

#### a) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/resignation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number completed years of service. The gratuity plan is a funded plan and Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## b) Leave Obligations

The leave obligations cover the Groups's liability for casual, sick & earned leave. The amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

(₹ in Lakh)

	March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined benefit obligation	2,389.67	861.30	2,132.18	813.57
Fair value of plan assets	3,084.94	-	2,416.25	56.12
<b>Net defined benefit (obligation)/assets</b>	<b>695.27</b>	<b>(861.30)</b>	<b>284.07</b>	<b>(757.45)</b>
Non-current [Refer Note 14]	-	(682.31)	-	(1.04)
Current	695.27	(178.99)	284.07	(756.41)

### Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components :-

	March 31, 2019		March 31, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Defined benefit obligations</b>				
Opening balance	2,132.18	813.57	2,120.18	913.22
Included in profit or loss	-	-	-	-
Current service cost	159.70	142.58	168.80	136.42
Past service cost	-	-	95.87	-
Interest cost (income)	167.85	63.98	153.88	66.27
	2,459.73	1,020.13	2,538.73	1,115.91
<b>Included in OCI</b>				
Remeasurement loss (gain):				
Actuarial loss (gain) due to :				
Demographic assumptions	11.66	(3.23)	13.01	(2.56)
Financial assumptions	32.60	11.37	(104.39)	(38.26)
Experience adjustment	126.52	42.96	43.55	(250.97)
Return on plan assets excluding interest income	-	-	-	-
	2,630.51	1,071.23	2,490.90	824.12
<b>Other</b>				
Contributions paid by the employer	-	(209.93)	-	(2.50)
Benefits paid	(240.83)	-	(358.74)	(8.05)
<b>Closing balance</b>	<b>2,389.68</b>	<b>861.30</b>	<b>2,132.16</b>	<b>813.57</b>
<b>Fair value of plan asset</b>				
Opening balance	2,416.64	56.12	2,242.40	58.90
Included in profit or loss	-	-	-	-
Interest income	190.06	0.64	162.75	4.28
	2,606.70	56.76	2,405.15	63.18

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

**NOTE - 19 PROVISIONS (Contd.)**

(₹ in Lakh)

	March 31, 2019		March 31, 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Included in OCI</b>				
Remeasurement gain (loss):				
Actuarial gain (loss) due to :				
Demographic assumptions	-	-	-	-
Financial assumptions	-	-	-	-
Experience adjustment	10.08	-	4.95	0.09
Return on plan assets excluding interest income	-	-	0.19	-
	2,616.78	56.76	2,410.29	63.27
<b>Other</b>				
Contributions paid by the employer	707.22	(56.76)	365.09	0.90
Benefits paid	(238.67)	-	(358.74)	(8.05)
<b>Closing balance</b>	<b>3,085.33</b>	<b>-</b>	<b>2,416.64</b>	<b>56.12</b>
<b>Represented by</b>				
Net defined benefit asset	695.65	-	284.48	-
Net defined benefit liability	-	(861.30)	-	(757.45)
	<b>695.65</b>	<b>(861.30)</b>	<b>284.48</b>	<b>(757.45)</b>
<b>Expense recognised in Statement of Profit and Loss</b>				
Current service cost	159.70	142.58	168.80	136.00
Net Interest cost	(22.21)	63.34	(8.86)	61.68
Actuarial (gain)/loss on obligation for the period	-	51.11	-	(290.58)
Past service cost	-	-	95.87	-
<b>Expense recognised in Statement of Profit and Loss</b>	<b>137.49</b>	<b>257.03</b>	<b>255.81</b>	<b>(92.90)</b>
<b>Expense recognised in Other Comprehensive Income (OCI)</b>				
Actuarial (gain)/loss on obligation for the period	170.77	-	(47.83)	-
Return on plan assets excluding interest income	(10.08)	-	(4.95)	-
<b>Net (Income)/ Expense for the period recognized in OCI [ Refer Note 32 A (I) (i)]</b>	<b>160.69</b>	<b>-</b>	<b>(52.78)</b>	<b>-</b>

**C. Plan assets**

Plan assets comprise the following	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
<b>Investment in LIC India</b>				
Insurer managed fund (100%)	3,085.33	-	2,416.64	56.12
	<b>3,085.33</b>	<b>-</b>	<b>2,416.64</b>	<b>56.12</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 19 PROVISIONS (Contd.)

(₹ in Lakh)

### D. Defined benefit obligations

#### i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.69%	7.88%
Salary escalation rate	6.00%	6.00%
Rate of return on plan assets	7.69%	7.88%
Retirement Age	58 Years & 60 Years	58 Years & 60 Years
Attrition Rate	For service 4 years. & below 17.76% p.a. & For service 5 years and above 2% p.a.	For service 4 years. & below 17.76% p.a. & For service 5 yrs and above 2% p.a.
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08) Ultimate

#### ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(162.83)	185.99	(151.01)	172.91
Future salary growth (1% movement)	177.87	(159.13)	163.85	(146.00)
Employee Turnover (1% movement)	23.14	(25.73)	26.30	(29.20)
Average Expected Life	12 Years	12 Years	12 Years	12 Years

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

#### iii. Expected Contributions in next year

Particulars	March 31, 2019	March 31, 2018
Provident Fund	620.21	590.43

## NOTE - 20 CURRENT TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Taxation (Net)	1.44	0.02
	<b>1.44</b>	<b>0.02</b>

## NOTE - 21 LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Other Current Liabilities (Refer Note 10)	173.00	173.00
	<b>173.00</b>	<b>173.00</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 22 REVENUE FROM OPERATIONS

(₹ in Lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A Sales of products (including excise duty)</b>	12,66,027.50	11,92,173.21
<b>B Sale of Services</b>		
Processing charges received	2,286.41	2,649.83
<b>C Other Operating revenue</b>		
(i) Export Incentive	-	2,949.13
(ii) Vat/CST/Entry tax- Refund /Remission	-	308.70
(iii) Government grants [Refer Note 16(i)]	51.45	51.49
(iv) Income from Power generation [Including Carbon Credits VER/ CERs amounting to ₹ NIL [Previous Year ₹ 7.40/- Lakh]	4,557.95	4,288.43
(v) Contract Settlement - Purchase & Sales (net)	-	284.28
	<b>12,72,923.31</b>	<b>12,02,705.07</b>

## NOTE - 23 OTHER INCOME

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A Interest Income (under the effective interest method)</b>		
- On Fixed Deposits	1,035.30	370.19
- Others	127.73	51.42
<b>B Dividend Income:</b>		
- From Other than associates and Joint Ventures entities	-	4.42
<b>C Net Gain on sale of-</b>		
- Investments (Capital Reduction)	359.74	-
<b>D Net Gain on Sale/Discard of Fixed Assets</b>	-	13.93
<b>E Lease Rental income</b>	127.99	55.85
<b>F Other Non-Operating Income</b>		
- Liabilities no longer required written back	5,130.70	2,202.68
- Reversal of provision of Doubtful Debt	33.05	-
- Sales Tax and customs Refund	58.56	9.90
- Guarantee Commission	-	139.30
- Unwinding income of investment	89.80	97.95
- Gain on Foreign Currency Transaction/ Translation	1,561.50	-
- Other Receipts	764.32	732.69
<b>G Fair value adjustments for Investments (net)</b>	9.92	10.36
<b>H Export Incentive</b>	2,716.18	-
	<b>12,014.79</b>	<b>3,688.69</b>



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 24 COST OF MATERIALS CONSUMED

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Raw Material	10,50,923.14	8,70,665.45
b) Packing Material	45,866.55	46,151.61
	<b>10,96,789.69</b>	<b>9,16,817.06</b>

## NOTE - 25 PURCHASES OF STOCK-IN-TRADE

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Purchases of Stock-in-Trade	35,632.99	1,51,860.92

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

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Finished goods</b>		
Opening Stock	61,486.86	55,050.00
Closing Stock	53,798.72	61,486.86
	<b>7,688.14</b>	<b>(6,436.86)</b>
<b>Work-in-progress</b>		
Opening Stock	485.58	478.43
Closing Stock	487.16	485.58
	<b>(1.58)</b>	<b>(7.15)</b>
<b>Traded goods</b>		
Opening Stock	250.75	7,258.28
Closing Stock	154.74	250.75
	<b>96.01</b>	<b>7,007.53</b>
	<b>7,782.57</b>	<b>563.52</b>

## NOTE - 27 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salary, Wages and Bonus	13,748.80	14,291.80
Contribution to Provident and Other Funds	806.08	829.04
Gratuity [Refer Note 19]	137.49	271.08
Leave Compensation Absences [Refer Note 19]	257.03	158.25
Staff Welfare expenses	393.56	444.07
	<b>15,342.96</b>	<b>15,994.24</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 28 FINANCE COSTS

