RANA SUGARS LIMITED

REGD. OFFICE : S.C.O. 49-50, SECTOR 8-C , MADHYA MARG, CHANDIGARH 160009 (INDIA)
TEL.: 0172-2540007 , 2549217 , 2541904 , 2779565 , 2773422, FAX : 0172-2546809
CIN: L15322CH1991PLC011537 E-MAIL : info@ranagroup.com
Website:www.ranasugars.com

Dated: October 5, 2018

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

BSE Limited,
Floor 25, P J Towers,
Dalal Street,
MUMBAI – 400 001.

Scrip code: NSE – RANASUG & BSE - 507490

Sub: Annual Report for the financial year 2017-18

Dear Sirs,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report for the financial year 2017-18 of the Company.

This is for your information and necessary action please.

Thanking you,

Yours faithfully,
for RANA SUGARS LIMITED

(MANMOHAN K. RAINA)
COMPANY SECRETARY

Encl: a/a.

26th Annual Report

2017-18

RANA SUGARS LIMITED

BOARD OF DIRECTORS

Rana Inder Pratap Singh	Managing Director
Rana Ranjit Singh	Director
Shri A.S. Sodhi	Director
Shri S.A.S. Bajwa	Director
Shri Baljit Singh	Director
Rana Veer Pratap Singh	Director
Shri Balour Singh	Director (Nominee of PEDA)
Shri M.P. Singh	Director (Nominee of PEDA)

COMPANY SECETARY

Manmohan K. Raina

AUDITORS

NJ & Associates
Charated Accountants
2218, Sector 15-C,
Chandigarh-160 015

BANKERS

State Bank of India
Sector 17-B, Chandigarh- 160 017
Bank of Baroda
Sector 22-B, Chandigarh- 160 022
UCO Bank
Sector 17-B, Chandigarh-160 017

REGD. OFFICE

SCO 49-50, Sector 8-C,
Madhya Marg,
Chandigarh-160 009

CONTENTS

Notice	3
Directors' Report	6
Auditors' Report	30
Balance Sheet	34
Profit & Loss Account	36
Cash Flow Statement	37
Schedules	39
Proxy Form	73
Polling Paper	75

NOTICE

Notice is hereby given that the 26th Annual General Meeting of Rana Sugars Limited will be held on Friday, the 28th day of September, 2018 at 3.00 P.M. at The Institution of Engineers (India), Madhya Marg, Sector 19-A, Chandigarh to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts of the Company for the financial year ended 31st March, 2018 and the reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Rana Ranjit Singh (DIN 00076770), who is liable to retire by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Rana Veer Pratap Singh (DIN 00076808), who is liable to retire by rotation and being eligible offers himself for reappointment.
4. 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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force), M/s. Ankush Arora & Associates, Chartered Accountants (Firm Registration No. 30578N) be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting, until the conclusion of the 31st Annual General Meeting of the Company, and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution :**

   "RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions if any, consent of the Company be and is hereby accorded for the payment of remuneration of Rs.50,000/- (Rupees Fifty thousand only) to M/s. Khushwinder Kumar & Co., Cost Accountants, Jalandhar (Firm Registration No. 100123), who were appointed as Cost Auditors by the Board of Directors in their meeting held on 30.05.2018 for carrying out Cost Audit of the Company for financial year 2018-19, be and is hereby approved."

By order of the Board
for **RANA SUGARS LIMITED**

Place: Chandigarh
Dated: 13th August, 2018

(MANMOHAN K. RAINA)
COMPANY SECRETARY

NOTES :

1. The Register of Members and the Share Transfer books of the Company will remain closed from 25th September, 2018 to 28th September, 2018 (both days inclusive) for the purpose of Annual General Meeting of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Businesses at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND ON A POLL ONLY TO VOTE ON HIS/HER BEHALF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.**

   The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/ authority letter, as applicable.
4. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.
5. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may also register their e-mail addresses through the RTA, giving reference of their Folio Number.
6. Voting through electronic means:

   I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to the members to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited.

   The instructions for shareholders voting electronically are as under:

   (i) The voting period begins on 25.09.2018 at 9.00 A.M. and ends on 27.09.2018 at 6.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

   (ii) The shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

   (iii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.

   (iv) Click on "Shareholders" tab.

   (v) 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.

   (vi) Next enter the Image Verification as displayed and Click on Login.

   (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

   (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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. Sequence number is printed on covering letter. • 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. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. • 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 (v).

   (ix) After entering these details appropriately, click on "SUBMIT" tab.

   (x) 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant Company on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for mobiles. The m-Voting app can be downloaded from Google Play store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) 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 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.
- 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 should be mailed to 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.

(xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 21.09.2018 may follow the same instructions as mentioned above for e-Voting.

(xxii) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxiii) The Company has appointed Mr. Ajay Arora, Company Secretary in whole time practice (ICSI membership No. FCS 2191 and Certificate of Practice No. 993) as the Scrutinizer to scrutinize and collate the e-voting process in a fair and transparent manner.

(xxiv) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(xxv) The results shall be declared after the AGM of the Company. The result alongwith the Scrutinizer's Report shall be placed on the Company's website www.ranasugars.com and on the website of CDSL.

(xxvi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail to Mr. Ajay Arora, Practising Company Secretary at his e-mail address ajaykcs@gmail.com with a copy marked to Company Secretary, Rana Sugars Limited, Chandigarh at mkraina@ranasugars.com.

7. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days from Monday to Friday between 11.00 AM to 2.00 PM up to the date of Annual General Meeting.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

Pursuant to section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to approve the payment of remuneration of Rs.50,000/- (Rupees Fifty thousand only) to the Cost Auditors as approved by the Board of Directors in their meeting held on 30.05.2018 for the Financial Year 2018-19.

None of the Directors and/or Key Management Personnel of the Company and their relatives are concerned or interested in the resolution.

The Board recommends the resolution for the approval of the Members set out at Item No. 5.

By order of the Board
for **RANA SUGARS LIMITED**

Place: Chandigarh
Dated:13th August, 2018

(MANMOHAN K. RAINA)
COMPANY SECRETARY

BOARD REPORT

To the Members,

Your Directors have pleasure in submitting their 26th Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2018.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review alongwith previous years figures are given hereunder :

(Rs. In lakhs)

Particulars	Current Year ended 31.03.2018	Previous Year ended 31.03.2017
Revenue from Business Operations	98,767.04	1,14,670.11
Other Income	704.46	154.05
Total Income	99,471.51	1,14,824.16
Less Interest	9,893.83	9,013.83
Profit /(Loss) before Depreciation & Amortization Exp.	(5574.66)	(964.64)
Less Depreciation & Amortization Exp.	3,139.42	2,841.85
Profit/ (Loss) after depreciation and interest	(8,714.08)	(3,806.49)
Less Current Income Tax	--	--
Less Previous year adjustment of Income Tax	--	--
Less Deferred Tax	(64.45)	705.81
Profit/(Loss) after Tax	(8,649.62)	(4,512.30)
Dividend (including interim if any and final)	--	--
Other Comprehensive income not to be reclassified to profit or loss in subsequent periods :		
- Re-measurement gains/ (losses) on defined benefit plans	(9.90)	18.60
- Income tax effect	3.06	(5.75)
Other comprehensive income/(loss) for the year, net of tax	(6.84)	12.85
Total comprehensive income for the year, net of tax attributable to :	(8,656.46)	(4,499.45)
- Earning per share (Basic)	(5.63)	(2.94)
- Earning per Share (Diluted)	(5.63)	(2.94)

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

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first financial statements which have been prepared in accordance with the Ind AS notified under the Companies Indian Accounting Standards Rules, 2015, as amended from time to time. The Company is in Phase II of Ind AS adoption and accordingly the date of transition is 1st April 2016.

In respect of financial information for the year ended 31st March 2018, the Company followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exceptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1st April 2016. The Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017.

2. DIVIDEND

In view of losses suffered during the current financial year, your Directors are unable to recommend any dividend for the year under review.

3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

a. Production and Profitability

The sugar production of the country during 2017-18 is expected to reach 315 lakhs tones as against last year production of 203 lakhs tones. Your Company has crushed 2,51,88,797 qtls. of sugarcane and 31,87,930 qtls. of sugar beets and has produced 27,75,145 qtls. of sugar during the year under review. The Company has also produced 12,90,702 qtls. of molasses and 26,39,69,514 units of electricity, 44,72,026 BL of spirit, 1,97,11,959 BL of ethanol and 10,16,080 cases of liquor.

b. Sales

The turnover of the Company has come down to Rs. 98,767 Lakhs as against Rs.1,14,670 Lakhs in the last year and the Company has suffered loss of Rs. 8656.46 lakhs during the year. This is due to steep fall in sugar price & molasses rate during the year.

c. Marketing and Market environment

The Government of India has continued with the decontrol mechanism. Due to steep fall in sugar prices there is huge loss of Rs. 8656.46 Lakhs during the year. The Government of India is taking various steps to stabilize sugar price. It has allowed export of sugar providing 20 lakhs MT minimum indicate export quota (MIEQ). It has fixed minimum sugar price and increased the price of ethanol.

d. Future Prospects including constraints affecting due to Government policies.

The sugar price has gone down by 25% in the season and is presently below the average cost of production.

The Company is now trying to find new varieties of cane which give high recovery, besides encouraging sowing of sugar beet in its area.

4. MATERIAL CHANGES AND COMMITMENTS

No material changes or commitments have occurred between the end of the financial year to which the financial statements relate and on the date of this report, affecting the financial position of the company.

5. DIRECTORS

Rana Ranjit Singh and Rana Veer Pratap Singh, Directors are liable to retire by rotation and being eligible, offers themselves for re-appointment.

Particulars of Directors seeking appointment/re-appointment have been given in the Corporate Governance annexed to the Directors' Report.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In Accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board hereby submit its responsibility Statement:

a) in the preparation of the annual accounts, 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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/Loss 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts 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.

7. KEY MANAGERIAL PERSONNEL (KMP)

During the financial period ended 31.03.2018, following persons are Whole Time Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act, 2013:

Sl. No.	Name	Designation
1.	Rana Inder Pratap Singh	Managing Director
2.	Mr. Manmohan K Raina	Company Secretary
3.	Mr. Manoj Gupta	Chief Financial Officer

8. MEETINGS OF THE BOARD

During the financial year ended 31.03.2018, four Board Meetings were held. The details of the Board Meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015.

9. DECLARATION FROM INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015.

10. INTERNAL FINANCIAL CONTROLS

The Company has internal control systems which is commensurate with its size, nature and volume of operations.

11. STATUTORY AUDITORS AND THEIR REPORT

M/s. N J & Associates, Chartered Accountants (Firm Registration No. 023083N) has submitted their resignation from the auditorship of the Company and shown their unwillingness to continue as auditor of the Company. As per the Companies Act, 2013, a new firm M/s. Ankush Arora & Associates, Chartered Accountants (Firm Registration No. 30578N) has been recommended for appointment as Statutory Auditors of the Company for a term of 5 years from the conclusion of the forthcoming Annual General Meeting of the Company. They have confirmed their eligibility under Section 141 of the Act, and the Rules framed thereunder, for their appointment as Auditors of the Company.

12. COST AUDITORS

M/s Khushwinder Kumar & Co., Cost Accountants (Firm Registration No 100123) were re-appointed as Cost Auditors of the Company for conducting the audit of the cost records maintained by the Company for the financial year 2018-19 subject to the approval of the Members on the remuneration to be paid to the Cost Auditors. A certificate from them has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Companies Act, 2013 and rules framed there under.

13. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s. A. Arora & Co., a firm of Company Secretaries (C.P.No.993) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in prescribed format MR-3 given by aforesaid Secretarial Auditors is annexed to this Board Report as Annexure 'F' and forms an integral part.

The Secretarial Auditor has neither qualified the Secretarial Audit Report nor given any adverse remark for which explanation may be required to be given in the Directors' Report.

14. FIXED DEPOSITS

The Company does not have any deposits and has neither accepted any deposits during the financial period ended March 31, 2018.

15. RISK MANAGEMENT POLICY

The Company has adopted a 'Risk Management Policy' which is reviewed on a periodic basis in order to recognize and reduce exposure to risks wherever possible. The Company's risk management policies are based on the philosophy of achieving substantial growth while mitigating and managing risks involved.

Your Company continues to review and manage the risks emanating from such a dynamic environment at periodic intervals. The major risks faced by the industry include sugarcane availability, price realization and regulatory control by Government and financial liquidity amongst others.

16. AUDIT COMMITTEE

The Audit Committee comprises of three Directors, all directors are independent Director. The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report.

17. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made there under, the Board has constituted a Nomination & Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report. The Board on the recommendation of Nomination & Remuneration Committee framed a policy i.e. Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and their remuneration. The aforesaid policy can be accessed on the Company's website **www.ranasugars.com**

18. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Report on Corporate Governance.

19. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company's policy relating to Corporate Social Responsibility is furnished in the Corporate Governance Report.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3) (m) of the Companies (Accounts) Rules, 2014 is enclosed as Annexure- A and forms part of this Report.

21. PARTICULARS OF EMPLOYEES

During the financial period ended 31.03.2018, there is no employee in the Company who is receiving remuneration more than Rs.5 lakhs per month or Rs.60 lakhs per annum.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or investments made under Section 186 of the Companies Act, 2013 during the year.

23. RELATED PARTY TRANSACTIONS

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

24. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website.

25. EXTRACT OF ANNUAL RETURN

The extracts of the Annual Return (MGT-9) as per the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 is annexed herewith and marked as Annexure – E to this Report.

26. CORPORATE GOVERNANCE

In accordance with SEBI (LODR), Regulations, 2015, Corporate Governance Report along with Auditors' certificate thereon and Management Discussion and Analysis Report form part of this report are enclosed as Annexure- B, C&D respectively.

27. SHARE CAPITAL

During the financial period ended 31.03.2018, the Company has not issued any share capital with different voting rights, sweat equity or ESOP nor provided any money to the employees or trusts for purchase of its own shares.

28. ACKNOWLEDGEMENTS

The Directors wish to thank and deeply acknowledge the cooperation, assistance and support extended by Central Government, State Governments, Banks, Financial Institutions, Dealers and Vendors of the Company. The Directors also wish to place on record their appreciation for the all-round co-operation and contribution made by the employees at all levels.

For & on behalf of the Board of Directors

	Rana Inder Pratap Singh Managing Director DIN: 00075107	**Rana Veer Pratap Singh** Director DIN: 00076808
Place: Chandigarh Dated: 13.08.2018		

ANNEXURE - A

ANNEXURE TO THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH 2018

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE PRIVISONS OF SECTION 134(3) (M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014.

1. CONSERVATION OF ENERGY

The Company has installed most modern equipment to save and minimise energy consumption. The Company has installed three Turbo Alternators sets with power generation capacity of 87,500 KW. The entire requirement of power is met through captive generation. The Company has also made stand by arrangement of Diesel Generating Sets.

To achieve maximum conservation of energy, the Company has put up high pressure boilers and matching Turbo alternators and prime movers. The Company has also installed electrical motors of appropriate size and continuous centrifugals in place of batch type centrifugals.

	Year ended 31.03.2018	Year ended 31.03.2017
A. Electricity		
Purchased		
- **Sugar**		
- Unit Purchased	2,134,595	3,176,029
- Total Amount (₹)	17,779,130	25,476,019
- Rate Per Unit (₹)	8.33	8.02
Own Generation		
- **Sugar**		
- Through D.G. Set (Sugar Division) Units Generated	164,039	96,595
- Units Generated per litre of Diesel Oil	5.66	3.71
- Cost Per Unit (₹)	10.38	15.04
- Through Steam Turbine (Sugar Division) Units Generated	263,969,514	245,157,800
- Unit Generated per Qtl. of Fuel	36.68	49.75
- Cost Per Unit Electricity (₹)	2.26	1.97
- **Distillery**		
- Through D.G. Set		
- Units Generated	184,690	276,026
- Units Generated per litre of Diesel Oil	3.44	3.48
- Cost Per Unit (₹)	16.33	9.65
- Through Steam Turbine Units Generated	12,728,340	10,929,208
- Unit Generated per Qtl. of Fuel	34.52	25.91
- Cost Per Unit Electricity (₹)	2.71	2.81
B. Consumption Per Unit of Product		
- **Sugar**		
- Electricity (KW/MT)	288.29	340.35
- Fuel (MT/MT)	1.99	2.32
- Steam (MT/MT)	4.30	5.96
- **Distillery**		
- Electricity (KW/KL)	544.08	488.63
- Fuel (MT/KL)	1.52	1.84
- Steam (MT/KL)	5.95	7.17
C. Technology Absorption		
i) Research & Development		
a) Research & Development has continuously been carried out for improvement in quality of sugarcane and to increase the area under the sugarcane crop which will ensure its greater availability resulting into more production & better quality of cane and higher yield there by directly reducing the cost of production.		
b) The Company is trying to improve quality of Cane & ensure development of Cane by providing various facilities to the Cane growers.		
c) Amount incurred on Research & Development (₹ in lakhs)	2.13	1.64
ii) Technology Absorption, Adoption and innovation.		
a) Latest technology has been adopted in the plant to maximise production, yield and better quality along with minimum consumption of energy.		
b) Technology Imported	Nil	Nil
D. FOREIGN EXCHANGE EARNING & OUTGO		
a) Foreign Exchange Earning	13.18	17.24
b) Foreign Exchange Outgo (₹ in lakhs)	541.60	573.07

For & on behalf of the Board

Place : Chandigarh
Date : 13-08-2018

Rana Inder Pratap Singh
Managing Director

Rana Veer Pratap Singh
Director

ANNEXURE `B'

REPORT ON CORPORATE GOVERNANCE

A) Company's Philosophy on Code of Governance

Your Company strongly believes that good corporate governance is essential to achieve its business objectives and long term goals besides creating value for all its stakeholders management accountability. Company's guiding principles are focused on achieving the best standards of corporate governance and it is committed to attain the highest level of transparency and accountability in its dealings with investors, lenders, employees and all other stakeholders.

