

# The Resolve To Solve



Annual Report 2014-2015

# Contents

01	The Resolve to Solve	21	Management Discussion and Analysis
02	Corporate Snapshot	32	Directors' Report
04	Letter from the Managing Director	66	Corporate Governance Report
08	In search of long-term solutions	82	Standalone Financial Statements
12	Finding viable alternative solutions	119	Consolidated Financial Statements
14	The resolve to facilitate holistic progress	154	Notice of AGM
20	Corporate Information		

## Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

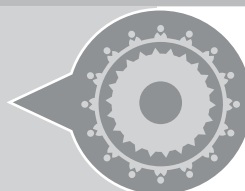
# The Resolve to Solve

*It all begins with a resolve.*

A resolve to identify the problem, however difficult it may be. And decide to proactively search for an equitable solution.



A resolve to identify the vital facts, however complex they may be. And to put all energies into thrashing them out, one by one.



A resolve to confront the challenges head-on, however elusive they may be. And to sit together with all the stakeholders to find a sustainable solution.

The first step to finding a holistic solution to all trials and tribulations afflicting any business or industry is to stride resolutely forward, leaving behind the excess baggage of the past. To shrug aside all apathy and to put our minds together and resolve to solve the problems plaguing the Indian sugar industry. To accept unequivocally that only our collective resolution can yield a meaningful and far-reaching solution.



# Corporate Snapshot

A global agribusiness and bio-energy corporate, Shree Renuka Sugars Limited (referred to as “Shree Renuka” or the “Company”, NSE: RENUKA, BSE: 532670) is one of the largest integrated sugar and bio-energy producers globally. The Company, which operates in four segments: Sugar, Trading, Ethanol and Power, has its Corporate office in Mumbai (Maharashtra, India) and Head Office in Belgaum (Karnataka, India). The shares of the Company are listed on the Bombay Stock Exchange Ltd (BSE) and the National Stock Exchange of India Ltd (NSE)



The Company operates eleven mills globally (four in Centre-South Brazil and seven in India) with integrated ethanol and power co-generation capacity. It also has two large port-based sugar refineries in India. Its Indian operations are present in sugar rich belt of South and West India, ensuring high sugarcane yields and sugar recovery from cane. The strategically located port-based refineries in Gujarat and West Bengal states of India cover India, South Asia and Middle-East markets competitively.

## Key business segments

### Sugar

- ▶ 11 mills globally with a total crushing capacity of 22 Million tonnes per annum (MTPA) or 101,520 tonnes crushed per day (TCD)
- ▶ 7 sugar mills in India with a total crushing capacity of 8.4 MTPA or 42,000 TCD
- ▶ 2 port-based sugar refineries with capacity of 1.7 MTPA
- ▶ Significant presence in South Brazil, through acquisitions of Renuka Vale do Ivaí (100%) and Renuka do Brasil (59.4%), with combined crushing capacity of 13.6 MTPA

### Ethanol

- ▶ Manufactures fuel grade ethanol that can be blended with petrol
- ▶ Global distillery capacity of 4,160 Kilo Litres per day (KLPD) and Indian distillery capacity of 930 KLPD (630 KLPD from molasses to ethanol and 300 KLPD from rectified spirit to ethanol)
- ▶ Brazil distillery capacity of 3,230 KLPD





## Power

- ▶ Produces power from bagasse (a sugarcane by-product)
- ▶ Captive consumption and sale to the state grid in India and Brazil
- ▶ Total co-generation capacity increased to 584 MW with exportable surplus of 371 MW
- ▶ Indian operations produce 271 MW with exportable surplus of 150 MW
- ▶ Brazilian operations produce 313 MW with exportable surplus of 221 MW



# Letter from the Managing Director



I write to you at the end of yet another challenging year for your Company. An unfavourable macro environment once again impacted business, even as we continued to work closely with all stakeholders, including the government, to find a fair and equitable solution to the problems ailing the Indian sugar industry.

The sugar industry has, globally, been in the midst of turmoil with surplus sugar production resulting in high inventory levels across the sugar-producing regions. Global raw sugar prices also hit a bottom towards the end of August 2015, on account of higher than estimated sugar production in India, Brazil and Thailand. The global sugar industry was thus impacted by surplus sugar for the fifth consecutive year, leading to a further increase in inventory levels.

In India, increase in sugar production, particularly in Maharashtra and Karnataka, has further aggravated the industry woes. As Maharashtra reported record sugar production, the overall production in the country is estimated to increase by 15.3% in 2014-15, putting India on the way to its fifth straight year of surplus sugar production. The 2014-15 domestic season in the country also witnessed record crushing and higher recovery in North India, leading to increased sugar output. A surplus sugar stock of 3.5 Million tonnes within the country and glut in the global market have depressed sugar prices both within and outside India. As a consequence, sugar mills are finding it difficult to dispose of their sugar.

The prevailing environment has posed serious challenges for the entire domestic sugar industry. The cane farmers are no less affected as mounting arrears, resulting from the inability of the troubled mills to pay, have triggered serious concerns for them. Urgent redressal measures are required to ensure the survival of the industry.

The sugar industry has, globally, been in the midst of turmoil with surplus sugar production resulting in high inventory levels across the sugar-producing regions

## Unprecedented crisis impacts performance

It would not be an understatement to say that the Indian sugar industry is currently facing its worst ever crisis. The overall environment, both on the macro and micro fronts, is disastrous and shows no signs of improvement in the short term. The highly regulated sugarcane pricing mechanism has unfortunately pushed the industry to the brink. The industry, particularly the miller, is caught in a high production-low price situation. The mills find themselves in the unenviable position of having no funds to pay the arrears of the sugarcane producing farmers. With farmers' arrears now running into two years, the crisis continues to worsen, with no solution in sight in the near future.

Your Company is, naturally, not insulated from the current crisis. Our performance during FY15 resonates with the overall industry performance, as reduction in sales volumes and lower average price realisation pulled down revenues. For the year ended 31st March, 2015, the standalone revenue decreased by 13% and EBITDA went down by 7%. The foreign exchange loss for the year was ₹ 1,342 Million compared to a loss of ₹ 3,317 Million last year. Your Company has reported a net loss of ₹ 2,951 Million for the year ended 31st March, 2015.

Like the rest of the industry, your Company's sugar business is seriously impacted by the regulatory controlled sugarcane pricing mechanism. While sugar volume and sales prices are market determined, sugarcane price remains under government control which is completely delinked from the prevailing sugar prices and skewed against the millers.

The last five years of sugar surplus and increase in minimum sugarcane price against the backdrop of bearish commodity markets globally have led to a serious mismatch between cane price and sugar price, underlining the imperative need for rationalisation of the sugarcane pricing policy. In fact, the entire cane reservation and pricing policy needs to be seriously reviewed on an urgent basis if the industry is to be saved from what seems to be an imminent disaster.

The seriousness of the situation can be gauged from the fact that as India moves into the next season, it will have a reserve stock of around 40% of the total sugar consumption requirement. Another good season, which seems to be in the making, will wreak further havoc on the beleaguered industry. The crisis is further aggravated by the fact that banks are not extending loans to mills to help them tide over the situation and on the side, the farmers continue to be stressed by the outstanding sugarcane arrears.

While the government is working on a long-term plan to revamp the industry, a near-term solution to the current catastrophic conditions continues to elude.

## Sugar exports also take a hit

Your Company's performance clearly reflects the industry downturn, which has been exacerbated by policy bottlenecks on the exports front too. The delayed approval by the Indian government on the extension of sugar exports subsidy, which eventually came only towards the end of the last domestic sugar season, has further hit the industry. What's more, the prevailing weak global sugar prices and the stable rupee made the export prices fare poorly in comparison with prices of

other sugar exporting countries during the year. This accentuated the problem in the exports market as the subsidy could not be availed in time. One only hopes the government will move fast this year to announce the subsidy, or some other export incentive measure, well in time for the next sugar season to help the mills retrieve some of the lost ground.

## Brazil operations impacted

Unfortunately, the entire global sugar industry is also in the doldrums, largely on account of the high inventory levels resulting from the continued surplus sugar production, coupled with sharp depreciation in the Brazilian currency against the US Dollar. Less cane availability resulting from drought conditions has also adversely impacted our Brazil operations, further pushing down our revenues in the sugar business during the year.

EBITDA for the Brazilian subsidiaries stood at ₹ 2,294 Million for the year ended 31st March, 2015 compared to ₹ 7,485 Million in previous year. Lower capacity utilisation, increase in operating costs due to reduction in productivity of cane and lower realisation of raw sugar during FY15 were the major impediments to growth. The Brazilian subsidiaries reported a net loss of ₹ 15,841 Million for the year ended 31st March, 2015 on account of lower EBITDA and high foreign exchange variation charges.

## Urgent need for a resolve to solve

While the international sugar industry scenario will continue to be dictated by global determinants, the urgent need to find a long-term solution on the domestic front necessitates a collective resolve on the part of all the stakeholders to battle the unprecedented challenge faced by the sugar industry. The entire industry has already joined hands with the government and other stakeholders in search of a fair and long-term solution, but the process needs to be expedited if the industry is to be saved from impending doom.

As a responsible and leading industry player, we are also at the forefront of this campaign to resolve the various issues troubling the domestic sugar industry. The industry needs to be freed from the shackles of inequitable regulatory mechanisms if the situation is to be salvaged. The FRP (Fair Remunerative Price) formula needs to be reexamined and a cane-sugar price linkage formula needs to be put in place as per the recommendations of the Rangarajan Committee and in line with the international practice. The government has already initiated several steps to address the issue of cane price arrears, raising hopes of complete resolution in the long term.

## Looking beyond sugar

With a diversified business portfolio, your Company has been successful in off-setting some of the sugar segment losses. Higher margins in the renewable segment in the last quarter and improved margins in the refinery segment partially improved the EBITDA margins for your Company.

Our ethanol business remains on track, with the Government's 'Make in India' focus auguring well for the segment's growth and profitability. However, the ethanol sector needs greater vibrancy if it is to emerge as a viable alternative for the ailing sugar industry. The industry continues to push for more ethanol production from sugarcane but the current policies of the government do not favour such a shift. The recent exemption given to Indian sugar mills from excise duty on ethanol for blending will lead to increased realisation, which may result in increased diversion of molasses towards ethanol production.

In Brazil, the decision to increase ethanol blending to 27%, as well as re-imposition of CIDE tax on gasoline, would result into higher diversion of cane towards ethanol and may provide some support to sugar prices.

Co-generation is another business that contributed positively to your Company's performance in India during the year. Power generation and sales were good during the crushing season and we expect the trend to continue in the next season.



## Moving resolutely forward

Notwithstanding the prevailing environment, which does not raise much hope of reversal of fortunes in the near term, your Company has resolved to move forward with determination and grit. We have taken the first step towards finding a reasonable and long-term solution to the problems afflicting the industry by resolving to do so. We have extended our full support to the government and other agencies working towards an equitable solution that would be in the interests of all stakeholders.

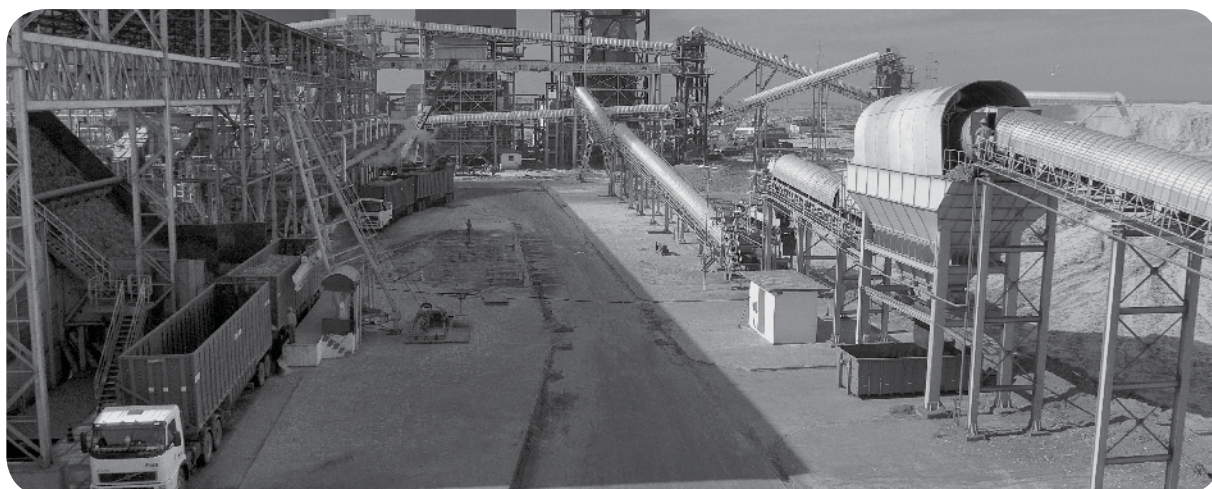
We are constantly working with our banks both in India and Brazil to find lasting solutions for our high leverage which has further increased due to losses in the last two years. I am confident that together, and with the government's support, we can solve the myriad of industry problems through our collective resolve.

On this note, let me take this opportunity to thank our management, our bankers, our customers and other stakeholders for their continued support even in these difficult times.

Warm regards

**Narendra Murkumbi**

Our ethanol business remains on track, with the Government's 'Make in India' focus auguring well for the segment's growth and profitability



# In search of long-term solutions

The Indian sugar industry is at the crossroads. Concerned about its present and uncertain about its future, it stands today at the cusp of an impending disaster, which it is striving hard to avert. Challenged by multiple problems, it is in search of long-term solutions that will see it through these tough times. The resolve is there; only fair and equitable solutions now need to be found, for which the search has already begun!

## The problem of plenty

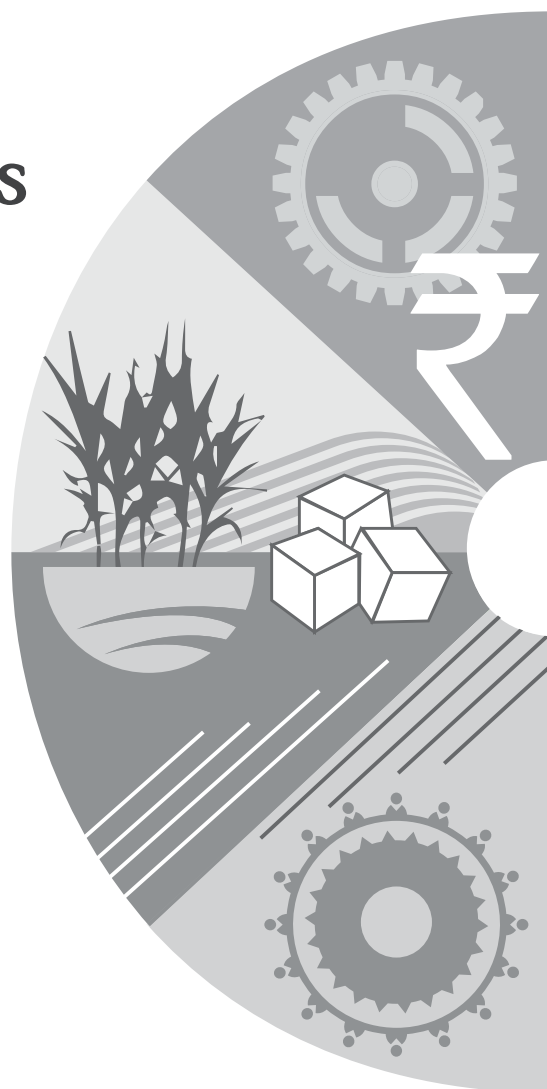
The domestic sugar industry is faced by problems aplenty. The most worrying, however, is the problem of plenty. Surplus sugar production has led to a glut situation. Improved recovery in major sugar-producing states – Maharashtra, Karnataka & Uttar Pradesh – is the major reason for India's higher sugar production during 2014-15. This is despite the delay in the commencement of the crushing season.

***The result: India is headed towards its fifth year of surplus sugar.***



Ironically, farmers have continued to plant sugarcane – a sturdy crop that can withstand the vagaries of weather better than substitute crops – despite mounting arrears. Assurance of payment and the fact that sugarcane continues to remain the most profitable crop (delivering returns that are nearly double the competing crops) induces farmers to remain engaged in sugarcane farming. Sugarcane acreage has, in fact, not declined despite record arrears. Use of new variants has also boosted yields.

***The result: Sugar production estimates for India for the 2014-15 season have been pegged at about 26 Million tonnes as a result of better yields and higher recovery.***





## Hitting a low

Abundant sugar availability, coupled with lack of an export incentive by the Government, has put domestic sugar prices under strong downward pressure. The Minimum Support Price for sugarcane has increased at a CAGR of 12.1% over 5 years, with two consecutive years i.e. 2012-13 & 2013-14, reporting increase in MSP for cane by 17.2% & 23.5% respectively. In line with its regulatory policy that favours the farmers, the Government of India has already declared a Fair and Remunerative Price (FRP) of ₹ 230/quintal basis 9.5% recovery of sugar for season 2015-16. Global price comparison shows sugarcane pricing in India much higher than other sugar-producing countries.

***The result: The way has been paved for another season of surplus domestic sugar production, even as sugar prices, which remain linked to the market, continue to slide.***

From ₹ 27 Billion in 2009-10, sugarcane arrears have breached new barriers to touch ₹ 220 Billion in 2014-15 – the highest in history. Though sugar prices have been on a downtrend for the past 5 years (prices peaked out in January 2010), raw material costs continue to move up. With states that still follow SAP-based sugarcane pricing in favour of adoption of a revenue sharing formula-based pricing mechanism, most financial institutions have been wary of extending loans to the industry.

***The result: In the face of the current financial stress in the industry, many mills may not be in a position to commence sugarcane crushing activities in the 2015-16 season. And with high opening stocks & production likely to be higher than consumption, there would be continued downside pressure on domestic sugar prices.***





## Exports a no-show

The high cost of sugar production in India has made domestic sugar uncompetitive with world market exports. The virtual absence of export parity has severely impacted sugar exports from India. The delay in Government clearance to a proposal to extend subsidy of ₹ 4,000 a tonne on export of 1.4 Million tonnes of raw sugar in the 2014-15 crop year helped millers only marginally.

***The result: The subsidy came too late to help millers clear much of their surplus sugar production.***

## The Brazil sugar industry

The sugar industry in Brazil is also facing a crunch situation, with drought conditions impacting sugarcane crop in 2014-15. Sugar production in Centre-South Brazil was lower by 6.7% in 2014-15 compared to 2013-14, with cane crushing in the region at 570 Million tonnes – 4.3% less than the previous season. Increasing cost of investments and declining returns are dissuading farmers from investing significantly in field renovation.

***The result: The area under first-time harvest of sugarcane is showing a downtrend.***





## Finding the resolve to solve

Collaborative efforts are under way by all stakeholders, including the Government, to find long-term solutions to the multitude of problems ailing the domestic sugar industry. Despite our collective endeavours, we find a long-term solution to still be elusive.

The ₹ 60 Billion of interest-free loans provided by the Government to sugar mills to help them clear their sugarcane arrears, with a one-year moratorium on repayment, is at best a temporary measure. With the mills lacking the capacity to repay the loan, it is actually a tough situation for the millers, including Shree Renuka Sugars.

On the exports front too, as pointed out by ISMA, with a surplus of around 2.5 Million Tonnes, the industry needs incentives to make exports a viable option for at least 1.0 - 1.5 Million Tonnes.