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expense	14,002.51	91,320.50
Other borrowing costs	217.85	5,717.11
	<b>14,220.36</b>	<b>97,037.61</b>

## NOTE - 29 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSE

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on Plant, property and Equipment	13,798.18	14,209.10
Amortisation on Intangible assets	52.15	70.36
	<b>13,850.33</b>	<b>14,279.46</b>

## NOTE - 30 PROVISION FOR DOUBTFUL DEBTS AND ADVANCES

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Provision for Doubtful Debts/ Credit impaired	4,168.74	4,73,556.11
Provision for Advances /Credit impaired	1,321.05	45,978.99
	<b>5,489.79</b>	<b>5,19,535.10</b>

### Note:

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

## NOTE - 31 OTHER EXPENSES

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Manufacturing Expenses</b>		
Manufacturing expenses	8,480.79	7,650.32
Consumables	8,047.12	6,715.50
Consumption of Stores & Spares parts	4,385.69	3,287.98
Power & Fuel (net of recoveries)	20,044.18	17,381.18
Lease Rental expenses (net of recoveries)	2,295.61	5,487.62
Repairs and Maintenance		
– Plant & Machinery	1,856.07	1,809.10
– Buildings	212.88	171.15
– Others	618.45	613.20
	<b>45,940.79</b>	<b>43,116.05</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 31 OTHER EXPENSES (Contd.)

(₹ in Lakh)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Selling and distribution expenses</b>		
Freight & forwarding (net of recoveries)	32,704.72	34,329.68
Export expenses	1,543.50	2,231.33
Advertisement & sales promotion [Refer Note II below]	4,168.63	2,578.85
	<b>38,416.85</b>	<b>39,139.86</b>
<b>Establishment and Other expenses</b>		
Rates & Taxes	785.95	992.16
Insurance (net of recoveries)	1,035.88	1,138.97
Payment to Auditors [Refer Note I below]	104.92	103.39
Donations	1.53	11.57
Provision for loss in Limited Liability Partnership	-	0.24
Net Loss on Sale/Discard of Fixed Assets	414.83	103.15
Loss on foreign currency transaction/translation	1,335.00	537.72
Impairment in value of Investment	276.79	6,470.93
Commission	3,853.04	3,536.38
Travelling & conveyance	1,116.91	1,356.44
Bank Commission & charges	44.19	107.30
Other expenses (Net of recoveries)	11,297.31	12,257.72
	<b>20,266.35</b>	<b>26,615.97</b>
	<b>1,04,623.99</b>	<b>1,08,871.88</b>

Note:

## (I) Payment to Auditors:-

<b>(i) Remuneration to the Statutory auditors</b>		
(a) As Auditors		
-For Statutory Audit	53.59	53.59
-For Taxation Matters	11.00	11.00
-For Other Matters (Including for certification)	24.90	18.48
(b) Travelling and other out of pocket expenses	11.03	3.58
<b>(ii) Remuneration to Branch Auditors</b>		
(a) As Branch auditors		
-For Branch Audit	-	6.74
(b) Travelling and other out of pocket expenses	-	5.60
<b>(iii) Remuneration to Cost Auditors</b>	4.40	4.40

(II) Excludes ₹ NIL [Previous Year ₹ 60.68/- Lakh] net of current tax thereon debited to Business Development Reserve. [Refer Note 11 E]

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 32 EXCEPTIONAL ITEMS

(₹ in Lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(A) Other Comprehensive Income</b>		
<b>I Item that will not be reclassified to profit or loss</b>		
(i) Remeasurement of the defined benefit plans [Refer Note 12 I]	(160.69)	52.58
(ii) Equity Instruments through Other Comprehensive Income [Refer Note 12H]	(471.88)	50.54
	<b>(632.57)</b>	<b>103.12</b>
<b>Income tax relating to items that will not be reclassified to profit or loss</b>		
<b>II Item that will be reclassified to profit or loss</b>		
Exchange differences in translating the financials statements of foreign operations	457.60	739.43
	<b>457.60</b>	<b>739.43</b>

## NOTE - 33 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakh)

	As at March 31, 2019	As at March 31, 2018
<b>A Contingent liabilities</b>		
<b>a) Claims against the Holding Company not acknowledged as debts (to the extent quantified)</b>	3,095.15	2,578.57
<b>b) Guarantees</b>		
Outstanding bank Guarantees	1,866.72	2,947.99
Outstanding corporate gurantees given on behalf of - Indian Associate (Sanctioned amount ₹ 9,600/- Lakh [ Previous Year ₹ 9,600/- Lakh ])	3,726.00	4,572.00
<b>c) Other Money for which Company is Contingently liable</b>		
(i) Disputed Demand:		
1 Excise Duty	8,811.87	8,915.49
2 Service Tax	1,542.36	1,491.62
3 Customs Duty	18,649.42	19,086.97
4 Income tax	3,093.16	1,992.88
5 Other Acts	29.37	349.78
6 Sales Tax [Refer Note below (ii)]	83,485.54	80,250.53

- (ii) Deputy State Tax Commissioner Corporate, Rajkot, Gujarat, during inspection under Gujarat Value Added Tax Act-2003 alleged that dealers from whom purchases were made by the Holding Company during FY 2013-2014 to 2017-2018 have not paid tax to government treasury and due to that input credit claimed by the Holding Company is not eligible. It is also alleged that the Holding Company has not done transactions on market price. Therefore, demand of ₹ 13,441.18 Lakh of Tax and ₹ 28,835.63 Lakh of penalty aggregating to ₹ 43,276.81 Lakh have been made against the Holding Company and Holding Company's plants at Kandla which include Refinery, Oleochem and Guargum Division has been impounded. The Holding Company has made submissions and following up the matter with the appropriate authorities. The Holding Company, based on merits of the case, does not expect material liability on this account hence no provision has been made in the books of accounts. Furthermore, Gujarat High Court passed an order in this matter pursuant whereby the retrospective cancellation of registration has stayed and the matter is remanded to Tribunal for further hearing, which is pending.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

- (iii) During an earlier year, the Holding Company had received claims amounting to US\$ 662,67,857.31 (to the extent quantified) from two overseas entities (claimants) in respect of performance guarantees purportedly given by the Company as a second guarantor on behalf of an overseas entity in respect of contracts entered into between the claimants and the overseas entity. The Holding Company denies giving the guarantees and has disputed the claims and is has taken appropriate legal actions and making suitable representations in the matter. The Holding Company does not expect that any amount will become payable in respect of the claims made. No provision is made in respect of the same in the books of account.
- (iv) In relation to trading in Castor seed contracts on National commodity and Derivative Exchange limited ( NCDEX), pending investigation by Securities and Exchange Board of India [SEBI], amount of liability, if any, can not be ascertained at this stage.
- (v) The Competition Commission of India has issued a notice under section 36(2) read with section 41(2) of The Competition Act, 2002 (the Act) into alleged violations of the said Act. The Holding Company has made representation in the matter from time to time. Later a investigation by Director General was initiated under section 26(1) of the Act. The hearing was completed on 28.06.2016 and Competition Commission of India had passed an order clearly stating that there was no contravention of the Provisions of the Act. Aggrieved by the same, the other party filed the writ petition in High Court in Delhi challenging the order of the Competition Commission of India. The final order of the High Court is awaited. Pending receipt of the order, liability, if any, that may arise in this regard cannot be ascertained at this stage.
- (vi) The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.
- (vii) EPCG Licences benefit in event of default of Export Obligation 

	20.98	16.21
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## B Commitments

- a) **Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)**

	145.98	290.40
--	--------	--------
- b) **Other Commitments**
  - Export Obligations in relation to EPCG Benefits 

	716.49	138.19
--	--------	--------

### NOTE - 34

On divestment of shares of Gemini Edibles and Oil Pvt. Ltd. in an earlier year, pursuant to the Share Purchase Agreement, the Holding Company paid an amount of ₹ 2,836.52/- Lakh to the said Company by way of deposit which is refundable on receipt of various incentives by the said Company from Government authorities. Of the total amount paid, the Holding Company has received refund of INR 2,308.31/- Lakh till March 31, 2019. The Holding Company expects to recover the balance amount of INR 528.21/- Lakh fully. Accordingly, no provision for doubtful debts is considered necessary in this regards.

### NOTE - 35

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

As mentioned in note no. 45, the Honourable NCLT has admitted a petition to initiate insolvency proceeding against the Holding Company under the Code. As per the Code, it is required that the Holding Company be managed as a going concern during the CIRP. Further, as mentioned in note no. 45, the CIRP period continues to be in effect till the CoC approved Resolution Plan of PAL is approved by the NCLT.