B) Board of Directors

The present strength of the Board of Directors is Nine, of which Eight are Non-Executive Directors. The Board members include one Managing Director, one Women Director and two nominee of Punjab Energy Development Agency.

During the year under review, four Board Meetings were held on 29th May, 2017, 14th September, 2017, 14th December, 2017 and 14th February, 2018. The composition of the Board of Directors and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of directorships in other companies are as follows:

Name of Director	Attendance at last AGM	No. of Board Meetings attended	Category of Director	Other Directorships
Rana Ranjit Singh	--	1	NED/P	4
Rana Inder Pratap Singh	Yes	4	MD/P	4
Rana Veer Pratap Singh	Yes	1	NED/P	2
Shri Asdev Singh Sodhi	Yes	1	NED	1
Shri Shivavtar Singh Bajwa	Yes	4	NED	2
Shri Baljit Singh	Yes	4	NED	1
Shri Balour Singh	--	1	NED/PEDA	1
Shri M. P. Singh	--	1	NED/PEDA	1
Mrs. Rani Mondal	--	1	NED	2

MD – Managing Director, P – Promoter, NED – Non Executive Director, PEDA – Punjab Energy Development Agency

C) Committees of the Board

The Board had constituted Four Committees, which are (a) Audit Committee (b) Stakeholder's Relationship Committee (c) Nomination and Remuneration Committee (d) Corporate Social Responsibility (CSR) Committee :

I) Audit Committee

The scope of activities of the Audit Committee are as set out in Clause 49 of the Listing Agreement with the NSE & BSE Limited read with regulation 18 of SEBI (LODR) Regulations, 2015, further read with Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are broadly as follows:

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

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholder (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the financial year ended on 31st March, 2018, 4 (four) meetings of the Audit Committee were held. The dates on which the meetings of the Audit Committee were held, are as under:

29th May, 2017 | 14th September, 2017

14th December, 2017 | 14th February, 2018

The composition of the Audit Committee and the details of meetings attended by the Directors are given below:

Name of the Director	Category	Designation	Meetings attended
Shri Asdev Singh Sodhi	Independent Non Executive	Chairman	1
Shri Shivavtar Singh Bajwa	Independent Non Executive	Member	4
Shri Baljit Singh	Independent Non Executive	Member	4

The Audit Committee invites such Executives as it considers appropriate to be present at its meetings. The Chief Financial Officer and Company Secretary attended all the meetings. The Statutory Auditors are invited to the meetings in which Quarterly/ Annual Accounts are considered. The Internal Auditors are also invited to the meetings in which Internal Audit Reports are discussed. The Company Secretary acts as the Secretary of the Committee.

II) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee has been constituted to specifically look into transfer/ transmission/ demat/ remat of shares, issue of duplicate/split/consolidation of share certificates, notices and to attend shareholder's complaints on SCORES system of SEBI or otherwise etc.

The present composition of Stakeholders' Relationship Committee is as under:

Name	Category	Status
Shri Asdev Singh Sodhi	Independent Non Executive	Chairman
Rana Veer Pratap Singh	Non Executive	Member
Shri Baljit Singh	Independent Non Executive	Member

This Committee meets fortnightly or as may be required. The Company Secretary of the Company is authorized to authenticate the transfers/ transmissions/ issue of duplicate share certificates etc. All requests for dematerialization of shares are processed and confirmed by M/s. Alankit Assignments Limited, Registrars and Share Transfer Agent of the Company.

Shri Manmohan K. Raina, Company Secretary of the Company, has been designated as the Compliance Officer.

Shareholders'/ Investors' complaints

Complaints pending as on 1st April, 2017	Nil
During the period from 1st April, 2017 to 31st March, 2018	Nil
Complaints identified and reported under Clause 41 of the Listing Agreement	--
Complaints disposed off during the year ended 31st March, 2018	Nil
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2018	Nil

III) Nomination and Remuneration Committee

The role of the Nomination and Remuneration committee as set out in Clause 49 of the Listing Agreement and as set out in SEBI (LODR) Regulations, 2015 and additional scope approved by the Board, inter-alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
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 recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Assessing and reviewing the performance of Senior/ Top Management Employees of the Company and recommend their remuneration package as per Policy of the Company after considering the employment scenario, remuneration package of the industry and remuneration package of the managerial talent of other industries.

During the financial year ended on 31st March, 2018 no meeting of the Nomination and Remuneration Committee was held and no director was appointed and not fixed remuneration of any director.

The composition of the Nomination and Remuneration Committee is as under :

Name of the Director	Category	Designation
Shri Shivavtar Singh Bajwa	Independent Non Executive	Chairman
Shri Asdev Singh Sodhi	Independent Non Executive	Member
Shri Baljit Singh	Independent Non Executive	Member

Remuneration Policy

Remuneration of the Chairman, Vice Chairman, Managing Director and Whole Time Director

The Company has framed a Remuneration Policy, the brief terms of which are given hereunder:-

a) At the time of appointment or re-appointment, the Chairman, Vice Chairman, Managing Director and Whole Time Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the respective Director within the overall limits as prescribed under the Companies Act, 2013 and rules made thereunder.

b) The remuneration shall be subject to the approval of the members of the Company in General Meeting.

c) The remuneration of the above said directors is broadly divided into fixed and variable component whereas the remuneration of Chairman consists of fixed components only.

d) The remuneration of the directors may also include Employee Stock Option Plans (ESOPs) as per the provisions of applicable laws.

e) The fixed compensation shall comprise salary, allowances, perquisites, amenities and retirement benefits. The variable component shall comprise of individual and company performance bonus.

f) In determining the remuneration (including the fixed increment and performance bonus) the Nomination & Remuneration Committee shall consider the following:

- The relationship of remuneration and performance benchmarks is clear;
- Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- Responsibility required to be shouldered by the above said Directors and the industry benchmarks and the current trends;
- The Company's performance vis-a-vis the annual budget achievement and individual performance vis-à-vis the Key Responsibility Area (KRAs) / Key Performance Indicators (KPIs).

g) Executive Directors are not entitled to sitting fees for attending meeting of directors.

Remuneration of Non-Executive Directors

The remuneration of Non Executive Directors shall be finalized considering the following:

They will be entitled to receive remuneration by way of sitting fees for attending meetings of the Board or its Committees at rates within the limits prescribed under the Companies Act, 2013 and rules made thereunder.

Remuneration of Key Managerial Personnel (KMP)/ Senior Management Personnel (SMP)

Key Managerial Personnel include Chief Financial Officer and Company Secretary appointed pursuant to the provisions of section 203(1) of the Companies Act, 2013 irrespective of the remuneration drawn by them.

Senior Management Personnel include the heads of Business Segments and functions to be specifically decided by the Nomination and Remuneration Committee, on the recommendation of the Chief Executive Officer (CEO).

IV) Corporate Social Responsibility Committee

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The composition of the CSR Committee is as under:-

i) Rana Inder Pratap Singh,

ii) Rana Veer Pratap Singh and

iii) Mrs. Rani Mondal

D) Subsidiary Companies

There is no subsidiary Company of Rana Sugars Limited.

E) General Body Meetings

(i) Annual General Meetings

Financial Year	Date	Time	Location	Special Resolution Passed
2016-2017	28.09.2017	3.00 p.m.	The Institution of Engineers (India), Madhya Marg, Sector 19-A, Chandigarh	No
2015-2016	30.09.2016	3.00 p.m.	--do--	No
2014-2015	30.09.2015	3.00 p.m.	--do--	No

F) Familiarisation Programme for Independent Directors

Independent Directors are familiarised with their roles, rights and responsibilities in the Company through a induction program at the time of appointment as Directors. The Company also discusses the industry overview, key regulatory and strategy updates.

G) Code of Conduct

The Company has evolved a Code of Conduct for the Directors and Senior Management Personnel of the Company (one level below the Managing Director including Head of the Department) which has been affirmed for adherence.

H) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Anti Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been setup to address complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainee) are covered under this policy.

Following is a summary of sexual harassment complaints received and disposed during the year 2017-2018.

No. of Complaints received : NIL

No. of Complaints disposed off : NIL

I) Disclosures

The pecuniary disclosure with regard to interested Directors

(a) Disclosures on materially significant related party transactions of the Company of material nature with the promoters, the Directors or the management, their subsidiaries or relatives, that may have potential conflict with the interests of the Company at large:

None of the transactions with any of related parties were in conflict with interests of the Company.

(b) Details of non-compliance by the Company, penalties, stricture imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years.

An amount of Rs. 10 Lakhs was imposed on the compnay as penality by SEBI u/s 23-1 of Securities Contracts Act, 1956

J) CEO & MD/ CFO Certification

In terms of Clause 49 of the Listing Agreement the certification of Managing Director and Chief Financial Officer on the Financial Statements and Internal controls relating to financial reporting has been obtained.

K) Means of Communication

The quarterly, half-yearly and annual audited financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. In addition, the Stock Exchanges are notified of any important developments that may materially affect the working of the Company. Disclosures with regard to shareholding pattern, change in major shareholding, quarterly Reconciliation of Share Capital Audit Report etc. are also sent to the Stock Exchanges as required under various Regulations.The results are normally published in Indian Express/ Financial Express/ Business Standard/Mint and Punjabi Tribune/ Hindi Tribune/ Hindustan/Jansatta.

L) General Shareholder's Information

i) 26th Annual General Meeting

Venue : The Institution of Engineers (India), Madhya Marg, Sector 19-A, Chandigarh

Date : 28th September, 2018

ii) Tentative Financial Calendar

Audited Annual Results (2016-17)	May, 2018
Publication of Audited Results	--
First Quarter Results	August, 2018
Publication of Half Yearly Results	November, 2018
Third Quarter Results	February, 2019
Fourth Quarter Results	May, 2019
Audited Annual Results (2017-18)	May, 2019

iii) Book Closure

The register of members and share transfer books of the Company shall remain closed from 25th September, 2018 to 28th September, 2018 (both days inclusive).

iv) Listing on Stock Exchanges and Stock Codes

The names of the stock exchanges at which the equity shares of the Company are listed and the respective stock codes are as under:

Sr.No.	Name of the Stock Exchange	Stock Code
1.	BSE Limited	507490
2.	National Stock Exchange of India Limited	RANASUG

v) Demat ISIN Number : INE625B01014

vi) Market price data

(Amount in Rs.)

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April, 2017	10.74	978	10.75	9.80
May, 2017	10.30	8.87	10.30	8.85
June, 2017	9.34	7.10	9.40	7.70
July, 2017	9.94	8.25	9.95	8.35
August, 2017	9.60	7.25	9.60	7.25
September, 2017	8.95	7.55	9.00	7.55
October, 2017	7.90	7.00	7.90	7.00
November, 2017	7.89	7.00	9.95	7.00
December, 2017	7.40	6.12	7.45	6.05
January, 2018	8.48	6.44	8.50	6.40
February, 2018	7.10	5.72	7.10	5.70
March, 2018	5.90	4.10	5.95	4.10

vii) Registrar and Transfer Agent

M/s. Alankit Assignments Limited,

205-208, Anarkali Market, Jhandewalan Extension, New Delhi-110 055.

viii) Share Transfer System

The Stakeholder Relationship Committee of the Company usually meets every fortnight to approve the transfer, transmission and issue of duplicate share certificates etc. The shares of the Company are traded in dematerialized form only.

ix) Distribution of Shareholding

The distribution of shareholding as on March 31, 2018 was as follows:

Sr. No.	No. of Equity Shares held	No. of Shareholders	% age of total shareholders	No. of shares held	% age of total shares
1.	1 to 100	24440	34.69	2023410	1.32
2.	101 to 500	22690	32.21	7324698	4.77
3.	501 to 1000	9578	13.60	8436476	5.49
4.	1001 to 5000	10339	14.68	25389400	16.53
5.	5001 to 10000	1818	2.58	13771535	8.97

6.	10001 to 20000	871	1.24	12566940	8.18
7.	20001 to 30000	265	0.38	6577350	4.28
8.	30001 to 40000	126	0.18	4385441	2.86
9.	40001 to 50000	87	0.12	3975540	2.59
10.	50001 to 100000	130	0.18	9502785	6.19
11.	100001 to 500000	91	0.13	17788943	11.58
12.	500001 and above	9	0.01	41825302	27.24
	Total	**70444**	**100.00**	**153567820**	**100.00**

Details of Shareholding as on 31st March, 2018 was as under :

Sr. No.	Category	No. of shares held	% shareholding
1.	Promoters	34766079	22.64
2.	Financial Institutions, Banks and Mutual funds	2962580	1.93
3.	NRIs, Foreign Nationals, OCBs and FIIs	4256686	2.77
4.	Private Corporate Bodies	8145062	5.30
5.	Indian Public/ HUF	99949633	65.09
6.	Others	3487780	2.27
	Total	**153567820**	**100.00**

x) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity - **Nil**

xi) Location of Plant

Sugar and Power Unit:

i) Village Buttar Seviyan, Tehsil Baba Bakala, District Amritsar, Punjab.

ii) Village Belwara, Tehsil & Distt. Moradabad, U.P.

iii) Village Karim Ganj, Tehsil Shahabad, Distt. Rampur, U.P.

Distillery Unit: Village Lauhka, Tehsil Patti, District Tarn Taran, Punjab.

xii) Address for Correspondence

Rana Sugars Limited

SCO 49-50, Sector 8-C, Chandigarh-160 009, **Tel.:** 0172-2773422, 2540007, 2779565 & 2549217 **E-mail:** info@ranagroup.com

M) Brief Profile of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (In pursuance to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Director	Rana Ranjit Singh	Rana Veer Pratap Singh
Age	60 years	36 years
Date of Appointment	30.07.1991	31.10.2002
Qualification	Diploma in Hotel Management	B.B.A.
Expertise	Rana Ranjit Singh is Managing Director of Rana Polycot Limited. He has over 32 years of experience in various business, such as sugar, textiles and agriculture and has been instrumental in the growth of the Rana Group.	Rana Veer Pratap Singh is one of the Promoter Directors. He has over 15 years of experience in various business, such as sugar, textiles and agriculture and has been instrumental in the growth of the Rana Group.
Shareholding of Directors in the Company	2196561	6139566
Directorship held in other Companies	1. Rana Polycot Limited 2. Rana Leathers Pvt. Limited 3. Rana Informatics Pvt. Limited 4. Lakshmiji Sugar Mills Co. Limited	1. Rana Power Limited 2. Rana Energy Limited
Chairmanships/ Memberships of Committee	Nil	Member: Stakeholders Relationship Committee.

ANNEXURE 'C'

AUDITORS' CERTIFICATE

To

The Members of Rana Sugars Limited

We have examined the compliance of conditions of Corporate Governance by Rana Sugars Limited for the year ended on 31st March, 2018, as stipulated in chatper IV of SEBI (Listing obligations & disclorsure requirement) Regulation, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated ((Listing obligations & disclorsure requirement) Regulation, 2015.

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

For N J & ASSOCIATES

Chartered Accountants

Place : Chandigarh

Dated: 13th August, 2018

CA Sahil Arora

Partner

Membership No. : 523974

FRN 023083N

ANNEXURE 'D'

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Rana Sugars Limited is pleased to present its Analysis Report covering segment wise performance and outlook.

Sugar is produced in over 120 countries from cane or sugar beet. India is one among largest sugar producing countries. Brazil being largest sugar producer. Currently, the sugar industry in India is covered by Public, Co-operative and Private sector Companies. There are about 500 Sugar Factories of various capacity operated during the year. The sugar production in the country during the year will be around 315 lakhs tones as compared of 203 lakhs tones in the previous year. The sugar production during the year 2018-19 is likely to increase by 10%. The sugar industry is highly regulated by Central and State Governments by way of cane growing area, sugarcane pricing, import-export policy etc.

COMPANY STRUCTURE & DEVELOPMENT

SUGAR

The Company's sugar mills are located at Village Buttar Seviyan, Tehsil Baba Bakala, District Amritsar in Punjab and two sugar mills are located at Village Belwara, Tehsil & Distt. Moradabad & Village Karim Kanj, Tehsil Shahabad, Distt. Rampur in Uttar Pradesh.

The total crushing capacity of its aforesaid three units is 15000 TCD and the Company has produced 27,75,145 quintals of sugar. The main raw material for production of sugar is sugarcane and sugar beet. Rana Sugars Limited is the only Company who has crushed sugar beet in addition to sugarcane. It has encouraged farmers to sow sugar beet and has given them suitable incentives for sowing sugar beet. With availability of sugar beet, the Company has done crushing for longer period than normal season. It has crushed 2,51,88,797 quintals of sugarcane and 31,87,930 quintals of sugar beet during the year.

CO-GENERATION OF POWER

The Company has total Co-generation of Power capacity of 103.50 MW. The entire requirement of power is met through captive generation and surplus power is sold to Punjab/ U.P. States Power Boards.

ETHANOL & DISTILLERY

The Company has since started producing ethanol from its Tarn Taran Distillery Unit. The Distillery Unit of the Company with a capacity of 60 KL per day has produced 44,72,026 BL of Spirit, 1,97,11,959 BL of Ethanol and 10,16,080 cases of Liquor.

OUTLOOK

Sugar

The sugar industry will be a major player in producing cost effective energy and fuel from its by-products bagasse and molasses. Bagasse can be processed for co-generation of power. Ethanol produced from molasses can be used as motor fuel by blending it with petrol.

Power

The season ahead should see the proper utilization of the co-generation plant capacity and therefore the exportable power will give rise to more revenues. Also due to the rate hike, the income/ profits will rise over the previous season.

RISKS AND CONCERNS

The management cautions that the risks outlined below are not exhaustive and are for information purposes only. Investors are requested to exercise their own judgment in assessing various risks associated with the industry and the Company.

Industry risk

Sugar industry being agro based and in commodity business is fraught with seminal climatic and cyclical risks. It has to source sugarcane from its neighbourhood and out of command area where growth and availability hinges up on monsoon and water table. Despite recent liberalization by Centre, there are continuing controls on cane area, cane pricing and periodic market intervention measures.