The key issue, however, remains the pricing mechanism, which is completely skewed against the mills. The mismatch between the sugarcane prices (which are fixed by the Government) and the market-linked sugar prices has proved a major detriment to the industry, resulting in massive losses to millers on the one hand and cane arrears for farmers on the other. The dire need to relook at the pricing system can no longer be underrated. Rationalisation of sugarcane policy is clearly the need of the hour.



***At stake is the future of the Indian sugar industry. Let us then collectively resolve to sit together and find optimal solutions that will have a long-term positive impact on the sector.***

# Finding viable alternative solutions

Ethanol production and co-generation have, in recent years, emerged as alternative revenue sources for the sugar industry. Co-generation and ethanol continue to show marked increase in contribution to Shree Renuka's revenues in recent years. FY15 reported revenues from co-generation at ₹ 4,787 Million as against ₹ 4,474 Million in the previous year, while the ethanol segment posted revenues of ₹ 3,412 Million compared to ₹ 3,457 Million in the previous year. In the Ethanol business, production at our Indian distilleries showed year-on-year increase of nearly 22%, while Co-generation volumes went up 5%.


Increased diversion of Sucrose (Juice, B-molasses etc.) to ethanol in India and Brazil is expected to boost ethanol production.

The Brazilian government, in early 2015, announced two important policy initiatives aimed at driving increased ethanol production. These include increase in taxes on gasoline, effective 1st February, 2015, to make ethanol more profitable. Additionally, the government hiked the mandatory anhydrous ethanol blending, from 25% to 27%, with effect from March 2015, thus providing strong incentives to ensure further prioritisation of ethanol over sugar.

In India, the Government has fixed the supply price of ethanol to Oil Marketing Companies (OMCs) in the range of ₹ 48.50 to ₹ 49.50 per litre, depending upon the distance of sugar mill from the depot/installation of the OMCs. This gives a net price at the distillery of between ₹ 40 and ₹ 42 per litre, providing an impetus to the Ethanol Blending Programme in the country.







*With ethanol production not keeping pace with demand, this may lead to a shift in the Government policy to allow sugar mills to increase ethanol production. This will augur well for Shree Renuka, which has the necessary expertise and experience to enable increased production.*

# The resolve to facilitate holistic progress

As a responsible corporate committed to the holistic progress of the society, Renuka Sugars has developed an agenda that transcends business growth. With a strong resolve to ensure the development and advancement of the communities around us, as also our employees and their families, we have made Corporate Social Responsibility (CSR) an intrinsic feature of our business model.

The Shree Renuka Sugars Development Foundation (SRDF) and Shree Renuka Institute for Rural Development and Research (SRIRDR) are working with dedication to realise our social agenda. SRDF is a trust that is dedicated to

serve the cause of education to bring about rural transformation and sustainable development through focussed educational activities. SRIRDR is an NGO that seeks to bring about visible and measurable rural transformation and sustainable development through focussed Educational, Health Care and Socio-economic development activities targeted at the rural communities, poor, downtrodden and marginalised sections of the population in the region in and around our units. In the financial year gone by, company has not made any additional contribution towards CSR activity.

**Our CSR charter for 2014-15 spanned the following activities:**

## Healthcare initiatives

We have set up a Hi-Tech Diagnostic Centre near our Athani plant to make advanced diagnostic technology available to remote areas. The centre – one-of-its-kind within a 100 km radius, offers a wide range of medical tests and investigative procedures. Our health centres at Kokatnur, Havalga & Munoli continued to serve the healthcare needs of our employees, their dependants, farmers, sugarcane harvesting workers and the general population. An average of 50 patients attended the Outpatient Departments (OPDs) everyday at each centre. We also conducted health check-up & blood donation camps at the health centres and in the notified centres covering cluster of villages. Besides general health check-up, we also held maternal and child health, cardiovascular and eye camps.





## Education initiatives

We have set up two CBSE schools near our Kokatnur plant and in the remote area of Havalga, both of which reported 100% results in Xth standard during the year. Our English Medium School at Munoli, in process of affiliation with CBSE, New Delhi, seeks to impart high quality education to children of employees and villagers at minimal cost. Equipped with all the basic teaching facilities, spacious classrooms, bus service etc., the school has 1,583 students from nursery to Xth standard.

**Polytechnic College, Raibag:** Since we took over the Raibag Polytechnic College in 2008, the Company has initiated infrastructure development work at the main college building, is building a hostel and has purchased 80 computers. The polytechnic, offering 3-year Diploma Engineering Courses in various streams, has seen 48 students getting employed through campus selection, with many finding overseas employment.

**Industrial Training Institutes (ITIs):** Our Industrial Training Institutes – at Kokatnur Village of Belgaum District and Havalga Village of Gulbarga District – continue to facilitate employment generation for rural youth, with ITI Havalga producing 136 qualified ITI graduates, most of them passing with distinction.



# Spreading sweetness along the way.

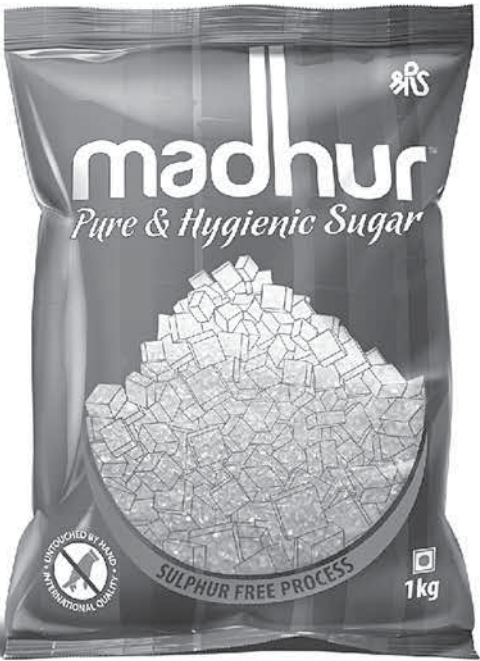
## About Madhur Sugar

Launched in 2007 by Shree Renuka Sugars Limited, Madhur has come to be known as one of the leading sugar brands in India today. Madhur Sugar is pure and hygienic and adheres to a quality of international standards. It is available in small and medium crystal sizes, packed in 1kg and 5kg quantities.

Besides offering pure & hygienic sugar to consumers across the country, Madhur sugar brings the assurance of being sulphur-free processed and untouched by hand (from the process of extraction from the cane through to your cup).

## What's sweet about Madhur Sugar:

Other than the sweetness, it offers several advantages over its counterparts in the market today.



### Sulphur-Free Processing

Sulphur-free refining process ensures that the sugar you consume is free from harmful effects of sulphur like mood swings, irritability, rapid heartbeat, deep depression, aggression and many more.

### Untouched By Hand

Manufactured, packed, stored and shipped in a state-of-the-art refinery that complies with International standards to ensure every crystal is untouched by hand.

### Consistent Quality

Refined, sparkling white, moisture free and easy to dissolve crystals reinstate the brand's promise on quality and hygiene.

**Pure**  
AND WHITE CRYSTALS

**100%**  
HYGIENIC & SULPHUR FREE PROCESSING

**Quality**  
THAT'S INTERNATIONAL



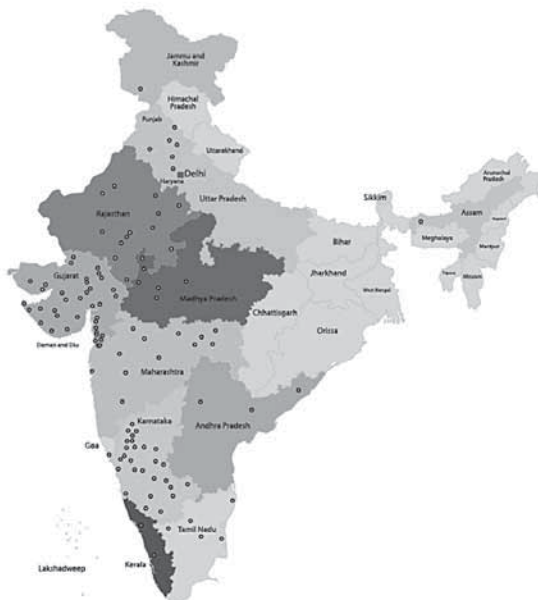
Madhur Sugar spans the country with major presence in the states of Gujarat, Maharashtra, Karnataka, Delhi, Rajasthan and Madhya Pradesh.

Commercially, Madhur Sugar has shown a rapid growth at a compounded annual growth rate of 67.6% over a period of 6 years. While last year's sales volume reached 55,060 MT, the estimated growth this year has been projected at 70,000MT.

The real success of the brand lies in its commitment to deliver the promise of pure and hygienic sugar to the customer. Madhur ensures that every sugar crystal contributes to the moments of delight and celebration in one's life.

### **Madhur Presence:**

- **Assam:** Guwahati
- **Delhi NCR**
- **Haryana:** Panipat, Sonapat
- **Rajasthan:** Jaipur, Jodhpur, Kota, Tonk, Bikaner, Bhilwada, Udaipur, Sumerpur, Ajmer, Banswada, Aburoad, Dungarpur, Ganganagar, Pali, Sojat, Sikar, Jhunjhunu, Sujangadh, Deogadh, Alwar, Kishangadh, Laxmangadh, Churu, Bharatpur, Nagaur, Makrana, Nokha, Chittod, Navalgarh
- **Madhya Pradesh:** Indore, Ratlam, Jawra, Ujjain, Nimuch, Bhopal, Gwalior, Betul, Mandsaur, Jabalpur, Satna, Dewas, Sagar, Guna, Shivpuri, Mahu, Khandva, Sihor, Rewa
- **Gujarat:** Ahmedabad, Bhavnagar, Gandhinagar, Mansa, Himmatnagar, Modasa, Kadi, Kalol, Mehsana, Patan, Harij, Deesa, Gandhidham, Adipur, Anjar, Bhuj, Ladol, Vijapur, Palanpur, Rajkot, Jasdan, Morbi, Jamnagar, Botad, Surendranagar, Gondal, Amreli, Junagadh, Porbandar, Vadodara, Surat, Padra, Anand, Nadiad, Ankleshwar, Bharuch, Dahod, Godhra, Chikhli, Valsad, Vapi, Silvasa, Borsad, Bodeli, Balasinor
- **Chhattisgarh:** Raipur, Ambikapur, Raigadh, Bilai, Durg, Ranjangaon, Bilaspur
- **Orissa:** Bhubaneshwar, Cuttack, Jharsuguda, Rayagada, Jaipur, Behrampur, Bhadrak, Sambalpur
- **Maharashtra:** Jalgaon, Nagpur, Nasik, Mumbai, Pune, Kolhapur, Jalna, Wardha, Yavatmal, Chandrapur, Dhule, Akola, Solapur, Varshi, Latur, Buldhana, Nandurbar, Kankavli, Nanded, Parbhani, Deed, Raigad, Palghar, Pimpri-chinchwad, Shirur, Narayangaon, Amravati, Gadchiroli, Khargoon, Aurangabad, Ratnagiri, Sindhudurga, Ahmadnagar, Satara, Washim
- **Andhra Pradesh:** Hyderabad, Warangal, Karim Nagar, Mancheriyal, Kodad, Khammam, Nuzvid, Mehaboobabad, Mylavaram, Visannapet, Gollapalli, Tsanubanda, Vijayawada, Eluru, Nellore, Thirupathi, Ponnuru, Anakapalli, Yalamanchili, Vizag, Vijayanagaram, Srikakulam
- **Goa**
- **Karnataka:** Hubli, Hassan, Chitradurga, Chikmangalur, Belgaum, Tumkur, Davangere, Bhatkal, Shikaripura, Dharwar, Mangalore, Bengaluru, Madikeri, Mysore, Shimoga, Bellari, Gadaga, Gangavathi, Sirsi, Karwar, Toranagal, Ramdurg, Bailhongal, Savadatti, Yellapur, Mundgod, Sagara, Kargal, Udupi, Koteswar, Haveri, Ranebennur, Bhadravati, Hosted, Hoskote, Bijapur, Shirlokkappa, Kolar, Chintamani, Bangarled, Puttur, Karkal, Khanapur, Sira, Siriyur
- **Tamil Nadu:** Chennai, Coimbatore, Tiruchirappalli, Salem, Tiruvavur, Madurai





Following the success of the media campaign in the Mumbai market in 2013, we, at Madhur, took a wide range of initiatives across the country in 2014-2015. We created a film that focused on the Madhur advantages and added a sweet dimension to the marketing strategy in Gujarat, Maharashtra and Karnataka region. The film was supported by a print and outdoor campaign. The entire media mix along with retail activation helped propagate the brand and develop the branded sugar category. Here is a glimpse of how it all panned out:



Madhur Film



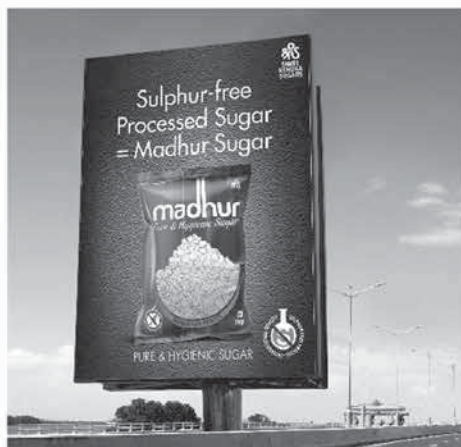
Newspaper Ads



Billboards



**madhur**  
Pure & Hygienic Sugar



Billboards



Standee



Pole Kiosk



Bus Shelters



Dealer Boards

# Corporate Information

## BOARD OF DIRECTORS

Mrs. Vidya Murkumbi  
*Executive Chairperson*

Mr. Narendra Murkumbi  
*Vice Chairman & Managing Director*

Mr. Vijendra Singh  
*Executive Director*

Mr. S. K. Tuteja  
*Independent Director*

Mr. Sanjay Asher  
*Independent Director*

Mr. Robert Taylor  
*Independent Director*

Mr. Hrishikesh Parandekar  
*Independent Director*

Mr. Ashit Mallick  
*Additional Director (Independent)*

Mr. Jean-Luc Bohbot  
*Additional Director (Non-Executive)*

Mr. Atul Chaturvedi  
*Additional Director (Non-Executive)*

## AUDITORS

M/s. Ashok Kumar,  
Prabhashankar & Co.  
Chartered Accountants,  
Bangalore.

## REGISTERED OFFICE

BC 105, Havelock Road,  
Camp,  
Belgaum - 590 001.  
Tel.: 91-831-2404000  
Fax: 91-831-2404961

## CORPORATE OFFICE

7th Floor,  
Devchand House,  
Shiv Sagar Estate,  
Dr. Annie Besant Road,  
Worli,  
Mumbai - 400 018.  
Tel: 91-22-2497 7744 /  
4001 1400  
Fax: 91-22-2497 7747

## BANKERS:

Axis Bank Ltd.  
ICICI Bank Ltd.  
IDBI Bank Ltd.  
Kotak Mahindra  
Bank Ltd.  
Standard Chartered  
Bank  
RBL Bank Ltd.  
Yes Bank Ltd.

## PLANT LOCATIONS (BRAZIL)

### Renuka do Brasil S/A

**Unit I** - Usina Madhu  
Promissao, Sao Paulo  
Brazil

**Unit II** - Usina Revati  
Brejo Alegre, Sao Paulo  
Brazil

### Renuka Vale do Ivai S/A

**Unit I** - Usina Sao  
Pedro do Ivai  
Sao Pedro do Ivai,  
Parana  
Brazil

**Unit II** - Usina Cambui  
São Miguel do Cambuí,  
Parana  
Brazil

## PLANT LOCATIONS (INDIA)

**Unit I** - Munoli  
Sugar, Distillery,  
Co-Generation and  
Sugar Refinery  
Munoli,  
Taluka: Saundatti,  
Dist: Belgaum,  
Karnataka

**Unit II** - Arag (BOOT)  
Co-Generation  
Taluka: Miraj,  
Dist: Sangli,  
Maharashtra

**Unit III** - Athani  
Sugar, Distillery,  
Co-Generation and  
Sugar Refinery  
Taluka: Athani  
Dist: Belgaum,  
Karnataka

**Unit IV** - Havalga  
Sugar, Distillery,  
Co-Generation and  
Sugar Refinery  
Taluka: Afzalpur,  
Dist: Gulbarga,  
Karnataka

**Unit V** - Raibag (Leased)  
Sugar  
Taluka: Raibag,  
Dist: Belgaum,  
Karnataka

**Unit VI** - Pathri  
Sugar  
Deonandra,  
Taluka: Pathri  
Dist: Parbhani,  
Maharashtra

**Unit VII** - Gokak  
Sugar and Co-Generation  
Kolavi,  
Taluka: Gokak  
Dist: Belgaum,  
Karnataka

**Unit VIII** - Ajinkyatara  
(BOOT)  
Co-Generation  
Shahunagar, Shendre  
Tal / Dist: Satara,  
Maharashtra

**Unit IX** - Panchaganga  
(Leased, BOOT)  
Sugar & Co-Generation  
Ganganagar, Ichalkaranji,  
Taluka: Hatkanangle  
Dist: Kolhapur,  
Maharashtra

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

**Unit R1** - Haldia  
Sugar Refinery &  
Co-Generation  
Kolkata, West Bengal

**Unit R2** - Kandla  
Sugar Refinery &  
Co-Generation  
Kandla, Gujarat

### KBK Chem Engineering Pvt. Ltd.

Engineering, Procurement  
& Construction of  
Distillery Plants  
Taluka: Mulshi  
Dist: Pune, Maharashtra

# Management Discussion & Analysis

## Global Sugar Industry

### INDUSTRY FACTS

- ▶ Sugar is one of the world's major agro-based industries and is also one of the most actively traded soft commodities on the exchanges
- ▶ Brazil, India, the EU, China and Thailand rank amongst the top global producers of sugar
- ▶ India, the EU, China, Brazil and U.S. are the major sugar consuming countries
- ▶ More than 80% of sugar is produced from sugarcane, while the balance is from sugar beet
- ▶ Brazil and India are the largest sugar producers from sugarcane and EU and U.S. are the major sugar producers from beet

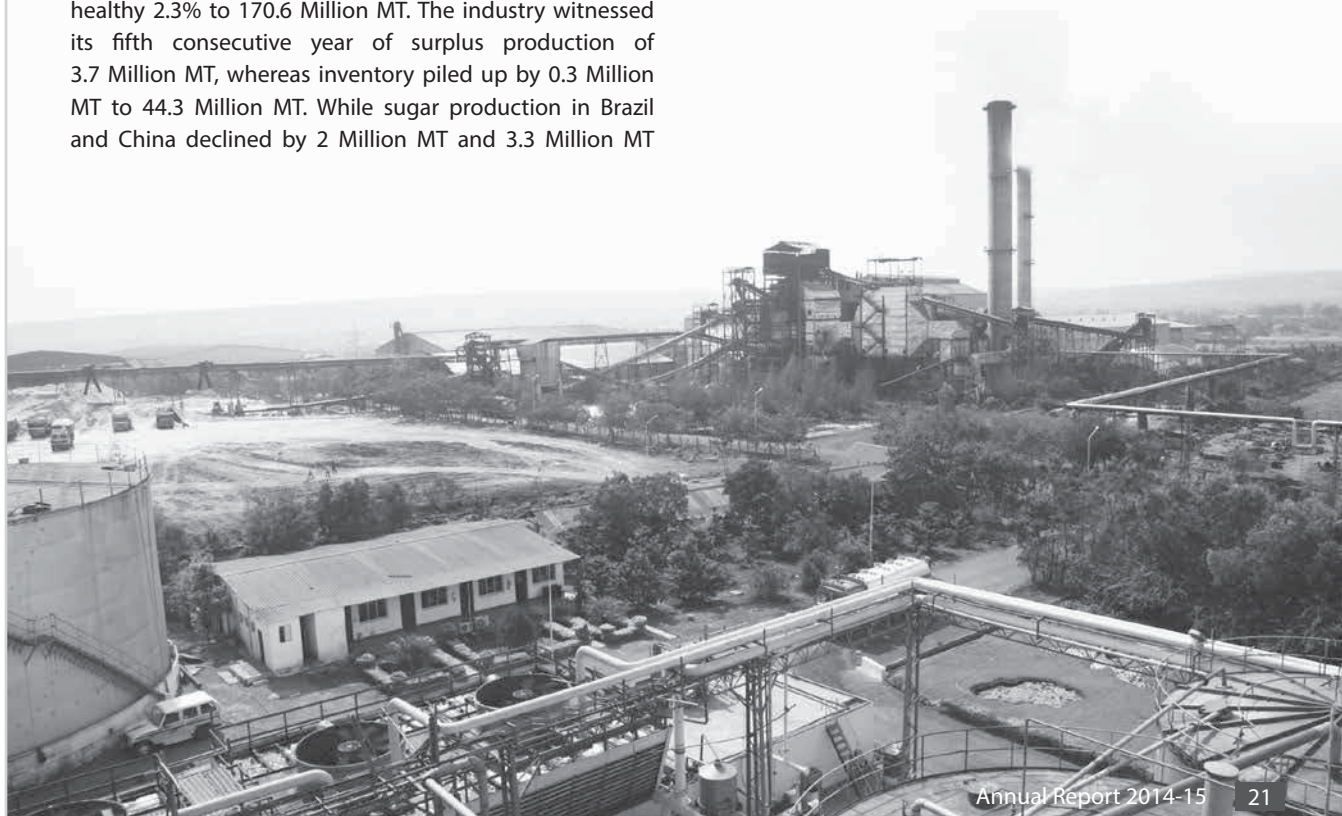
### PRODUCTION AND CONSUMPTION

Sugar production in 2014-15 declined marginally by 0.7% to 174.3 Million MT, whereas consumption rose by a healthy 2.3% to 170.6 Million MT. The industry witnessed its fifth consecutive year of surplus production of 3.7 Million MT, whereas inventory piled up by 0.3 Million MT to 44.3 Million MT. While sugar production in Brazil and China declined by 2 Million MT and 3.3 Million MT

respectively, increase in India's sugar production by 2.9 Million MT negated a large part of the decline in Brazil and China. Sugar production in Thailand declined marginally by 0.4 Million MT.