The future prospects of the Holding Company would be determined on the completion of CIRP. Hence, in view of the above facts and continuing operations of the Holding Company, the consolidated financial statements have been prepared on a going concern basis.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 36

The Holding Company holds 51% in RJPL, with balance shareholding with J-Oil Mills Inc, Japan (J-Oil) 26% and Toyota Tsusho Corporation, Japan (TTC) 23%. According to Joint Venture Agreement and share subscription agreement, Board of Directors (BOD) of RJPL exercises power over relevant activities. The BOD comprises of 5 directors of which 3 are from RSIL, 1 each from J-Oil and TTC. Further, the decisions in the Board meeting and shareholders meeting are taken by simple majority except for Board Reserved Matters and Shareholders Reserved Matters where affirmative vote of each partner is required. Considering the fact that decisions that require affirmative vote of each of the partner are participative and substantive in nature as the thresholds for joint approval of contracts is low and the fact that if shareholders are unable to approve the annual plan, it would run on auto mode, Company does not have unilateral control over RJPL hence the Company has considered investment in RJPL as a joint venture and accordingly in Consolidated Financial Statements equity accounting is done.

## NOTE - 37

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

The exchange difference to the extent it relates to acquisition of depreciable asset is adjusted to the cost of the depreciable asset and depreciated over the balance life of the asset.

In other cases, the exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term asset/ liability.

Accordingly, during the year the Group;

- (a) has adjusted exchange (loss) of (₹ NIL) [Previous Year ₹ 257.01/- Lakh] in respect of long term foreign currency monetary items relating to acquisition of depreciable fixed assets to the cost of fixed assets [Refer Note 3a(i)].

## NOTE - 38 SEGMENT REPORTING

(₹ in Lakh)

### A. General Information

#### (a) Factors used to identify the Group's reportable segments, including the basis of organisation.

Based on the criterion as mentioned in Ind-As-108-"Operating Segment", the Group has identified its reportable segments, as follows:

- Segment-1, Extractions
- Segment-2, Vanaspati
- Segment-3, Oils
- Segment-4, Food Products
- Segment-5, Wind Power Generation
- Segment-6, Others

Unallocable - All the segments other than segments identified above are collectively included in this segment.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments.

#### (b) Following are reportable segments

Reportable segment	Description
Extractions	Various types of seed extractions
Vanaspati	Vanaspati, Bakery fats and Table spread
Oils	Crude oils, refined oils
Food Products	Textured Soya protein and Soya flour
Wind Power Generation	Electricity Generation from Wind Mills

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## (c) Other Segment

Others Seeds, Coffee, Soap, Fresh Fruit Bunch, Seedling, Plant and Equipment, Toiletry preparations and Castor seed.

By products related to each segment have been included under the respective segment.

Extraction is considered as the primary product resulting from the solvent extraction process and crude oil as the secondary product. While computing segment results, all costs related to solvent extraction process are charged to the extraction segment and recovery on account of crude oil is credited to the said segment. Credit for recovery of crude oil is taken on the basis of average monthly market price.

### B.1. Information about reportable segments- Financial Year 2018-2019

Particulars	Extractions	Vanaspati	Oils	Food Products	Wind Turbine Power Generation	Others	Unallocated	Total
<b>SEGMENT REVENUE</b>								
External Revenue	2,86,240.87	77,693.24	10,75,050.90	51,099.14	5,877.59	13,022.09	-	<b>15,08,983.83</b>
Less Intersegment Sales	1,66,573.47	-	68,167.41	-	1,319.64	-	-	<b>2,36,060.52</b>
<b>Total Segment Revenue</b>	<b>1,19,667.40</b>	<b>77,693.24</b>	<b>10,06,883.49</b>	<b>51,099.14</b>	<b>4,557.95</b>	<b>13,022.09</b>	<b>-</b>	<b>12,72,923.31</b>
<b>Segment Profit/ (Loss) before interest and taxes</b>	<b>635.28</b>	<b>228.31</b>	<b>9,933.35</b>	<b>1,710.83</b>	<b>2,726.75</b>	<b>(7,586.49)</b>	<b>-</b>	<b>7,648.03</b>
Add: Unallocable Income net of Unallocable Expenses	-	-	-	-	-	-	(3,267.54)	<b>(3,267.54)</b>
Less: Interest / Finance cost	-	-	-	-	-	-	14,220.36	<b>14,220.36</b>
Less: Provision for Doubtful Debts and advances and Bad Debts and Financial Guarantee Obligation and Others	-	-	-	-	-	-	5,489.79	<b>5,489.79</b>
<b>Profit before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,794.58)</b>
<b>Tax Expenses credited to profit and loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2.54)</b>	<b>(2.54)</b>
<b>Profit after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,797.12)</b>
<b>Other Information</b>								
SEGMENT ASSETS	68,551.86	18,376.35	1,90,146.51	12,368.80	37,801.52	26,204.19	4,42,957.34	<b>7,96,406.57</b>
SEGMENT LIABILITIES	7,388.88	13.24	2,62,195.85	261.49	138.53	48,896.21	9,79,794.68	<b>12,98,688.88</b>
CAPITAL EXPENDITURE	446.16	5.37	330.79	79.81	-	138.87	69.46	<b>1,070.46</b>
DEPRECIATION / AMORTISATION	3,567.50	1,148.56	6,080.26	558.85	1,866.71	628.45	-	<b>13,850.33</b>
NON CASH EXPENSES	-	-	-	-	-	-	5,766.58	<b>5,766.58</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## B.2. Information about reportable segments-Financial Year 2017-2018

(₹ In Lakh)

Particulars	Extractions	Vanaspati	Oils	Food Products	Wind Turbine Power Generation	Others	Unallocated	Total
<b>SEGMENT REVENUE</b>								
External Revenue	2,10,626.48	74,664.44	10,17,891.47	50,635.20	5,686.67	38,691.82	-	<b>13,98,196.08</b>
Less Intersegment Sales	1,23,964.29	-	70,128.48	-	1,398.24	-	-	<b>1,95,491.01</b>
<b>Total Segment Revenue</b>	<b>86,662.19</b>	<b>74,664.44</b>	<b>9,47,762.99</b>	<b>50,635.20</b>	<b>4,288.43</b>	<b>38,691.82</b>	<b>-</b>	<b>12,02,705.07</b>
<b>Segment Profit/ (Loss) before interest and taxes</b>	<b>(35.32)</b>	<b>290.03</b>	<b>12,276.66</b>	<b>1,117.40</b>	<b>2,513.26</b>	<b>(12,110.45)</b>	<b>-</b>	<b>4,051.58</b>
Add: Unallocable Income net of Unallocable Expenses	-	-	-	-	-	-	6,044.90	<b>6,044.90</b>
Less: Interest / Finance cost	-	-	-	-	-	-	97,037.61	<b>97,037.61</b>
Less: Provision for Doubtful Debts and advances and Bad Debts and Financial Guarantee Obligation and Others	-	-	-	-	-	-	5,19,535.10	<b>5,19,535.10</b>
<b>Profit before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,18,566.03)</b>
<b>Tax Expenses credited to profit and loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(43,739.06)</b>	<b>(43,739.06)</b>
<b>Profit after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,74,826.97)</b>
<b>Other Information</b>								
SEGMENT ASSETS	74,190.24	23,672.76	1,79,013.52	12,957.43	40,308.86	27,769.90	4,21,437.87	<b>7,79,350.58</b>
SEGMENT LIABILITIES	8,871.79	14.78	3,31,160.27	400.41	-	813.11	9,31,393.24	<b>12,72,653.60</b>
CAPITAL EXPENDITURE	55.23	16.66	354.80	8.84	-	333.74	369.34	<b>1,138.61</b>
DEPRECIATION/ AMORTISATION	3,558.69	1,164.98	6,498.24	564.98	1,866.71	625.86	-	<b>14,279.46</b>
NON CASH EXPENSES	-	-	-	-	-	-	5,26,006.03	<b>5,26,006.03</b>

## C. Revenue from Operation/Non current assets:

(₹ In Lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>I Revenue</b>		
Domestic	12,26,550.67	11,08,475.82
Foreign	46,372.64	94,229.25
<b>Total Revenue</b>	<b>12,72,923.31</b>	<b>12,02,705.07</b>
<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
<b>II Non-Current Assets*</b>		
Within India	5,31,455.27	5,46,460.72
Outside India	-	-

\*Non-current assets other than financial assets & income tax.