Risk Specific to the Company

Rana Sugar Limited is also surrounded by other sugar mills that limits the scope for major cane area expansion. Sugarcane is the principal raw material for manufacture of Sugar, Sprits and Power and its shortages could be on account of pest attacks, crop diseases, diversion of land by farmers etc.. Shortage of the basic raw materials would severely impact the working of the divisions of the Company. To mitigate these risks, the Company has adopted sound agronomic practice and improvement in basic infrastructure facilities. Sugar price is susceptible to fluctuations on account of international demand and supply, government pricing for cane as well as sugar, variance in production capacities of peers. Any change may affect the margins of the Company. The policies of the Central and State Governments in terms of Fair Remunerative Price (FRP) and State Advised Price (SAP) for sugarcane have an impact on the operations of the Company.

INTERNAL CONTROL SYSTEM

The Company has an appropriate internal control system for its various functions with the ultimate objective of improving efficiency in its operations, better financial management and compliance with regulations and applicable laws. The Company has appointed an Internal Auditor. All operating parameters are well defined and monitored periodically. The detail internal audit reports are discussed at length at various levels and thereafter the said reports are also placed before the Audit Committee for review and discussion and, if required, further brought into the notice of Board of Directors.

HUMAN RESOURCES

The Company considers human capital as a critical asset and success factor for smooth organizational work flow. Efforts are made to improve skills, knowledge and performance of employees by timely training, job satisfaction and enrichment. The Company has added to its fold, experienced manpower in line with future areas of growth.

DECLARATION BY THE MANAGING DIRECTOR

Pursuant to the provisions of Clause 49 sub clause 1(D) of the Listing Agreement with Stock Exchanges, it is hereby declared that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for 'Directors and Senior Management' for the year ended March 31, 2018.

For Rana Sugars Limited

Rana Inder Pratap Singh

Managing Director

Place : Chandigarh

Dated: 13th August, 2018

Annexure 'E'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS: 75898.28

1.	CIN	L15322CH1991PLC011537
2.	Registration Date	30.07.1991
3.	Name of the Company	RANA SUGARS LIMITED
4.	Category/Sub-category of the Company	Public Company (Limited by Shares)
5.	Address of the Registered office & contact details	S.C.O. 49-50, Sector 8-C, Madhya Marg, Chandigarh-160 009 Tel. No. 0172-2540007, 2773422, 2779565 Fax: 0172-2546809
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Alankit Assignments Limited 205-208, Anarkali Market, Jhandewalan Extension, New Delhi - 110 055. Tel. No. 011-42541234, 23541234 Fax: 011-23552001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Products/service	% to total turnover of the company
1	SUGAR	2060	76.70
2	SPIRIT & OTHERS		23.30

III. PARTICULARS OF HOLDING/SUBSDIARY/ ASSOCIATE COMPANIES : NIL

Sr. No.	Name and Address of Company	CIN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1					
2					
3					

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

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	34766079	--	34766079	22.64	34766079	--	34766079	22.64	---
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Total shareholding of Promoters (A)	**34766079**	**--**	**34766079**	**22.64**	**34766079**	**--**	**34766079**	**22.64**	**---**

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	100	31300	31400	0.02	100	500	600	0.00	-0.02
b) Banks / FI	1514228	100	1514328	0.99	411980	--	411980	0.27	-0.72
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	2550000	2550000	1.66	--	2550000	2550000	1.66	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-Total (B) (1) :-	**1514328**	**2581400**	**4095728**	**2.67**	**412080**	**2550500**	**2962580**	**1.93**	**-0.74**

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	12907252	21300	12928552	8.42	8092362	52700	8145062	5.30	-3.12
ii) Overseas	--	--	--	--					
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	51200470	1636911	52837381	34.41	51661269	1603261	53264530	34.69	0.28
ii) Individual share holders holding nominal share capital in excess of Rs1 lakh	40708465	39300	40747765	26.53	46645803	39300	46685103	30.40	3.87
c) Others specify)									
Non Resident Indians	4194262	344900	4539162	2.95	3908386	347700	4256086	2.77	-0.18
Overseas Corporate Bodies	--	600	600	0.00	--	600	600	0.00	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	650282	--	650282	0.42	480873	--	480873	0.31	-0.11
Trusts	26001	--	26001	0.02	25001	--	25001	0.02	--
Hindu Undivided Families	2976270	--	2976270	1.94	2968818	--	2968818	1.93	-0.01
NBFCs registered with RBI	--	--	--	--	13088	--	13088	0.01	0.01
Foreign Bodies-D R	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	**112663002**	**2043011**	**114706013**	**74.69**	**113795600**	**2043561**	**115839161**	**75.43**	**0.74**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	114177330	4624411	118801741	77.36	114207680	4594061	118801741	77.36	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	**148943409**	**4624411**	**153567820**	**100.00**	**148973759**	**4594061**	**153567820**	**100.00**	--

B) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Mrs. Rajbans Kaur	9570001	6.23	--	--	--	--	-6.23
2	Mrs. Sukhjinder Kaur	8500000	5.54	--	8500000	5.54	--	--
3	Rana Veer Pratap Singh	3232856	2.11	--	6139566	4.00	--	1.89
4	Rana Inder Pratap Singh	3154100	2.05	--	17929952	11.67	--	9.62
5	Rana Karan Pratap Singh	2906710	1.89	--	--	--	--	-1.89
6	Rana Preet Inder Singh	2906710	1.89	--	--	--	--	-1.89
7	Rana Gurjeet Singh	2299141	1.50	--	--	--	--	-1.50
8	Rana Ranjit Singh	2196561	1.43	--	2196561	1.43	--	--
	TOTAL:	**34766079**	**22.64**	**--**	**34766079**	**22.64**	--	--

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of shares at the beginning (01-04-17) end of the year (31-03-18)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mrs. Rajbans Kaur	9570001	6.23	01-04-17			9570001	6.23
				09-05-17	-9570001	Transfer	0	0
		0	**0**	**31-03-18**	**0**		**0**	**0**
2.	Mrs. Sukhjinder Kaur	8500000	5.54	01-04-17	0	Nil movement during the year	8500000	5.54
		8500000	**5.54**	**31-03-18**			**8500000**	**5.54**
3.	Rana Veer Pratap Singh	3232856	2.11	01-04-17			3232856	2.11
				01-05-17	2906710	Transfer	6139566	4.00
		6139566	**4.00**	**31-03-18**			**6139566**	**4.00**
4.	Rana Inder Pratap Singh	3154100	2.05	01-04-17			3154100	2.05
				01-05-17	2906710	Transfer	6060810	3.94
				09-05-17	11869142	Transfer	17929952	11.67
		17929952	**11.67**	**31-03-18**			**17929952**	**11.67**
5.	Rana Karan Pratap Singh	2906710	1.89	01-04-17			2906710	1.89
				01-05-17	-2906710	Transfer	0	0
		0	**0**	**31-03-18**			**0**	**0**
6.	Rana Preet Inder Singh	2906710	1.89	01-04-17			2906710	1.89
				01-05-17	-2906710	Transfer	0	0
		0	**0**	**31-03-18**			**0**	**0**
7.	Rana Gurjeet Singh	2299141	1.50	01-04-17			2299141	1.50
				09-05-17	-2299141	Transfer	0	0
		0	**0**	**31-03-18**			**0**	**0**
8.	Rana Ranjit Singh	2196561	1.43	01-04-17	0	Nil movement during the year	2196561	1.43
		2196561	**1.43**	**31.03.18**			**2196561**	**1.43**

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of shares at the beginning (01-04-17) end of the year(31-03-18)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Punjab Energy Development Agency	2550000	1.66	01-04-17	o	Nil movement during the year		
		2550000	1.66	31-03-18			2550000	1.66
2.	Raj Kumar Malhotra	0	0	01-04-17				
				07-04-17	1100000	Transfer	1100000	0.72
				21-04-17	100000	Transfer	1200000	0.78
				02-06-17	280000	Transfer	1480000	0.96
				09-06-17	22000	Transfer	1502000	0.98
				13-10-17	786	Transfer	1502786	0.98
		1502786	0.98	31-03-18	0	Nil	1502786	0.98
3.	Murali Krishna Vempati	0	0	01-04-17				
				07-04-17	348772	Transfer	348772	0.23
				17-07-17	556397	Transfer	905169	0.59
				21-07-17	26541	Transfer	931710	0.61
				11-08-17	46000	Transfer	977710	0.64
				18-08-17	-13000	Transfer	964710	0.63
				24-08-17	70000	Transfer	1034710	0.67
				13-10-17	63000	Transfer	1097710	0.72
				17-11-17	64515	Transfer	1162225	0.76
				01-12-17	15000	Transfer	1177225	0.77
				26-01-18	30000	Transfer	1207225	0.78
				09-02-18	10000	Transfer	1217225	0.79
		1217225	0.79	31-03-18	0	Nil	1217225	0.79
4.	Geetesh Kulwal	0	0	01-04-17				
				07-04-17	576930	Transfer	576930	0.38
				21-04-17	5635	Transfer	582565	0.38
				05-05-17	17130	Transfer	599695	0.39
				02-06-17	177553	Transfer	777248	0.51
				09-06-17	109853	Transfer	887101	0.58
				16-06-17	-28342	Transfer	858759	0.56
				23-06-17	25844	Transfer	884603	0.58
				30-06-17	6000	Transfer	890603	0.58
				07-07-17	14534	Transfer	905137	0.59
				17-07-17	-30626	Transfer	874511	0.57
				21-07-17	45000	Transfer	919511	0.60
				28-07-17	-31721	Transfer	887790	0.58
				04-08-17	35185	Transfer	922975	0.60
				08-09-17	4000	Transfer	926975	0.60
				30-09-17	1375	Transfer	928350	0.60
				06-10-17	147834	Transfer	1076184	0.70
				13-10-17	-26000	Transfer	1050184	0.68
				20-10-17	17500	Transfer	1067684	0.69
				27-10-17	-18005	Transfer	1049679	0.69
				03-11-17	-151389	Transfer	898290	0.59
				10-11-17	80288	Transfer	978578	0.64
				08-12-17	4299	Transfer	982877	0.64
				15-12-17	5700	Transfer	988577	0.64
				22-12-17	10000	Transfer	998577	0.65

				19-01-18	36812	Transfer	1035389	0.67
				26-01-18	64821	Transfer	1100210	0.68
				09-02-18	-12157	Transfer	1088053	0.67
				16-02-18	31588	Transfer	1119641	0.73
				23-02-18	2735	Transfer	1122376	0.73
				01-03-18	40000	Transfer	1162376	0.76
				09-03-18	13763	Transfer	1176139	0.77
				16-03-18	-68500	Transfer	1107639	0.73
		1087242	0.72	31-03-18	-20397	Transfer	1087242	0.72
5.	Hetal Ashish Mehta *	0	0	01-04-17				
				09-02-18	500000	Transfer	500000	0.33
		500000	0.33	31-03-18	0	Nil	500000	0.33
6.	Faisal Khatri *	0	0	01-04-17				
				07-04-17	308525	Transfer	308525	0.20
				21-04-17	86800	Transfer	395325	0.26
				02-06-17	4900	Transfer	400225	0.26
				09-06-17	5400	Transfer	405625	0.26
		405625	0.26	31-03-18	0	Nil	405625	0.26
7.	Manoj Nanji Bhanushali *	0	0	01-04-17				
				02-06-17	333333	Transfer	333333	0.22
				23-06-17	73801	Transfer	407134	0.27
				07-07-17	50000	Transfer	457134	0.30
				17-07-17	-7134	Transfer	450000	0.29
				04-08-17	-50000	Transfer	400000	0.26
				08-09-17	50000	Transfer	450000	0.29
				15-09-17	-50000	Transfer	400000	0.26
		400000	0.26	31-03-18	0	Nil	400000	0.26
8.	Shirish Waman Joshi *	0	0	01-04-17				
				19-01-18	400000	Transfer	400000	0.26
		400000	0.26	31-03-18	0	Nil	400000	0.26
9.	Karvy Stock Broking Ltd	0	0	01-04-17				
				07-04-17	500000	Transfer	500000	0.33
				03-11-17	-15000	Transfer	485000	0.32
				01-12-17	-10000	Transfer	475000	0.31
				15-12-17	-9000	Transfer	466000	0.30
				02-02-18	-162	Transfer	465838	0.30
				09-02-18	-583	Transfer	465255	0.30
				16-02-18	-2520	Transfer	462735	0.30
				23-02-18	-8083	Transfer	454652	0.30
				01-03-18	-7404	Transfer	447248	0.29
				09-03-18	-39732	Transfer	407516	0.27
				16-03-18	-15419	Transfer	392097	0.26
				23-03-18	-3769	Transfer	388328	0.26
		386889	0.26	31-03-18	-1439	Transfer	386889	0.26
10.	Ravi Narayanasamy *	0	0	01-04-17				
				05-05-17	489048	Transfer	489048	0.32
				02-06-17	154886	Transfer	643934	0.42
				30-06-17	137407	Transfer	781341	0.51
				07-07-17	41837	Transfer	823178	0.54
				17-07-17	28800	Transfer	851978	0.55
				21-07-17	-25000	Transfer	826978	0.54
				04-08-17	-445000	Transfer	381978	0.25
				08-09-17	-500	Transfer	381478	0.25
				22-12-17	-266	Transfer	381212	0.25
				30-12-17	266	Transfer	381478	0.25
		381478	0.25	31-03-18	0	Nil	381478	0.25

11.	Axix Bank Limited #	0	0	01-04-17				
				07-04-17	1270333	Transfer	1270333	0.83
				21-04-17	-3550	Transfer	1266783	0.82
				05-05-17	51383	Transfer	1318166	0.86
				02-06-17	-29790	Transfer	1288376	0.84
				09-06-17	-298700	Transfer	989676	0.64
				16-06-17	14600	Transfer	1004276	0.65
				23-06-17	-300	Transfer	1003976	0.65
				30-06-17	-1000	Transfer	1002976	0.65
				17-07-17	-56513	Transfer	946463	0.62
				28-07-17	-7170	Transfer	939293	0.62
				04-08-17	247378	Transfer	1186671	0.77
				11-08-17	-871280	Transfer	315391	0.21
				18-08-17	-47000	Transfer	268391	0.18
				24-08-17	-2800	Transfer	265591	0.18
				15-09-17	-15000	Transfer	250591	0.17
				30-09-17	33870	Transfer	284461	0.19
				13-10-17	51230	Transfer	335691	0.22
				20-10-17	-300	Transfer	335391	0.22
				27-10-17	-5520	Transfer	329871	0.22
				03-11-17	100	Transfer	329971	0.22
				10-11-17	-500	Transfer	329471	0.21
				17-11-17	-136426	Transfer	193045	0.13
				01-12-17	-13798	Transfer	179247	0.12
				08-12-17	16625	Transfer	195872	0.13
				15-12-17	-400	Transfer	195472	0.13
				22-12-17	12070	Transfer	207542	0.14
				12-01-18	-55195	Transfer	152347	0.10
				19-01-18	13660	Transfer	166007	0.11
				26-01-18	21500	Transfer	187507	0.12
				02-02-18	2069	Transfer	189576	0.12
				09-02-18	4481	Transfer	194057	0.13
				16-02-18	-950	Transfer	193107	0.13
				23-02-18	-575	Transfer	192532	0.13
				01-03-18	-10805	Transfer	181727	0.12
				09-03-18	-100	Transfer	181627	0.12
				16-03-18	-5000	Transfer	176627	0.12
				23-03-18	40348	Transfer	216975	0.15
		199906	0.14	31-03-18	-17069	Transfer	199906	0.14
12.	Master Capital Services Ltd #	0	0	01-04-17				
				07-04-17	623240	Transfer	623240	0.41
				21-04-17	-452257	Transfer	170983	0.11
				05-05-17	168273	Transfer	339256	0.22
				02-06-17	-6419	Transfer	332837	0.22
				09-06-17	2499	Transfer	335336	0.23
				16-06-17	-60851	Transfer	274485	0.18
				23-06-17	-15653	Transfer	258832	0.17
				30-06-17	-30476	Transfer	228356	0.16
				07-07-17	-275	Transfer	228081	0.15
				03-11-17	-119968	Transfer	108113	0.08
				02-02-18	-745	Transfer	107368	0.07
				09-02-18	-1312	Transfer	106056	0.07
				16-02-18	5863	Transfer	111919	0.08
				23-02-18	5663	Transfer	117582	0.08
				01-03-18	-2302	Transfer	115280	0.08

				16-03-18	-9441	Transfer	105839	0.07
				23-03-18	28147	Transfer	133986	0.09
		123286	0.08	31-03-18	-10700	Transfer	123286	0.08
13.	Sharekhan Limited #	0	0	01-04-17				
				07-04-17	493405	Transfer	493405	0.32
				21-04-17	1635	Transfer	495040	0.32
				05-05-17	-2336	Transfer	492704	0.32
				02-06-17	-245542	Transfer	247162	0.16
				09-06-17	13691	Transfer	260853	0.17
				16-06-17	-15977	Transfer	244876	0.16
				23-06-17	-4661	Transfer	240215	0.16
				30-06-17	108425	Transfer	348640	0.23
				07-07-17	-10760	Transfer	337880	0.22
				17-07-17	961	Transfer	338841	0.22
				21-07-17	5620	Transfer	344461	0.22
				28-07-17	43580	Transfer	388041	0.25
				04-08-17	-49255	Transfer	338786	0.22
				11-08-17	-17856	Transfer	320930	0.21
				18-08-17	45801	Transfer	366731	0.24
				24-08-17	-31204	Transfer	335527	0.22
				01-09-17	12440	Transfer	347967	0.23
				08-09-17	-227935	Transfer	120032	0.15
				15-09-17	-2940	Transfer	117092	0.07
				30-09-17	-6969	Transfer	110123	0.07
				06-10-17	-6242	Transfer	103881	0.07
				03-11-17	22247	Transfer	126128	0.08
		126128	0.08	31-03-18	0	Nil	126128	0.08
14.	Neil Rajesh Sanghvi #	0	0	01-04-17				
				07-04-17	380472	Transfer	380472	0.25
				21-04-17	-25080	Transfer	355392	0.23
		355392	0.23	31-03-18	0	Nil	355392	0.23
15.	Rajinder Kumar #	0	0	01-04-17				
				07-04-17	400000	Transfer	400000	0.26
		400000	0.26	31-03-18	0	Nil	400000	0.26
16.	Vellaiappan Kumarappan #	0	0	01-04-17				
				07-04-17	466900	Transfer	466900	0.30
		466900	0.30	31-03-18	0	Nil	466900	0.30

* Not in the list of Top 10 shareholders as on 01-04-2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2018.