Despite an increase in sugar recovery (ATR) in Brazil on account of extreme dry weather, sugar production declined on account of lower sugarcane harvested coupled with increase in proportion of sugarcane used for producing ethanol. As regards to higher sugar production in India, the same was largely led by record sugar production in Maharashtra due to improved cane yields.

As per initial estimates, global sugar production in 2015-16 is forecasted to decline marginally by 0.5% to 173.4 Million MT on account of stable production in key producing countries. Consumption is expected to rise by 1.6% to 173.4 Million MT. However, high inventory levels may cap the upside on sugar prices unless adverse weather impacts sugar production in key producing countries.



WORLD SUGAR BALANCE

World Centrifugal Sugar Production, Supply and Distribution

(Million mt, Raw value)

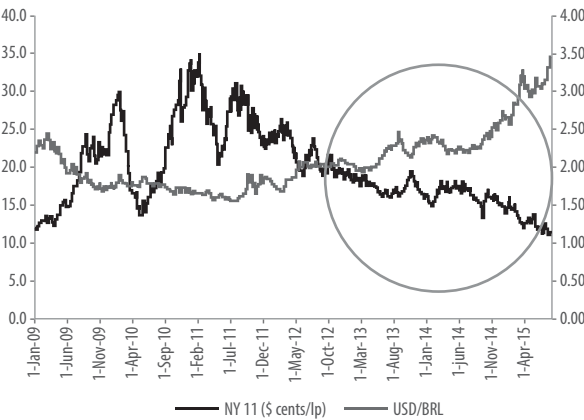
Marketing Year	Beginning Stock	Production	Imports	Total Supply	Exports	Consumption	Ending Stock	Consumption Growth
2010-11	28.0	162.2	49.1	239.4	53.8	155.4	29.5	0.7%
2011-12	29.5	172.4	48.3	250.2	54.9	159.4	35.3	2.5%
2012-13	35.3	177.5	51.0	263.8	55.1	164.9	42.6	3.5%
2013-14	42.6	175.6	51.3	269.5	57.5	166.7	44.0	1.1%
2014-15	44.0	174.3	51.6	269.9	54.2	170.6	44.3	2.3%
2015-16	44.3	173.4	52.9	270.6	55.8	173.4	40.5	1.6%

Source: USDA

GLOBAL SUGAR PRICE TREND

The fifth consecutive year of surplus sugar production led to a continued pile up in sugar inventories. Further dampening the sugar price sentiment was the sharp weakening of BRL against the USD. BRL has depreciated sharply by 55% against the USD since April-14 (from BRL 2.25/USD to BRL 3.49/USD at present). Mills in Brazil have increased exports of sugar as returns on USD denominated pricing turns favourable in local currency with depreciating of the BRL. A depreciating currency also leads to a lower costing in USD terms as most of the costing is denominated in local currency, thus helping margins in Brazil. Presently, raw sugar prices are ruling around \$ 11.06 cents/lbs (as on August 27, 2015, which are at a 7-year low).

Trend in raw sugar prices and correlation to Brazilian Real (BRL)





# Brazilian Sugar Industry

## INDUSTRY FACTS

- ▶ Largest producer and exporter and amongst the lowest cost producers of sugar in the world
- ▶ Sugarcane production is largely concentrated in two regions i.e. Centre-South and North-Northeast, wherein Centre-South accounts for over 90% of the total sugarcane production
- ▶ Large cane fields facilitate the use of high level of mechanisation for agricultural operations
- ▶ Second largest producer of ethanol after USA

## PRODUCTION AND CONSUMPTION

Sugarcane harvesting in the Centre-South region declined by 4.3% to 571 Million MT in 2014-15 compared to 597 Million MT in 2013-14, largely on account of 7.8% decline in yields. Despite lower sugarcane crushing, ethanol production rose by 2.3% to 26.1 Billion Litres as ethanol accounted for 57% of total sugarcane usage in 2014-15 compared to 54.8% in 2013-14.

Brazilian sugarcane industry association (UNICA) estimates sugarcane availability in Centre-South Brazil to improve by 3.3% to 590 Million MT in 2015-16, on back of favourable weather conditions during the sowing period. Sugar production is expected to decline by 0.6% to 31.8 Million MT as lower proportion of sugarcane would be utilised for sugar production coupled with a decline in recovery (ATR).



Sugar mix is expected to reduce to 41.9% as compared to 43% in 2014-15, largely on back of lower profitability at current raw sugar prices coupled with higher demand for ethanol coming from government's policy support. ATR is estimated at 135 kg / MT of sugarcane in 2015-16, compared to 136.6 kg / MT of sugarcane last season. Extreme dry weather condition in 2014-15 season resulted in high sugar concentrations, condition which is not expected to be repeated in 2015-16 season leading to a drop in ATR. Ethanol production is estimated at 27.3 Billion Litres in 2015-16, a rise of 4.3%.

## Production data in Centre-South Brazil

	Unit	2011-12	2012-13	2013-14	2014-15	2015-16e
Sugarcane	Million MT	493.2	532.8	596.9	571.3	<b>590.0</b>

### Production

Sugar	Million MT	31.3	34.1	34.3	32.0	<b>31.8</b>
Anhydrous ethanol	Billion Litres	7.5	8.7	11.0	10.8	<b>10.9</b>
Hydrous ethanol	Billion Litres	13.1	12.6	14.6	15.4	<b>16.3</b>
Total ethanol	Billion Litres	20.5	21.4	25.6	26.1	<b>27.3</b>
ATR	Kg of sugar/MT of cane	137.5	135.6	133.3	136.6	<b>135.0</b>

### Production share

Sugar		48.4%	49.5%	45.2%	43.0%	<b>41.9%</b>
Ethanol		51.6%	50.5%	54.8%	57.0%	<b>58.1%</b>

Source: UNICA

Continuing with the trend witnessed over the last few years, 2015-16 season will again witness mills being unable to commence operations on account of financial stress. UNICA expects 10 producing units with a capacity of 12.5 Million MT sugarcane processing, unable to operate in 2015-16. Since 2008, 67 firms in Centre-South Brazil have closed their units on account of challenging environment.

Key sugarcane producing states of Parana, Mato Grosso do Sul and São Paulo in Centre-South Brazil witnessed heavy unseasonal rainfall in early July 2015, which impacted harvesting till first half of July 2015. However, drier weather in the key sugarcane producing states from second

fortnight of July 2015 facilitated operations. Cumulative sugarcane processing has increased marginally by 0.5% to 326.8 Million MT. Lower ATRs coupled with decline in sugar mix led to 8.7% decline in sugar production to 16.4 Million MT. Ethanol production has risen by 3.2% to 14.3 Billion Litres.

A gradual loss of crushing capacity on account of closures could make it difficult for operating factories to crush entire sugarcane available, leading to part of sugarcane remaining un-harvested and being carried forward to the next season. Thus, the pace of harvesting going forward could impact the final production numbers.

Cumulative Production Data in Centre-South Brazil till 16th August, 2015

	Unit	2014-15	2015-16	Growth (%)
Sugarcane	Million MT	325.2	326.8	0.5%
Sugar	Million MT	17.9	16.4	-8.7%
Anhydrous ethanol	Billion Litres	6.0	5.2	-14.1%
Hydrous ethanol	Billion Litres	7.9	9.2	16.4%
<b>Total ethanol</b>	<b>Billion Litres</b>	<b>13.9</b>	<b>14.3</b>	<b>3.2%</b>
ATR	Kg of sugar/MT of cane	130.7	127.1	
<b>Production share</b>				
Sugar		44.3%	41.4%	
Ethanol		55.8%	58.7%	

Source: UNICA

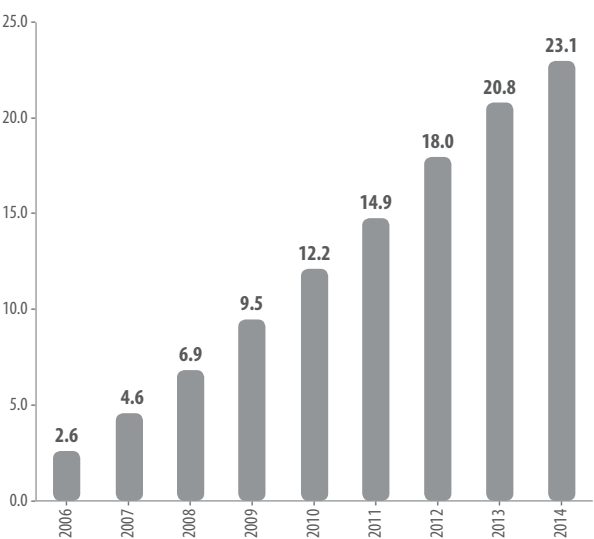
CONTINUED POLICY SUPPORT TOWARDS ETHANOL

The Brazilian government announced two key policy measures in early 2015 to support the industry during the challenging times. In January 2015, Brazilian Government increased taxes on gasoline effective from 1st February, 2015, thus potentially making ethanol more profitable at the pump. It also increased the mandatory anhydrous ethanol blending to 27% from 25% w.e.f. March 2015.

While the tax increase on gasoline allows mills to raise prices on hydrous ethanol by approximately BRL 0.15/Litre and recover profit margins, increase in mandatory blending by 2% provides mills incentives to further prioritize ethanol over sugar. The incremental demand of 1 Billion Litres of anhydrous ethanol created from increase in mandatory blending can also ease supply pressure on sugar as around 13 Million MT of sugarcane would be diverted towards producing ethanol.

(Source: UNICA)

Trend in Flex Fuel Fleet size (Million units)



Source: Datagro

# Indian Sugar Industry

## INDUSTRY FACTS

- ▶ Second largest producer and the largest consumer of sugar in the world
- ▶ Second largest agro processing industry after cotton, involving over 50 Million farmers and dependants
- ▶ Sugarcane was cultivated in around 5.3 Million hectares in 2014-15, with Maharashtra, Uttar Pradesh and Karnataka accounting for a combined 74% of the total acreage
- ▶ Around 700 sugar mills installed of which 509 are operational
- ▶ Unique industry structure with large number of stakeholders, including millers, farmers, Government, industrial and retail consumers
- ▶ 62-65% of sugar consumed by bulk consumers
- ▶ Small average farm size of around 1-2 hectares

## PRODUCTION AND CONSUMPTION

Sugar cycle in India is expected to enter into its fifth consecutive year of surplus production, making it one of the longest cycles of excess supply in recent history.

Sugar production is estimated to increase by 16% to 28.3 Million MT in 2014-15, with Maharashtra production likely surging by 36% to a record 10.5 Million MT. With consumption estimated at 24.8 Million MT and exports pegged at only 0.8 Million MT, closing inventory is expected to surge to 10.2 Million MT (highest since 2007-08). Despite availability of export incentives till September 2014, weak global sugar prices coupled with relative strength of ₹ vis-à-vis currencies of other sugar exporting countries has made it unfeasible to export the commodity out of the country.



## Indian Sugar Production, Supply and Distribution

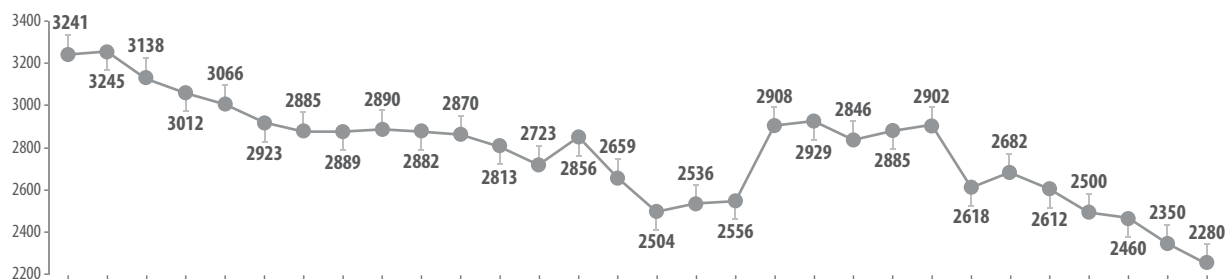
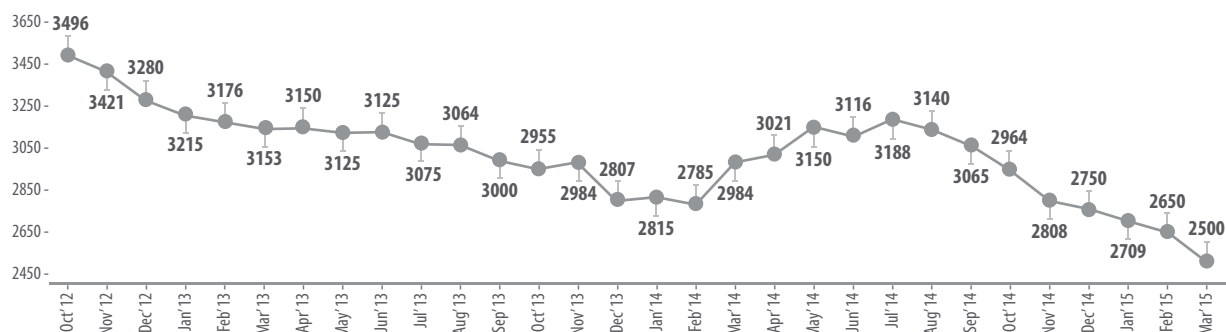
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 (E)	2015-16 (P)
Opening Stock as on 1st Oct	4.4	5.0	5.9	6.6	9.3	7.5	10.2
Production during the Season	18.9	24.1	26.3	25.1	24.4	28.3	28.0
Imports	4.1	0.0	0.0	0.7	0.1	0.0	0.0
<b>Total Availability</b>	<b>27.4</b>	<b>29.4</b>	<b>32.2</b>	<b>32.4</b>	<b>33.8</b>	<b>35.8</b>	<b>38.2</b>
Off-take							
I) Internal Consumption	21.3	20.8	22.6	22.8	24.2	24.8	25.2
II) Exports	0.2	2.6	3.0	0.3	2.1	0.8	0.0
<b>Total off-take (I) + (II)</b>	<b>21.6</b>	<b>23.4</b>	<b>25.6</b>	<b>23.1</b>	<b>26.3</b>	<b>25.6</b>	<b>25.2</b>
Closing Stock as on 30th Sept.	5.8	6.0	6.6	9.3	7.5	10.2	13.0
Months of Inventory	3.3	3.5	3.5	4.9	3.7	4.9	6.2

Source: ISMA

Domestic sugar prices have remained weak throughout the year as continuous piling of inventories coupled with tight liquidity position of companies lead to distress sale

of sugar. Prices are at levels where mills, even in states like Maharashtra which follow FRP-based pricing for sugarcane, are unable to recover raw material costs.



**DOMESTIC PRICE TREND IN MAHARASHTRA AND UTTAR PRADESH****Maharashtra Ex-Mill Prices (₹/Qtl.)****Uttar Pradesh Ex-Mill Prices (₹/Qtl.)**

Source: ISMA

Sugar production in 2015-16 is expected to remain stable at record levels, which would take the current cycle of surplus production to six years. Barring any unforeseen weather related events which could impact sugar production in India or other key producing countries, domestic inventories would continue to pile-up. This would continue to exert pressure on domestic prices and cap any upside.

**CURRENT STATE OF THE INDUSTRY**

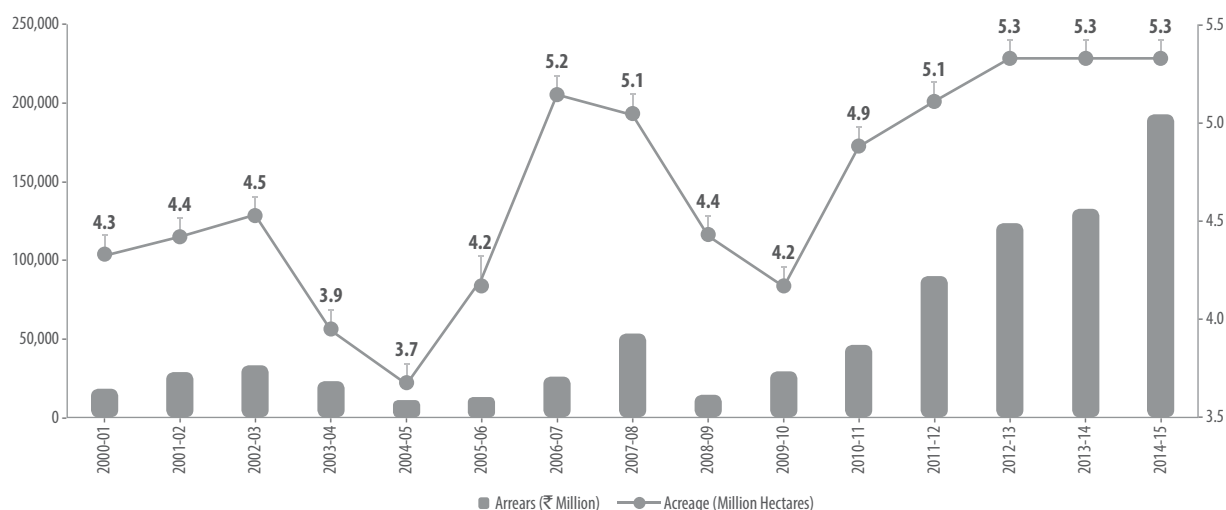
The current sugar cycle has presented the industry with one of the most challenging period in the recent history. Never has there been production surplus for five consecutive years. And never has the industry seen sugarcane arrears being built-up to the extent of ₹ 220 Billion (as of end of May 2015), the highest in history. While sugar prices have been on a downtrend for the past 5 years (prices peaked out in January 2010), there has been no respite on raw material costs. Most financial institutions are also hesitant in extending loans to the industry and even they have been proponents of adoption of formula based pricing mechanism in states which still follow SAP-based sugarcane pricing. With the current financial stress faced by the industry, many mills may not be in a position to commence sugarcane crushing activities in 2015-16 season.