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## **NOTE - 39 RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES**

As per Ind AS-24, the disclosure of transactions with related parties are given below :

**(A) List of related parties where control exists and related parties with whom transactions have taken place and relationships :**

**(i) Person or a close members has control or joint control, significant influence on the reporting entity or is member of KMP in reporting entity :**

<b>(a) Name of persons/KMP</b>	<b>Relation</b>
Mr. Dinesh Shahra	Promoter Director
Mr. V. K. Jain	Whole-time Director
Mr. Ramjilal Gupta	Company Secretary
Mr. Anil Singhal	Chief Financial Officer
Mr. Navin Khandelwal up to 22.10.2018	Independent Director
Mr. Prabhu Lal Dwivedi upto 28.04.2017	Independent Director
Mr. N. Murugan upto 28.03.2018	Independent Director
Mrs. Meera Dinesh Rajda upto 19.11.2018	Independent Director

<b>(b) Name of the close members</b>	<b>Relation</b>
Mr. Kailash Shahra	Brother of Promoter Director
Mr. Sarvesh Shahra	Son of Promoter Director

**(ii) (a) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)**

<b>Name of persons/entities</b>	<b>Relation</b>
Ruchi Hi-rich Seeds Pvt Ltd	Associate
Ruchi J-Oil Private Limited (Liquidation from 21.08.2018)[ Refer Note 5a D]	Joint Venture
GHI Energy Private Limited	Associate
Indian Oil Ruchi Biofuels LLP [upto 25.01.2019] [ Refer Note 5a E]	Partner
RSIL Beneficiary Trust	Trust

**(iii) The entity is controlled or jointly controlled by a person identified in (i)**

<b>Name of persons/entities</b>
Shahra Brothers Private Limited
Mahadeo Shahra & Sons
High Tech Realty Pvt. Ltd.
Disha Foundation Trust
Mahakosh Holdings Pvt. Ltd.
Ruchi Biofuels Pvt. Ltd.
Suresh Shahra HUF
Santosh Shahra HUF
Mahadeo Shahra Sukrat Trust
Mahakosh Family Trust

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

(₹ In Lakh)

S. No	Particulars	2018-19	2017-18
1	<b>Payment to Key Managerial Personnel/Relative</b>		
	Mr. Dinesh Shahra	-	89.29
	Mr. V. K. Jain	58.04	51.67
	Mr. Ramjilal Gupta	70.18	64.05
	Mr. Anil Singhal	92.01	81.32
2	<b>Sitting Fee Expenses</b>		
	Mr. Navin Khandelwal	-	1.05
	Mr. N. Murugan	-	0.70
	Mrs. Meera Dinesh Rajda	-	0.55
3	<b>Rent Paid/ Storage Charges Expenses</b>		
	Mr. Dinesh Shahra	0.08	0.90
	Shahra Brothers Private Limited	3.16	3.11
	Disha Foundation (Trust)	20.78	218.83
	Mahakosh Holdings Private Limited	-	4.87
	Suresh Shahra HUF	9.64	9.57
	Santosh Shahra HUF	4.12	3.39
4	<b>Revenue from Operations</b>		
	Ruchi J-Oil Private Limited	-	1,090.78
5	<b>Money Received on Capital Reduction</b>		
	Ruchi J-Oil Private Limited	1,632.00	-
6	<b>Reimbursement of Expenses Received (Net)</b>		
	Ruchi J-Oil Private Limited	-	69.20
7	<b>Purchase of Goods</b>		
	Ruchi J-Oil Private Limited	-	1,089.06
	Mahadeo Shahra & Sons	-	173.38
8	<b>Reimbursement of Expenses</b>		
	Shahra Brothers Private Limited	1.59	1.59
9	<b>Donation Given</b>		
	Mahadeo Shahra Sukrat Trust	-	5.00
10	<b>Impairment in value of investment</b>		
	GHI Energy Private Limited	-	137.34
	Indian Oil Ruchi Biofuels LLP	1.53	-
11	<b>Provision for Doubtful Debts and Advances</b>		
	High Tech Realities Private Limited	750.00	-
12	<b>Loans and Advances Receivable</b>		
	Mr. Ramjilal Gupta	2.47	2.70
	Mr. Anil Singhal	2.90	-
	RSIL Beneficiary Trust	0.85	0.85
	Mahakosh Family Trust	5.46	5.46
13	<b>Other Liabilities Payable</b>		
	Mr. Anil Singhal	-	0.07

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

S. No	Particulars	2018-19	2017-18
14	<b>Other Financial Liabilities</b>		
	Mr. Dinesh Shahra	13.34	13.27
	Mr. V. K. Jain	10.55	0.49
	Mr. Anil Singhal	-	0.40
	Mr. Kailash Shahra	3.50	3.50
	Mr. Sarvesh Shahra	5.08	5.08
	Mr. Ramjilal Gupta	-	1.00
15	<b>Trade Payables*</b>		
	Ruchi J-Oil Private Limited	26.30	31.13
	Shahra Brothers Private Limited	2.31	2.31
	Mahadeo Shahra & Sons	0.15	0.15
	Disha Foundation (Trust)	95.08	76.06
	Mahakosh Holdings Private Limited	1.61	1.61
	Suresh Shahra HUF	4.33	4.26
	Santosh Shahra HUF	1.15	0.90
16	<b>Trade Receivables</b>		
	Mahakosh Family Trust	38.60	38.60
17	<b>Security Deposit Receivable</b>		
	High Tech Realities Private Limited	-	750.00
	Disha Foundation (Trust)	1,350.00	1,350.00
	Mahakosh Family Trust	15.00	15.00
18	<b>Sitting Fees Payable</b>		
	Mr. Kailash Shahra	0.15	0.15
19	<b>Service Charges Received / Receivable</b>		
	Ruchi J-Oil Private Limited	4.83	-
20	<b>Guarantees Given</b>		
	GHI Energy Private Ltd.	9,600.00	9,600.00
21	<b>Investment</b>		
	Ruchi Hi-rich Seeds Pvt. Ltd.	239.91	228.94
	Ruchi J-Oil Private Limited	178.78	1,343.41
	GHI Energy Private Limited	895.91	375.10
	Indian Oil Ruchi Biofuels LLP	-	1.53

\*Trade Payables includes ₹ 19,005.65 Lakh on account of Bills of Exchange drawn by the suppliers on the Holding Company ( for the goods supplied to Holding company) and discounted by the suppliers with their bankers on without recourse basis. [Refer Note 17b]

**Note :-** (1) In view of pendency of the CIRP the management of affairs of the Holding Company and power of board of directors are now vested with Resolitional Professional.

(2) Since Resolution Professional Mr.Shailendra Ajmera has been appointed pursuant to NCLT order dated 15.12.2017 under IBC, he is not considered as Related Party.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 40 NON-CONTROLLING INTEREST

(₹ in Lakh)

The following table summarises the information relating to the Group's subsidiary that has material NCI, before any intra-group eliminations.

Particulars	Ruchi worldwide Limited	
	47.52%	
NCI Percentage	March 31, 2019	March 31, 2018
Non-current assets	195.61	209.65
Current assets	928.18	40,884.79
Non-current liabilities	13.46	12.36
Current liabilities	1,02,078.31	88,678.37
<b>Net assets</b>	<b>(1,00,967.98)</b>	<b>(47,596.29)</b>
<b>Net assets attributable to NCI</b>	<b>(47,979.98)</b>	<b>(22,617.76)</b>
Revenue	1,582.14	4,895.52
Loss	(16,361.34)	(24,601.87)
OCI	-	(0.36)
<b>Total Comprehensive Income/(Loss)</b>	<b>(16,361.34)</b>	<b>(24,602.23)</b>
Profit allocated to NCI	(7,775.02)	(11,690.81)
Total Comprehensive Income allocated to NCI	(7,775.02)	(11,690.98)

## NOTE - 41 EARNINGS PER SHARE (EPS)

(₹ in Lakh)

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/(Loss) attributable to equity holders 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.

### i. Profit attributable to Equity holders

(₹ in Lakh)

Particulars	March 31, 2019	March 31, 2018
Profit/(Loss) after tax attributable to equity holders	(1,029.30)	(5,63,769.65)
<b>Profit/(Loss) attributable to equity holders for basic earnings</b>	<b>(1,029.30)</b>	<b>(5,63,769.65)</b>
Expenses directly charged to Reserves	-	(60.67)
<b>Profit/(Loss) attributable to equity holders</b>	<b>(1,029.30)</b>	<b>(5,63,830.32)</b>

### ii Weighted average number of shares for Basic EPS and Diluted EPS

3,264.71

3,264.71

### Basic and Diluted earnings per share (i/ii)

Particulars	March 31, 2019	March 31, 2018
<b>Basic earnings per share (in ₹)</b>	<b>(0.32)</b>	<b>(172.70)</b>
<b>Diluted earnings per share (in ₹)</b>	<b>(0.32)</b>	<b>(172.70)</b>

**Note:** In Previous Year Stock options has an anti-dilutive effect on earnings per share hence have not been considered for the purpose of computing diluted earning per share.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (₹ in Lakh)

### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(i) March 31, 2019	Notes	Carrying amount					Fair value			
		FVTPL	FVTOCI	Total Fair Value	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non Current assets</b>										
<b>Financial assets</b>										
(i) Investments	5(a)	-	946.10	946.10	419.78	<b>1,365.88</b>	946.10	-	-	<b>946.10</b>
(ii) Loans	5(b)	-	-	-	3,538.76	<b>3,538.76</b>	-	-	-	-
(iii) Others	5(c)	-	-	-	1,415.48	<b>1,415.48</b>	-	-	-	-
<b>Current assets</b>										
<b>Financial assets</b>										
(i) Investments	8(a)	1,747.65	-	1,747.65	8.37	<b>1,756.02</b>	120.50	1,627.15	-	<b>1,747.65</b>
(ii) Trade receivables	8(b)	-	-	-	26,411.03	<b>26,411.03</b>	-	-	-	-
(iii) Cash and cash equivalents	8(c)	-	-	-	15,912.65	<b>15,912.65</b>	-	-	-	-
(iv) Bank Balance other than above	8(d)	-	-	-	27,208.56	<b>27,208.56</b>	-	-	-	-
(v) Loans	8(e)	-	-	-	112.90	<b>112.90</b>	-	-	-	-
(vi) Others	8(f)	124.04	-	124.04	217.84	<b>341.88</b>	-	124.04	-	<b>124.04</b>
<b>Total</b>		<b>1,871.69</b>	<b>946.10</b>	<b>2,817.79</b>	<b>75,245.37</b>	<b>78,063.16</b>	<b>1,066.60</b>	<b>1,751.19</b>	-	<b>2,817.79</b>
<b>Non Current liabilities</b>										
<b>Financial liabilities</b>										
(i) Borrowings	13	163.20	-	163.20	1,444.76	<b>1,607.96</b>	-	163.20	-	<b>163.20</b>
<b>Current liabilities</b>										
<b>Financial liabilities</b>										
(i) Borrowings	17(a)	-	-	-	8,22,909.84	<b>8,22,909.84</b>	-	-	-	-
(ii) Trade payables	17(b)	-	-	-	1,86,904.23	<b>1,86,904.23</b>	-	-	-	-
(iii) Other Financial liability	17(c)	-	-	-	2,72,211.18	<b>2,72,211.18</b>	-	-	-	-
<b>Total</b>		<b>163.20</b>	-	<b>163.20</b>	<b>12,83,470.01</b>	<b>12,83,633.21</b>	-	<b>163.20</b>	-	<b>163.20</b>

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

(ii) March 31, 2018	Notes	Carrying amount					Fair value			
		FVTPL	FVTOCI	Total Fair Value	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non Current assets</b>										
<b>Financial assets</b>										
(i) Investments	5(a)	-	1,693.24	1,693.24	1,574.97	<b>3,268.21</b>	1,417.98	272.76	2.50	<b>1,693.24</b>
(ii) Loans	5(b)	-	-	-	3,998.49	<b>3,998.49</b>	-	-	-	-
(iii) Others	5(c)	-	-	-	944.03	<b>944.03</b>	-	-	-	-
<b>Current assets</b>										
<b>Financial assets</b>										
(i) Investments	8(a)	1,127.13	-	1,127.13	8.37	<b>1,135.50</b>	110.58	<b>1,016.54</b>	-	<b>1,127.12</b>
(ii) Trade receivables	8(b)	-	-	-	28,315.97	<b>28,315.97</b>	-	-	-	-
(iii) Cash and cash equivalents	8(c)	-	-	-	3,899.79	<b>3,899.79</b>	-	-	-	-
(iv) Bank Balance other than above	8(d)	-	-	-	13,942.15	<b>13,942.15</b>	-	-	-	-
(v) Loans	8(e)	-	-	-	558.80	<b>558.80</b>	-	-	-	-
(vi) Other	8(f)	100.20	-	100.20	137.79	<b>237.99</b>	-	100.20	-	<b>100.20</b>
<b>Total</b>		<b>1,227.33</b>	<b>1,693.24</b>	<b>2,920.57</b>	<b>53,380.36</b>	<b>56,300.93</b>	<b>1,528.56</b>	<b>1,389.50</b>	<b>2.50</b>	<b>2,920.56</b>
<b>Non Current liabilities</b>										
<b>Financial liabilities</b>										
(i) Borrowings	13	153.68	-	153.68	7,181.55	<b>7,335.23</b>	-	<b>153.68</b>	-	<b>153.68</b>
<b>Current liabilities</b>										
<b>Financial liabilities</b>										
(i) Borrowings	17(a)	-	-	-	7,42,848.34	<b>7,42,848.34</b>	-	-	-	-
(ii) Trade payables	17(b)	-	-	-	2,54,447.84	<b>2,54,447.84</b>	-	-	-	-
(iii) Other Financial liability	17(c)	490.74	-	490.74	2,46,101.80	<b>2,46,592.54</b>	-	490.74	-	<b>490.74</b>
<b>Total</b>		<b>644.42</b>	<b>-</b>	<b>644.42</b>	<b>12,50,579.53</b>	<b>12,51,223.95</b>	<b>-</b>	<b>644.42</b>	<b>-</b>	<b>644.42</b>

## B. Measurement of fair values

Valuation techniques and significant unobservable inputs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

### Financial instruments measured at fair value

Type	Valuation technique
Currency Futures	Based on exchange rates listed on NSE/MCX stock exchange
Commodity futures	Based on commodity prices listed on MCX/ NCDX/ACE stock exchange
Forward contracts	Based on FEDAI Rates
Interest rate swaps	Based on Closing Rates provided by Banks
Open purchase and sale contracts	Based on commodity prices listed on NCDEX stock exchange, and prices Available on Solvent Extractor's association (SEA) along with quotations from brokers and adjustments made for grade and location of commodity
Options	Based on Closing Rates provided by Banks

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 43 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

### Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- (i) Market risk
  - (a) Currency risk;
  - (b) Interest rate risk;
  - (c) Commodity Risk;
  - (d) Equity Risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

### Risk management framework

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Group's risk management assessment policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

#### (i) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Group's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

#### (a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies (INR) of the Holding Company.

The Group, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Group does not use derivative financial instruments for trading or speculative purposes.

#### Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported by the management of the Group is as follows:

(₹ In Lakh)

Particulars	March 31, 2019			March 31, 2018		
	EUR Exposure in INR	USD Exposure in INR	AUD Exposure in INR	EUR Exposure in INR	USD Exposure in INR	AUD Exposure in INR
<b>Receivable net exposure</b>						
Trade receivables*	3,770.12	1,55,457.49	7.66	3,852.85	1,55,758.34	4.21
<b>Net statement of financial position exposure</b>	<b>3,770.12</b>	<b>1,55,457.49</b>	<b>7.66</b>	<b>3,852.85</b>	<b>1,55,758.34</b>	<b>4.21</b>
Forward exchange contracts against exports	-	-	-	-	9,707.80	-
<b>Receivable net exposure</b>	<b>3,770.12</b>	<b>1,55,457.49</b>	<b>7.66</b>	<b>3,852.85</b>	<b>1,46,050.54</b>	<b>4.21</b>
<b>Payable net exposure</b>						
Borrowings	-	27,731.67	-	-	27,731.67	-
Trade payables and other financial liabilities	-	2,51,473.80	-	-	3,20,528.04	-

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

Particulars	March 31, 2019			March 31, 2018		
	EUR Exposure in INR	USD Exposure in INR	AUD Exposure in INR	EUR Exposure in INR	USD Exposure in INR	AUD Exposure in INR
Statement of financial position exposure	-	2,79,205.47	-	-	3,48,259.71	-
Forward exchange contracts against imports and foreign currency payables	-	-	-	-	11,319.67	-
Payable net exposure	-	2,79,205.47	-	-	3,36,940.04	-
Total net exposure on Receivables/(Payables)	3,770.12	(1,23,747.98)	7.66	3,852.85	(1,90,889.50)	4.21

## Sensitivity analysis

A 1% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in Indian Rupees	Profit/(Loss) March 31, 2019		Profit/(Loss) March 31, 2018	
	Strengthening	Weakening	Strengthening	Weakening
EUR	37.70	(37.70)	38.53	(38.53)
USD	(1,237.48)	1,237.48	(1,908.90)	1,908.90
AUD	0.08	(0.08)	0.04	(0.04)

\*Excluding provision for doubtful debts ₹ 1,30,255.27/- Lakh.

### (b) 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 Group's exposure to market risk for changes in interest rates relates to borrowings from financial institutions and others.

For details of the Group's short-term and long term loans and borrowings, Refer Note 13, 17 (a) and 17(c) of these financial statements.

#### Interest rate sensitivity - fixed rate instruments

The Group's fixed rate borrowings Preference Shares issued to Ruchi Infrastructure Limited @ 6% in the year 2010-2011 and Investments into Preference Shares of GHI Energy Private Limited @ 6% in the year 2011-2012 are carried at fair value. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

#### Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding as at that date.