\# Ceased to be in the list of 10 shareholders as on 31-03-2018. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01-04-2017.

E) Shareholding of Directors and Key Managerial Personnel:

1) Directors :-

i) RANA RANJIT SINGH

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2196561	1.43	2196561	1.43
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
	At the end of the year	**2196561**	**1.43**	**2196561**	**1.43**

ii) **RANA INDER PRATAP SINGH**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year		3154100	2.05	3154100	2.05
	Date	Reason				
	01-05-17	Transfer	2906710	1.89	6060810	3.94
	09-05-17	Transfer	11869142	7.73	17929952	11.67
	At the end of the year		**17929952**	**11.67**	**17929952**	**11.67**

iii) **RANA VEER PRATAP SINGH**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year		3232856	2.11	3232856	2.11
	Date	Reason				
	01-05-17	Transfer	2906710	1.89	6139566	4.00
	At the end of the year		**6139566**	**4.00**	**6139566**	**4.00**

2) **Promoters :-**

i) **MRS. SUKHJINDER KAUR**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8500000	5.54	8500000	5.54
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
	At the end of the year	**8500000**	**5.54**	**8500000**	**5.54**

V) **INDEBTEDNESS -** Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	67144.67	8744.28	--	**75888.95**
ii) Interest due but not paid	6932.07	--	--	**6932.07**
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	**74076.74**	**8744.28**	--	**82821.02**
Change in Indebtedness during the financial year				

* Addition	222.00	100.59	--	**322.59**
* Reduction	--	813.20	--	**813.20**
Net Change	**222.00**	**-712.61**	--	**-490.61**
Indebtedness at the end of the financial year				
i) Principal Amount	61320.39	8031.68	--	**69352.07**
ii) Interest due but not paid	12978.35	--		**12978.35**
iii) Interest accrued but not due	--	--	--	
Total (i+ii+iii)	**74298.74**	**8031.68**	--	**82330.42**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1	Gross salary Rs.)					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - As % of profit - Others, specify...					
5	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
1	Independent Directors	**Asdev Singh Sodhi**	**Shiv Avtar Singh Bajwa**	**Baljit Singh**	
	Fee for attending board/ committee meetings	10,000	40,000	40,000	90,000
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	10,000	40,000	40,000	90,000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	10,000	40,000	40,000	90,000
	Total Managerial Remuneration	10,000	40,000	40,000	90,000
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total (Rs.)
1	Gross salary	--	1945311	2109096	4054407
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission	--	--	--	--
	- as % of profit	--	--	--	--
	others, specify...	--	--	--	--
5	Others, please specify	--	--	--	--
	Total	**--**	**1945311**	**2109096**	**4054407**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	**Section 23-I of Securities Contracts (Regulation) Act, 1956**	**Non-compliance of Securities Contracts (Regulation) Act**	**Rs.10,00,000/- (Rupees Ten Lakhs only)**	**SEBI**	**No**
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. DIRECTORS			**NIL**		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT			**NIL**		
Penalty					
Punishment					
Compounding					

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[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,
Rana Sugars Limited
S.C.O. 49-50, Sector 8-C
Madhya Marg, Chandigarh

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RANA SUGARS LIMITED (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.

Based on my verification of the RANA SUGARS LIMITED'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 March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the mannerand subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(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 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.

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

c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the amendments thereof: Not Applicable as none of the securities of the company was delisted during the audit period.

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: Not Applicable as the company has not issued any securities during the year.

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014- Not Applicable as the company has not provided any share based benefits to the employees during the year.

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- Not applicable as the company has not issued any debt securities during the financial year under review.

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.

h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998- Not applicable as the company has not bought back any of its securities during the financial year under review.

(vi) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, Industrial Dispute Act, 1947, The Employee's Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Gratuity Act, 1972.

(vii) Environment Protection Act, 1986 and other environmental laws.

(viii) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.

(ix) The Air (Prevention and Control of Pollution) Act, 1981

(x) The Water (Prevention and Control of Pollution) Act, 1974

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India as notified by Government of India.

b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the National Stock Exchange of India Limited and BSE Limited;

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above subject to the observations made hereunder.

Based on my examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
2. As confirmed by the management, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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.
3. All decisions are carried out through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers and taken on record by the board of directors in their meeting(s), I am of an opinion that:

1. 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.
2. On examination of the relevant documents and records, on test check basis, the company has complied with the following laws specifically applicable to the company:
   a. The Boilers Act, 1923
   b. Sugar Cess Act, 1982

I further report that during the audit period there were no instances of:

(i) Public / Rights / Preferential issue of shares / debentures / sweat equity.

(ii) Redemption / buy-back of securities.

(iii) Merger / amalgamation / reconstruction etc.

(iv) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.

(v) Foreign technical collaborations.

For A. ARORA & COMPANY

Place: Chandigarh
Date : 13.08.2018

AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993

"Annexure-A"

To,

The Members,
Rana Sugars Limited
S.C.O. 49-50, Sector 8-C
Madhya Marg, Chandigarh

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

1. Maintenance of secretarial records 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 the 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. Wherever 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 and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For A. ARORA & COMPANY

Place: Chandigarh
Date : 13.08.2018

AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993

INDEPENDENT AUDITOR'S REPORT

To

The Members of
RANA SUGARS LIMITED
Chandigarh.

Report on the Financial Statements

We have audited the accompanying financial statements of **Rana Sugars Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date, read with **Annexure "A" and "B"** of our report.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
   e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.

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

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

For **N J & ASSOCIATES**
CHARTERED ACCOUNTANTS

(CA. Sahil Arora)
Partner
Membership No. 523974
FRN 023083N

Place : Chandigarh
Date : 30-05-2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rana Sugars Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Rana Sugars Limited** ("the Company") as of March 31, 2018 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 Board of Directors of the Company 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N J & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA. Sahil Arora)
Partner
Membership No. 523974
FRN 023083N

Place : Chandigarh
Date : 30-05-2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rana Sugars Limited of even date)

i. In respect of the Company's fixed assets:

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

(b) The Company has a program of verification to cover all the items of fixed assets. Pursuant to the program, fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii. The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. As per the management, no discrepancies were noticed on verification between the physical stocks and the book records.

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

iv. *In our opinion and according to the information and explanations given to us, the company has advanced loans to various parties as per Notes-4 to the financial statements, in preference to section 186 of the Companies Act, 2013.*

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that the prescribed accounts and records have been made and maintained. However, we have not vouched for the correctness of the cost records maintained by the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, with certain delays, the dues including, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. However, as at 31st March 2018, there are no such dues outstanding for a period of more than six months from the date they became payable.

(b) The Department has raised the Purchase Tax demand of INR 140.40 lakhs, 297.22 lakhs, 347.25 lakhs, 227.62 lakhs, 90.52 and 381.98 lakhs for the financial years 2005-06, 2008-09, 2009-10, 2010-11, 2011-12 and 2013-14 respectively.

The Company has preferred appeals against all these orders with the appellate authorities.

Though, the Company has provided purchase tax liability for the years 2005-06 to 2013-14, the same has not been paid as the above mentioned appeals against assessment orders are pending with the appellate authorities.

(c) Sales tax assessment for Distillery Unit in District Tarn Taran have been completed upto the financial Year 2013-14 and the department has raised demand of INR 348.47 lakhs on account of VAT and CST against which the Company has filed appeal with DETC (Appeals) Amritsar.

viii. The Company has defaulted in repayment of loans/borrowing in respect of following banks:

(Rs. In Lakhs)

Particulars	Amount of Default as at the Balance Sheet Date	Period of Default	Remarks
State Bank of India	2997.23	Since June 2016	Classified as doubtful by the Bank. How ever, an amount of Rs. 1321.02 Lakhs has since been deposited with the bank.
Bank of Baroda	860.13	Since June 2016	Classified as doubtful by the Bank. How ever, amount of Rs. 237.47 Lakhs has since been deposited with the bank.
UCO Bank	77.26	Since December 2017	Entire amount has since been deposited by the Company with the Bank.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations give to us, the Company has not paid any managerial remuneration. Accordingly, the provisions of Section 197 are not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

For N J & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA. Sahil Arora)
Partner
Membership No. 523974
FRN 023083N

Place : Chandigarh
Date: 30-05-2018

BALANCE SHEET AS AT MARCH 31, 2018

All amounts in INR in Lakhs, unless otherwise stated

S.N.	Particulars	Notes	March 31, 2018	March 31, 2017	April 1, 2016
ASSETS					
(A)	**NON CURRENT ASSETS**				
i	Property, Plant and Equipment	3	45,013.08	45,487.24	44,749.32
ii	Capital Work-in-Progress		2,143.85	2,774.85	2,870.90
iii	Financial Assets				
	Loans	4	131.88	113.65	54.99
iv	Deferred Tax Assets (Net)	5	-	-	517.57
v	Prepayments	6	71.03	89.89	108.45
(B)	**CURRENT ASSETS**				
i	Inventories	7	53,572.02	42,008.80	64,552.87
ii	Financial Assets				
	(a) Trade Receivables	8	9,806.56	7,197.22	7,367.21
	(b) Cash & Cash Equivalents	9	5,042.87	1,715.85	2,752.04
	(c) Bank Balance other than (b) above		761.42	409.61	235.06
	(d) Loans	4	12,676.55	12,747.74	8,869.18
iii	Other Current Assets	10	9,283.47	7,171.30	4,093.73
iv	Prepayments	6	205.51	206.59	220.05
	Total Assets		**138,708.24**	**119,922.74**	**136,391.37**
	EQUITY AND LIABILITIES				
(C)	**EQUITY**				
i	Equity Share capital	11	15,353.95	15,353.95	15,353.95
ii	**Other Equity**				
	(a) Equity Component of Compound Financial Instrument	11	2,811.16	2,811.16	2,811.16
	(b) Reserve & Surplus	12	(27,355.00)	(18,696.51)	(14,183.13)
	(c) Other Reserves		10,501.94	10,501.94	10,501.94
	Total Equity		**1,312.05**	**9,970.54**	**14,483.92**
(D)	**LIABILITIES**				
	Non Current Liabilities				
i	Financial Liabilities				
	Borrowings	13	20,650.18	21,870.74	26,109.89
ii	Provisions	14	664.32	556.41	542.35
iii	Government Grant	15	148.49	179.43	210.37
iv	Deferred Tax Liabilities (Net)	5	126.48	193.99	-
v	Other Non-Current Liabilities	16	71.12	69.11	55.18
	Current Liabilities				
i	Financial Liabilities				

	(a) Borrowings	13	54,217.94	53,076.81	51,465.94
	(b) Trade payables	17	45,444.45	14,689.94	26,240.21
	(c) Other Financial Liabilities	13	8,815.67	9,166.42	6,201.00
ii	Other Current Liabilities	16	7,124.20	10,018.35	10,964.72
iii	Provisions	14	102.40	100.06	86.85
iv	Government Grant	15	30.94	30.94	30.94
	Total Equity & Liabilities		**138,708.24**	**119,922.74**	**136,391.37**
	Significant Accounting Policies	2	The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the Financial Statements		
	Notes to Accounts	24-37			

Manoj Gupta
Chief Financial Officer

Manmohan K. Raina
Company Secretary

Rana Inder Pratap Singh
Managing Director

Rana Veer Pratap Singh
Director

As per our report of even date attached.

FOR N.J & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA Sahil Arora)
Partner
Membership No.: 523974
FRN : 023083N

Place : Chandigarh
Dated : 30.05.2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

All amounts in INR in Lakhs, unless otherwise stated

Particulars	Notes	March 31, 2018	March 31, 2017
Income			
Revenue from Operations	18	98,767.04	114,670.11
Other Income	19	704.46	154.05
Total Income		99,471.50	114,824.16
Expenses			
Cost of Raw Material and Components Consumed	20	96,132.30	63,006.33
Purchase of Traded Goods	20	47.36	9,568.48
(Increase)/Decrease in inventories of finished goods, work in progress and traded goods		(11,706.64)	18,888.18
Excise duty on sale of products		1,113.15	5,588.23
Employee Benefits Expense	21	2,999.94	2,777.99
Depreciaton and Amortization Expense	3	3,139.43	2,841.85
Finance Costs	22	9,893.83	9,013.83
Other Expenses	23	6,566.22	6,945.78
Total Expenses		**108,185.59**	**118,630.66**
Profit/(Loss) before tax		(8,714.09)	(3,806.49)
Income tax expense		**(64.45)**	**705.81**
(1) Current tax		-	-
(2) Deferred tax	5	(64.45)	705.81
Profit/(Loss) for the year		**(8,649.64)**	**(4,512.30)**
Other comprehensive income/(loss)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans		(9.90)	18.60
Income tax effect		3.06	(5.75)
Other comprehensive income/(loss) for the year, net of tax		(6.84)	12.85
Total comprehensive income for the year, net of tax attributable to :		(8,656.48)	(4,499.45)
Earnings per equity share (Nominal Value of Share INR 10 per share)			
Basic earning per share		(5.63)	(2.94)
Diluted earning per share		(5.63)	(2.94)
Significant Accounting Policies	2	The above financial statement should be read in conjunction with the basis of preparation and Significant accounting policies appearing in Note of Notes to the Financial Statements	
Notes to Accounts	24-37		

Manoj Gupta
Chief Financial Officer

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As per our report of even date attached.

FOR N.J & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA Sahil Arora)
Partner
Membership No.: 523974
FRN : 023083N

Place : Chandigarh
Dated : 30.05.2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2018

All amounts in INR in Lakhs, unless otherwise stated

	Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
A	**Cash flow from operating activities**			
	Profit/(Loss) before tax		**(8,714.09)**	**(3,806.49)**
	Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation and Amortisation Expense	3	3,139.43	2,841.85
	Interest income	19	(49.18)	(38.65)
	(Profit)/ loss on sale of assets/ written off (net)		9.48	(1.89)
	Finance costs	22	9,893.83	9,013.83
	Net foreign exchange difference (net)		-	-
	Bad debt/advance w/off			
			12,993.55	**11,815.14**
	Operating profit before working capital adjustments (1+2)		**4,279.47**	**8,008.65**
	Working capital adjustments:			
	(Increase)/Decrease Trade and Other Receivables and Prepayments		(4,648.61)	(6,812.78)
	(Increase)/Decrease in Inventories		(11,563.22)	22,544.07
	Increase/(Decrease) Trade and Other Payables and Provisions		27,929.77	(12,481.71)
			11,717.94	**3,249.58**
	Cash generated from operations (3+4)		**15,997.41**	**11,258.23**
	Taxes (paid) /refund		-	-
	Net cash flows from operating activities (5-6)		**15,997.41**	**11,258.23**
B	**Cash flow from Investing activities:**			
	Purchase of Property, Plant and Equipment	3	(3,253.14)	(3,581.17)
	Proceeds from disposal of PPE		1,209.39	99.34
	Investment in fixed deposits with banks (net)	9	(351.81)	(174.55)
	Interest received	19	49.18	38.65
	Net cash used in investing activities:		**(2,346.38)**	**(3,617.73)**
C	**Cash flow from financing activities:**			
	Repayments of Long Term Borrowings	13	(1,420.01)	(2,247.59)
	Repayments of Short Term Borrowings	13	(4,248.60)	(4,058.92)
	Increase in Interest accured and due on Short Term Borrowings	13	5,389.73	5,669.79
	Increase in Interest accured and due on Long Term Borrowings	13	561.30	967.20
	Increase/(Decrease) in Unsecured Loans	13	(712.60)	6.66
	Interest paid	24	(9,893.83)	(9,013.83)
	Net cash used in financing activities:		**(10,324.01)**	**(8,676.69)**
D	**Net change in Cash and Cash Equivalents (A+B+C)**		**3,327.02**	**(1,036.19)**
E - 1	Cash and Cash Equivalents at the beginning of the year	9	1,715.85	2,752.04
E - 2	**Cash and cash equivalents at year end**	9	**5,042.87**	**1,715.85**

Manoj Gupta
Chief Financial Officer

Manmohan K. Raina
Company Secretary

Rana Inder Pratap Singh
Managing Director

Rana Veer Pratap Singh
Director

As per our report of even date attached.

FOR N.J & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA Sahil Arora)
Partner
Membership No.: 523974
FRN : 023083N

Place : Chandigarh
Dated : 30-05-2018

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

All amounts in INR in Lakhs, unless otherwise stated

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid	**No. in Lakhs**	**INR in Lakhs**		
At April 1, 2016	1,535.68	15,353.95		
Equity shares issued	-	-		
At March 31, 2017	1,535.68	15,353.95		
Equity shares issued	-	-		
At March 31, 2018	1,535.68	15,353.95		

b. Other Equity

For the year ended March 31, 2018

	Attributable to the equity holders					**Total Equity**
	Equity Component of Redeemable preference shares	**Reserves and Surplus**				
		Security Premium	**Capital Redemption Reserve**	**Capital Reserve**	**Retained Earnings**	
As at April 1, 2017	2,811.16	8,315.02	2,054.67	132.25	(18,696.51)	(5,383.41)
Profit for the year	-	-	-	-	(8,649.64)	(8,649.64)
Molasses Storage Fund	-	-	-	-	(2.01)	(2.01)
Other comprehensive income for the year	-	-	-	-	(6.84)	(6.84)
At March 31, 2018	**2,811.16**	**8,315.02**	**2,054.67**	**132.25**	**(27,355.00)**	**(14,041.90)**

For the year ended March 31, 2017

	Attributable to the equity holders					**Total Equity**
	Equity Component of Redeemable preference shares	**Reserves and Surplus**				
		Security Premium	**Capital Redemption Reserve**	**Capital Reserve**	**Retained Earnings**	
At April 1, 2016	2,811.16	8,315.02	2,054.67	132.25	(14,183.13)	(870.03)
Profit for the year	-	-	-	-	(4,512.30)	(4,512.30)
Molasses Storage Fund	-	-	-	-	(13.93)	(13.93)
Other comprehensive income for the year	-	-	-	-	12.85	12.85
At March 31, 2017	**2,811.16**	**8,315.02**	**2,054.67**	**132.25**	**(18,696.51)**	**(5,383.41)**

Manoj Gupta
Chief Financial Officer

Manmohan K. Raina
Company Secretary

Rana Inder Pratap Singh
Managing Director

Rana Veer Pratap Singh
Director

As per our report of even date attached.