The Cabinet Committee on Economic Affairs (CCEA) approved ₹ 60 Billion of interest-free loan to sugar mills to enable them to clear their sugarcane arrears payable to farmers. Mills will be given a one year moratorium on repayment and government will bear the interest costs upto 10% for one year. However, such a scheme is not expected to solve much problems as the banks are hesitant to further increase their exposure to the sugar industry.

**REASONS FOR A CONTINUED SURGE IN PRODUCTION**

The industry has seen a continuous build-up in sugarcane arrears from ₹ 27.2 Billion in March 2010 to ₹ 192 Billion in March 2015. Despite farmers not able to receive their dues on time from the mills, they have continued with planting sugarcane. The key reason for this trend is that sugarcane is a sturdy crop and can withstand the vagaries of weather better compared to the substitute crops. Also, sugarcane continues to remain the most profitable crop with returns from competing crops almost half of sugarcane. These coupled with the assurance of payment (even if it is with a delay during down-cycles) induces the farmer to continue to plant sugarcane. This trend is visible in the chart which indicates that unlike arrears built-up of 2002-03 and 2007-08, which were followed by a decline in acreage in the following year, acreage in the current scenario has not declined despite record arrears.

### Trend in sugarcane acreage and arrears



Source: ISMA; \*\*Note- Arrears as on 31st March

### THRUST ON ETHANOL TO PROVIDE CASH FLOW SUPPORT

Providing an impetus to the Ethanol Blending Programme in India, the Cabinet Committee on Economic Affairs (CCEA) has fixed the supply price of ethanol to Oil Marketing Companies (OMCs) in the range of ₹ 48.50 to ₹ 49.50 per Litre, depending upon the distance of sugar mill from the depot/installation of the OMCs. This results in a net price at the distillery of between ₹ 40 and ₹ 42 per Litre.

In April 2015, government also scrapped the 12.36% central excise levied on ethanol to be produced from molasses generated in 2015-16 season and supplied to OMCs. These measures would provide much-needed cash flows to the industry.



### Company Overview

Shree Renuka Sugars is a global agribusiness and bio-energy company. The Company is one of the largest sugar producers in the world, the leading manufacturer of sugar in India, and one of the largest sugar refiners in the world.

#### Snapshot

	India	Brazil	Total
Crushing capacity (TCD)	42,000	59,520	101,520
Annual crushing capacity (Million MT)	8.4	13.6	22.0
Ethanol production capacity (KLPD)	930	3,230	4,160
Sugar refining capacity (TPD)	10,000	0	10,000
Power generation capacity (MW)	271	313	584
Power exportable (MW)	150	221	371
Own cane plantation (in hectares)	0	70,000	70,000

**Shree Renuka Sugars operates in four segments:** Sugar, Trading, Ethanol and Power.

**Sugar:** The Company operates eleven mills globally with a total crushing capacity of 22 Million tonnes per annum (MTPA) or 101,520 tonnes crushed per day (TCD). The Company operates seven sugar mills and two port-based sugar refineries in India with a total crushing capacity of 8.4 MTPA and total refining capacity of 2.3 MTPA (including 0.6 MTPA sugar mills off-season refining).

The Company also has significant presence in Centre-South Brazil, through acquisition of Renuka Vale do Ivaí (100% owned) and Renuka do Brasil (59.4% owned). The combined crushing capacity of the Brazilian subsidiary companies is 13.6 MTPA.

**Trading:** Operates a trading hub in Dubai to capitalise on trade opportunities in the Asian region.

**Power:** Shree Renuka Sugars produces power from bagasse (a sugarcane byproduct) for captive consumption and sale to the state grids in India and Brazil.

**Ethanol:** Shree Renuka Sugars manufactures fuel grade ethanol that can be blended with petrol. Global distillery capacity is 4,160 Kilo Litres per day (KLPD) with Indian distillery capacity at 930 KLPD (630 KLPD from molasses to ethanol and 300 KLPD from rectified spirit to ethanol) and Brazil distillery capacity at 3,230 KLPD.

### Consolidated year-on-year performance

(₹ in Million)

Particulars	2014-15	2013-14	2012-13
Total Income	101,341	116,116	104,158
EBITDA	4,763	9,881	15,635
PBT	(20,886)	(6,790)	(4,903)
PAT	(18,129)	(14,780)	(3,740)
Basic EPS (₹)	(20.39)	(22.03)	(5.57)
Net worth	(23,425)	(4,965)	14,597
Net block	60,409	80,020	86,963

### Standalone year-on-year performance

(₹ in Million)

Particulars	2014-15	2013-14	2012-13
Total Income	57,481	65,771	64,104
EBITDA	1,802	1,947	6,098
PBT	(4,458)	(6,208)	758
PAT	(2,951)	(4,661)	518
Basic EPS (₹)	(3.32)	(6.95)	0.77
Net worth	15,378	13,357	17,930
Net block	25,815	27,202	27,621



## Segmental Operational Performance (India)

Particulars	12 Months Ended 31-03-2015	12 Months Ended 31-03-2014
<b>(I) Sugar Mills</b>		
Sugarcane Crushed (MT)	49,67,636	45,21,461
Recovery (Weighted average)	11.63%	11.56%
Sugar produced from Cane (MT) (A)	5,77,269	5,22,475
<b>(II) Refining</b>		
Raw Sugar Processed (MT)	11,25,054	11,24,423
Sugar produced from Raw Sugar (MT) (B)	10,97,532	10,98,936
Total Sugar produced (MT) (A+B)	1,67,800	16,21,411
<b>(III) Co-generation</b>		
Generation of Power (Million KWH)	716	676
Captive Consumption (Million KWH)	332	304
Power Exported (Million KWH)	383	372
<b>(IV) Ethanol Plant</b>		
Ethanol produced (Million Litres)	97	80



## Financial Review (Standalone)

### PRODUCTION (FY WISE)

A total of 49,67,636 Million MT of cane was crushed in the FY15 compared to 45,21,461 Million MT in FY14. Sugar produced from sugarcane in the FY15 stood at 5,77,269 MT compared to 5,22,475 MT in the FY14. Sugar yield (recovery) per MT of cane increased to 11.63% in the FY15 from 11.56% in the FY14. Total sugar produced in the refineries from raw sugar decreased marginally to 10,97,532 MT in FY15 compared to 10,98,936 MT in FY14.

Total power generation and ethanol production stood at 716 Million KWH and 97 Million Litres in FY15 compared to 676 Million KWH and 80 Million Litres in FY14.

### FINANCIALS

#### Revenues

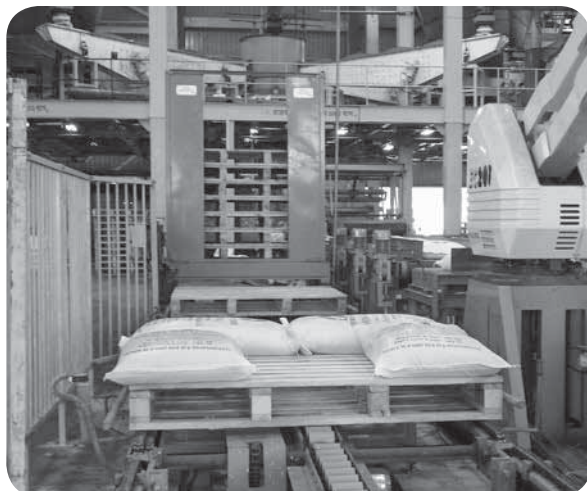
At SRSL, our total turnover (including total revenues net of excise duty and including other income) stood at ₹ 57,481 Million for the financial year, compared to ₹ 65,771 Million in FY14. The increase was as a result of the following:

- Revenues of sugar segment stood at ₹ 44,250 Million in the current year from ₹ 55,659 Million in the previous year
- Trading segment contributed ₹ 10,314 Million to revenues in the current year compared to ₹ 6,729 Million in the previous year
- Revenues from co-generation stood at ₹ 4,787 Million vis-à-vis ₹ 4,474 Million in the previous year
- Ethanol segment reported revenues of ₹ 3,412 Million in the current year compared to ₹ 3,457 Million in the previous year

The segment sales of manufactured sugar decreased to 14,77,706 MT from 17,72,982 MT in the previous year, with an average net realisation of ₹ 28,272 per MT for the year, compared to ₹ 29,998 per MT in the previous year.

Co-generation sales volumes and realisation increased to 383 Million KWH and ₹ 4.92 per KWH respectively.

Sales from Ethanol division during the year stood at 90,585 KL against 92,174 KL in the previous year. The average realisation improved to ₹ 37,694 per KL vis-à-vis ₹ 37,504 per KL in the previous year.



### Expenditure

The total expenditure (excluding provisions for tax, interest and depreciation) stood at ₹ 55,679 Million for the financial year vis-à-vis ₹ 63,824 Million in the previous year.

### Raw Materials

Cumulative raw material consumption touched ₹ 50,850 Million for the financial year vis-à-vis previous year's ₹ 58,837 Million. Raw material cost as a percentage to sales was 88.5% vs. 89.5% previous year.

### Interest

The interest cost as a percentage of total revenues increased to 5.8% for the current financial year from 4.8% in the previous year. The interest cost increased to ₹ 3,362 Million from ₹ 3,182 Million in the previous year.

### Profit Before Tax

Loss before tax stood at ₹ 4,458 Million for the current financial year against loss of ₹ 6,208 Million in the previous year due to changes in various revenue and cost items discussed above.

### Internal Controls

The Company has in place adequate systems for internal control that are commensurate with its size and the nature of operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information complying with applicable statutes, safeguarding assets from unauthorised use or losses executing transactions with proper authorisation and ensuring compliance of corporate policies.

To have a strong monitoring system in place, the Company has an Audit Committee. The Company has also appointed an independent Internal Audit Firm. This firm of Independent Chartered Accountants conduct audit on the basis of Annual Audit Plan, as approved by the Audit Committee of the Board, covering all the factories and locations of the Company. The objective of such audits is to ensure adequacy of internal control systems and processes, adherence to the Company's policies and guidelines and compliance with applicable statutes.

These audits also determine whether adequate controls are in place to mitigate risks. Internal Audit has a follow-up process in place to verify the implementation of recommendations made. Special audits are also conducted as directed by the Management.

### AUDIT COMMITTEE

The Audit Committee of the Board of Directors inter alia reviews the observations made by the internal auditors on the control mechanism and the adequacy of the internal control system, recommendations for corrective actions and implementation thereof, compliance-related matters, operations of the Company, adherence to the laid down processes and guidelines.

The Company has implemented SAP at all its units to ensure effective IT security and systems, thus ensuring real time availability of information at various locations.

### RISKS & CONCERNS

Risks are an integral part of any business and the risk profile, to a great extent, depends on the climatic conditions, economic and business conditions and the markets and customers we serve.

The Company has adopted a 'Risk Management Policy' which is reviewed on a periodic basis in order to recognise 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.

Few of the risks associated with our businesses are enumerated below:

- ▮ Fluctuations in demand and price for finished products viz. sugar, ethanol and power
- ▮ Fluctuations in the price and availability of key raw materials, including sugarcane, raw sugar, energy prices
- ▮ Increase in interest rates
- ▮ Adverse fluctuations in the exchange rate of the Rupee against major international currencies

- Increasing transportation costs
- Strikes or work stoppages
- Changes in government policies affecting the sugar industry in India or globally
- Accidents, natural disasters or outbreaks of disease

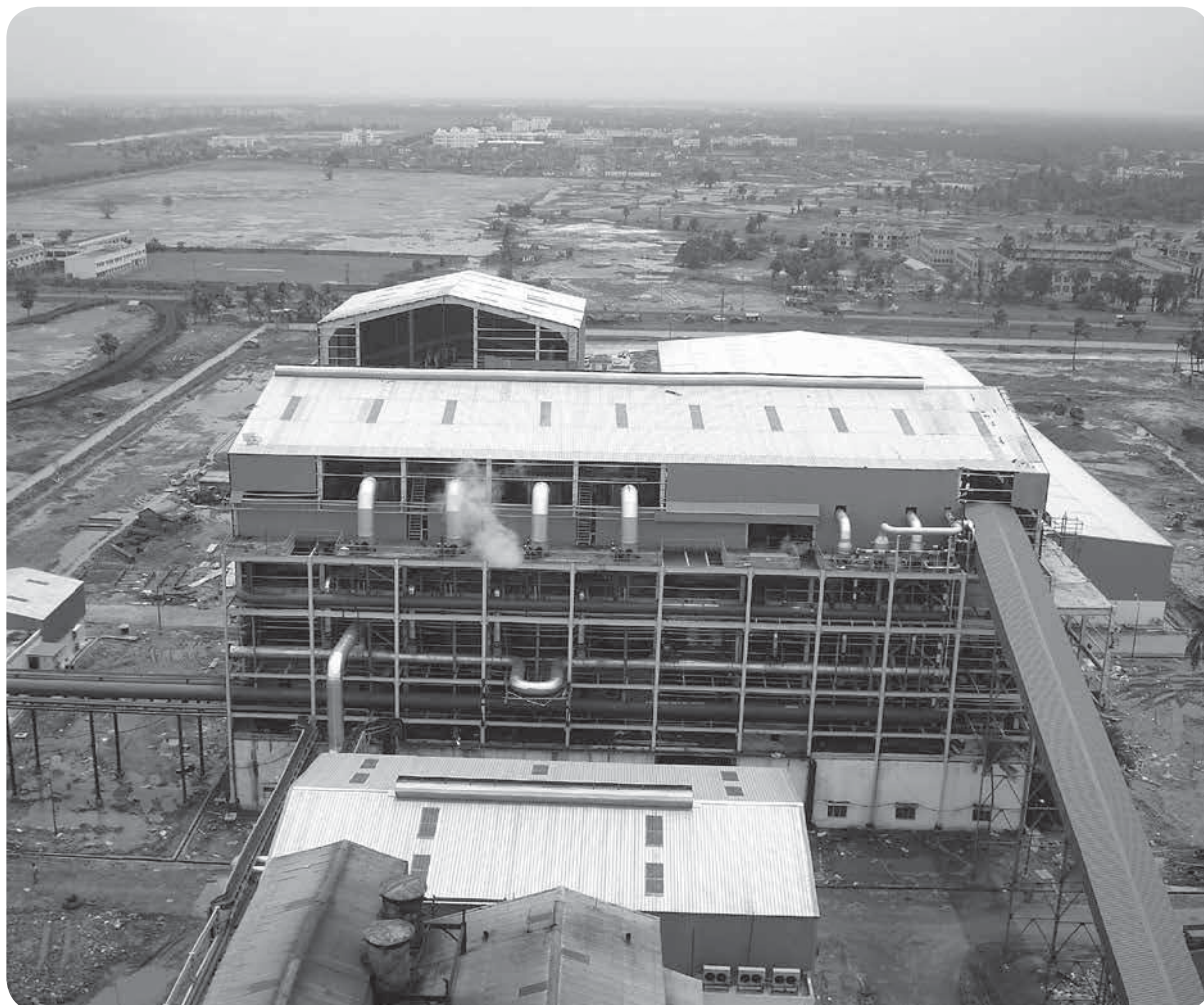
## HUMAN RESOURCES

The importance of human resource as a means of ensuring sustained growth for any organisation cannot be undermined, since it is the fundamental strength on which all strategies are based in the contemporary business world.

Shree Renuka Sugars believes that a focussed human resource administration is the best way to ensure that personnel needs are well integrated and amalgamated into organisational goals, resulting in a mutually rewarding experience.

Our talented pool of leadership teams playing multi-dimensional roles propel the growth of our business and have played an axiomatic role in enhancing efficiency, setting up systems and enabled the evolution of the organisation over the years. Our employees are the torch bearers of the core values that reflect the foundational ideologies of the company and are in many ways, the very reason for the corporation's existence and cannot be underrated in today's transient business world. In fact, it is the commitment and conviction of our talented people across functions and their responsible attitude to work that is the beacon of our inspiration in excelling at all times.

In terms of employee relations, the 12-month period ended 31st March, 2015 continued to be one of industrial and employee harmony and peace. As on 31st March, 2015, there were 2,008 employees on the Company's rolls in India and 7,909 in Brazil.





# Directors' Report

Dear Shareholders,

The Board of Directors is pleased to present the Nineteenth Annual Report of your Company together with the audited financial statements for the financial year ended March 31, 2015.

## FINANCIAL RESULTS:

Particulars	(` in Million)	
	Year ended March 31, 2015	Year ended March 31, 2014
Revenues	57,481	65,771
Profit before financial expenses and depreciation	1,802	1,947
Financial expenses	3,362	3,182
Depreciation	1,556	1,656
Profit before provision for tax and exceptional items	(3,116)	(2,891)
Exceptional Items	(1,342)	(3,317)
Provision for taxation:		
- Current	-	174
- Deferred Tax	(1,507)	(1,721)
Net Profit/Loss	(2,951)	(4,661)
Profit brought forward from the previous year	(1,551)	2,442
Profit available for appropriation	(4,502)	(2,219)
Transfer from General Reserves	3,166	-
Transfer from Debenture Redemption Reserves	150	611
Dividend tax	-	(57)
Transitional Impact of change in useful life of assets	74	-
Retained in the Profit & Loss Account	(1,259)	(1,551)

## OPERATING HIGHLIGHTS:

The Company achieved a turnover of ` 57,481 Million for the year ended March 31, 2015 as against ` 65,771 Million for the previous year. The EBITDA for the year under review stood at ` 1,802 Million as compared to ` 1,947 Million for the previous year, while the Net Loss stood at ` 2,951 Million as compared to Net Loss of ` 4,661 Million for the previous year. Analysis of operating performance is covered under Management Discussion and Analysis which forms part of this Report.

## DIVIDEND:

As the Company has incurred loss during the year under review, your Directors have not recommended any dividend for the financial year ended March 31, 2015.

## TRANSFER TO RESERVES:

Debenture Redemption Reserve is created to the extent of 25% of the Non Convertible Debentures (NCDs) equally

over the period till maturity of the NCDs, as per the requirements of the applicable laws. During the year the Company has reversed Debenture Redemption Reserve created in the earlier years of ` 275 Million on redemption of ` 1,100 Million NCDs and created ` 125 Million of Debenture Redemption Reserve on outstanding amount of NCDs. The Company has also reversed ` 3,166 Million from General Reserve created in the earlier years.