### A. March 31, 2019

(₹ In Lakh)

Particulars	Impact on Profit/(loss) before tax	
	100 bp increase	100 bp decrease
On account of Variable Rate Borrowings from Banks and Others	(9,677.64)	9,677.64
Sensitivity	(9,677.64)	9,677.64



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## B. March 31, 2018

Particulars	Impact on Profit/(loss) before tax	
	100 bp increase	100 bp decrease
On account of Variable Rate Borrowings from Banks and Others	(8,857.62)	8,857.62
<b>Sensitivity</b>	<b>(8,857.62)</b>	<b>8,857.62</b>

### (c) Commodity risk

The prices of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living and global production of similar and competitive crops. During its ordinary course of business, the value of the Group's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Group is subjected to price fluctuations in the commodities market.

While the Group is exposed to fluctuations in agricultural commodities prices, its policy is to minimise its risks arising from such fluctuations by hedging its sales either through direct purchases of a similar commodity or through futures contracts on the commodity exchanges. The prices on the commodity exchanges are generally quoted up to twelve months forward.

In the course of hedging its sales either through direct purchases or through futures, the Group may also be exposed to the inherent risk associated with trading activities conducted by its personnel. The Group has in place a risk management system to manage such risk exposure.

At the balance sheet date, a 1% increase/decrease of the commodities price indices, with all other variables remaining constant, would result in (decrease)/increase in profit before tax and equity by the amounts as shown below:

(₹ In Lakh)

Particulars	Profit/(loss)			
	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
<b>Effect of (increase) / decrease in prices</b>	<b>5.22</b>	<b>(5.22)</b>	<b>(33.32)</b>	<b>33.32</b>

### Assumptions used for calculation

Inventory	Commodity price * 1%
Derivative contract	Rate * 1%

### (d) Equity risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Holding Company's investments in Fair value through Other Comprehensive Income securities exposes the Holding Company to equity price risks. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of equity securities as of March 31, 2019, was ₹ 946.10/- Lakh [Previous Year 1,417.98/- Lakh]. A sensex standard deviation of 4% [Previous Year 5%] would result in change in equity prices of securities held as of March 31, 2019 by ₹ 37.60/- Lakh.[Previous Year ₹ 70.90/- Lakh]

### (ii) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customer. The Group establishes an allowance for doubtful debts and impairment that represents its estimate on expected loss model .

### A. Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

(₹ In Lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Neither past due nor impaired		
<b>Past due but not impaired</b>		
Past due 0–90 days	24,675.60	23,476.10
Past due 91–180 days	298.50	980.48
Past due more than 180 days	1,416.55	4,067.85
<b>Total</b>	<b>26,390.65</b>	<b>28,524.43</b>

**Expected credit loss assessment for customers as at March 31, 2019 and March 31, 2018**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine expected credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. The impairment loss related to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances. The Group has made further provision for Doubtful debts.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(₹ In Lakh)

March 31, 2019

<b>Balance as at April 1, 2018</b>	<b>7,21,264.60</b>
Reversal of Expected credit Loss	2,556.91
<b>Balance as at March 31, 2019</b>	<b>7,23,821.51</b>

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(₹ In Lakh)

March 31, 2018

<b>Balance as at April 1, 2017</b>	<b>2,28,699.04</b>
Impairment loss recognised as per ECL/ Provision for doubtful debts	4,92,565.56
<b>Balance as at March 31, 2018</b>	<b>7,21,264.60</b>

## B. Cash and cash equivalents

The Group holds cash and cash equivalents with credit worthy banks and financial institutions of ₹ 15,912.65/- Lakh as at March 31, 2019 [Previous Year ₹ 3,899.79/- Lakh]. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

## C. Derivatives

The derivatives are entered into with credit worthy banks and financial institution on counterparties. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

## D. Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

**Financial instruments – Fair values and risk management**

### (iii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Liquidity crises has led to default in repayment of principle and interest to lenders. The Group has been taking measures to ensure that the Group's cash flow from business borrowing is sufficient to meet the cash requirements for the Group's operations. The Group managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine headroom or any short falls. Presently Group's objective is to maintain sufficient cash to meet its operational liquidity requirements.

## Exposure to liquidity risk

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

\* all non derivative financial liabilities

\* net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flows.

(₹ In Lakh)

Particulars		Carrying amount	Contractual cash flows				
A	As at March 31, 2019		Total	1 year or less	1-2 years	2-5 years	> 5 years
(i)	<b>Non-derivative financial liabilities</b>						
	Secured term loans and borrowings	8,80,399.04	8,80,369.04	8,80,369.04	-	-	-
	Unsecured term loans and borrowings	5,919.30	5,919.31	4,475.23	236.95	650.80	556.33
	Redemable preference shares	163.20	200.00	-	-	200.00	-
	Trade payables	1,86,904.23	1,86,904.23	1,86,904.23	-	-	-
	Other financial liabilities (repayable on demand)	2,10,247.44	2,10,247.44	2,10,247.44	-	-	-

Particulars		Carrying amount	Contractual cash flows				
B	As at March 31, 2018		Total	1 year or less	1-2 years	2-5 years	> 5 years
(i)	<b>Non-derivative financial liabilities</b>						
	Secured term loans and borrowings	8,01,869.86	8,01,869.86	8,01,869.86	-	-	-
	Unsecured term loans and borrowings	5,918.62	5,918.62	296.62	501.07	4,662.20	458.73
	Redemable preference shares	153.68	200.00	-	-	200.00	-
	Trade payables	2,54,447.84	2,54,447.84	2,54,447.84	-	-	-
	Other financial liabilities (repayable on demand)	1,88,343.21	1,88,343.21	1,88,343.21	-	-	-
(ii)	<b>Derivative financial liabilities</b>						
	Foreign exchange forward contract						
	– Outflow	-	28.95	28.95	-	-	-
	– Inflow	-	36.79	36.79	-	-	-
	Commodity contracts	490.74	490.74	490.74	-	-	-

## Note :

The inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 44 CAPITAL MANAGEMENT

The Groups's objective when managing the capital is to safeguard the Groups's ability to continue as a going concern. In order to provide the return to shareholders and benefits to other stakeholder's and to maintain an optimal capital structure to reduce the capital.

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Equity comprises of Equity share capital and other equity. However, in view of certain adverse factors and liquidity problems faced by the Group, the net worth of the group has been fully eroded and the Group is presently under CIRP process and thereby continue to operate as a going concern.

The Group's adjusted net debt to adjusted equity ratio was as follows:

(₹ In Lakh)

A. Particulars	As at March 31, 2019	As at March 31, 2018
Non-current Borrowings	1,607.96	7,335.23
Current Borrowings	8,22,909.84	7,42,848.34
<b>Current Maturity :</b>		
- From State Government	4,474.54	296.62
- Finance lease obligations	12.47	12.47
Interest accrued	83,025.81	80,841.96
<b>Term Loans from Banks :</b>		
- Rupee Loans	32,109.31	32,088.20
- Foreign Currency Loans	25,367.42	25,361.30
<b>Total Debt</b>	<b>9,69,507.35</b>	<b>8,88,784.12</b>
Less : Cash and cash equivalent	15,912.65	3,899.79
<b>Adjusted net debt</b>	<b>9,53,594.70</b>	<b>8,84,884.33</b>
<b>Total equity</b>	<b>(4,71,889.65)</b>	<b>(4,70,685.38)</b>
Adjusted net debt to adjusted equity ratio	<b>(2.02)</b>	<b>(1.88)</b>

### B. Dividends

No dividend is paid by the Holding Company in last three Years.

### C. Loan Covenants

In order to achieve this overall objective, the Group capital management amongs other things, aims to ensure that it meets financial covenants attached to the interest bearing loan and borrowings that defined capital structure requirements. There have been breaches in the financial covenants of interest bearing loan and borrowings in the current period and previous periods. The lenders have declared the borrowings has non-performing assets as per prudential norms of Reserve Bank of India. [Refer Note 45]

## NOTE - 45

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

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

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

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

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

The RP filed an application bearing MA No. 1721 of 2019 in the Holding Company Petition under Section 30(6) of the Code before the Hon’ble NCLT for its consideration and approval of the PAL Resolution Plan. The same is pending for approval.

In terms of Sections 14(4) and 31(3) of the Code, until the resolution plan is approved by the Hon’ble NCLT, the moratorium shall continue to be in effect and accordingly, the RP shall, continue to manage operations of the Holding Company on a going concern basis during the CIRP.

These consolidated financial statements were placed before the RP, the CFO and the Company Secretary on 29 May, 2019 for their consideration. Accordingly, the consolidated financial statements were considered and recommended in the meeting. In view thereof, the RP, in reliance of such examination by and the representations, clarifications and explanations provided by the CFO, has approved the same. The CFO has provided the certifications and representations with responsibility in respect of various secretarial, compliance and broad matters pertaining to the period prior to Insolvency Commencement Date. The Resolution Professional is relying on the management representation letter dated 29 May, 2019 for all information and confirmations in relation to the day to day functioning of the Holding Company.