FOR N.J & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA Sahil Arora)
Partner
Membership No.: 523974
FRN : 023083N

Place : Chandigarh
Dated : 30-05-2018

1. Corporate Information

Rana Sugars Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act 1956 applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the company is located at S.C.O. 49-50 Sector 8 – C Chandigarh.

The Company is having its operations in the State of Punjab and Uttar Pradesh and is principally engaged in the manufacturing of Sugar, Ethanol and co generation of power. Power is used captively as well as exported to the State Grids of Punjab and Uttar Pradesh respectively.

The financial statements were authorized for issue in accordance with a resolution by the Board of Directors of the Company on 30th May 2018.

2. Significant Accounting Policies

2.1 Basis of Preparation

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

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first financial statements which have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The Company is in Phase II of Ind AS adoption and accordingly the date of transition is 1st April 2016.

In respect of financial information for the year ended 31st March 2018, the Company followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exceptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1st April 2016. Refer to note 34 for information on how the Company adopted Ind AS.

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

a. Plan assets under defined benefit plans.

b. Certain financial assets and liabilities.

In accordance with IND AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of Financial Information under Accounting Standards notified under Previous GAAP to IND AS of Restated Shareholders' equity as at March 31, 2017 and 2016 and of the Statement of Profit and loss and other comprehensive Income for the year ended March 31, 2017.

The financial information are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except where otherwise indicated.

2.2 Summary of Significant Accounting Policies:

2.2.1 Property, Plant & Equipment (PPE):

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any. On the date of transition to IND AS, the Company has applied exemptions of Ind AS 101 to continue the carrying value of all property, plant and equipment as at the date of transition as its deemed cost.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT\GST credit and VAT credit availed wherever applicable. Cost includes borrowing cost for long term construction projects if recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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

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

In respect of others assets, depreciation is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Sr. No.	Nature of Asset	Useful Life (Years)
1.	Buildings	30
2.	Plant & Machinery	15
3.	Other Equipments	3 to 5
4.	Vehicles	8
5.	Furniture/ Fittings	10

2.2.2 Current versus Non Current Classification:

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

2.2.3 Taxes:

2.2.3.1 Current Income Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 (as amended) and Income Computation and Disclosure Standards (ICDS) enacted in India by using the tax rates and tax laws that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

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

2.2.3.2 Deferred Tax:

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

  Deferred tax assets (Including Mat credit, if any), are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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

  Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

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

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

Deferred tax including Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Goods & Services Tax (GST)/ Sales/ Value Added Taxes (VAT) paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the amount of GST/sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or other current liabilities in the balance sheet.

2.2.4 Inventories

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

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

- Raw materials/ Stores & Spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

2.2.5 Financial Instruments:

A financial instrument is any contract that gives rise to a financial assets of one entity and a financial liability or equity instrument of another entity.

c. Financial Assets:

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

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- Those measured at amortized cost

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortized cost

  A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a. Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realised its fair value changes), and

b. Cash flow characteristics test : Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or when appropriate, a short period to the grorss carrying amount of financial assets a shorter period, to the gross carrying amount of financial assets. When calculating the effective interest rate the Company estimates the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

  FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI (Fair value through Other Comprehensive Income), is classified as at FVTPL. A gain or loss on a Debt

instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

a. the rights to receive cash flows from the asset have expired, or

b. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

I. the Company has transferred the rights to receive cash flows from the financial assets or

II. the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized 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 losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

Financial assets measured at amortised cost e.g. Loans, security deposits, trade receivable, bank balance.

The Company follows "simplified approach" for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward- looking estimates are analysed.

Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

b. Financial Liabilities:

Initial recognition and measurement:

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits and other payables.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Trade Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 0-180 days of recognition. 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 fair value and subsequently measured at amortised cost using EIR method.

Financial Liabilities at fair value through profit & loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognised in OCI. These gains/ loss are not subsequently transferred to profit and 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 & Borrowings:

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization 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 amortization is included as finance costs in the statement of profit and loss.

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 medication 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 and 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.2.6 Cash & Cash Equivalents:

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

2.2.7 Mandatorily Redeemable Preference Shares:

A mandatorily redeemable preference shares with dividends paid at the issuer's discretion, which effectively comprises: a financial liability (the issuer's obligation to redeem the shares in cash); and an equity instrument (the holder's right to receive dividends if declared). Such preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the mandatorily redeemable preference shares with dividends declared at the issuer's discretion, the present value of the redeemable amount is calculated using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption. The unwinding of the discount on this component is recognised in profit or loss and classified as interest expense.

The remainder of the proceeds is recognised and included in equity as per Ind AS 32. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of such preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

2.2.8 Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the best estimate.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.2.9 Employee Benefits:

2.2.9.1 Short term obligations:

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

2.2.9.2 Other Long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured based on the actuarial valuation using projected unit credit method at the year end. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the term of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

2.2.9.3 Post-employment obligations: The Company operates the following post-employment schemes:

2.2.9.3.1 Defined benefit plans such as gratuity; and

2.2.9.3.2 Defined contribution plans such as provident fund.

Gratuity Obligations:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has also made contribution to Life Insurance Corporation (LIC) towards a policy to cover the gratuity liability of the employees to an extent. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with LIC is provided for as liability in the books.

Remeasurements, (refer note no. 28D) comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss

i. Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.

ii. Net interest expenses or income

2.2.10 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty.

However, sales tax/ Goods & Services Tax (GST)/ value added tax (VAT) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Goods:

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Interest income:

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

2.2.11 Leases

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

For arrangement entered into prior to April 01, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

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

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

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

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payment are structured to increase in line with expected general inflation to compensate for the losses in expected inflationary cost increase.

2.2.12 Fair Value Measurement

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

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

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

b. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company's management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilties. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

The management in conjuction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

2.2.13 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements.

Operating lease commitments - Company as lessee

The Company has taken various properties on leases. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, and that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

b. Defined benefit plans

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions 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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates.

c. Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.2.14 Borrowing Costs:

Borrowing costs includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weignted average of rate applicable to relevant general borrowing of the Company during the year. Capitalisation of borrowing cost is suspended and charged to profit and loss during the extended periods when the active development on the qualifying project is interrupted. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the borrowing costs.

2.2.15 Impairment of Non Financial Assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any

case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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

After impairment depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

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

2.2.16 Government Grants:

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

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments.

2.2.17 Earnings per share

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of company (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.2.18 Segment Reporting:

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

The Board of Directors (BoD) of the Company has appointed a executive committee which assesses the financial performance and the position of the Company, and makes strategic decisions. The executive committee, which has been identified as being the CODM, consists of the Managing Director, Director and Chief Financial Officer for corporate planning.

Note: 3 Property, Plant and equipment (PPE)

Particulars	Freehold Land	Freehold buildings	Plant & Machinery	Furniture, Fitting & Equipments/Installations	Vehicles	Others Equipments	Total	Captial Work-in-progress
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
Transition as at 1 April 2016								
Gross carrying amount								
Deemed cost as at 1 April 2016	2,224.79	7,254.61	60,259.97	1,888.45	2,684.90	487.53	74,800.25	2,870.89
Additions/(deduction) on account of								
PPE on account of Government grant received under EPCG License Scheme			158.14				158.14	
Unamortised processing charges			(59.36)				(59.36)	

Closing gross carring amount as at 1 April 2016	**2,224.79**	**7,254.61**	**60,358.75**	**1,888.45**	**2,684.90**	**487.53**	**74,899.03**	**2,870.89**
Accumulated depreciation as at 1 April 2016	-	1,988.70	25,727.07	658.22	1,297.71	439.49	30,111.19	
Additions(deduction) on account of								
Depreciation charged at transition on Property, plant and equipment EPCG			38.52				38.52	
1 April 2016	**-**	**1,988.70**	**25,765.59**	**658.22**	**1,297.71**	**439.49**	**30,149.71**	**-**
Net carrying amount as at 1 April 2016	**2,224.79**	**5,265.98**	**34,593.16**	**1,230.23**	**1,387.19**	**48.04**	**44,749.32**	**2,870.90**
Year ended 31 March 2017								
Deemed cost as at April, 1, 2016	**2,224.79**	**5,265.91**	**34,593.16**	**1,230.23**	**1,387.19**	**48.04**	**44,749.32**	**2,870.90**
Additions		143.68	3,333.62	42.06	43.43	18.38	3,581.17	
Disposals		-	-	-	-	(1.40)	(1.40)	(96.05)
Total Cost as on 31 March 2017	**2,224.79**	**5,409.59**	**37,926.78**	**1,272.29**	**1,430.62**	**65.02**	**48,329.09**	**2,774.85**
Depreciation								
As at April 1, 2016	-	-	-	-	-	-	-	-
Depreciation charge during the year		238.76	2,195.65	164.97	225.60	16.87	2,841.85	
Disposals		-	-	-	-	-	-	
Closing accumulated depreciation as at 31 March 2017	**-**	**238.76**	**2,195.65**	**164.97**	**225.60**	**16.87**	**2,841.85**	**-**
W.D.V. as at March 31, 2017	**2,224.79**	**5,170.83**	**35,731.13**	**1,107.32**	**1,205.02**	**48.15**	**45,487.24**	**2,774.85**
Year ended 31 March 2018								
As at March 31, 2017	**2,224.79**	**5,409.59**	**37,926.78**	**1,272.29**	**1,430.62**	**65.02**	**48,339.09**	**2,774.85**
Additions	6.91	254.51	2,337.48	103.49	155.12	12.98	2,870.49	382.65
Disposals		-	(923.84)	(4.70)	(141.99)	-	(1,070.53)	(1,013.65)
Total Cost as at 31 March 2018	**2,231.70**	**5,664.10**	**39,340.42**	**1,371.08**	**1,443.75**	**78.00**	**50,129.05**	**2,143.85**
Depreciation								
As at March 31, 2017	**-**	**238.76**	**2195.65**	**164.97**	**225.60**	**16.87**	**2841.85**	**-**
Depreciation charge during the year		263.19	2,428.30	145.27	275.87	26.80	3,139.43	
Disposals		-	(771.50)	(1.27)	(92.54)	-	(865.31)	
Closing accumulated depreciation as at 31 March 2018	**-**	**501.95**	**3,852.45**	**308.97**	**408.93**	**43.67**	**5,115.97**	**-**
W.D.V. as at March 31, 2018	**2,231.70**	**5,162.15**	**35,487.97**	**1,062.11**	**1,034.82**	**34.33**	**45,013.08**	**2,143.85**

Net Book Value								
At March 31, 2018	2,231.70	5,162.15	35,487.97	1,062.11	1,034.82	34.33	45,013.08	2,143.85
At March 31, 2017	2,224.79	5,170.83	35,731.13	1,107.32	1,205.02	48.15	45,487.24	2,774.85
At April 1, 2016	2,224.79	5,265.91	34,593.16	1,230.23	1,387.19	48.04	44,749.32	2,870.90

No Borrowing cost are capitalized either on PPE or on Asset under construction (CWIP). Financial Year March 31, 2018 – NIL, March 31, 2017 – NIL, April 1, 2016 – NIL,

Charge on PPE

Entire PPE (except vehicles) is subject to First Charge to secure bank loans. Respective vehicles are also subject to charge to secure the loan availed to acquire the same. (Refer to Note No. 13).

4. Financial Assets (Unsecured, considerd good, unless otherwise stated)	March 31, 2018	March 31, 2017	April 1, 2016
	INR Lakhs	INR Lakhs	INR Lakhs
Loans	12,676.55	12,747.74	8,869.18
Security Deposits	131.88	113.65	54.99
	12,808.43	**12,861.39**	**8,924.17**
Current	12,676.55	12,747.74	8,869.18
Non-Current	131.88	113.65	54.99

5. Deferred Tax Assets/Liabilities (Net)	March 31, 2018	March 31, 2017	April 1, 2016
	INR Lakhs	INR Lakhs	INR Lakhs
Deferred Tax Asset/(Liability) (Refer Note No 29)	(126.48)	(193.99)	517.57
	(126.48)	**(193.99)**	**517.57**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 31, 2018:

	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Accounting profit before income tax	(8,714.09)	(3,806.49)
Tax Liability		
At India's statutory income tax rate of 30.90% (31 March 2017: 30.90%)	(2,692.65)	(1,176.21)
Adjustments in respect of current income tax of previous years	-	3.26
Non-deductible expenses for tax purposes	1,276.01	(490.43)
Current year unabsorbed tax losses	1,416.64	1,663.38
Income tax expenses charged to the statement of Profit & Loss A/c	-	-

Reconciliation of deferred tax liabilities (net) :	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Opening balance as of 1 April	(193.99)	517.57
Tax income/(expense) during the period recognised in profit or loss	64.45	(705.81)
Tax income/(expense) during the period recognised in OCI	3.06	(5.75)
Closing balance as at 31 March	(126.48)	(193.99)

Deferred tax relates to the following:	Balance Sheet			Profit & Loss	
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
Accelerated depreciation for tax purposes	(7,309.29)	(7,293.27)	(7,047.96)	(16.02)	(245.31)
Prepayments	(26.97)	(34.59)	(40.86)	7.63	6.27
Debt Component of compound financial instrument	(851.60)	(899.71)	(942.28)	48.11	42.57
Provision for Gratuity/Leave Encashment	236.92	202.85	187.72	34.07	15.13
Interest Accrued and Due	212.36	212.36	120.61	0.00	91.75
Other Liabilities	987.22	987.22	1,139.48	0.00	(152.26)
Cane Development Expenses	41.56	47.82	0.00	(6.27)	47.82
Expenditure allowed on payment basis	0.00	0.00	894.74	0.00	(894.74)
Unabsorbed Depreciation	6,583.32	6,583.33	6,206.12	(0.01)	377.21

Tax during the period recognised in OCI	-	-	-	(3.06)	5.75
Deferred Tax Expense/(Income)	-	-	-	64.45	(705.81)
Net Deferred Tax Assets/(Liabilities)	(126.48)	(193.99)	517.57	-	-

6. Prepayments	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
Deferred Loan Processing Fees	87.27	111.96	132.22
Prepaid Expenses	189.27	184.52	196.28
	276.54	**296.48**	**328.50**
Current	205.51	206.59	220.05
Non-Current	71.03	89.89	108.45

7. Inventories	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
(a) Raw Materials (at Cost)	381.23	278.28	20.45
(b) Work-in-progress (including appropriate overhead)	1,016.36	717.03	432.28
(c) Finished Goods (at lower of cost and net realisable value)	49,090.19	37,682.89	60,167.95
(d) Stores and spares (at Cost)	3,084.24	3,330.60	3,932.19
	53,572.02	**42,008.80**	**64,552.87**

8. Trade receivables (Unsecured, considerd good)	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
Trade receivables	9,806.56	7,197.22	7,367.21
	9,806.56	**7,197.22**	**7,367.21**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

9. Cash and cash equivalent	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
(A) Balances with Banks			
(I) Bank balances held as margin money or as security against:			
(i) Guarantees	726.74	377.66	80.76
(ii) Letters of Credit	-	-	89.15
(iii) Other commitments	34.68	31.95	65.15
(II) On Current Accounts	4,157.86	1,426.78	1,288.56
(B) Cheques, drafts on hand	854.16	114.61	1,346.72
(C) Cash on hand	30.85	174.46	116.76
	5,804.29	**2,125.46**	**2,987.10**
Cash & Cash Equivalents	5,042.87	1,715.85	2,752.04
Bank Balance other than above	761.42	409.61	235.06

10. Other Assets	March 31, 2018	March 31, 2017	April 1, 2016
	INR Lakhs	INR Lakhs	INR Lakhs
Capital Advances (Unsecured, considerd good)	916.72	863.38	240.78
Other Advances (Unsecured, considerd good)			
- Related Party (Refer Note No 28)	37.95	37.95	-
- Others	5,372.61	4,042.33	3,384.53
Interest and other Receivable	1,854.56	1,468.40	19.39
Balance with Revenue Authorities	1,0.42.63	700.24	336.41
Taxes deposited under protest/appeal	59.00	59.00	112.63
	9,283.47	**7,171.30**	**4,093.73**
Current Assets	9,283.47	7,171.30	4,093.73
Non-current Assets	-	-	-

11. Share Capital		
Authorised Share Capital		
Equity Shares	**No. in Lakhs**	**INR Lakhs**
At April 1, 2016	1,600.00	16,000.00
Increase/(decrease) during the year	-	-
At March 31, 2017	1,600.00	16,000.00
Increase/(decrease) during the year	-	-
At March 31, 2018	**1,600.00**	**16,000.00**
Terms/ rights attached to equity shares		
The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends, if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
8% Non Cumulative Redeemable Preference Shares	**No. in Lakhs**	**INR Lakhs**
At April 1, 2016	600.00	6,000.00
Increase/(decrease) during the year	-	-
At March 31, 2017	600.00	6,000.00
Increase/(decrease) during the year	-	-
At March 31, 2018	**600.00**	**6,000.00**
Terms/ rights attached to preference shares		
The Preference shares issued by the company are non-convertible. Preference shares will be redeemed on April 29, 2027 at the price of INR 10/- per share. The Preference shares carry a dividend of 8% per annum payable at the discretion of the company and subject to approval of the lenders. The dividend rights are non-cumulative. The preference shares rank ahead of the equity shares in event of liquidation. The presentation of liability and equity portioin of these shares is explained in the summery of significant accounting policy.		
Issued Share Capital		
Equity Shares	**No. in Lakhs**	**INR Lakhs**
At April 1, 2016	1,535.68	15,356.78
Issued during the year	-	-
At March 31, 2017	1,535.68	15,356.78
Issued during the year	-	-