## FIXED DEPOSITS:

Your Company has not accepted any deposits from public / shareholders in accordance with the Sections 73 and 74 of the Companies Act, 2013.

## DEBENTURES:

The Company has not raised long term funds through issuance of Non Convertible Debentures (NCDs) during the period under review, while NCDs aggregating to ` 1,100 Million were redeemed.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report on the business and operations of the Company is attached to this Report.

## SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Accounting Standards 21 and 23 issued by the Institute of Chartered Accountants of India on Consolidated Financial Statements, attached are the Consolidated Financial Statements, which form part of this Annual Report. These Consolidated Financial Statements provide financial information about your Company and its subsidiaries after elimination of minority interest, as a single entity.

A summary of the financial performance of each of the Subsidiary, Associate and Joint Venture companies in the prescribed Form AOC-1 is provided in the Financial Statements.

The Company's Policy for Determining Material Subsidiaries may be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and accounts of each of the subsidiaries of the Company are available on the website of the Company [www.renukasugars.com](http://www.renukasugars.com). These documents will be made available to the Members for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays, between 11.00 a.m. to 1.00 p.m. upto the date of the ensuing Annual General Meeting. The Company will make available the documents of the subsidiaries upon request by any Member of the Company interested in obtaining the same.

## SHARE CAPITAL:

Consequent to the Members' approval, the Board at its meeting held on May 27, 2014 allotted 257,491,592 equity shares to M/s. Wilmar Sugar Holdings Pte. Ltd., a wholly owned subsidiary of Wilmar International Ltd., a part of the Wilmar Group, on preferential basis at a price of ₹ 20.08 per share. Accordingly, the paid-up Share Capital of the Company has increased to ₹ 928,811,242.

## DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 (the Act), Mr. Vijendra Singh, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Pursuant to the provisions of Sections 149, 152 & other applicable provisions of the Act & the Listing Agreement,

the Board of Directors has re-appointed Mr. Robert Taylor and appointed Mr. Ashit Mallick as Independent Directors of the Company, to hold office for the tenure mentioned in the Notice of the Annual General Meeting of the Company, subject to approval of the Members. Pursuant to the terms of the Joint Venture (JV) Agreement with Wilmar Sugar Holdings Pte Ltd., (WSH) dated February 20, 2014, WSH nominated directorship of Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi on the Board of Directors of the Company. In view of the same, the Board of Directors has also appointed Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi, as Additional Directors of the Company to hold office upto the ensuing Annual General Meeting.

The Company has received requisite notices from members proposing the appointment of aforesaid Directors. The Company has also received the declarations from the Independent Directors confirming that they satisfy the criteria of independence as prescribed under Section 149(6) of the Act and Clause 49 of the Listing Agreement (Clause 49). The Board recommends the appointment / re-appointment of the aforesaid Directors for members' approval.

Brief resume of the Directors seeking appointment / re-appointment, as stipulated under Clause 49 are given in the section on Corporate Governance, which forms part of this Annual Report.

Pursuant to the provisions of the Act and Clause 49, the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

The details of programs for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link <http://www.renukasugars.com/en/corporate-governance.html>.

The policy of the Company on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act and Clause 49 adopted by the Board is appended as Annexure 1 to the Directors' Report. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

Mr. Naveen Manghani has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. August 14, 2015, consequent to the resignation of Mr. D. V. Iyer, the erstwhile Company Secretary.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act 2013, your Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with no material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit/loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a 'going concern' basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**AUDITORS AND AUDITORS' REPORT:**

M/s. Ashok Kumar, Prabhashankar and Co., Chartered Accountants, Bangalore, Statutory Auditors (Registration No. 004982S) of the Company hold office until the conclusion of the ensuing Annual General Meeting and are recommended by the Board of Directors for re-appointment. Certificate from the said Auditors has been obtained to the effect that their re-appointment, if made, would be within the limits specified under Section 139 read with Section 141 of the Companies Act, 2013.

The Auditors' Report to the Members on the Accounts of the Company for the year ended March 31, 2015 does not contain any qualification.

**COST AUDITORS:**

The Board has appointed M/s. B. M. Sharma & Co., Cost Accountants as the Cost Auditors (Registration No. 00219) of the Company to conduct the Cost Audit for the financial year 2014-15, the Cost Audit Report for which will be submitted to the Central Government before the due date.

**SECRETARIAL AUDITOR:**

The Board has appointed M/s. Sanjay Dholakia & Associates, Practicing Company Secretary (Membership No. 2655), to conduct the Secretarial Audit for the financial year 2014-

15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith at Annexure 2 to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

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

**CORPORATE GOVERNANCE:**

Your Company complies with all mandatory requirements as stipulated under Clause 49 of the Listing Agreement. The Report on Corporate Governance along with the Auditors' Certificate on its compliance, and details of memberships of various committees viz., Audit Committee, Nomination & Remuneration / Compensation Committee, CSR Committee etc. forms part of this Report and is annexed hereto.

**MEETINGS OF THE BOARD:**

During the year, five meetings of the Board of Directors were held, the details of which are given in the report on Corporate Governance.

**CEO/CFO CERTIFICATION:**

As required under Clause 49 of the Listing Agreement, the CEO/CFO Certification is attached with the Annual Report.

**PARTICULARS OF EMPLOYEES:**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended as Annexure 4 to this Report.

**EMPLOYEE STOCK OPTION SCHEME:**

Your Company has formulated and designed various Employees Stock Option Schemes for employees. During the year, the Company has not granted any fresh stock options to the employees. Disclosure in terms of the SEBI Guidelines, is given in Annexure 5 to the Directors Report.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

During the year, the Company had not entered into any contract, arrangement or transaction with related parties which could be considered material related party transaction under the provisions of the Companies Act, 2013 or the Listing Agreement. All transactions with related parties were in the ordinary course of business and on an arm's length basis.



The Company's Policy on Related Party Transactions may be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>. The details of related party transactions are set out in the notes to the financial statements.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

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

#### **CORPORATE SOCIAL RESPONSIBILITY:**

Your Company is committed to Corporate Social Responsibility (CSR) by catering to the needs of the weaker sections of the society. Pursuant to the provisions of the Section 135 of the Companies Act, 2013 (the Act), your Company has constituted a CSR Committee of the Board of Directors to monitor the CSR activities of the Company. The details relating to the CSR Committee are described in the Corporate Governance Report forming part of Annual Report.

CSR Committee formulated and recommended to the Board, the CSR Policy of the Company and it has been approved by the Board of Directors of the Company. The CSR Policy of the Company may be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>. The report on the CSR activities is provided at Annexure 6 to the Directors' Report.

#### **EXTRACT OF ANNUAL RETURN:**

Extract of Annual Return of the Company is annexed herewith as Annexure 7 to this Report.

#### **RISK MANAGEMENT & INTERNAL FINANCIAL CONTROLS:**

The Company has adopted a Risk Management Policy which is reviewed on a periodic basis in order to recognise 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.

The Company's internal control systems with reference to the financial statements are adequate and commensurate with the nature of its business and the size and complexity of its operations. Periodic audits and checks are conducted and the controls to prevent, detect and correct any irregularities in the operations have been laid down by the Company.

#### **WHISTLEBLOWER POLICY:**

The Company has in place a Whistleblower Policy / Vigil Mechanism to deal with unethical behavior, victimisation,

fraud and other grievances or concerns, if any. The Whistleblower Policy can be accessed on the Company's website <http://www.renukasugars.com/en/corporate-governance.html>.

#### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees.

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

#### **HUMAN RESOURCES (HR):**

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

#### **OTHER DISCLOSURES/REPORTING:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

#### **APPRECIATION & ACKNOWLEDGEMENTS:**

The Board wishes to place on record its gratitude for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities, Customers, Vendors, and cane growers and finally to all its members for the trust and confidence reposed on the Company. The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their competence, dedication and contribution towards the operations of the Company.

For and on behalf of the Board,

**Mumbai**  
**August 24, 2015**

**Vidya Murkumbi**  
Executive Chairperson

## ANNEXURE 1

### Nomination and Remuneration Policy

[Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement]

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

#### 1. Definitions

- 1.1 "Act" means Companies Act, 2013 and rules framed thereunder as amended from time to time.
  - 1.2 "Board of Directors" or "Board", in relation to the company, means the collective body of the Directors of the Company.
  - 1.3 "Committee" or "NRC" means Nomination and Remuneration/Compensation Committee of the Company as constituted or reconstituted by the Board.
  - 1.4 "Company" means "Shree Renuka Sugars Limited".
  - 1.5 "Managerial Personnel" means Managerial Personnel or Persons, applicable under Section 196 and other applicable provisions of the Companies Act, 2013.
  - 1.6 "Policy" or "This policy" means Nomination and Remuneration Policy.
  - 1.7 "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.
  - 1.8 "Independent Director" means a Director referred to in Section 149 of the Companies Act, 2013 and the Listing Agreement entered into by the Company with the Stock Exchanges.
  - 1.9 "Key Managerial Personnel" (KMP) means
    - a) The Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-time Director;
    - b) The Company Secretary and
    - c) The Chief Financial Officer
  - 1.10 "Senior Management" means Senior Management means the personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
- Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### 2. Objective

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

- 2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- 2.3 Formulation of criteria for evaluation of Independent Directors and the Board.
- 2.4 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 2.5 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 2.6 To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 2.7 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

- 2.8 To develop a succession plan for the Board and to regularly review the plan.
- 2.9 To assist the Board in fulfilling responsibilities.
- 2.10 To implement and monitor policies and processes regarding principles of corporate governance.

### **3. Appointment and removal of Managerial Personnel, Director, KMP and Senior Management**

#### **3.1 Appointment Criteria and Qualifications**

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

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

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

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

### **4. Term / Tenure**

#### **4.1 Managerial Personnel:**

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

#### **4.2 Independent Director:**

An Independent Director shall hold office for a term up to 5 consecutive years on the

Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and Disclosure of such appointment in the Board's report.

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

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

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

### **5. Retirement**

Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **6. Evaluation**

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

### **7. Removal**

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

### **8. Remuneration of Managerial Personnel, KMP and Senior Management:**

8.1 The Remuneration/Compensation / Commission etc. to Managerial Personnel, KMP and Senior

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

- 8.2 The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- 8.3 Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- 8.4 If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
- 8.5 If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.
- 8.6 Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel subject to the provisions of the Act.
- 8.7 Only such Employees/Directors of the Company and its subsidiaries as approved by the Nomination and Remuneration/Compensation Committee will be granted ESOPs.

## 9. Remuneration to Non-Executive / Independent Directors:

### 9.1 Remuneration / Commission:

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

### 9.2 Sitting Fees:

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

### 9.3 Limit of Remuneration / Commission:

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

## 10. Duties in relation to nomination matters:

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

- 10.1 Determining the appropriate size, diversity and composition of the Board;
- 10.2 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 10.3 Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.4 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.5 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.6 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee



of the Company subject to the provision of the law and their service contract.

- 10.7 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.8 Recommend any necessary changes to the Board; and
- 10.9 Considering any other matters, as may be requested by the Board.

#### 11. Duties in relation to remuneration matters:

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

- 11.1 Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 Approving the remuneration of the Directors, Senior Management including KMP of the Company maintaining a balance between fixed and incentive pay, if any, reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3 Delegating any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 Considering any other matters as may be requested by the Board.

#### 12. Review and Amendment to the policy:

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

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

## ANNEXURE 2

### Form No. MR-3 Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013  
and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial  
Personnel) Rules, 2014]

To,

The Members,

#### SHREE RENUKA SUGAR LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHREE RENUKA SUGAR 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; There were no ESOPs issued during the year under review.
- (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (vi) 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;
- (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There were no proposals for delisting of its equity shares during the year under review; and
- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There were no Buy Back of its Equity shares during the year under review.
- (vi) Other laws applicable to the Company as per the representations made by the Company.

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

- (i) Secretarial Standards with respect to board and general meetings issued by The Institute of Company Secretaries of India are not in force as on March 31, 2015.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) - The Company has complied with the various provisions of Listing Agreements with BSE and NSE where the Equity Shares of the Company are Listed.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above and there are no observations.

I further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and

clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had the following events having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- 1) The Company had on May 27, 2014, allotted 257,491,592 Equity Shares of ₹ 1/- each at ₹ 20.08 to Wilmar Sugar Holdings Pte. Ltd, on preferential basis pursuant to the Joint Venture Agreement entered into between the Company, SRS Investments Pte. Ltd, existing promoter group, Wilmar Sugar Holdings Pte. Ltd. and Wilmar International Limited on February 20, 2014,
- 2) The Company has during the year redeemed Non-Convertible Debentures aggregating to ₹ 110 Crores,
- 3) The members of the Company at its Annual General Meeting held on September 26, 2014, have authorised the Board of Directors of the Company by way of special resolution, in terms of Section 180(1) (c) of the Companies Act, 2013, to borrow any sum or sums of money, in any manner, as they may consider fit, together with the money already borrowed upto limit of ₹ 4,800 Crores.
- 4) The members of the Company have authorised the Board of Directors of the Company by way of special resolution passed through Postal Ballot on October 7, 2014, pursuant to Section 180(1) (a) of the Companies Act, 2013, to create charges, mortgages, hypothecations, pledges, etc. in addition to the existing charges, mortgages, hypothecations, pledges, etc. on the assets of the Company.

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

For **SANJAY DHOLAKIA & ASSOCIATES**

**SANJAY R. DHOLAKIA**

Practising Company Secretary

Proprietor

Membership No. 2655/CP No. 1798

Date: **August 24, 2015**

Place: **Mumbai**

## ANNEXURE A to the Secretarial Audit Report

To,  
The Members,

**SHREE RENUKA SUGAR LIMITED**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. My examination was limited to the verification of procedure 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 **SANJAY DHOLAKIA & ASSOCIATES**

**SANJAY R. DHOLAKIA**

Practising Company Secretary

Proprietor

Membership No. 2655/CP No. 1798

Date: **August 24, 2015**

Place: **Mumbai**

## ANNEXURE 3

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

### **A. Conservation of energy:**

#### **(i) Steps taken for conservation of energy:**

##### **Athani:**

- a. Installation of capacitor bank 2 nos, one for 2 nos fibrizor motors and other one for 10 nos FFE juice circulation pumps which improved the power factor from 0.70 to 0.9 which saved 250 kw per hr.

##### **Munoli:**

- a. The first mill of old milling tandem has been provided with DC drive in place of hydraulic drive which has given a power saving of 5% and avoided the high inventory due to high cost of hydraulic spares.
- b. A vapour line juice heater of 200 M2 HSA is installed in the vapour line of A-continuous pan for raw juice heating. This has given an additional rise of 4° c. by utilizing waste heat of vapour and saved steam 0.8%.

##### **Panchganga:**

- a. Provision of VFD made for cut cane carrier, raw juice pumps & FFE transfer pumps. Due to flexibility in speed variation, the saving of power recorded 1270 kwh per day.
- b. One High head batch Pan 50 MT Capacity converted into low head. With this provision, this pan was operated with 2nd body vapor instead of 1st vapor resulting in steam saving of 0.5% .
- c. Provision made for use of 1st body vapor for the pan washing & sugar melting instead of exhaust. Earlier exhaust steam was using for these application which is replaced with 1st body vapor & saving of steam 0.25% on cane achieved.

#### **(ii) Steps taken by the Company for utilising alternate sources of energy:**

Nil

#### **(iii) Capital investment on energy conservation equipments:**

##### **Athani:**

Load sharing panel commissioned for all the 3 turbines with new version. This provision reduced the tripping of turbines at heavy fluctuations of grid and ultimately reduced the down time of plant. Cost - ₹ 20 lakhs.

**B. Technology absorption:****(i) Efforts made towards technology absorption:****Athani:**

Arrangement of 3rd vapor connection to R4 Batch pan.

**Munoli:**

A solar energy panel suitable for running a borewell pump in our farmhouse has been installed with a capacity of 12.5 HP. This system runs on solar energy for atleast 10 hours in a day thereby sufficient saving of the power recorded.

**Panchganga:**

Three & half massecuite boiling system adopted for reduction in final molasses purity by 2 to 3 Units.

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

Achieved 0.16% steam saving.

**Munoli:**

Power Saving of 9 kw per hr which contributed total power saving of 216 kwh per day.

**Panchganga:**

Improve sugar quality and reduces molasses loss.

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

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

**(iv) Expenditure incurred on Research and Development:**

- (a) Fed batch fermentation technology used for low TRS molasses, which result to improve alcohol %, reduce spent wash generation from 5 to 4 litres per litre of alcohol, decrease steam consumption from 2.6 kg/lit of RS to 2.4 kg/lit of RS. Cost - ₹ 30 lakhs.
- (b) In Athani, the Company is working on implementation of 30 brix Spentwash for Biomethanation process in coordination with VSI. Cost - ₹ 20 lakhs.

**C. Foreign exchange earnings and outgo:**

- (a) Foreign Exchange earned in terms of actual inflows: ₹ 36,077.54 Million
- (b) Foreign Exchange outgo in terms of actual outflows: ₹ 25,415.00 Million

**ANNEXURE 4****Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year (FY) 2014-15 (₹ in Million)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mrs. Vidya Murkumbi Executive Chairperson	17.37	15.87%	76.53	Net sales decreased by 11.93% during FY 2014-15 as compared to FY 2013-14.  Net loss decreased by 36.69% during FY 2014-15 as compared to FY 2013-14
2	Mr. Narendra Murkumbi Vice Chairman & Managing Director	12.53	-38.20%	55.21	
3	Mr. Vijendra Singh Executive Director	17.40	24.63%	76.67	



Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year (FY) 2014-15 (₹ in Million)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
4	Mr. Sanjay K. Asher Independent Director	0.41	19.12%	1.78	-
5	Mr. Robert Taylor Independent Director	0.24	-14.29%	1.06	-
6	Mr. Hrishikesh Parandekar Independent Director	0.29	11.54%	1.28	-
7	Mr. S. K. Tuteja Independent Director	0.35	94.44%	1.54	-
8	Mr. K. K. Kumbhat Chief Financial Officer	17.39	6.96%	76.62	Net sales decreased by 11.93% during FY 2014-15 as compared to FY 2013-14. Net loss decreased by 36.69% during FY 2014-15 as compared to FY 2013-14
9	Mr. D. V. Iyer Company Secretary	3.59	23.88%	15.82	

Note- Remuneration to Independent Directors consists only of sitting fees paid for FY 2014-15.