The RP has approved these consolidated financial statements only to the limited extent of discharging the powers of the Board of Directors of the Holding Company (suspended during CIRP) which has been conferred upon him in terms of provisions of Section 17 of the Code.

## NOTE - 46

The carrying value of Holding Company’s tangible assets (including capital work in progress of ₹ 2,691.30 Lakh) and intangible assets as at 31st March 2019 is ₹ 3,73,856.97 Lakh and ₹ 1,51,589.30 Lakh, respectively. As explained in note no. 45 above, the Holding Company is under CIRP. As such, the Holding Company has not taken into consideration any impact on the value of the tangible and intangible assets, if any, in preparation of Financial statements as required by Ind-AS 10 on “Events after the reporting period”. Further, the Holding Company has also not made full assessment of impairment as required by Ind AS 36 on Impairment of Assets, if any, as at 31st March, 2019 in the value of tangible and intangible assets.

## NOTE - 47

The Demat Statement as at 31st March 2019 which is evidence of ownership for certain investments of Holding Company amounting to ₹ 946.10 Lakh has not been provided by the depository participant.

## NOTE - 48

In respect of Holding Company’s borrowings from banks and financial institutions aggregating ₹ 2,74,114.55 Lakh, bank balances (current account and term deposits) aggregating ₹ 1,908.44 Lakh, balance confirmations as at 31st March 2019 has not been received by the Holding Company. In accordance with the Code, the IRP/RP has to receive, collate and admit the claims submitted against the Holding Company. Such claims can be submitted to the IRP/RP during CIRP, till the approval of a resolution plan by the CoC. Pursuant to the claims received on December 29, 2017, the CoC was formed on January 5, 2018, and the list of such creditors was duly notified to the NCLT and uploaded on the Holding Company website.

In respect of claims submitted as on 15th December 2017, the RP has admitted financial and operational creditor claims in the list of creditors filed with the NCLT dated April 26, 2019. No accounting impact in the books of accounts has been made in respect of excess, short or non-receipts of claims for the financial and operational creditors.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 49

- (i) The Holding Company has not recognised interest payable, after the insolvency commencement date i.e. 15th December 2017, on borrowings from banks and financial institutions, customer advance, inter corporate deposits and security deposits received and bank charges on borrowing from banks and financial institutions. Accordingly, interest and bank charges amounting to ₹ 1,56,848.90 Lakh for the year ended 31st March 2019, has not been recognised (₹ 34,561.14 Lakh for the year ended 31st March 2018). Cumulative interest till 31st March 2019 is ₹ 1,91,410.04 Lakh. The same is not in compliance with Ind AS - 23 on "Borrowing Cost" read with Ind AS - 109 on "Financial Instruments".
- (ii) Certain trade payables, trade receivables and borrowings denominated in foreign currency and outstanding at insolvency commencement date i.e. 15th December 2017 and which continue to remain outstanding as at 31st March, 2019, impact of exchange difference i.e. loss of ₹ 2,356.13 Lakh for year ended 31 March, 2019 on the same is not recognised (Loss of ₹ 1,926.86 Lakh for the year ended 31st March 2018). Cumulative foreign exchange difference loss is ₹ 4,282.99 Lakh till 31st March, 2019. The same is not in compliance with Ind AS - 21 on "The Effects of Changes in Foreign Exchange Rates" that requires foreign currency monetary items shall be translated using the closing rate.
- (iii) Had provision for interest, exchange difference and bank charges would be recognised, finance cost and total expenses would have been higher and loss for the year and total comprehensive income would have been higher by equivalent amount as mentioned above having consequential impact on other current financial liability and other equity.

## NOTE - 50

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

## NOTE - 51

In respect of Holding Company's trade receivables and advances given to vendors, customers' advances received & trade payables balance confirmations has been sent to various parties out of which few parties have confirmed their balance as at 31st March 2019.

## NOTE - 52

M. P. Power Management Co. Ltd. one of the customers to whom wind power is sold, has remitted ₹ 1,189.24 Lakh in one of the bank account of the Holding Company which was not credited in the Holding Company's bank account till March 31, 2019. Post March 31, 2019, the same has been credited in the Holding Company's bank account.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 53

- (i) The ministry of corporate affairs (MCA) on 28th March 2018, notified Ind AS 115 “Revenue from contracts with customers” as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018 and the same is effective for accounting period beginning on or after 1st April 2018. The Group Company has applied modified retrospective approach in adopting the new standard. In Compliance with Ind AS 20 on Government Grants and consequent to issuance of Education Material by The Institute of Chartered Accounts of India on Ind AS 115, the amount of export incentives have been reclassified from “Other Operating Revenue” to “Other Income”. The adoption of this standard did not have any material impact to the financial statements of the Group and these reclassifications have no impact on reported Profit before tax.
- (ii) Sale of products for the periods up to 30th June 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST). In accordance with ‘Ind AS 18 – Revenue’, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the previous year is not comparable with those of current year.
- (iii) The Group disaggregates revenue from contracts with customers by type of Business and geography . Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers”.
- (iv) Revenue disaggregation based on Geography and Revenue by business segments have been in Note no. 38 (Segment Reporting)
- (v) **Reconciliation of Revenue from Operation (Sale of Products) with contract price:** (₹ in Lakh)

<b>Particulars For the Year Ended 31st March, 2019</b>	1,265,830.50
Contract Price	
<b>Less : Reduction towards variables considerations components *</b>	197.00
<b>Revenue from Operations</b>	<b>1,266,027.50</b>

\* The reduction towards variable consideration comprises of volume discounts, rate difference and quality claim etc.

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

(₹ in Lakhs)

Enterprises Consolidated as Subsidiary in accordance with Indian Accounting Standard 110 - Consolidated Financial Statements  
Additional Information, as required under Schedule III to the Companies Act, 2013, of Ruchi Soya Industries Limited (the Holding Company) and its subsidiaries, its associates and Joint Venture details are as under :

Name of the entity	Country of incorporation	Relationship	Proportion of Ownership Interest		Net Assets [Total assets minus Total Liabilities]		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
			2018-19	2017-18	As % of Consolidated net assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
Ruchi Soya Industries Limited	India	Holding Co.	N/A	NA	94.90%	(447,820.03)	-87.14%	7,672.01	361.54%	(632.57)	-78.40%	7,039.44
<b>A. Domestic</b>												
<b>- Subsidiary Company</b>												
Ruchi Worldwide Limited	India	Subsidiary	52.48	52.48	21.40%	(100,967.98)	185.83%	(16,361.34)	-	-	182.21%	(16,361.34)
Mrig Trading Private Limited	India	Subsidiary	100.00	100.00	0.00%	(12.01)	0.00%	(0.02)	-	-	0.00%	(0.02)
RSIL Holdings Private Limited	India	Subsidiary	100.00	100.00	-0.08%	355.53	-0.14%	12.73	-	-	-0.14%	12.73
<b>-Joint Venture (Investment accounted as per the Equity Method)</b>												
Ruchi J-oil Private Limited (Refer Note no. 5a D)	India	Joint venture	51.00	51.00	-0.05%	216.43	-0.28%	24.52	-	-	-0.27%	24.52
<b>- Associate (Investment accounted as per the Equity Method)</b>												
GHI Energy Private Limited	India	Associate	49.00	49.00	-0.02%	91.34	-0.87%	76.67	-	-	-0.85%	76.67
Ruchi Hi-rich Seeds Private Limited	India	Associate	21.91	24.29	-0.07%	348.24	1.23%	(108.39)	-	-	1.21%	(108.39)
<b>B. Foreign</b>												
<b>- Subsidiary Company and its step down subsidiaries</b>												
Ruchi Industries Pte. Limited	Singapore	Subsidiary	100.00	100.00	-0.01%	57.02	-0.18%	15.96	-	-	-0.18%	15.96
Ruchi Agri Plantation (Cambodia) Pte. Limited	Cambodia	Step down subsidiary	100.00	100.00	0.08%	(394.59)	0.04%	(3.70)	-	-	0.04%	(3.70)
Ruchi Agri Private Limited Company *	Ethiopia	Step down subsidiary	100.00	100.00	0.00%	-	-4.12%	362.38	-	-	-4.04%	362.38
Ruchi Agri, SARLU	South Africa	Step down subsidiary	100.00	100.00	0.01%	(50.87)	-4.49%	395.65	-	-	-4.41%	395.65
Palmolen Industries Pte. Limited	Cambodia	Step down subsidiary	100.00	100.00	0.11%	(506.80)	0.01%	(0.69)	-	-	0.01%	(0.69)
Ruchi Middle East Dmcc	Dubai	Step down subsidiary	100.00	100.00	-0.01%	53.65	0.88%	(77.32)	-	-	0.86%	(77.32)
Ruchi Ethiopia Holdings Limited	Dubai	Subsidiary	100.00	100.00	0.08%	(392.33)	9.16%	(806.46)	-	-	8.98%	(806.46)
Ruchi Agri Trading Pte. Limited	Singapore	Step down subsidiary	100.00	100.00	-0.01%	66.20	5.34%	(470.55)	-	-	5.24%	(470.55)
<b>C. Consolidation Adjustments/Elimination/Exchange Difference</b>					-16.33%	77,066.56	-5.27%	464.23	-261.54%	457.60	-10.27%	921.84
<b>Total</b>					<b>100.00%</b>	<b>(471,889.65)</b>	<b>100.00%</b>	<b>(8,804.32)</b>	<b>100.00%</b>	<b>(174.97)</b>	<b>100.00%</b>	<b>(8,979.29)</b>

Note :-

\* Bankruptcy decision was passed on 14th November, 2017 by Federal Democratic Republic of Ethiopia, Federal First Instance Court against one of the step down subsidiaries i.e. Ruchi Agri Private Limited Company incorporated in Ethiopia.



# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## NOTE - 55 ANNEXURE-I:

Pursuant to requirements of first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014. The Company has given the disclosure of the said requirement in FORM AOC -I.

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

S. No.	Domestic Subsidiary			Foreign Subsidiary							
	1	2	3	4	5	6	7	8	9	10	11
Name of the Subsidiary	Ruchi Worldwide Limited	Mrg trading Private Limited	RSIL Holdings Private Limited	Ruchi Industries Pte Limited	Ruchi Ethiopia Holdings Limited	Ruchi Agri Plantation (combodia) pte. Limited	Ruchi Agri Private Limited Company	Ruchi Agri Trading Pte. Limited	Ruchi Agri, Sarlu	Palmolien Industries Pte Limited	Ruchi Middle East DMCC
Reporting Period for the subsidiary concerned, if different from the holding Company's reporting period	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Reporting Currency and Exchange rate on the last date of the relevant Financial Year in the case of foreign Subsidiary	NA	NA	NA	USD	USD	USD	BIRR	USD	Ariry	USD	USD
Share Capital	1,894.07	1.00	606.00	60.00	77.77	20.00	1,312.29	20.00	100.00	0.05	5.17
Reserves & surplus	(102,862.05)	(13.01)	(250.47)	(59.18)	(83.45)	(25.70)	(1,312.29)	(19.04)	(2,719.14)	(7.38)	(4.40)
Total Assets	1,123.79	0.51	355.83	7.70	-	0.03	-	10.67	71,176.35	2.79	1.35
Total Liabilities	1,123.79	0.51	355.83	7.70	-	0.03	-	10.67	71,176.35	2.79	1.35
Investments	-	-	348.30	7.69	-	-	-	-	-	-	-
Turnover	-	-	-	-	-	-	-	-	-	-	-
Profit before taxation	(16,360.24)	(0.02)	12.73	0.25	(11.53)	(3.70)	(156.96)	(6.73)	19,301.76	(0.01)	(1.11)
Provision for taxation	(1.10)	-	-	0.02	-	-	-	-	2.00	-	-
Profit after taxation	(16,361.34)	(0.02)	12.73	0.23	(11.53)	(3.70)	(156.96)	(6.73)	19,299.76	(0.01)	(1.11)
% of shareholding	52.48%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes

Names of Subsidiaries which are yet to commence operations. NIL

# Notes

Notes to Consolidated Financial Statements for the year ended March 31, 2019

## Annexure II: Associates and Joint Venture

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

(₹ In Lakh)

Associates and Joint Ventures				
Sr. No.	Name of Associates/Joint Ventures	GHI Energy Private Limited	Ruchi J-Oil Private Limited	Ruchi Hi-Rich Seeds Private Limited
1	Latest audited Balance Sheet Date	May 13, 2019	May 09, 2018	May 24, 2019
2	Shares of Associates/Joint Venture held by the company on the year end			
	No. of shares	440,050	22,060	5,876,970
	Amount of Investment in Associates/Joint Venture	819.24	154.26	348.30
	Extent of holdings %	49%	51%	21.91%
3	Description of how there is significant influence	Due to % Shareholding	Due to % Shareholding	Due to % Shareholding
4	Reason why the associates/joint venture is not consolidated	NA	NA	NA
5	Networth attributable to shareholdings as per Latest audited Balance Sheet	186.41	3,576.29	1,589.39
6	Profit/Loss for the year			
	i. Considered in Consolidation	76.67	24.52	(108.39)
	ii. Not Considered in Consolidation	-	-	-

### NOTE - 56

The figures for the previous year have been re-grouped/ re-arranged, wherever necessary, to correspond with the current year's classification/disclosure.

As per our report of even date attached

**For Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration No. 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership no. 109859

Place: Mumbai  
Date: 29 May, 2019

For Ruchi Soya Industries Limited  
(a company under corporate insolvency resolution process vide NCLT order)

**Shailendra Ajmera**  
Resolution Professional  
IP Registration no. IBBI/IPA-001/  
IP-P00304/2017-18/10568

**Anil Singhal**  
Chief Financial Officer

Place: Mumbai  
Date: 29 May, 2019

**R. L. Gupta**  
Company Secretary

NOTE

## FORM NO. MGT-11

### Proxy Form

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

CIN : L15140MH1986PLC038536  
Name of the Company : Ruchi Soya Industries Limited  
Registered office : Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East), Mumbai – 400065

Name of the member(s)	:	.....
Registered address	:	.....
E-mail id	:	.....
Folio No./Client Id*	:	.....
DP ID*	:	.....

\*Applicable to shareholders holding shares in electronic form.

I/We ..... (name) of .....  
(place) being the holder(s) of ..... shares of the above named Company, hereby appoint :

1. Name: .....  
Address: .....  
E-mail Id: ..... Signature: ....., or failing him
2. Name: .....  
Address: .....  
E-mail Id: ..... Signature: ....., or failing him
3. Name: .....  
Address: .....  
E-mail Id: ..... Signature: .....,

Continued overleaf

### Ruchi Soya Industries Limited

CIN :L15140MH1986PLC038536

Registered office : Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East), Mumbai – 400065 Tel: +91-22 61090100/200 E-Mail: ruchisoyasecretarial@ruchisoya.com Website: www.ruchisoya.com

### ATTENDANCE SLIP

DP. Id*	
Client Id* :	

\*Applicable to shareholders holding shares in electronic form

Folio No.	
No. of Shares	

Name and Address of Shareholder :

I hereby record my presence at the 33<sup>rd</sup> Annual General Meeting of the Company held at Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4<sup>th</sup> Floor, 18/20, K. Dubhash Marg, Kala Ghoda, Mumbai-400 001, on Friday, the 13<sup>th</sup> December, 2019 at 11.00 a.m.

Signature of Shareholder

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the Company to be held on Friday, the 13<sup>th</sup> December, 2019 at 11.00 a.m. at Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4<sup>th</sup> Floor, 18/20, K. Dubhash Marg, Kala Ghoda, Mumbai-400 001 and at any adjournment thereof in respect of such resolutions as are indicated below :

Sr. No.	Resolution	For	Against
1	To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019, the reports of Board of Directors and Auditors thereon; and the audited consolidated financial statements of the Company for the financial year ended March 31, 2019.		
2	To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2020.		
3	To consider and approve the retirement by rotation of Mr. Dinesh Chandra Shakra, Director and not to fill up the vacancy so caused.		
4	To approve the re-appointment of Mr. Vijay Kumar Jain as Executive Director of the Company.		

Signed this \_\_\_\_\_ day of December, 2019

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

### ROUTE MAP TO AGM VENUE

#### Indian Textile Accessories & Machinery Manufacturers Association

Bhogilal Hargovindas Building, 4<sup>th</sup> Floor, 18/20, K Dubhash Marg, Kala Ghoda, Mumbai – 400 001



**If undelivered, please return to:**

**Sarthak Global Limited**

Registrars and Share Transfer Agents (Unit: Ruchi Soya Industries Limited)

170/10, R.N.T. Marg, Film Colony, Indore - 452 001, Madhya Pradesh

Phone: (+91-731) 4279626/2523545

E-mail: [investors@sarthakglobal.com](mailto:investors@sarthakglobal.com)

**RUCHI SOYA INDUSTRIES LIMITED**

**CIN – L15140MH1986PLC038536**

**Registered Office:** Ruchi House, Royal Palms, Survey No. 169,

Aarey Milk Colony, Near Mayur Nagar, Goregaon (East),

Mumbai - 400 065, Maharashtra

Phone: (+91-22) 61090100 / 200

Email: [ruchisoyasecretarial@ruchisoya.com](mailto:ruchisoyasecretarial@ruchisoya.com)