At March 31, 2018	**1,535.68**	**15,356.78**
Equity component of redemebale preference shares of INR 10 each issued and fully paid	**No. in Lakhs**	**INR Lakhs**
At April 1, 2016	410.93	2,811.16
Issued during the year	-	-
At March 31, 2017	410.93	2,811.16
Issued during the year	-	-
At March 31, 2018	**410.93**	**2,811.16**

This note covers the equity component of the issued convertible preference shares. The liability component is reflected in financial liabilities. (Refer Note No. 13)

Subscribed Share Capital

Equity Shares of INR 10 each	**Subscribed & Fully Paid**	**Subscribed but not Fully Paid**
	No. in Lakhs	**No. in Lakhs**
At April 1, 2016	1,535.11	0.57
Issued during the year	-	-
At March 31, 2017	1,535.11	0.57
Issued during the year	-	-
At March 31, 2018	**1,535.11**	**0.57**
Equity component of redemebale preference shares of INR 10 each issued and fully paid	**No. in Lakhs**	**No. in Lakhs**
At April 1, 2016	410.93	410.93
Increase/(decrease) during the year	-	-
At March 31, 2017	410.93	410.93
Increase/(decrease) during the year	-	-
At March 31, 2018	**410.93**	**410.93**

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	**As at 31 March 2018**		**As at 31 March 2017**	
	No. of shares in Lakhs	**% holding in the class**	**No. of shares in Lakhs**	**% holding in the class**
Equity Shares of INR 10 each				
1. Mr. Rana Inder Pratap Singh	179.30	11.68%	-	0.00%
2. Mrs. Sukhjinder Kaur	85.00	5.54%	85.00	5.54%
3. Mrs. Rajbans Kaur	-	0.00%	95.70	6.23%

12. Other Equity	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
a. Securities Premium Reserve	8,315.02	8,315.02	8,315.02
b. Capital Redemption Reserve	2,054.67	2,054.67	2,054.67
c. Capital Reserve	132.25	132.25	132.25
d. Retained Earnings	(27,355.00)	(18,696.51)	(14,183.13)
	(16,853.06)	**(8,194.57)**	**(3,681.19)**
Reserves and Surplus	(27,355.00)	(18,696.51)	(14,183.13)
Other Reserve	10,501.94	10,501.94	10,501.94

a. Securities Premium Reserve	March 31, 2018	March 31, 2017	
	INR Lakhs	INR Lakhs	
Opening Balance	8,315.02	8,315.02	
Appropriations during the year	-	-	
Closing Balance	**8,315.02**	**8,315.02**	
b. Capital Redemption Reserve	**March 31, 2018**	**March 31, 2017**	
	INR Lakhs	**INR Lakhs**	
Opening Balance	2,054.67	2,054.67	
Appropriations during the year	-	-	
Closing Balance	**2,054.67**	**2,054.67**	
c. Capital Reserve	**March 31, 2018**	**March 31, 2017**	
	INR Lakhs	**INR Lakhs**	
Opening Balance	132.25	132.25	
Appropriations during the year	-	-	
Closing Balance	**132.25**	**132.25**	
d. Retained Earnings	**March 31, 2018**	**March 31, 2017**	
	INR Lakhs	**INR Lakhs**	
Opening balance	(18,696.51)	(14,183.13)	
Net profit for the period	(8,649.64)	(4,512.30)	
Appropriation from :			
Molasses Storage Fund	(2.01)	(13.93)	
Items of OCI recognised directly in retained earnings			
Re-measurement gains/(losses) on defined benefits plan (net of tax)	(6.84)	12.85	
Closing balance	(27,355.00)	(18,696.51)	

13. Financial Liabilities						
	Effective Interest rate	**Maturity period**	**Installment (Nos.)**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
				INR Lakhs	**INR Lakhs**	**INR Lakhs**
Non-Current Borrowings						
Term Loan						
From Banks						
(i) Term loan from SBI (Secured)	BR+3.65%	June-09 to Sept -17	34	1,321.02	2,778.42	3,725.30
(ii) Term loan from BoB (Secured)	BR+3.15%	June-09 to Sept -17	34	365.57	658.08	701.46
(iii) Term loan (SEFASU 2014) from SBI (Secured)	BR+3%	Mar-16 to Mar-19	12	2,066.54	2,283.94	2,758.34
(iv) Term loan (SEFASU 2014) from BoB (Secured)	BR+2.5%	Apr-16 to Jan -19	12	636.64	636.64	697.30
(v) Term loan (SEFASU 2014) from UCO Bank (Secured)	BR+3.10%	June-16 to Mar-19	12	39.60	80.66	89.30
(vi) Term Loan (Soft Loan) from SBI (Secured)	BR+3%	Oct-17 to Jul-22	20	2,856.23	2,867.11	2,878.20

(vii) Term Loan (Soft Loan) from BoB (Secured)	BR+2.5%	Oct-17 to Sept-22	60	625.50	690.80	694.55
(viii) Term Loan (Soft Loan) from UCO Bank (Secured)	BR+2.70%	Oct-16 to Sept-20	48	62.44	87.26	90.95
(ix) Term Loan (Punjab Soft Loan) from SBI (Secured)	BR+3.70%	Dec-17 to Sept-22	20	1,321.45	1,321.45	1,337.35
(x) Term Loan (Punjab Soft Loan) from BoB (Secured)	BR+3.20%	Mar-18 to Dec-22	20	336.30	336.30	340.67
(xi) Term Loan (Punjab Soft Loan) from UCO Bank (Secured)	BR+3.40%	Dec-17 to Sept-22	20	135.48	135.21	135.63
(xii) Term Loan from UCO Bank (Secured)	BR+4.45%	June-17 to Mar-23	24	543.54	586.18	561.74
(xiii) Term loan from IREDA (Secured)	11.75%	June-18 to Mar-29	8-32	7,489.48	7,120.67	7,666.96
(xiv) Liability Component of compound financial instrument						
- 8% Non Cumulative Redeemable Preference Shares (Unsecured)	13%	2007-2028	NA	1,353.36	1,197.66	1,059.88
(xv) Vehicle Loans (Secured)		31-Mar-20	Various	362.18	597.51	835.64
Unsecured loans						
- From Directors (Unsecured)				995.64	1,137.52	1,634.51
- From Intercorporate (Unsecured)				5,411.25	5,901.60	5,602.47
- From Relatives (Unsecured)				1,624.79	1,705.16	1,500.64
Total borrowings				**27,547.01**	**30,122.17**	**32,310.89**
Less: Amount clubbed under Other Financial Liabilities				(6,896.83)	(8,251.43)	(6,201.00)
Non current borrowings				**20,650.18**	**21,870.74**	**26,109.89**

At March 31, 2018, March 31, 2017 and April 1, 2016, there were 4,10,93,424 no. of redeemable preference shares in issue. Each share has a par value of INR 10. Preference shares will be redeemed on April 29, 2027 at per value. The preference shares carry a dividend of 8% per annum, payable yearly in arrers on 31 March. The dividend rights are non-cumlative. The preference shares rank ahead of the equity shares in the event of a liquidation. The presentation of the liability and equity portions of these shares is explained in the summary of significant accounting policies.

		March 31, 2018	**March 31, 2017**	**April 1, 2016**
		INR Lakhs	**INR Lakhs**	**INR Lakhs**
(i) Term loan from SBI (Secured)	Amount	1,568.76	1970.72	NA
	Period of default	Since March, 31 2016	Since March, 31 2016	
(ii) Term loan from BoB (Secured)	Amount	377.02	511.56	NA
	Period of default	Since March, 31 2016	Since March, 31 2016	
(iii) Term loan (SEFASU 2014) from SBI (Secured)	Amount	1,662.91	652.65	NA
	Period of default	Since March, 31 2016	Since March, 31 2016	
(iv) Term loan (SEFASU 2014) from BoB (Secured)	Amount	570.41	247.54	NA
	Period of default	Since March, 31 2016	Since March, 31 2016	
(v) Term loan (SEFASU 2014) from UCO Bank (Secured)	Amount	8.01	14.66	NA
	Period of default	Since Dec, 31 2017	Since Dec. 31 2016	
(vi) Term Loan (Soft Loan) from SBI (Secured)	Amount	790.38	142.20	NA
	Period of default	Since March, 31 2016	Since March, 31 2016	

(vii) Term Loan (Soft Loan) from BoB (Secured)	Amount	213.39	77.94	NA
	Period of default	Since March, 31 2016	Since March, 31 2016	
(viii) Term Loan (Soft Loan) from UCO Bank (Secured)	Amount	8.10	8.51	NA
	Period of default	Since Dec, 31 2017	Since Dec. 31 2016	
(ix) Term Loan (Punjab Soft Loan) from SBI (Secured)	Amount	374.29	53.89	NA
	Period of default	Since March, 31 2016	Since March, 31 2016	
(x) Term Loan (Punjab Soft Loan) from BoB (Secured)	Amount	114.96	44.66	NA
	Period of default	Since March, 31 2016	Since March, 31 2016	
(xi) Term Loan (Punjab Soft Loan) from UCO Bank (Secured)	Amount	19.27	N.A.	NA
	Period of default	Since Dec, 31 2017		
(xii) Term Loan from UCO Bank (Secured)	Amount	79.40	N.A	NA
	Period of default	Since Dec, 31 2017		

	Effective Interest rate	Maturity	March 31, 2018	March 31, 2017	April 1, 2016
			INR Lakhs	INR Lakhs	INR Lakhs
Current borrowings					
(A) Loans repayable on demand					
Secured					
Cash Credits From banks	BR +3.5%	on Demand	43,158.42	47,407.02	51,465.94
Interest accrued and due			11,059.52	5,669.79	-
Total Current borrowings			**54,217.94**	**53,076.81**	**51,465.94**
(B) Other financial liabilities			**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
			INR Lakhs	**INR Lakhs**	**INR Lakhs**
Current Maturities of Long term borrowings					
Current maturities of debt			6,664.64	7,531.28	5,582.38
Current maturities of vehicle loans			232.19	277.60	228.28
Interest accrued and due			1,918.84	1,357.54	390.34
			8,815.67	**9,166.42**	**6,201.00**

Note: Base Rate (BR) of respective Bank as on March 31, 2018

Term Loans

Term Loans from above banks are secured by pari passu first charge on Fixed Assets of the Company, including Sugar & Power units in District Amritsar (Punjab), Moradabad & Rampur (UP) and Distillery unit in District Tarantaran (Punjab)

Working Capital Loans

For Sugar Unit in District Amritsar

Working Capital Loans are secured by pledge/hypothecation of crystal sugar, and hypothecation of all other current assets in Sugar Unit in District Amritsar (Punjab), in favour of State Bank of India, Bank of Baroda and UCO Bank on pari-passu basis.

For Distillery Unit in District Tarn Taran

Working Capital Loans are secured by hypothecation of all current assets in Distillery Unit in District Tarn Taran (Punjab), in favour of State Bank of India and UCO Bank on pari- passu basis.

For Sugar Unit in District Moradabad

Working Capital loans are secured by pledge/hypothecation of crystal sugar, and hpothecation of all other current assets in Sugar Unit in District Moradabad (UP), in favour of State Bank of India, Bank of Baroda and Zila Sahkari Bank Ltd. on pari-passu basis.

For Sugar Unit in District Rampur

Working Capital Loans are secured by pledge/hypothecation of crystal sugar, and hypothecation of all other current assets in Sugar Unit in District Rampur (UP), in favour of State Bank of India, Bank of Baroda and Zila Sahkari Bank Ltd. on pari-passu basis.

Working Capital Loans from Banks are further secured by personal guarantee of promoters / directors.

14. Provisions	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
Provision for employee benefits (Refer note no. 30)	766.72	656.47	629.20
	766.72	**656.47**	**629.20**
Current	102.40	100.06	86.85
Non-Current	664.32	556.41	542.35

15. Government Grant	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
Government Grant	179.43	210.37	241.31
	179.43	210.37	241.31
Current	30.94	30.94	30.94
Non-Current	148.49	179.43	210.37

Government grants had been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants

16. Other Liabilities	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
Statutory Dues Payables	4,268.31	3,682.08	6,686.62
Advance from Customers	1,174.88	977.65	-
Other liabilities and payables	1,681.01	5,358.62	4,278.10
Molasses Stroage Fund	71.12	69.11	55.18
	7,195.32	**10,087.46**	**11,019.90**
Current	7,124.20	10,018.35	10,964.72
Non-Current	71.12	69.11	55.18

17. Trade Payables	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
	INR Lakhs	**INR Lakhs**	**INR Lakhs**
Micro & Small Enterprises	-	14.19	29.49
Trade Payables - Raw Material	39,651.27	10,374.70	21,597.24
Trade Payables - Capital	732.14	874.90	1,782.73
Trade Payables - Others	5,061.04	3,426.15	2,830.75
	45,444.45	**14,689.94**	**26,240.21**

Terms and conditions of the above financial liabilities

► Trade payables are non-interest bearing and are normally settled as per terms of the respective contract.

18. Revenue from Operations	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Sale of products (including excise duty)	98,583.39	101,283.10
Sale of goods	47.35	13,039.58
Total Sale of Products	**98,630.74**	**114,322.68**
Other Operating Revenues	136.30	347.43
Total	**98,767.04**	**114,670.11**

Sale of goods includes excise duty collected from customers of INR 1,113.15 lakhs (31 March 2017: INR 5,588.23 lakhs). Sale of goods net of excise duty is INR 97,517.60 lakhs (31 March 2017: INR 1,08,735.45 lakhs). Revenue from operations for periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended 31 March 2018 is not comparable with 31 March 2017.

19. Other Income	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Other non-operating income		
Government grant	30.94	30.94
Interest Income	49.18	38.65
Gain on disposal of property, plant and equipment	27.51	1.89
Other Non-Operating Income(Net of Expenses directly attributable to such income)	596.83	82.57
Unwinding of discount on security deposit (if any)	-	-
	704.46	154.05

Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

20. Cost of Raw Material and Components Consumed		
a. Raw material	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Inventory at the beginning of the year	18.28	20.45
Add: Purchase	92,659.41	60,438.12
	92,677.69	60,458.57
Less: Inventory at the end of the year	381.23	18.28
Cost of raw material consumed	92,296.46	60,440.29
b. Components consumed	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Inventory at the beginning of the year	3,590.01	3,932.19
Add: Purchase	3,330.07	2,223.86
	6,920.08	6,156.05
Less: Inventory at the end of the year	3,084.24	3,590.01
Cost of components consumed	3,835.84	2,566.04
Cost of Raw Material and Components Consumed	**96,132.30**	**63,006.33**

c. Cost of traded goods sold	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Inventory at the beginning of the year		-
Add: Purchase	47.36	9,568.48
	47.36	9,568.48
Less: Inventory at the end of the year	-	-
Cost of traded goods sold	47.36	9,568.48

21. Employee Benefits Expense	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Salaries, wages and bonus	2,676.06	2,509.91
Contribution to provident and other funds	128.83	128.84
Gratuity expense	104.88	30.67
Staff welfare expense	90.17	108.57
	2,999.94	**2,777.99**

22. Finance Costs	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Interest on Term Loan	5,029.12	3,852.18
Interest on Working Capital Loans	4,705.56	5,051.53
Exchange differences regarded as an adjustment to borrowing costs	0.79	-
Other borrowing cost	158.36	110.12
	9,893.83	**9,013.83**

23. Other Expenses	March 31, 2018	March 31, 2017
	INR Lakhs	INR Lakhs
Processing Charges	266.37	196.61
Power and Fuel	1,894.83	2,662.88
Rent	280.64	244.35
Rates and taxes	182.17	202.55
Insurance	68.59	80.87
Repairs and maintence		
Plant and machinery	1,554.68	1,715.16
Buildings	300.71	123.07
Others	0.08	1.45
Vehicle Running & Maintenance	641.52	546.20
Donations - Others	0.34	8.15
Advertising and sales promotion	19.65	35.90
Other Selling expenses	88.54	139.65
Travelling and conveyance	316.87	393.79
Office Expenses	376.22	395.77
Legal and professional fees	197.83	50.70
Directors' sitting fees	4.65	9.35

Payment to auditior	8.54	14.53
Exchange difference (net)	6.38	6.34
Bad Debts/ advances written off	(2.33)	14.46
Loss on sale of fixed assets	36.99	-
Miscellaneous expenses	322.95	104.00
	6,566.22	6,945.78

Payment to Auditors	**March 31, 2018**	**March 31, 2017**
	INR Lakhs	**INR Lakhs**
As auditor:		
Audit fee	8.54	8.54
Tax audit fee	-	-
Limited review	-	-
In other capacity:		
Taxation matters	-	5.99
Company law matters	-	-
Other services (certification fees)	-	-
	8.54	14.53

Notes No. 24

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

24. Contingent Liabilities, Commitments and Contingencies

(Claims against the company not acknowledged as debts)

Liabilities in respect of Income Tax and Sales Tax have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessment shall be accounted for in the year in which the assessment is completed. The status of completed assessments is as under:-

a) **Income Tax assessments** have been completed up to the assessment year **2015-16** and there is no demand pending in respect of the completed assessments.

b) **Sales Tax assessments**

Sr. No.	Unit	Assessment Completed upto	
		CST	VAT
1.	Sugar Units, Uttar Pradesh	2015-16	2015-16
2.	Sugar Unit, Amritsar	2015-16	2015-16
3.	Distillery Unit, Tarantarn	2013-14	2013-14

i) In respect of Sugar Units in Uttar Pradesh, the Excise & Taxation Department has raised demand on account of VAT on molasses for INR 35.41 lakhs, 201.31 lakhs, 103.99 lakhs, 178.90 lakhs and 122.52 lakhs for the Financial years 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16 respectively. However, the as per the order of the Hon'ble Allahabad High Court dated 30 March, 2010 the said VAT has not been deposited with the Excise & Taxation Department, Uttar Pradesh. Since Excise & Taxation Department, Uttar Pradesh has filed an appeal with Hon'able Supreme Court of India against such order of the Hon'able High Court of Allahabad; the said liability for VAT on molasses has been classified as contingent liability.