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 0.23 million (mn).
- (iii) In the financial year, there was an increase of 13.34% in the median remuneration of employees.
- (iv) The number of permanent employees on the rolls of Company as on March 31, 2015 were 2008
- (v) Relationship between average increase in remuneration and Company performance: Net sales during the FY 2014-15 is ₹ 57,441.95 mn as compared to ₹ 65,223.81 mn during FY 2013-14. Net loss is ₹ 2,950.88 mn for FY 2014-15 as against net loss of ₹ 4,660.89 mn for FY 2013-14. Increase in median remuneration of employees during the year was 13.34%. The average increase in remuneration was in line with the market trend.
- (vi) Comparison of remuneration of Key Managerial Personnel against the performance of the Company: The total remuneration of Key Managerial Personnel declined by 13.8% from ₹ 78.15 mn in 2013-14 to ₹ 67.36 in 2014-15. Net loss during 2014-15 was 2950.88 mn as against net loss of 4660.89 mn in 2013-14.
- (vii) (a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2015 was ₹ 11,888.78 mn and as on March 31, 2014 was ₹ 14,433.37 mn.
- (b) Price Earnings ratio of the Company as at March 31, 2014 and as at March 31, 2015 was not applicable as the EPS was negative.
- (c) Percentage increase / decrease in the market quotations of The shares of the Company as compared to the rate at which the Company came out with the last public offer - The Company had come out with the initial public offer (IPO) on October 26, 2005 (FY 2005-06) @ ₹ 285/- per share of face value of ₹ 10/- each. Further, the Company had sub-divided each equity share of face value of ₹ 10/- each into 10 equity shares of Re.1/- each on March 17, 2008. Further, the Company had issued bonus shares in the ratio of 1:1 on March 18, 2010. As on March 31, 2015, the closing market price of each equity share was ₹ 12.80. Therefore, an amount of ₹ 1 mn invested in said IPO in 2005-06 would be worth ₹ 0.90 mn as on March 31, 2015, after considering sub division and bonus issue, representing 10.18% decrease over the said IPO price.
- (viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2014-15 was 6%, whereas the managerial remuneration was decreased during the financial year 2014-15 by 18.63%.
- (ix) In view of the loss during the FY 2014-15, commission was not paid to the Executive Chairperson and Managing Director. Remuneration to the directors are as per recommendation of the Nomination and Remuneration/ Compensation Committee and as approved by the Board and Shareholders of the Company.

- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year is 1.01; and
- (xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

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

- (i) Employed throughout the financial year, was in receipt of remuneration for that year which, in aggregate, was not less than ₹ 60,00,000

Sr. No.	Name and Designation	Remuneration received ( ₹ )	Qualifications	Total Experience (No. of Years)	Date of commencement of Employment	Age in Year	Previous Employment
1	Mrs. Vidya Murkumbi Executive Chairperson	1,73,69,850	B. Sc.	32	April 01, 2004	67	-
2	Mr. Narendra Murkumbi Vice Chairman & Managing Director	1,25,30,000	BE (E&C), PGDM (IIM)	18	September 20, 1997	45	-
3	Mr. Vijendra Singh Executive Director	1,74,01,848	B. Sc., PGD (SUGAR TECH)	31	September 15, 2010	55	Bajaj Hindusthan Ltd.
4	Mr. Nandan Yalgi President (Commerical & HR)	91,71,869	BE (E&C), GMP (Harvard Business School)	18	November 01, 2001	46	Murkumbi Investment Pvt. Ltd.
5	Mr. Shripad Nerlikar Executive Director (Cane)	69,50,695	B. Sc. (AGRI)	38	October 01, 2003	59	Halasidhanath SSK Ltd.
6	Mr. Krishna Kumar Kumbhat Chief Finance Officer	1,73,79,280	B.Com, ACA, ACS	34	March 12, 2008	56	Ashapura Minechem Ltd.
7	Mr. Gautam Watve President & Head (International Division)	1,75,23,721	BE (CHEM), MBA, MMS	15	March 10, 2006	39	TATA Autocom Dudocomp Systems Ltd.
8	Mr. Ashok Kumar Sharma Senior Vice President (Operations)	64,45,796	BE (MECH), BOE	40	September 05, 2011	65	Uttam Sugars Ltd.

- (ii) Employed for the part of the year, was in receipt of remuneration in aggregate not less than ₹ 5,00,000/- per month

Sr. No.	Name and Designation	Remuneration received ( ₹ )	Qualifications	Total Experience (No. of Years)	Date of commencement of Employment	Age in Year	Previous Employment
1	Mr. Abhay Agarwal Vice President (Ethanol)	13,44,692	BE (CHEM)	22	April 01, 2006	46	Somaiya Organo Chemicals
2	Mr. Suresh Bharathwaj General Manager (Finance)	24,46,670	B.Com, ACA	24	June 16, 2010	50	Go Airlines (India) Private Limited
3	Mr. Malhari Naik Senior Vice President (Technical)	7,95,623	DIP (Industrial Electronics & Electrical)	35	April 24, 2012	58	Nirani Sugars Limited

- None of the employees is covered under Rule 5(3) (viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of Section 197 of the Companies Act, 2013.
- The nature of employment in all cases is contractual. Mrs. Vidya Mukumbi and Mr. Narendra Mukumbi are related to each other.

## ANNEXURE 5

The applicable disclosures as stipulated under the SEBI Guidelines as at March 31, 2015, pertaining to ESOP are as under:

Sr. No.	Particulars	ESOS 2006	ESOP 2011
		Scheme I	Scheme I
a)	Options granted	4,760,000*	5,000,000
b)	Pricing formula	The options granted to eligible employees are granted at the closing price of the Equity Shares of the Company at NSE prior to the date of the meeting of the Board of Directors in which options are granted.	The options granted to eligible employees are granted at the closing price of the Equity Shares of the Company at NSE prior to the date of the meeting of the Board of Directors in which options are granted.
c)	Options vested	4,760,000	5,000,000
d)	Options exercised	1,519,650	-
e)	Total number of shares arisen as a result of exercise of options	1,519,650	-
f)	Options lapsed	3240,350	-
g)	Variation in terms of options	-	-
h)	Money realised by exercise of options (in ₹)	44,905,658	-
i)	Total number of Options in force	-	5,000,000
j)	Employee wise details of options granted to:		
	1) Senior management personnel	-	-
	2) Any other employee who received a grant in any one year of option amounting to 5% or more of options granted during that year.	-	-
	3) Identified employees who were granted options, during any one year, equal to or exceeding 1% or more of the issued Equity Capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	-	-
k)	Diluted Earnings Per Share (EPS) pursuant to issue of equity shares on exercise of options calculated in accordance Accounting Standard 20 'Earnings Per Share'	(3.32)	(3.32)

Sr. No.	Particulars	ESOS 2006	ESOP 2011
		Scheme I	Scheme I
l)	In case the employee compensation cost is calculated using intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on the profits and on the earnings per share of our Company for the Financial Year.	N.A.	N.A.
m)	Weighted average exercise price of options granted during the year	-	-
n)	Weighted average exercise price of options granted till date (in `)	29.55	37.15
o)	Method and significant assumptions used to estimate the fair value of options granted during the year	-	-
p)	Risk free interest rate	8.803%	8.803%
q)	Expected life	-	2 Years
r)	Expected volatility	53.0648%	53.0648%
s)	Expected dividend yield	-	-
t)	Price of underlying shares in market at the time of grant of options (in `)	29.55	37.15

**Note 1:**

The exercise price of the above schemes is the market price prior to the date of the meeting of the Board of Directors in which options are granted i.e. closing price of the NSE and the taxes/perquisites as may be applicable is borne by the respective employees /Directors of the Company. Hence, the issuance of options does not, and the consequent exercise of the options will not affect the Profit & Loss Account of the Company.

**Note 2:**

The Company has received a Certificate from the Auditors of the Company that the aforesaid schemes have been implemented in accordance with the SEBI Guidelines and in accordance with the resolution passed at the Annual General Meetings held on 28th December, 2006 and 29th March, 2012, respectively. The Certificate will be placed at the Annual General Meeting for inspection of member.

**Note 3:**

The stock options granted under Scheme I of ESOS 2006 have lapsed by March 28, 2015.

\*After adjusting for split/bonus shares.



## ANNEXURE 6

### Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2014-15

**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

The CSR Policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and the Schedule VII thereto. The CSR Policy of the Company may be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>

**2. The composition of the CSR Committee:**

Mr. S. K. Tuteja (Chairman)

Mr. Narendra M. Murkumbi, Member

Mrs. Vidya M. Murkumbi, Member

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

Pursuant to Section 198 of the Companies Act, 2013, the Average Net Profit of the Company for last three financial years is in negative i.e. ₹ (129) Crores. Accordingly, the Company was not required to spend any CSR Expenditure during the financial year 2014-15.

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

Nil

**5. Details of CSR spent during the financial year:**

a) Total amount to be spent for the financial year:

Nil

b) Amount un-spent, if any:

Not Applicable;

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

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

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

Not Applicable

**7. Responsibility statement of the CSR Committee:**

CSR Committee confirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Mumbai  
August 24, 2015

S. K. Tuteja  
Chairman-CSR Committee

Narendra M. Murkumbi  
Vice Chairman & Managing Director

## ANNEXURE 7

### Form No. MGT-9

### Extract of Annual Return

as on the financial year ended on March 31, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

i.	CIN	L01542KA1995PLC019046
ii.	Registration Date	October 25, 1995
iii.	Name of the Company	Shree Renuka Sugars Limited
iv.	Category / Sub-Category of the Company	Public Company / Limited by Shares
v.	Address of the Registered Office and contact details	BC 105, Havelock Road, Camp, Belgaum, Karnataka – 590001, India. Tel. No.: +91-831-2404000 Fax No.: +91-831-2469891 Website: www.renukasugars.com
vi.	Whether listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower No. B, Plot No. 31-32, Gachibowli, Financial District Nanakramguda, Hyderabad – 500032, India. Tel. No.: +91-40-6716 1700 / 6716 2222 Fax No.: +91-40-6716 1680 / 2300 1153 Website: www.karvycomputershare.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company #
Sugar	10721	89.87

# On the basis of Gross Turnover

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held*	Applicable Section
1.	Shree Renuka Agri Ventures Limited	BC 105, Havelock Road, Camp, Belgaum 590001, Karnataka.	U15330KA2008PLC047205	Subsidiary	100	2(87)(ii)
2.	Gokak Sugars Limited	238, 263, Kolavi, Gokak, Belgaum – 591344, Karnataka.	U15429KA2000PLC026433	Subsidiary	93.64	2(87)(ii)

Sr. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held*	Applicable Section
3.	Monica Trading Private Limited (Formerly known as Monica Realators & Investments Private Limited)	23, 2nd Floor, Madhuli Co-Op. Hsg. Soc. Ltd., B/h Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400018, Maharashtra.	U51502MH2006PTC163752	Subsidiary	100	2(87)(ii)
4.	Shree Renuka Tunaport Private Limited	BC 105, Havelock Road, Camp, Belgaum 590001, Karnataka.	U45205KA2013PTC067486	Subsidiary	100	2(87)(ii)
5.	KBK Chem-Engineering Private Limited	1st & 2nd Floor, Survey No.1/10 to 16, Amachi Colony, Plot No. 33 & 34, Bhavdhan Khurd, NDA-Pashan Road, Pune - 411021. Maharashtra.	U74210PN1997PTC111151	Subsidiary	100	2(87)(ii)
6.	Renuka Commodities DMCC	24k, AU Gold Tower, Jumeirah Lakes Tower, Sheikh Zayed Road, Dubai, U.A.E.	-	Subsidiary	100	2(87)(ii)
7.	Parana Global Trading (FZE)	Executive Suite: Z1-32, P.O. Box: 7776, Sharjah Airport Free Zone, Sharjah, U.A.E.	-	Subsidiary	100	2(87)(ii)
8.	Shree Renuka Global Ventures Ltd.	IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius.	-	Subsidiary	100	2(87)(ii)
9.	Shree Renuka East Africa Agriventures PLC	House No. New, Dire Dawa Building, Woreda: 3, Kirkos Sub-City, Addis Ababa, Ethiopia.	-	Subsidiary	100	2(87)(ii)
10.	Lanka Sugar Refinery Company (Private) Limited	RNH House No. 622B, Kotte Road, Kotte, Sri Lanka.	-	Subsidiary	100	2(87)(ii)
11.	Shree Renuka do Brasil Participações Ltda.	Nove de Julho Avenue, 5519, 5th floor, Jardim Paulista, Zip Code: 01.406-200, in the city of São Paulo/SP.	-	Subsidiary	100	2(87)(ii)
12.	Shree Renuka São Paulo Participações Ltda.	Nove de Julho Avenue, 5519, 5th floor, Jardim Paulista, Zip Code: 01.406-200, in the city of São Paulo/SP.	-	Subsidiary	100	2(87)(ii)
13.	Renuka do Brasil S/A	Marechal Rondon Road, Km 455 - Bairro Patos, Água Branca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP. CNPJ: 43.932.102/0005-81	-	Subsidiary	59.41	2(87)(ii)

Sr. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held*	Applicable Section
14.	Revati S.A- Acucar e Alcool	at CRD-339 Local Road, Coroados-Brejo Alegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of Brejo Alegre/SP	-	Subsidiary	59.41	2(87)(ii)
15.	Renuka Geradora de Energia Elétrica Ltda.	Marechal Rondon Road, Km 455 - Bairro Patos, Água Branca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP	-	Subsidiary	59.41	2(87)(ii)
16.	Renuka Cogeração Ltda.	Marechal Rondon Road, Km 455 - Bairro Patos, Água Branca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP	-	Subsidiary	59.41	2(87)(ii)
17.	Revati Geradora de Energia Elétrica Ltda.	CRD-339 Local Road, Coroados-Brejo Alegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of Brejo Alegre/SP	-	Subsidiary	59.41	2(87)(ii)
18.	Revati Agropecuaria Ltda.	Fazenda Águas Claras, Estrada Municipal CRD-339, Coroados a Brejo Alegre, s/n, in the city of Brejo Alegre, State of São Paulo, Zip code 16265-000	-	Subsidiary	59.41	2(87)(ii)
19.	Apoena Logistica E Comercio De Productos Agrícolas Ltda.	Nove de Julho Avenue, 5519, 5th floor, Jardim Paulista, Zip Code: 01.406-200, in the city of São Paulo/SP.	-	Subsidiary	100	2(87)(ii)
20.	Renuka Vale do IVAI S/A	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/PR	-	Subsidiary	100	2(87)(ii)
21.	Ivaicana Agropecuaria Ltda.	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/PR	-	Subsidiary	100	2(87)(ii)
22.	Biovale Comercio de Leveduras Ltda.	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/PR	-	Subsidiary	100	2(87)(ii)
23.	Renuka Trading Ltd.	Maples Corporate Services Limited, PO BOX 309 Ugland Housa, South Church Street, George Town, Grand Cayman KY1 1104	-	Subsidiary	59.41	2(87)(ii)
24.	Ivai Logistica Ltda.	Road BR 376 - Rodovia Melo Peixoto, KM 4,5, Zip Code 86900-000, in city of Jandaia do Sul/PR	-	Subsidiary	50	2(87)(ii)



#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Shareholding:

Category of Shareholder		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individuals/ Hindu Undivided Family	21,917,565	-	21,917,565	3.26	21,917,565	-	21,917,565	2.36	(0.90)
(b)	Central/State Government	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	234,336,295	-	234,336,295	34.91	234,336,295	-	234,336,295	25.23	(9.68)
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Any other (Specify) -	-	-	-	-	-	-	-	-	-
	<b>Sub - Total (A) (1)</b>	<b>256,253,860</b>	<b>-</b>	<b>256,253,860</b>	<b>38.17</b>	<b>256,253,860</b>	<b>-</b>	<b>256,253,860</b>	<b>27.59</b>	<b>(10.58)</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals	1,237,732	-	1,237,732	0.18	1,237,732	-	1,237,732	0.13	(0.05)
(b)	Bodies Corporate	-	-	-	-	257,493,342	-	257,493,342	27.72	(27.72)
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub - Total (A)(2)</b>	<b>1,237,732</b>	<b>-</b>	<b>1,237,732</b>	<b>0.18</b>	<b>258,731,074</b>	<b>-</b>	<b>258,731,074</b>	<b>27.86</b>	<b>27.68</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)</b>	<b>257,491,592</b>	<b>-</b>	<b>257,491,592</b>	<b>38.36</b>	<b>514,984,934</b>	<b>-</b>	<b>514,984,934</b>	<b>55.45</b>	<b>17.09</b>

Category of Shareholder		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Public Shareholding									
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds /UTI	34,155,916	-	34,155,916	5.09	27,048,927	-	27,048,927	2.91	(2.18)
(b)	Financial Institutions / Banks	21,500,950	-	21,500,950	3.20	21,117,412	-	21,117,412	2.27	(0.93)
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	86,886,587	-	86,886,587	12.94	65,287,759	-	65,287,759	7.03	(5.91)
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub - Total (B) (1)</b>	<b>142,543,453</b>	<b>-</b>	<b>142,543,453</b>	<b>21.23</b>	<b>113,454,098</b>	<b>-</b>	<b>113,454,098</b>	<b>12.21</b>	<b>(9.02)</b>
(2)	Non-Institutions									
(a)	Bodies Corporate	50,251,687	-	50,251,687	7.49	45,927,681	-	45,927,681	4.94	(2.55)
(b)	Individuals-									
i.	Individual Shareholders holding nominal share capital upto ` 1 Lakh.	145,166,626	5,517,151	150,683,777	22.45	180,609,792	5,417,211	186,027,003	20.03	(2.42)

Category of Shareholder		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii.	Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh.	26,153,492	435,000	26,588,492	3.96	27,377,615	435,000	27,812,615	2.99	(0.97)
(c)	Any other (Specify)									
	Directors	1,125,450	-	1,125,450	0.17	1,125,450	-	1,125,450	0.12	(0.05)
	Non Resident Indians	12,040,464	2,000,000	14,040,464	2.09	12,371,641	2,000,000	14,371,641	1.55	(0.54)
	Clearing Members	2,023,688	-	2,023,688	0.30	1,891,246	-	1,891,246	0.20	(0.10)
	Trusts	26,566,047	5,000	26,571,047	3.96	23,211,574	5,000	23,216,574	2.50	(1.46)
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(C)	<b>Sub - Total (B) (2)</b>	<b>263,327,454</b>	<b>7,957,151</b>	<b>271,284,605</b>	<b>40.41</b>	<b>292,514,999</b>	<b>7,857,211</b>	<b>300,372,210</b>	<b>32.34</b>	<b>(8.07)</b>
1	<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>405,870,907</b>	<b>7,957,151</b>	<b>413,828,058</b>	<b>61.64</b>	<b>405,969,097</b>	<b>7,857,211</b>	<b>413,826,058</b>	<b>44.55</b>	<b>(17.09)</b>
2	<b>TOTAL (A) + (B)</b>	<b>663,362,499</b>	<b>7,957,151</b>	<b>671,319,650</b>	<b>100.00</b>	<b>920,954,031</b>	<b>7,857,211</b>	<b>928,811,242</b>	<b>100.00</b>	<b>-</b>
	Shares held by Custodians and against which Depository Receipts have been issued									
1	Promoter and Promoters Group	-	-	-	-	-	-	-	-	-
2	Public	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>663,362,499</b>	<b>7,957,151</b>	<b>671,319,650</b>	<b>100.00</b>	<b>920,954,031</b>	<b>7,857,211</b>	<b>928,811,242</b>	<b>100.00</b>	<b>-</b>

## ii) Shareholding of Promoters

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of change during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Wilmar Sugar Holdings Pte. Ltd.	-	-	-	257,492,467	27.72	-	(27.72)
2.	Murkumbi Investments Pvt. Ltd.	121,414,000	18.09	8.38	121,414,000	13.07*	6.06	(5.02)
3.	Khandepar Investments Pvt. Ltd.	75,400,000	11.23	6.51	75,400,000	8.12*	4.70	(3.11)
4.	Agri Venture Trading and Investment Pvt. Ltd.	37,522,295	5.59	-	37,522,295	4.04*	-	(1.55)
5.	Narendra Madhusudan Murkumbi	12,812,905	1.91	1.53	12,812,905	1.38*	1.16	(0.53)
6.	Supriya Shailesh Rojekar	4,710,000	0.70	-	4,710,000	0.51*	-	(0.19)
7.	Inika Narendra Murkumbi	1,400,000	0.21	-	1,400,000	0.15*	-	(0.06)
8.	Malvika Murkumbi	1,400,000	0.21	-	1,400,000	0.15*	-	(0.06)
9.	Anuradha Ravindra Kulkarni	1,237,732	0.18	-	1,237,732	0.13*	-	(0.05)
10.	Vidya Murkumbi	1,228,800	0.18	-	1,228,800	0.13*	-	(0.05)
11.	Dilip Vasant Rao Deshpande	315,860	0.05	-	315,860	0.03*	-	(0.02)
12.	Apoorva Narendra Murkumbi	50,000	0.01	-	50,000	0.01	-	-
13.	SRS Investments Pte. Ltd.	-	-	-	875	0.00	-	-
	<b>Total</b>	<b>257,491,592</b>	<b>38.36</b>	<b>16.43</b>	<b>514,984,934</b>	<b>55.45</b>	<b>11.93</b>	<b>17.09</b>

\* Even though there is no change in the shareholding of these Promoters, change in percentage of shareholding is due to Preferential Allotment made by the Company during the year.