ii) The Company has deposited INR Nil (FY 2016-17 INR 6.60 lakhs) under protest with department against alleged demand raised of entry tax and shown the same under the head Payments of Taxes under protest/appeal under Other Assets (Refer note no. 10). The Company has filed appeal against such demand with the respective appellate authorities.

iii) In respect of Sugar Unit in Punjab, the Department has raised the demand for Purchase Tax on cane for INR 140.40 lakhs, 297.22 lakhs, 347.25 lakhs, 227.62 lakhs, 90.52 lakhs and 381.98 lakhs for the Financial years 2005-06, 2008-09, 2009-10, 2010-11, 2011-12 and 2013-14 respectively. The Company has preferred appeals against such orders with the appellate authorities. Though, the Company has provided purchase tax liability for the years 2005-06 to 2013-14, the same has not been paid as the above mentioned appeals against assessment orders are pending with the appellate authorities.

iv) In respect of Distillery unit in Punjab, the office of Excise & Taxation Commissioner, Punjab raised a demand of INR 348.47 lakhs (INR 55.69 lakhs for VAT and INR 292.78 lakhs for CST) vide its order dated 30 April, 2015 against which the Company has filed appeal with DETC (Appeals) Amritsar .

c) In respect of its Sugar unit at Moradabad, the company has deposited INR 49.90 lakhs in FY 2010-11 on account of Excise Duty under protest against alleged demand of Excise duty and the same has been shown under the head Payments of Taxes under protest/appeal under Other Assets (Refer note no. 10). The Company has filed an appeal with CESTAT (Central Excise & Service Tax Appellant Tribunal) against the order of Commissioner, Central Excise.

d) In respect of its Sugar unit at Amritsar, the company has deposited INR 2.50 lakhs in FY 2010-11 on account of Excise Duty under protest and the same has been shown under the head Payments of Taxes under protest/appeal under Other Assets (Refer note no. 10). The Company has filed an appeal with CESTAT (Central Excise & Service Tax Appellant Tribunal) against the order of Commissioner, Appeals.

e) Bank Guarantees/LC's issued INR 1005.25 lakhs (previous year INR 931.96 lakhs) are secured by pledge of FDRs of INR 726.74 lakhs (previous year INR 377.66 lakhs) given by the Company.

f) As per the Tripartite agreement between the Company, Bankers and the Individual farmers, Banker disburses the Crop Loan to farmers through the Company. The Company has provided guarantee to the Bank on behalf of farmers for repayment of loan with interest. The crop loans outstanding as at the end of the Financial Year were INR 4,060.22 lakhs (Previous year INR 6,475.60 lakhs) against the corporate guarantee given by the company amounting to INR 4400.00 lakhs (Previous year INR 6400.00 lakhs).

g) The estimated amount of contracts remaining to be executed on capital account and not provided for was INR 39.03 Lakhs (Previous Year INR 144.90 Lakhs).

25. EXPENDITURE ON EMPLOYEES:

There was no employee employed for full or part of the year who was getting remuneration in excess of the limits specified in Section 197 read with schedule V of the Companies Act, 2013.

26. RELATED PARTY TRANSACTION:

INR in Lakhs

		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties	Loans Given/ (Received)	(Repayment) / Received	Amounts owed by related parties
Entity in which the Director's are interested								
Rana Polycot Limited	31-Mar-18	0.77	-	-	-	0.01	0.01	-
	31-Mar-17	-	-	-	-	22.54	22.54	-
Rana Informatics Limited	31-Mar-18	-	-	-	-	-	-	-
	31-Mar-17	-	-	37.95	-	-	-	-
RSL Distilleries Private Limited	31-Mar-18	3.03	16.91	-	1.35	-	-	-
	31-Mar-17	-	-	-	-	5.57	5.57	-
Rana Power Limited	31-Mar-18	-	-	-	-	565.50	565.50	-
	31-Mar-17	-	-	-	-	(28.65)	(28.65)	-
Laxmiji Sugars Mills Company Limited	31-Mar-18	8.85	-	-	-	252.80	252.80	-
	31-Mar-17	-	-	-	-	51.59	163.29	-
	01-Apr-16	-	-	-	-	-	-	111.71
Superior Foods Grains Private Limited	31-Mar-18	19.42	126.87	-	43.45	-	-	-
	31-Mar-17	-	-	-		59.03	59.03	-
	01-Apr-16	-	-	-	131.34	-	-	-
Directors	31-Mar-18	-	-	-	-	(81.70)	(223.58)	(995.64)
	31-Mar-17	-	-	-	-	(47.97)	(156.80)	(1,137.52)
	01-Apr-16	-	-	-	-	-	-	(1,634.51)
Relatives of Directors	31-Mar-18	-	-	-	-	(18.90)	(99.27)	(1,624.79)
	31-Mar-17	-	-	-	-	(32.02)	(215.65)	(1,705.16)
	01-Apr-16	-	-	-	-	-	-	(1,500.64)

Key Management Personnel	-	Short Term Employee Benefits	Post Employment Benefits
		INR in Lakhs	
Manoj Gupta (C.F.O.)	31-Mar-18	21.09	-
	31-Mar-17	19.55	-
M.K.Raina (Company Secretary)	31-Mar-18	19.45	-
	31-Mar-17	17.82	-

The amounts disclosed in the table relating to employee benefits are the amounts recognised as an expense during the reporting period related to key management personnel. The remuneration to the Key Management Personnel does not include the provision for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: INR Nil, 1 April 2016: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Loan to Companies in which Directors are interested

The loan granted to the Companies in which Directors are interested is intended to meet the operational requirements of the Company. The loan is unsecured, interest free and repayable in full by the end of each financial year. The loan has been utilized for the purpose it was granted.

27. Deferred Tax:

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.

The Company has tax losses (Business Loss) of INR 9,921.84 lakhs (31 March 2017: INR 8,564.12 lakhs, 1 April 2016: INR 3,914.06 lakhs) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose. Majority of these losses will expire in March 2023.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits since they have arisen on account of recent losses incurred by the company for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company were able to recognise all unrecognised deferred tax assets, the profit would increase by INR 3,065.85 lakhs.

28. Employee Benefits:

The Company has a defined benefit gratuity plan. Under Gratuity Plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset.

Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

i) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

ii) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

iii) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

iv) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability

A. Defined Contribution Plan

Contribution to defined contribution plan, recognized as expense for the year is as under:

Particulars	2017-18	2016-17
Employer's contribution towards Provident Fund	128.83	128.84

B. Defined Benefit Plan

General description of the plan:

Gratuity	Leave Encashment
Funded	Unfunded

C. Method of valuation: Projected unit Credit Method

D. Reconciliation of opening and closing balance of defined benefit obligation:

INR in lakhs

Item	Gratuity		Leave	
	2018	2017	2018	2017
Net opening liability/(asset)	41163546	36166021	17798939	15365471
Expenses as recognized in P&L account	10487705	7690582	3992160	5605963
Remeasurements	990258	(1859734)	-	-
Contributions/benefits paid	(1383613)	(833323)	(2871200)	(3172495)
Net closing liability(asset)	51257896	41163546	18919899	17798939

E. Fair Value of Plan Assets:

INR in lakhs

Particulars	Gratuity		Leave	
	2018	2017	2018	2017
FV of plan assets at the beginning of the period	6326019	6992588	-	-
Expected Return on plan assets	506082	489481	-	-
Contributions paid by the employer	1383613	833323	-	-
Benefit paid by Fund	(2567188)	(1983741)	-	-
Assets Acquired/Ceded on settlement	-	-	-	-
Actuarial Gains/(Losses) on plan assets	-	-	-	-
Return on plan assets excluding interest income	(90097)	(5632)	-	-
FV of plan assets at the end of the period	5558429	6326019	-	-

F. Amount recognized in the balance sheet:

INR in lakhs

Particulars	Gratuity		Leave	
	2018	2017	2018	2017
Present value of DBO/LTEB	56816325	47489565	18919899	17798939
FV of plan assets	5558429	6326019	-	-
Unrecognized past service cost(Non vested)	-	-	-	-
Net Liability/(Asset) recognized in Balance Sheet	51257896	41163546	18919899	17798939

G. Expense Recognized in Profit or Loss Statement

INR in lakhs

Particulars	Gratuity		Leave	
	2018	2017	2018	2017
Current Service Cost	7194622	5158960	2754161	2802122
Interest Cost	-	-	1423915	1075583
Actuarial (Gain)/Loss of obligations	-	-	(185916)	1728258

Actuarial (Gain)/Loss of plan assets	-	-	-	-
Benefits paid directly by the employer	-	-	-	-
Expected Return on plan assets	-	-	-	-
Net Interest Cost	3293083	2531622	-	-
Past Service Cost – Vested	-	-	-	-
Past Service Cost – Non Vested	-	-	-	-
Total Expense Recognized in Profit or Loss Statement	10487705	7690582	3992160	5605963

H. Amount Recognized in Other Comprehensive Income

INR in lakhs

Particulars	Gratuity		Leave	
	2018	2017	2018	2017
Actuarial (Gain)/Loss on obligations– Due to change in Financial Assumptions	-		-	-
Actuarial (Gain)/Loss on obligations – Due to change in demographic Assumptions	-		-	-
Actuarial (Gain)/Loss – Due to experience variance	900161	(1865366)	-	-
Return on plan assets other than amounts included in net interest cost	90097	5632	-	-
Re-measurement arising from change in asset ceiling	-	-	-	-
Net(Income)/Expense for the period recognized in Other Comprehensive Income	990258	(1859734)	-	-

I. Valuation Assumptions (Financial)

	2018	2017
Discount Rate	8%	7%
Estimated rate of increase in compensation levels	7%	6%
Expected rate of return on plan assets	8%	7%

(Demographic)

Mortality basis	Indian Assured Lives Mortality (2006-08) Ult.
Attrition	5%
Disability	No explicit allowance
Leave availment factor	20%

Average weighted duration of liabilities

Sensitivity Analysis – Gratuity

INR in lakhs

Change in Valuation Assumption	Gratuity – PV of liability obligations for the year ended 2018	Gratuity – PV of liability obligations for the year ended 2017
Discount rate Δ (-1%)	60724863	50977210
Discount rate Δ (0%)	56816325	47489565
Discount rate Δ (+1%)	53342911	44406896
Salary Esc. Rate Δ (-1%)	53282931	44355788
Salary Esc. Rate Δ (0%)	56816325	47489565
Salary Esc. Rate Δ (+1%)	60724863	50977210

Sensitivity Analysis – Leave Encashment

INR in lakhs

Change in Valuation Assumption	Leave – PV of liability obligations for the year ended 2018	Leave – PV of liability obligations for the year ended 2017
Discount rate Δ (-1%)	20203667	19014827
Discount rate Δ (0%)	18919899	17798939
Discount rate Δ (+1%)	17787741	16725316

Salary Esc. Rate Δ (-1%)	17768109	16624311
Salary Esc. Rate Δ (0%)	18919899	17798939
Salary Esc. Rate Δ (+1%)	20203667	19014827

29. Segment Information:

A. Description of the segments and principal activities:

The Company's executive committee examines the Company's performance from a product and geographic perspective and has identified three reportable segments of its business:

a. Sugar Manufacturing: (India – Punjab and Uttar Pradesh)

This part of the business manufactures and sells sugar, molasses and bagasse. Whereas sugar is main product; others are the bye products and are produced at various stages of the production of the sugar. The Company has sugar manufacturing facilities at three locations in India viz. Buttar (Punjab), Moradabad and Rampur (Uttar Pradesh). The committee monitors the performance in the respective region separately. While the committee receives separate reports for each region, the facilities have been aggregated in to one reportable segment as they have similar average gross margins and similar expected growth rates.

b. Ethanol Manufacturing: (India – Punjab)

This part of the business is further integration of the sugar process wherein bye product molasses is further processed to manufacture Ethanol.

c. Power Generation: (India – Punjab and Uttar Pradesh)

This part of the business consumes the bye product bagasse from sugar process and co generates the power. The segment also procures fuel from outside to generate power. After meeting the captive requirements of the respective sugar unit the power is exported the respective State Grids under long term Power Purchase Agreements (PPA).

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2018

INR in lakhs

Particulars	Sugar	Power	Distillery/ Ethanol	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	**78,569.68**	**9,357.06**	**11,544.77**	**99,471.51**	-	**99,471.51**
Inter-segment	19,318.07	18,392.58	-	37,710.65	37,710.65	-
Total Revenue	**97,887.75**	**27,749.64**	**11,544.77**	**137,182.16**	**37,710.65**	**99,471.51**
Income/(Expenses)						
Depreciation and amortisation	(1,868.90)	(1,012.51)	(258.01)	(3,139.42)	-	(3,139.42)
Segement Profit/(Loss)	**(16,144.34)**	**5,272.37**	2,147.98	**(8,723.99)**	-	**(8,723.99)**
Total Assets	109,889.25	19,440.73	9,378.22	138,708.20		138,708.20
Total Liabilities	117,365.85	8,040.58	3,831.61	129,238.04		129,238.04

SEGMENT REPORTING FOR THE YEAR ENDED MARCH 31, 2017

INR in lakhs

Particulars	Sugar	Power	Distillery/ Ethanol	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	**93,046.82**	**8,757.04**	**13,020.31**	**114,824.17**	-	**114,824.17**
Inter-segment	13,049.78	15,226.48	-	28,276.26	28,276.26	-
Total Revenue	**106,096.60**	**23,983.52**	**13,020.31**	**143,100.42**	**28,276.26**	**114,824.17**
Income/(Expenses)						
Depreciation and amortisation	(1,601.88)	(983.04)	(256.93)	(2,841.85)	-	(2,841.85)
Segement Profit/(Loss)	**(11,608.22)**	**5,952.06**	1,868.25	**(3,787.91)**	-	**(3,787.91)**
Total Assets	90,208.34	20,918.58	8,795.77	119,922.69		119,922.69
Total Liabilities	88,333.92	7,812.95	4,867.05	101,013.92		101,013.92

30. Fair Value of Financial Instruments

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

INR in lakhs

Category	Carrying Value		Fair Value	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Financial asset at amortized cost				
Loans (refer note no. 4)	12808.43	12861.39	12808.43	12861.39
Financial liabilities at amortized cost				
Non-Current borrowings including current maturities (refer note no 13)	29,465.85	31037.16	29465.85	31037.16
Current borrowings (refer note no 13)	54,217.94	53076.81	54217.94	53076.81

The management assessed that trade receivables, cash and cash equivalents, other bank balances, loans and advances to related parties, interest receivable, trade payables, capital creditors, other current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of loans from banks and other financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable and unobservable inputs in the model, of which the significant observable and unobservable inputs are disclosed below. Management regularly assesses a range of reasonably possible alternatives for those significant observable and unobservable inputs and determines their impact on the total fair value.

The fair values of the Company's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2018 was assessed to be insignificant.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(i) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2018 **INR in lakhs**

Particulars	Carrying value March 31, 2018	Fair Value		
		Level 1	Level 2	Level 3
Loans (refer note no. 4)	12808.43	-	128.08.43	-

(ii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2017 **INR in lakhs**

Particulars	Carrying value March 31, 2017	Fair Value		
		Level 1	Level 2	Level 3
Loans (refer note no. 4)	12861.39	-	12861.39	-

(iii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on April 1, 2016 **INR in lakhs**

Particulars	Carrying value April 1, 2016	Fair Value		
		Level 1	Level 2	Level 3
Loans (refer note no. 4)	8924.17	-	8924.17	-

(iv) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2018 **INR in lakhs**

Particulars	Carrying value March 31, 2018	Fair Value		
		Level 1	Level 2	Level 3
Non-Current borrowings including current maturities (refer note no 13)	29465.85	-	29465.85	-
Current borrowings (refer note no 13)	54217.94	-	54217.94	-

(v) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2017 **INR in lakhs**

Particulars	Carrying value March 31, 2017	Fair Value		
		Level 1	Level 2	Level e 3
Non-Current borrowings including current maturities (refer note no 13)	31037.16	-	31037.16	-
Current borrowings (refer note no 13)	53076.81	-	53076.81	-

(vi) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on April 1, 2016 **INR in lakhs**

Particulars	Carrying value April 1, 2016	Fair Value		
		Level 1	Level 2	Level e 3
Non-Current borrowings including current maturities (refer note no 13)	32310.89	-	32310.89	-
Current borrowings (refer note no 13)	51465.94	-	51465.94	-

31. Financial risk management objectives and policies

The Company has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. Financial risk management is carried out by Finance department under policies approved by the Board of Directors from time to time. The Finance department, evaluates and hedges financial risks in close co-operation with the various stakeholders. The Board of Directors approves written principles for overall financial risk management, as well as written policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Company is exposed to capital risk, market risk, credit risk and liquidity risk. These risks are managed pro-actively by the Senior Management of the Company, duly supported by various Groups and Committees.

(a) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employees prudent liquidity risk management practices which inter alia means maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Company while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment. Longer term cash flow forecasts are updated from time to time and reviewed by the Senior management of the Company.