**iii) Change in Promoters' Shareholding**

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
1	Murkumbi Investments Pvt. Ltd.	12,14,14,000	18.08	01/04/2014	-	-	12,14,14,000	18.08
				31/03/2015	-	-	12,14,14,000	13.07*
2	Khandepar Investments Pvt. Ltd.	7,54,00,000	11.23	01/04/2014	-	-	7,54,00,000	11.23
				31/03/2015	-	-	7,54,00,000	8.12*
3	Agri Venture Trading and Investment Pvt. Ltd.	3,75,22,295	5.59	01/04/2014	-	-	3,75,22,295	5.59
				31/03/2015	-	-	3,75,22,295	4.04*
4	Narendra Madhusudan Murkumbi	1,28,12,905	1.91	01/04/2014	-	-	1,28,12,905	1.91
				31/03/2015	-	-	1,28,12,905	1.38*
5	Supriya Shailesh Rojekar	47,10,000	0.7	01/04/2014	-	-	47,10,000	0.7
				31/03/2015	-	-	47,10,000	0.51*
6	Inika Narendra Murkumbi	14,00,000	0.21	01/04/2014	-	-	14,00,000	0.21
				31/03/2015	-	-	14,00,000	0.15*
7	Malvika Murkumbi	14,00,000	0.21	01/04/2014	-	-	14,00,000	0.21
				31/03/2015	-	-	14,00,000	0.15*
8	Anuradha Ravindra Kulkarni	12,37,732	0.18	01/04/2014	-	-	12,37,732	0.18
				31/03/2015	-	-	12,37,732	0.13*
9	Vidya Murkumbi	12,28,800	0.18	01/04/2014	-	-	12,28,800	0.18
				31/03/2015	-	-	12,28,800	0.13*
10	Dilip Vasant Rao Deshpande	3,15,860	0.05	01/04/2014	-	-	3,15,860	0.05
				31/03/2015	-	-	3,15,860	0.03*
11	Apoorva Narendra Murkumbi	50,000	0.01	01/04/2014	-	-	50,000	0.01
				31/03/2015	-	-	50,000	0.01
12	Wilmar Sugar Holdings Pte. Ltd.	-	-	01/04/2014	-	-	-	-
				27/05/2014	Preferential Allotment	25,74,91,592	25,74,91,592	27.72
				02/07/2014	Open Offer	875	25,74,92,467	27.72
				31/03/2015	-	-	25,74,92,467	27.72
13	SRS Investments Pte. Ltd.	-	-	01/04/2014	-	-	-	-
				02/07/2014	Open Offer	875	875	-
				31/03/2015	-	-	875	-

\* Even though there is no change in the shareholding of these Promoters, change in percentage of shareholding is due to Preferential Allotment made by the Company during the year.

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

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
1	ICICI Prudential Life Insurance Company Ltd.	31,148,264	4.64	01/04/2014	-	-	31,148,264	4.64
				04/04/2014	Sale	(12,220)	31,136,044	4.64
				09/05/2014	Sale	(322,439)	30,813,605	4.59
				16/05/2014	Purchase	223,413	31,037,018	4.62
				30/05/2014	Sale	(23,220)	31,013,798	3.34
				06/06/2014	Sale	(1,400,580)	29,613,218	3.19
				13/06/2014	Sale	(957,500)	28,655,718	3.09
				30/06/2014	Sale	(1,379,580)	27,276,138	2.94
				15/08/2014	Sale	(54,129)	27,222,009	2.93
				19/09/2014	Sale	(910,000)	26,312,009	2.83
				14/11/2014	Sale	(1,000,000)	25,312,009	2.73
				21/11/2014	Sale	(330,000)	24,982,009	2.69
				12/12/2014	Sale	(1,106,000)	23,876,009	2.57
				31/12/2014	Sale	(9,734)	23,866,275	2.57
				23/01/2015	Sale	(13,044)	23,853,231	2.57
				06/02/2015	Sale	(2,956)	23,850,275	2.57
				27/02/2015	Sale	(4,085)	23,846,190	2.57
				31/03/2015	-	-	23,846,190	2.57
2	Shree Renuka Sugars Development Foundation	20,577,884	3.07	01/04/2014	-	-	20,577,884	3.07
				31/03/2015	-	-	20,577,884	2.22
3	Life Insurance Corporation Of India	18,720,122	2.79	01/04/2014	-	-	18,720,122	2.79
				31/03/2015	-	-	18,720,122	2.02
4	Platinum Investment Management Ltd. A/c Platinum	13,222,745	1.97	01/04/2014	-	-	13,222,745	1.97
				13/03/2015	Sale	(950,612)	12,272,133	1.32
				20/03/2015	Sale	(4,525,211)	7,746,922	0.83
				27/03/2015	Sale	(1,781,812)	5,965,110	0.64
				31/03/2015	Sale	(57,267)	5,907,843	0.64
				31/03/2015	-	-	5,907,843	0.64

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
5	Rajasthan Global Securities Ltd.	0,140,637	1.51	01/04/2014	-	-	10,140,637	1.51
				04/04/2014	Purchase	2,373,421	12,514,058	1.86
				04/04/2014	Sale	(5,130,779)	7,383,279	1.10
				11/04/2014	Sale	(4,967,110)	2,416,169	0.36
				18/04/2014	Sale	(929,933)	1,486,236	0.22
				25/04/2014	Purchase	346	1,486,582	0.22
				25/04/2014	Sale	(1,354,509)	132,073	0.02
				02/05/2014	Sale	(35,783)	96,290	0.01
				09/05/2014	Purchase	245,130	341,420	0.05
				16/05/2014	Sale	(267,614)	73,806	0.01
				23/05/2014	Sale	(69,306)	4,500	0.00
				06/06/2014	Sale	(4,500)	-	0.00
				15/08/2014	Purchase	1,000	1,000	0.00
				06/03/2015	Purchase	99,915	100,915	0.01
				13/03/2015	Purchase	85	101,000	0.01
				31/03/2015	-	-	101,000	0.01
6	Dimensional Emerging Markets Value Fund	7,680,873	1.14	01/04/2014	-	-	7,680,873	1.14
				17/10/2014	Sale	(331,002)	7,349,871	0.79
				24/10/2014	Sale	(264,640)	7,085,231	0.76
				31/10/2014	Sale	(313,343)	6,771,888	0.73
				14/11/2014	Sale	(157,369)	6,614,519	0.71
				21/11/2014	Sale	(162,471)	6,452,048	0.69
				28/11/2014	Sale	(380,894)	6,071,154	0.65
				05/12/2014	Sale	(510,241)	5,560,913	0.60
				12/12/2014	Sale	(299,679)	5,261,234	0.57
				19/12/2014	Sale	(270,216)	4,991,018	0.54
				31/12/2014	Sale	(391,859)	4,599,159	0.50
				02/01/2015	Sale	(115,728)	4,483,431	0.48
				16/01/2015	Sale	(47,254)	4,436,177	0.48
				31/03/2015	-	-	4,436,177	0.48

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
7	Amundi Funds Equity Asia Ex Japan	7,637,170	1.14	01/04/2014	-	-	7,637,170	1.14
				06/06/2014	Sale	(472,331)	7,164,839	0.77
				13/06/2014	Sale	(1,861,557)	5,303,282	0.57
				20/06/2014	Sale	(833,482)	4,469,800	0.48
				30/06/2014	Sale	(4,469,800)	-	0.00
				31/03/2015	-	-	-	0.00
8	Government Pension Fund Global	7,557,486	1.13	01/04/2014	-	-	7,557,486	1.13
				25/04/2014	Purchase	906,406	8,463,892	1.26
				02/05/2014	Purchase	493,594	8,957,486	1.33
				09/05/2014	Purchase	1,600,000	10,557,486	1.57
				31/10/2014	Purchase	500,000	11,057,486	1.19
				07/11/2014	Purchase	200,000	11,257,486	1.21
				21/11/2014	Purchase	11,257,486	22,514,972	2.42
				21/11/2014	Sale	(11,257,486)	11,257,486	1.21
				06/03/2015	Purchase	1,525,000	12,782,486	1.38
				13/03/2015	Purchase	2,199,580	14,982,066	1.61
				20/03/2015	Purchase	192,716	15,174,782	1.63
				31/03/2015	-	-	15,174,782	1.63
9	Government of Singapore	6,318,538	0.94	01/04/2014	-	-	6,318,538	0.94
				31/03/2015	-	-	6,318,538	0.68
10	Shailesh Nandkishor Rojekar	4,600,000	0.69	01/04/2014	-	-	4,600,000	0.69
				14/11/2014	Sale	(280,000)	4,320,000	0.47
				31/03/2015	-	-	4,320,000	0.47
11	MV Scif Mauritius	3,931,345	0.59	01/04/2014	-	-	3,931,345	0.59
				04/04/2014	Purchase	87,992	4,019,337	0.60
				11/04/2014	Purchase	307,909	4,327,246	0.64
				02/05/2014	Purchase	87,936	4,415,182	0.66
				09/05/2014	Purchase	87,930	4,503,112	0.67
				16/05/2014	Purchase	440,010	4,943,122	0.74
				23/05/2014	Purchase	87,958	5,031,080	0.75
				30/05/2014	Purchase	703,269	5,734,349	0.62
				06/06/2014	Purchase	2,093,906	7,828,255	0.84
				13/06/2014	Purchase	1,448,350	9,276,605	1.00
				30/06/2014	Sale	(265,173)	9,011,432	0.97



Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
				04/07/2014	Purchase	336,432	9,347,864	1.01
				11/07/2014	Sale	(56,076)	9,291,788	1.00
				18/07/2014	Sale	(280,545)	9,011,243	0.97
				25/07/2014	Purchase	280,365	9,291,608	1.00
				08/08/2014	Sale	(224,568)	9,067,040	0.98
				15/08/2014	Sale	(336,875)	8,730,165	0.94
				22/08/2014	Sale	(393,145)	8,337,020	0.90
				30/09/2014	Sale	(537,194)	7,799,826	0.84
				10/10/2014	Sale	(513,892)	7,285,934	0.78
				17/10/2014	Sale	(228,380)	7,057,554	0.76
				24/10/2014	Sale	(343,128)	6,714,426	0.72
				31/10/2014	Sale	(19,172)	6,695,254	0.72
				14/11/2014	Purchase	39,010	6,734,264	0.73
				21/11/2014	Sale	(20,610)	6,713,654	0.72
				05/12/2014	Purchase	117,818	6,831,472	0.74
				12/12/2014	Purchase	56,666	6,888,138	0.74
				19/12/2014	Sale	(169,104)	6,719,034	0.72
				31/12/2014	Sale	(1,108,245)	5,610,789	0.60
				02/01/2015	Purchase	154,564	5,765,353	0.62
				13/02/2015	Purchase	141,405	5,906,758	0.64
				27/03/2015	Sale	(252,218)	5,654,540	0.61
				31/03/2015	Purchase	47,642	5,702,182	0.61
				31/03/2015	-	-	5,702,182	0.61
12	DB International (Asia) Ltd.	3,523,899	0.52	01/04/2014	-	-	3,523,899	0.52
				11/04/2014	Sale	(1,337,428)	2,186,471	0.33
				02/05/2014	Purchase	1,000,000	3,186,471	0.47
				30/05/2014	Sale	(1,514,295)	1,672,176	0.18
				06/06/2014	Sale	(76,881)	1,595,295	0.17
				13/06/2014	Sale	(1,595,263)	32	0.00
				04/07/2014	Purchase	4	36	0.00
				31/03/2015	-	-	36	0.00

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
13	The Emerging Markets Small Cap Series of the DFA Investment Trust Company	3,517,973	0.52	01/04/2014	-	-	3,517,973	0.52
				30/09/2014	Sale	(49,272)	3,468,701	0.37
				03/10/2014	Sale	(67,698)	3,401,003	0.37
				10/10/2014	Sale	(67,346)	3,333,657	0.36
				13/03/2015	Purchase	373,964	3,707,621	0.40
				20/03/2015	Purchase	183,609	3,891,230	0.42
				31/03/2015	-	-	3,891,230	0.42
14	Globe Capital Market Ltd.	3,438,175	0.51	01/04/2014	-	-	3,438,175	0.51
				04/04/2014	Purchase	2,990	3,441,165	0.51
				04/04/2014	Sale	(340,966)	3,100,199	0.46
				11/04/2014	Purchase	272,030	3,372,229	0.50
				11/04/2014	Sale	(161,008)	3,211,221	0.48
				18/04/2014	Purchase	862,101	4,073,322	0.61
				18/04/2014	Sale	(2,500)	4,070,822	0.61
				25/04/2014	Sale	(413,569)	3,657,253	0.54
				02/05/2014	Purchase	131,574	3,788,827	0.56
				02/05/2014	Sale	(66,760)	3,722,067	0.55
				09/05/2014	Purchase	608,210	4,330,277	0.65
				16/05/2014	Purchase	2,271,720	6,601,997	0.98
				16/05/2014	Sale	(2,511,938)	4,090,059	0.61
				23/05/2014	Purchase	15,394	4,105,453	0.61
				23/05/2014	Sale	(1,174,536)	2,930,917	0.44
				30/05/2014	Purchase	238,692	3,169,609	0.34
				30/05/2014	Sale	(1,044,088)	2,125,521	0.23
				06/06/2014	Sale	(329,036)	1,796,485	0.19
				13/06/2014	Purchase	46,712	1,843,197	0.20
				13/06/2014	Sale	(219,664)	1,623,533	0.17
				20/06/2014	Purchase	44,333	1,667,866	0.18
				30/06/2014	Purchase	33,434	1,701,300	0.18
				30/06/2014	Sale	(367,785)	1,333,515	0.14
				04/07/2014	Purchase	10,950	1,344,465	0.14
				04/07/2014	Sale	(13,903)	1,330,562	0.14
				11/07/2014	Purchase	26,269	1,356,831	0.15
				11/07/2014	Sale	(14,600)	1,342,231	0.14
				18/07/2014	Purchase	400,000	1,742,231	0.19

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
				18/07/2014	Sale	(19,287)	1,722,944	0.19
				25/07/2014	Purchase	66,200	1,789,144	0.19
				25/07/2014	Sale	(18,567)	1,770,577	0.19
				01/08/2014	Purchase	33,721	1,804,298	0.19
				08/08/2014	Purchase	61,765	1,866,063	0.20
				08/08/2014	Sale	(272,500)	1,593,563	0.17
				15/08/2014	Purchase	105,897	1,699,460	0.18
				22/08/2014	Purchase	79,757	1,779,217	0.19
				22/08/2014	Sale	(50,000)	1,729,217	0.19
				29/08/2014	Purchase	52,387	1,781,604	0.19
				05/09/2014	Purchase	22,069	1,803,673	0.19
				12/09/2014	Purchase	9,500	1,813,173	0.20
				12/09/2014	Sale	(24,998)	1,788,175	0.19
				19/09/2014	Purchase	113,531	1,901,706	0.20
				30/09/2014	Purchase	68,020	1,969,726	0.21
				30/09/2014	Sale	(77,134)	1,892,592	0.20
				03/10/2014	Purchase	1,300	1,893,892	0.20
				10/10/2014	Purchase	78,150	1,972,042	0.21
				10/10/2014	Sale	(99,262)	1,872,780	0.20
				17/10/2014	Purchase	205,495	2,078,275	0.22
				17/10/2014	Sale	(111)	2,078,164	0.22
				24/10/2014	Purchase	3,079	2,081,243	0.22
				24/10/2014	Sale	(100)	2,081,143	0.22
				31/10/2014	Purchase	40,074	2,121,217	0.23
				07/11/2014	Purchase	15,086	2,136,303	0.23
				07/11/2014	Sale	(12,000)	2,124,303	0.23
				14/11/2014	Purchase	47,689	2,171,992	0.23
				14/11/2014	Sale	(60,000)	2,111,992	0.23
				21/11/2014	Purchase	149,220	2,261,212	0.24
				21/11/2014	Sale	(235,650)	2,025,562	0.22
				28/11/2014	Purchase	45,976	2,071,538	0.22
				28/11/2014	Sale	(27,500)	2,044,038	0.22
				05/12/2014	Sale	(6,412)	2,037,626	0.22
				12/12/2014	Purchase	14,000	2,051,626	0.22
				12/12/2014	Sale	(223)	2,051,403	0.22
				19/12/2014	Purchase	17,054	2,068,457	0.22
				19/12/2014	Sale	(129,550)	1,938,907	0.21
				31/12/2014	Purchase	175	1,939,082	0.21

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
				31/12/2014	Sale	(54,322)	1,884,760	0.20
				02/01/2015	Sale	(14,830)	1,869,930	0.20
				09/01/2015	Sale	(96,228)	1,773,702	0.19
				16/01/2015	Purchase	40,424	1,814,126	0.20
				16/01/2015	Sale	(15,120)	1,799,006	0.19
				23/01/2015	Purchase	41,245	1,840,251	0.20
				23/01/2015	Sale	(20,870)	1,819,381	0.20
				30/01/2015	Purchase	294,024	2,113,405	0.23
				30/01/2015	Sale	(45,043)	2,068,362	0.22
				06/02/2015	Purchase	282,169	2,350,531	0.25
				13/02/2015	Purchase	49,465	2,399,996	0.26
				13/02/2015	Sale	(65,485)	2,334,511	0.25
				20/02/2015	Sale	(180,993)	2,153,518	0.23
				27/02/2015	Purchase	1,000	2,154,518	0.23
				27/02/2015	Sale	(11,830)	2,142,688	0.23
				06/03/2015	Purchase	130	2,142,818	0.23
				06/03/2015	Sale	(248,302)	1,894,516	0.20
				13/03/2015	Sale	(18,095)	1,876,421	0.20
				20/03/2015	Purchase	98,137	1,974,558	0.21
				20/03/2015	Sale	(33,000)	1,941,558	0.21
				27/03/2015	Purchase	53,063	1,994,621	0.21
				27/03/2015	Sale	(10,500)	1,984,121	0.21
				31/03/2015	Purchase	80,000	2,064,121	0.22
				31/03/2015	Sale	(159,665)	1,904,456	0.21
				31/03/2015	-	-	1,904,456	0.21
15	California Public Employees Retirement Systemself Managed 3	3,404,107	0.51	01/04/2014	-	-	3,404,107	0.51
				23/05/2014	Purchase	37,919	3,442,026	0.51
				30/06/2014	Sale	(852,223)	2,589,803	0.28
				18/07/2014	Purchase	105,261	2,695,064	0.29
				25/07/2014	Purchase	25,000	2,720,064	0.29
				30/09/2014	Sale	(265,350)	2,454,714	0.26
				14/11/2014	Purchase	36,063	2,490,777	0.27
				27/03/2015	Sale	(48,095)	2,442,682	0.26
				31/03/2015	-	-	2,442,682	0.26



**v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>A.</b>	<b>Directors</b>				
1.	Vidya Murkumbi	1,228,800	0.18	1,228,800	0.13*
2.	Narendra Murkumbi	12,812,905	1.91	12,812,905	1.38*
3.	Vijendra Singh	-	-	-	-
4.	Sanjay Asher	1,010,000	0.15	1,010,000	0.11*
5.	Surender Kumar Tuteja	60,000	0.01	60,000	0.01
6.	Robert Taylor	55,450	0.01	55,450	0.01
7.	Hrishikesh Parandekar	-	-	-	-
<b>B.</b>	<b>Key Managerial Personnel</b>				
1.	Mr. D. V. Iyer	61,220	0.01	61,220	0.01
2.	Mr. K. K. Kumbhat	160,000	0.02	160,000	0.02

\* Even though there is no change in the shareholding, change in percentage of shareholding is due to Preferential Allotment made by the Company during the year.