The table below represents the maturity profile of Company's financial liabilities at the end of April 01, 2016, March 31, 2017 and March 31, 2018 based on contractual undiscounted payments :-

INR in lakhs

March 31, 2018	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	54,217.94	6,223.58	6,394.92	66,836.44
Non-Interest bearing borrowings:				
Trade and Other payable (refer note no. 17)	45,444.45	-	-	45,444.45
Other financial liabilities (refer Note no. 13)	8,815.67	-	-	8,815.67

% to Total	90%	5%	5%	100%
March 31, 2017	**0-1 Years**	**1-5 Years**	**More than 5 Years**	**Total**
Interest bearing borrowings	53,076.81	10,540.96	3,028.06	66,645.83
Non-Interest bearing borrowings:				
Trade and Other payable (refer note no. 17)	14,689.94	-	-	14,689.94
Other financial liabilities (refer Note no. 13)	9,166.42	-	-	9,166.42
% to Total	**85%**	**12%**	**3%**	**100%**
April 1, 2016				
Interest bearing borrowings	51,465.94	12,697.24	5,065.37	69,228.55
Non-Interest bearing borrowings:				
Trade and Other payable (refer note no. 17)	26,240.21	-	-	26,240.21
Other financial liabilities (refer note no. 13)	6,201.00	-	-	6,201.00
% to Total	**83%**	**12%**	**5%**	**100%**

Reconciliation of Interest bearing borrowings **(INR in Lakhs)**

	Schedule No	As at March 31, 2018	As at March 31, 2017
Non-Current borrowings	13	20,650.18	21,870.74
Adjustment for Non Interest bearing Unsecured Loans		(8,031.68)	(8,744.28)
Adjustment for Interest accured and due		-	442.55
Short-term borrowings	13	54,217.94	53,076.85
		66,836.14	**66,645.83**

(b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks, foreign exchange transactions and other financial assets.

(c) Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management team assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on group\category basis. The calculation is based on exchange losses historical data and available facts as on date of evaluation. Trade receivables comprise a widespread customer base. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(d) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department team in accordance with the Company's policy. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

(e) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2018 and March 31, 2017. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of at March 31, 2018 and March 31, 2017.

(f) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue, expense or capital expenditure is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

(g) Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates.

Interest rate Sensitivity of Borrowings

			(INR in Lakhs)
Year	**Increase/decrease in interest rate**	**Effect on profit before tax (Decrease)**	**Effect on profit before tax (Increase)**
March 31, 2018	0.50%	(39.50)	39.50
March 31,2017	0.50%	(65.82)	65.82

(h) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of raw material and therefore requires a continues supply. The Company operations may impact due to changes in prices of those raw materials.

Commodity price sensitivity of Raw material		**(INR in lakhs)**
Nature	**Change in year end price**	**Effect on profit before tax**
For the year ended March 31, 2018	10%	(9229.65)
For the year ended March 31, 2018	-10%	9229.65
For the year ended March 31, 2017	10%	(6044.03)
For the year ended March 31, 2017	-10%	6044.03

32. Capital Management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, Liability Component of compound financial instrument (CFI), security premium and all other equity reserves. The primary objective of the Company's capital management is that it maintain an efficient capital structure and maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, other bank balances.

			(INR in Lakhs)
	As at March 31, 2018	**As at March 31, 2017**	**As at April 1, 2016**
Borrowings	74,868.12	74,947.55	77,575.81
Other financial liabilities	8,815.67	9,166.42	6,201.00
Less: Cash and Cash equivalents	(5,042.87)	(1,715.85)	(2,752.04)
Less: Other bank balances	(761.42)	(409.61)	(235.06)
Net Debt	**77,879.49**	**81,988.51**	**80,789.71**
Equity share capital	15,353.95	15,353.95	15,353.95
Other equity	(14,041.90)	(5,383.41)	(870.03)
Total Equity	**1,312.05**	**9,970.54**	**14,483.92**
Total Capital and net debt	**79,191.55**	**91,959.05**	**95,273.63**
Gearing ratio (Times)	59.36	8.22	5.58

33. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- The Company has opted to continue with the carrying value as recognized in previous GAAP financials as deemed cost for all its Property, Plant & Equipment (PPE) after considering the necessary. Freehold land and buildings (properties), other than investment property, were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of valuations performed on 31 March 2016. The Company has elected to regard those values of property as deemed cost at the date of the revaluation since they were broadly comparable to fair value. The company has also determined that revaluation as at 31 March 2016 does not differ materially from fair valuation as at 1 April 2016. Accordingly, the company has not revalued the property at 1 April 2016 again.

Estimates:

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

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

34. Reconciliation of Equity as at 1st April, 2016 (date of transition to Ind AS)

(Rs. In Lakhs)

Balance sheet as at April 01, 2016				
	Particulars	**IGAAP As at April 1, 2016**	**Adjustments As at April 1, 2016**	**Ind AS As at April 1, 2016**
ASSETS				
(A)	**NON CURRENT ASSETS**			
i	Property, Plant and Equipment	44689.06	60.26	44749.32
ii	Capital Work-in-Progress	2870.89	(0.00)	2870.89
iii	**Financial Assets**			
	(a) Loans	240.78	(185.79)	54.99
	(d) Others	54.99	(54.99)	0.00
iv	Deferred Tax Assets (Net)	3221.90	(2704.33)	517.57
v	Prepayments	0.00	108.45	108.45
(B)	**CURRENT ASSETS**			
i	Inventories	64527.04	25.83	64552.87
ii	Financial Assets			
	(a) Trade Receivables	7402.08	(34.87)	7367.21
	(b) Cash & Cash Equivalents	2847.72	(335.62)	2512.10
	(c) Bank Balance other than (b) above	0.00	475.00	475.00
	(d) Loans	13845.11	(4975.93)	8869.18
iii	Other Current Assets	4093.73	(0.00)	4093.73
iv	Prepayments	196.28	23.77	220.05
	Total Assets	**143989.59**	**(7598.22)**	**136391.37**

EQUITY AND LIABILITIES				
(C)	**EQUITY**			
i	Equity Share capital	15353.95	0.00	15353.95
ii	**Other Equity**			
	(a) Equity Component of Compound Financial Instrument	4109.34	(1298.18)	2811.16
	(b) Reserve & Surplus	(10712.41)	(3470.72)	(14183.13)
	(c) Other Reserves	11176.62	(674.68)	10501.94
(D)	**LIABILITIES**			
	Non Current Liabilities			
i	Financial Liabilities			
	(a) Borrowings	16312.39	9797.50	26109.89
	(b) Other Financial Liabilities	8737.62	(8737.62)	0.00
ii	Provisions	542.35	0.00	542.35
iii	Deferred Revenue Income	0.00	210.37	210.37
iv	Other Non-Current Liabilities	0.00	55.18	55.18
	Current Liabilities			
i	Financial Liabilities			
	(a) Borrowings	51465.94	0.00	51465.94
	(b) Trade payables	26240.21	0.00	26240.21
	(c) Other Financial Liabilities	0.00	6201.00	6201.00
Ii	Other Current Liabilities	20672.06	(9707.34)	10964.72
iii	Provisions	91.52	(4.67)	86.85
iv	Deferred Income	0.00	30.94	30.94
	Total Equity & Liabilities	**143989.59**	**(7598.22)**	**136391.37**

As at 1st April 2016						
Particulars	**Attributable to the equity holders**					**Total Equity**
	Equity Component of Redeemable preference shares	**Reserves and Surplus**				
		Share Premium	**Capital Redemption Reserve**	**Capital Reserve**	**Retained Earnings**	
Opening As at 31st March 2016	4109.34	8,315.02	2,054.67	132.25	(10712.41)	3898.87
Transitional Adjustments on account of:						
Debt Component of Compound Financial Instrument	(355.90)	-	-	-	-	(355.90)
Tax Impact on Equity Component of CFI	(942.28)	-	-	-	942.28	0.00
Interest on Debt Component of CFI	-	-	-	-	(703.98)	(703.98)
Depreciation on PPE out of EPCG adjustment	-	-	-	-	(38.52)	(38.52)
Recognition of Deemed Income over License Period of EPCG	-	-	-	-	90.98	90.98

Amortization of Processing Fee over tenor term of loan	-	-	-	-	72.85	72.85
Government Grant	-	-	-	-	500.53	500.53
Deferred Tax adjust for the above transitional adjustments	-	-	-	-	(2704.33)	(2704.33)
					(12552.60)	**760.50**
Errors :						
Adjustment on account of amortization of interest receivable	-	-	-	-	(1566.32)	(1566.32)
Banking of Units with UPPCL	-	-	-	-	(9.03)	(9.03)
Appropriation for Molasses Storage Fund	-	-	-	-	(55.18)	(55.18)
Total Comprehensive Income	**2,811.16**	**8,315.02**	**2,054.67**	**132.25**	**(14183.13)**	**(870.03)**
At 1st April 2016	**2,811.16**	**8,315.02**	**2,054.67**	**132.25**	**(14183.13)**	**(870.03)**

1. **Property, Plant & Equipment:**

   As per Ind As 20, accounting for Government grants and disclosure of Government Assistance, the Company has already deducted the amount of grant from the cost of fixed assets and it has recognized the amount of unamortized deferred income as at the date of transition in accordance with paragraph 10 of Ind As 101. The corresponding adjustment has been made in the carrying value of PPE (Net of cumulative depreciation impact) and retained earning respectively, as the grant is directly linked to PPE.

   Further, the deferred income is recognized as income over the period of the EPCG licence.

   Under Indian GAAP, the transaction costs incurred in connection with borrowings are capitalized as part of the fixed assets and amortized accordingly. However as per Ind As 109, the carrying amount of loan is required to be restated to its amortised cost as at the date of the transition. Since the Company had already capitalized the processing cost as a part of the cost of the fixed assets, to restate the carrying amount of loan in accordance with paragraph 10 of Ind AS 101, the carrying amount of fixed assets as at the date of the transition has been reduced by the amount of processing cost (net of cumulative depreciation impact).

2. **Deferred Tax:**

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

   In addition, the various transitional/ restatement adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences.

3. **Prepayments:**

   Under Indian GAAP the processing cost incurred for loans was accounted as under:

   a. In Case the loan has been availed for funding of capital asset, the processing fee was capitalized as part of the cost of the asset;

   b. In case the loan has been availed for meeting working capital gap the processing fee incurred is charged to profit and loss account

   However as per Ind As 109, the carrying amount of loan is required to be restated to its amortised cost as at the date of the transition. Since the respective loans availed by the Company carried floating rate of interest and the transaction cost was not material hence the transaction cost has been amortized on straight line basis over the tenure of the respective loan.

4. **Cash & Cash Equivalents:**

   As per Indian GAAP all amounts in the bank used to be classified as Cash & Cash equivalents. However as per Ind AS cash or a cash equivalent the use of which is restricted from being exchanged or to settle a liability for at least twelve months after the reporting period are to be shown as Other Bank Balances. Accordingly the amounts which are held by the bank as margin money resulting in to restriction on its usage has been classified as Other Bank Balances which are not part of Cash or a Cash Equivalent.

5. **Errors:**

   a. *Banking of Power Units*: The Company is in to power co generation and has its power co generation facilities in Punjab and Uttar Pradesh (U.P.). In case of U.P. the Company Banks some of its power units exported to the Uttar Pradesh Power Corporation Limited (UPPCL) and raises the invoice net of the banked units. The Company adjusts these banked units during the year against the electricity purchased from UPPCL. However post implementation of the Ind AS the Company shows the banked units as inventory. The effect of any such reclassification has been transferred to retained earnings.

   b. *Reclassification of assets*: The Company acts as a channel partner for facilitating crop loans to the farmers attached with the Company from the banks. For this purpose the Company enters in to a tripartite agreement with the bank and the respective farmer. The Bank disburses the loans to the Company accounts which further is transferred to the respective cane grower's account either in cash or in kind. Earlier the Company used to classify the loan received from the bank as liability and amount disbursed to the farmer as an asset. The amount which was left for further disbursement used to be reduced from the loan amount. However as per the Ind AS framework neither such an advance to farmer nor loan from the bank qualifies as an asset or liability respectively. Hence

the Company has derecognized the corresponding assets and liabilities. Further the amount received from bank for disbursement to farmers which could not be disbursed as at the reporting date has been classified as Other Liability and corresponding balance in the bank has been classified as Cash & Cash equivalents.

c. *Derecognition of Current Asset*: There was an interest reflecting as on transition date which does not qualify to be an asset either current or noncurrent and hence has been derecognized.

d. *Molasses Storage Fund*: In case of its U.P. sugar units the Company is required to create a Molasses Storage Fund annually by appropriating part of its reserves. Although the Company was creating such fund no appropriation was made to the reserves, which has now been provided.

6. **8% Non Cumulative/ Non Convertible Redeemable Preference Share Capital**:

The Company has issued redeemable preference shares. The preference shares carry fixed non cumulative dividend which is discretionary. Under Indian GAAP, the preference shares were classified as equity and dividend payable thereon was treated as distribution of profit. Under Ind AS, nonconvertible redeemable preference shares are separated into liability and equity components based on the terms of the contract. The Interest on liability component is recognised using the effective interest method. Thus the preference share capital is reduced by INR 1,298.18 lakhs (March 31, 2017: 1,298.18 lakhs) with a corresponding increase in borrowings as liability component. Also, the equity portion is recognised as other equity for INR 2,811.16 lakhs net of tax impact.

7. **EPCG/ Deferred Income:**

As per Ind AS 20, accounting for government grants and disclosure of government assistance, the Company has already deducted the amount of grant from the cost of the fixed assets and it has recognised the amount of unamortised deferred income as at the date of the transition in accordance with paragraph 10 of Ind AS 101. The corresponding adjustment has been made to the carrying amount of property, plant and equipment (net of cumulative depreciation impact) and retained earnings, respectively, as the grant is directly linked to the property, plant and equipment.

Further, the deferred income is recognised as income on the basis of fulfilment of corresponding export obligations with respect to the grant availed.

8. **Sale of Goods:**

Under Indian GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss.

9. **Retained Earnings:**

Retained earnings as at March 31, 2017 and April 1, 2016 has been adjusted consequent to the Ind AS transition adjustments mentioned herewith.

10. **Statement of Cash Flows:**

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

11. **Other Comprehensive Income**:

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

12. **Remeasurements of post-employment benefit obligations:**

Both under previous GAAP and Ind AS, the Company recognized costs related to its post employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit or loss. Under Ind AS, measurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined liability) are recognized in balance sheet through other comprehensive income.

35. **During the Current year, Company transferred INR Nil (Previous year INR Nil) to Capital Redemption Reserve.**

36. **In preference to the Companies Act, 2013 the company has not provided for Dividend on non-cumulative Preference share in view of the stipulation imposed by the lending institutions.**

37. **Previous year figures have been recasted/regrouped/rearranged wherever necessary to make them comparable with that of current year.**

Manoj Gupta	**Manmohan K. Raina**	**Rana Inder Pratap Singh**	**Rana Veer Pratap Singh**
Chief Financial Officer	Company Secretary	Managing Director	Director

As per our report of even date attached.

FOR N.J & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA Sahil Arora)
Partner
Membership No.: 523974
FRN : 023083N

Place : Chandigarh
Dated : 30-05-2018

RANA SUGARS LIMITED

REGD. OFFICE : SCO 49-50, SECTOR 8-C, MADHYA MARG, CHANDIGARH-160 009 (INDIA)
TEL.: 0172-2540007, 2549217, 2541904, 2779565, 2773422 **FAX :** 0172-2546809
E-mail : info@ranagroup.com **Website :** www.ranasugars.com **CIN :** L15322CH1991PLC011537

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]

Name of the member(s) : .....

Registered address : .....

E-mail Id : .....

Folio No. / DP ID & Client Id : .....

I/We, being the member(s) holding ..... shares of the above named Company, hereby appoint:

1. Name : .....

   Address : .....

   E-mail Id : ....., or failing him

2. Name : .....

   Address : .....

   E-mail Id : ....., or failing him

3. Name : .....

   Address : .....

   E-mail Id : .....

P.T.O.

RANA SUGARS LIMITED

REGD. OFFICE : SCO 49-50, SECTOR 8-C, MADHYA MARG, CHANDIGARH-160 009 (INDIA)
TEL.: 0172-2540007, 2549217, 2541904, 2779565, 2773422 **FAX :** 0172-2546809
E-mail : info@ranagroup.com **Website :** www.ranasugars.com **CIN :** L15322CH1991PLC011537

ATTENDANCE SLIP

Folio No./ DP ID & Client ID : ..... No. of Shares : .....

NAME AND ADDRESS OF THE MEMBER:

.....

.....

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

I certify that I am a registered member/ proxy for the registered member of the Company.

I hereby record my presence at the Twenty Sixth Annual General Meeting of the Company being held on Friday, September 28, 2018 at 3.00 P.M. at The Institution of Engineers (India), Madhya Marg, Sector 19-A, Chandigarh.

.....
Name of the attending Member/Proxy*

.....
Member's/ Proxy's* Signature
* Strike out whichever is not applicable

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the Twenty Sixth Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 3.00 P.M. at The Institution of Engineers (India), Madhya Marg, Sector 19-A, Chandigarh – 160009 and at any adjournment thereof in respect of such resolutions as are indicated below :

Ordinary Business:

1. Adoption of audited Financial Statements and Report of the Board of Directors and Auditors thereon for the financial year ended 31st March 2018.
2. Re-appointment of Rana Ranjit Singh as Director of the Company.
3. Re-appointment of Rana Veer Pratap Singh as Director of the Company.
4. To appoint M/s. Ankush Arora & Associates, Chartered Accountants, as Statutory Auditors.

Special Business:

5. Fixation of Remuneration of Cost Auditors of the Company.

Affix Revenue Stamp

Signed this ..... day of 2018

.....
Signature of Shareholder

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third 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 this Meeting.

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration Rules, 2014]

Name of the Company : RANA SUGARS LIMITED
Regd. Office: SCO 49-50, Sector 8-C, Madhya Marg, Chandigarh-160 009 (India)
CIN : L15322CH1991PLC011537

Sr. No.	Particulars	Details
1.	Name of the First Named Shareholder (in block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Shares	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sr. No.	Item	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of audited Financial Statements and Report of the Board of Directors and Auditors thereon for the financial year ended 31st March 2018.			
2.	Re-appointment of Rana Ranjit Singh as Director of the Company.			
3.	Re-appointment of Rana Veer Pratap as Director of the Company.			
4.	To appoint M/s. Ankush Arora & Associates, Chartered Accountants, as Statutory Auditors.			
5.	Fixation of Remuneration of Cost Auditors of the Company.			

Place :

Date :

(Signature of shareholder)