**V. INDEBTEDNESS**

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

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	37,426.57	1,440.33	-	38,866.90
ii) Interest due but not paid	109.32	-	-	109.32
iii) Interest accrued but not due	347.50	170.78	-	518.28
<b>Total (i+ii+iii)</b>	<b>37,883.38</b>	<b>1,611.11</b>	<b>-</b>	<b>39,494.49</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	2,158.98	27.17	-	2,186.15
- Reduction	(4,355.19)	(1,368.58)	-	(5,723.77)
<b>Net Change</b>	<b>(2,196.21)</b>	<b>(1,341.41)</b>	<b>-</b>	<b>(3,537.61)</b>
<b>Indebtedness at the end of the Financial year</b>				
i) Principal Amount	35,263.24	269.70	-	35,532.94
ii) Interest due but not paid	113.71	-	-	113.71
iii) Interest accrued but not due	310.23	-	-	310.23
<b>Total (i+ii+iii)</b>	<b>35,687.18</b>	<b>269.70</b>	<b>-</b>	<b>35,956.88</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mrs. Vidya Murkumbi #	Mr. Narendra Murkumbi*	Mr. Vijendra Singh#	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.27	12.38	17.34	44.99
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	2.10	0.15	0.06	2.32
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of Profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>17.37</b>	<b>12.53</b>	<b>17.40</b>	<b>47.30</b>
	Ceiling as per the Act	12.63	12.53	12.63	37.79

\* As per Central Government Order.

# The Ceiling given is as per Schedule V to the Companies Act, 2013 as there was loss during the year ended March 31, 2015, calculated in terms of section 198 of the Companies Act, 2013 and the company has obtained the shareholders' approval by way of special resolution, and permission of the Central government is pending.

**B. Remuneration to other directors:**

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of the Directors				Total Amount
		Mr. Sanjay K. Asher (Independent Director)	Mr. Robert Taylor (Independent Director)	Mr. Hrishikesh Parandekar (Independent Director)	Mr. S. K. Tuteja (Independent Director)	
I.	Independent Directors					
	(a) Fee for attending board/ committee meetings	0.41	0.24	0.29	0.35	1.29
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>0.41</b>	<b>0.24</b>	<b>0.29</b>	<b>0.35</b>	<b>1.29</b>
II.	Other Non-Executive Directors					
	(a) Fee for attending board/ committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (B) = (1 + 2)</b>		<b>0.41</b>	<b>0.24</b>	<b>0.29</b>	<b>0.35</b>	<b>1.29</b>
<b>Total Managerial Remuneration</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47.30</b>
<b>Overall Ceiling as per the Act</b>		Overall ceiling as per the Companies Act, 2013 is not applicable to sitting fees.				

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

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of the Directors		Total Amount
		Company Secretary	CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.59	17.35	20.94
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	0.04	0.04
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of Profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
<b>Total</b>		<b>3.59</b>	<b>17.39</b>	<b>20.98</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Particulars of Remuneration	Section of the Companies Act	Brief Description	Details of Penalty / punishment / compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give details)
Penalty	Section 125 of the Companies Act, 1956	Delay in filing particulars of charge in Form 8 / 10 with Registrar of Companies, Karnataka.	Penalty of Rupees Twenty Five Thousand levied by Regional Director under Section 141 of the Companies Act, 1956 for condonation of delay in filing Form 8 / 10.	Regional Director	-
Punishment	Not Applicable				
Compounding					
Directors					
Penalty	Not Applicable				
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty	Not Applicable				
Punishment					
Compounding					

# Corporate Governance Report

## 1. Company Philosophy

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Shree Renuka Sugars Ltd is committed to good governance practices that create long term sustainable shareholder value. The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its shareholders, employees, the Government and the lenders. The Company believes in adopting the 'best practices' that are followed in the area of corporate governance across various geographies. The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchanges with regard to corporate governance.

## 2. Board of Directors

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Company's Board has a strength of 10 (Ten) Directors, comprising of 3 (Three) Executive Directors, 2 (Two) Non-Executive Directors and 5 (Five) Independent Directors. The Chairperson of the Board is an Executive Director.

- i. Five Board Meetings were held during the year on the following dates and the gap between two meetings did not exceed four months. The Board Meetings were held on the following dates - May 23, 2014; May 27, 2014; August 13, 2014; November 12, 2014 and February 14, 2015.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other public companies as on March 31, 2015, are given hereinbelow :

Name	Nature of Directorship	Board Meetings attended		Whether attended last AGM	Number of other Directorships <sup>1</sup> in other Companies	Number of Committee <sup>2</sup> positions held in other Public Companies	
		Held	Attended			Member	Chairman
Mrs. Vidya Murkumbi (Executive Chairperson) DIN: 00007588	Executive Director	5	5	Yes	3	1	-
Mr. Narendra Murkumbi (Vice Chairman & Managing Director) DIN: 00009164	Executive Director	5	5	Yes	1	-	-
Mr. Vijendra Singh DIN: 03537522	Executive Director	5	5	No	1	-	-
Mr. Sanjay K. Asher DIN: 00008221	Independent Director	5	5	Yes	9	6	2
Mr. S. K. Tuteja DIN: 00594076	Independent Director	5	5	No	9	9	5
Mr. Hrishikesh Parandekar DIN: 01224244	Independent Director	5	3	No	-	-	-
Mr. Robert Taylor DIN: 00010681	Independent Director	5	3	No	-	-	-
Mr. Jean-Luc Bohbot@ DIN : 06857132	Additional Director (Non-Executive)	-	-	N.A.	-	-	-



Name	Nature of Directorship	Board Meetings attended		Whether attended last AGM	Number of other Directorships <sup>1</sup> in other Companies	Number of Committee <sup>2</sup> positions held in other Public Companies	
		Held	Attended			Member	Chairman
Mr. Atul Chaturvedi@ DIN : 00175355	Additional Director (Non-Executive)	-	-	N.A.	3	-	-
Mr. Ashit Mallick# DIN : 02139851	Additional Director (Independent)	-	-	N.A.	-	-	-

@ Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi have been appointed as Additional Directors (Non-Executive) of the Company w.e.f. June 24, 2015;

# Mr. Ashit Mallick has been appointed as an Additional Director (Independent) of the Company w.e.f. June 24, 2015;

1. Other directorships do not include alternate directorships, directorships of private limited companies, Section 8 companies and companies incorporated outside India.
2. Chairmanships/Memberships of Board Committees include only Audit Committee and Stakeholders' Relationship Committee.

None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2015, have been made by the Directors.

#### ii. Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on February 14, 2015.

### 3. Committees of the Board

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

#### A. Audit Committee

- i. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the Stock Exchanges read with Section 177 of the Companies Act, 2013.
- ii. The terms of reference & Powers of the Audit Committee are broadly as under:
  - a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
  - b) Recommending to the Board, the appointment/re-appointment, remuneration and terms of appointment of Auditors of the company;
  - c) Reviewing with the management the quarterly, half-yearly and annual financial statements before submission to the Board for approval, with particular reference to –
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause c of sub-section 3 of Section 134 of the Companies Act, 2013.
    - Any changes in accounting policies and practices and reasons for the same.
    - Major accounting entries involving estimates based on exercise of judgment by management.
    - Significant adjustments made in the financial statements arising out of audit findings.
    - Compliance with accounting standards.
    - Compliance with listing and other legal requirements concerning financial statements.
    - Disclosure of any related party transactions.

- d) Qualifications in the draft audit report;
  - e) Reviewing, with the management, the statement of uses / application of funds raised through public issue, rights issue, preferential issue, etc., and the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - f) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - g) Approval or any subsequent modification of transactions of the Company with Related Parties;
  - h) Scrutiny of inter-corporate loans and investments;
  - i) Valuation of undertakings or assets of the Company, wherever it is necessary;
  - j) Reviewing with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
  - k) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - l) Discussion with internal auditors on any significant findings and follow up thereon;
  - m) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  - n) Discussion with the statutory auditors before the audit commences on the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - o) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - p) Review the functioning of the Whistle Blower mechanism;
  - q) Approval of appointment of Chief Financial Officer (CFO) (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc of the candidate;
  - r) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or as may be required by the Board.
- iii. The Audit Committee invites such of the executives, as it considers appropriate, representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.
- iv. The previous Annual General Meeting (AGM) of the Company was held on September 26, 2014 and was attended by Mr. Sanjay Asher, Chairman of the Audit Committee.
- v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Sanjay K. Asher (Chairman)	Independent Director	4	4
Mr. Robert Taylor	Independent Director	4	3
Mr. Hrishikesh Parandekar	Independent Director	4	4

Four Meetings of the Audit Committee were held during the year. The dates on which the said Meetings were held are as follows: May 21, 2014; August 13, 2014; November 12, 2014 and February 14, 2015.

## B. Nomination and Remuneration/Compensation Committee.

- i. The Board has constituted a Nomination and Remuneration/Compensation Committee under Section 178 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement, comprising of three Independent Directors.

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

- To identify persons who are qualified to become directors and who may be appointed in senior management of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- To carry out the performance evaluation of individual Directors, the committees and of the Board;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- While formulating such policy, Nomination and Remuneration/Compensation shall ensure that –
  - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance, objectives appropriate to the working of the company and its goals;
- To take into account financial position of the company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders;
- To undertake specific duties as may be prescribed by the Companies Act, 2013, Listing Agreement and or as may be prescribed by the Board of Directors of the Company, from time to time;
- To obtain outside legal or other professional advice to assist in connection with its functions, if necessary;
- The Committee also monitors and administers the implementation of Employees' Stock Option Schemes.
- Terms of reference for Employee Stock Option Plan (ESOPs):
  - a) To formulate Employee Stock Option Plan and to from time to time to grant options to eligible employees;
  - b) To decide the quantum of options to be granted to any employee and in aggregate under any of the Employee Stock Option Plans that may be formulated by the Committee;
  - c) To decide the conditions under which the options granted to employees may lapse;
  - d) To determine Exercise Price of the options to be granted under Employee Stock Option Plan;
  - e) To determine and specify the vesting period and the Exercise Period in any of the Employee Stock Option Plans;
  - f) To dispose of, at its sole discretion and in the interest of the Company, the options not applied for, by the employees offered under various ESOPs;
  - g) To decide the procedure for making fair and reasonable adjustment to the number of options and to the exercise price in case of right issue / bonus issue, other corporate actions or otherwise;
  - h) To determine the terms and conditions of ESOP and to do any other related or incidental matter thereto;

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

Name	Category	No. of meetings attended	
		Held	Attended
Mr. S.K. Tuteja (Chairman)	Independent Director	2	2
Mr. Sanjay Asher	Independent Director	2	2
Mr. Hrishikesh Parandekar	Independent Director	2	1

Two meetings of the Nomination and Remuneration / Compensation Committee were held during the year on May 23, 2014 and February 14, 2015.

## iv. Details of remuneration paid / payable to Directors of the Company for the year ended March 31, 2015.

(₹ in Million)

Name	Salary / Perquisites	Retire- ment Benefits	Bonus / Ex- Gratia	Comm- ission	Prefor- mance Incentive	Sitting Fee	Total	Service Contract / Stock options granted / Notice period / Severance Fees
Mrs. Vidya Murkumbi (Executive Chairperson)	15.86	1.51	-	-	-	-	17.37	Term of office valid up to 31.03.2017. No Stock Options were granted to Mrs. Murkumbi and no notice period and severance fees are applicable to her.
Mr. Narendra Murkumbi (Vice Chairman & Managing Director)	11.09	1.44	-	-	-	-	12.53	Term of office valid up to 19.09.2017. No Stock Options were granted to Mr. Narendra Murkumbi and no notice period and severance fees are applicable to him.
Mr. Vijendra Singh (Executive Director)	16.17	0.73	0.50	-	-	-	17.40	Term of office valid up to 09.05.2017. 3 months Notice period and severance fees equal to 3 months remuneration in case the Company waives the notice period of Mr. Singh
Mr. Sanjay K. Asher (Independent Director)	-	-	-	-	-	0.41	0.41	-
Mr. S K Tuteja (Independent Director)	-	-	-	-	-	0.35	0.35	-
Mr. Hrishikesh Parandekar (Independent Director)	-	-	-	-	-	0.29	0.29	-
Mr. Robert Taylor (Independent Director)	-	-	-	-	-	0.24	0.24	-

## v. Nomination and Remuneration Policy

Remuneration Policy of the Company is appended as Annexure 2 to the Directors' Report. The Remuneration to the Directors of the Company is paid in line with the remuneration policy and applicable laws.

**C. Stakeholders' Relationship Committee.**

- The Company has constituted a Stakeholders' Relationship Committee of the Directors under Section 178 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement, to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

ii. Terms of reference of the Committee:

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

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

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Sanjay K Asher (Chairman)	Independent Director	4	4
Mr. S. K. Tuteja	Independent Director	4	4
Mrs. Vidya M. Murkumbi	Executive Director	4	4
Mr. Narendra M. Murkumbi	Executive Director	4	4

- iv. The Committee met 4 times during the year on May 23, 2014, August 13, 2014, November 12, 2014 and February 14, 2015.
- v. Chief Financial Officer and Company Secretary are the invitees of the Committee.
- vi. Details of investor complaints received and redressed during the year 2014-15 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
1	55	56	0

#### D. Risk Management Committee

- i. The Company has constituted a Risk Management Committee.
- ii. The Committee met 2 times during the year on September 29, 2014 and February 14, 2015.
- iii. The Composition of the Committee and the details of the meetings attended by its members are given below:

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Robert Taylor (Chairman)	Independent Director	2	2
Mr. Narendra M. Murkumbi	Executive Director	2	2

#### E. Corporate Social Responsibility Committee

- i. In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board at its meeting held on May 23, 2014 constituted a Corporate Social Responsibility Committee.
- ii. The Committee consists of Mr. Surender Kumar Tuteja (Chairman), Mr. Narendra M. Murkumbi and Mrs. Vidya M. Murkumbi as members. During the year, one meeting was held on May 23, 2014 which was attended by all the Committee members.
- iii. The terms of reference of the Committee:
- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
  - To recommend the amount of expenditure to be incurred on the activities relating to corporate social responsibility;
  - To monitor the CSR Policy of the Company from time to time;
  - To institute a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs undertaken by the Company; and
  - To ensure that the activities which are undertaken are included in the CSR Policy of the Company.



**4. General Body Meetings:****A. General Meetings:****i. Annual General Meetings:**

Financial Year	Location	Date & Time	Special Resolutions Passed
2010-2012	Maratha Mandir Hall (Near Railway Over Bridge) Khanapur Road, Belgaum 590006.	July 27, 2012 9.30 am	Two Special Resolutions were passed at the 16th AGM for the approval of the following items : i. Insertion of clause pertaining to surrender of Options by eligible employees who have been granted options under Shree Renuka Sugars Employees Stock Option Scheme – 2006, pursuant to the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. ii. Alteration of Articles of Association of the Company by insertion of Article 112A relating to appointment of Nominee Director, in accordance with the provisions of Section 31 of the Companies Act, 1956.
2012-2013	Maratha Mandir Hall (Near Railway Over Bridge) Khanapur Road, Belgaum 590006.	August 28, 2013 10.30 am	No Special Resolutions were passed at the 17th AGM.
2013-2014	Maratha Mandir Hall (Near Railway Over Bridge) Khanapur Road, Belgaum 590006.	September 26, 2014 11.30 am	Five Special Resolutions were passed at the 18th AGM for the approval of the following items : i. Re-appointment of Mrs. Vidya Murkumbi as Whole Time Director of the Company ii. Re-appointment of Mr. Vijendra Singh as a Whole-time Director of the Company. iii. Approval of borrowing limits of the Company. iv. Approval of offer or invitation to subscribe to Non-Convertible Debentures and / or other debt securities on a private placement basis. v. Approval of Related Party Transactions.

**B. Postal Ballot****Postal Ballot notice dated August 13, 2014**

- Special Resolution seeking approval of the shareholders for increasing the limits for creation of charge from ` 2,400 Crores to ` 4,800 Crores, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.
- Special Resolution seeking approval of shareholders for increase in the existing limits of ` 1,200 Crores to ` 2,400 Crores for making loan, giving guarantee, providing security and to invest/acquire securities, pursuant to the provisions of Section 186 of the Companies Act, 2013.

**Voting Pattern and procedure for Postal Ballot:**

- i) The Board of Directors of the Company had appointed Mr. Gururaj Mutalik, Advocate, as the Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.
- ii) The Company had completed the dispatch of the Postal Ballot Notice dated August 13, 2014 together with the Explanatory Statement on Tuesday, September 2, 2014, along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on Friday, August 22, 2014.
- iii) The voting under the postal ballot was kept open from Tuesday, September 2, 2014 at 10.00 a.m. to Wednesday, October 1, 2014 at 6.00 p.m. (either physically or through electronic mode).
- iv) Particulars of postal ballot forms received from the Members using the physical Postal Ballots were entered in a register separately maintained for the purpose.
- v) The postal ballot forms were kept under his safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- vi) All postal ballot forms received/receivable upto the close of working hours on or before 6.00 p.m. on Wednesday, October 1, 2014 the last date and time fixed by the Company for receipt of the forms, had been considered for his scrutiny by Scrutiniser.
- vii) On Tuesday, October 7, 2014, the Chairperson announced the results of the postal ballot as per the Scrutinizer's Report and declared that the above special resolutions were passed with requisite majority.

**The summary of Postal Ballot Voting Results on the aforesaid resolutions are as under:**

<b>Date of Notice of Postal Ballot</b>	<b>Description</b>	<b>of votes in favour of the Special Resolution</b>	<b>Date of Declaration of Result</b>	<b>Scrutinizer for conducting the Postal Ballot</b>
August 13, 2014	Special Resolution seeking approval of the shareholders for increasing the limits for creation of charge from ₹ 2,400 Crores to ₹ 4,800 Crores, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.	99.67	October 7, 2014	Mr. Gururaj Mutalik, Advocate
	Special Resolution seeking approval of shareholders for increase in the existing limits of ₹ 1,200 Crores to ₹ 2,400 Crores for making loan, giving guarantee, providing security and to invest/ acquire securities, pursuant to the provisions of Section 186 of the Companies Act, 2013.	92.18		

**5. Shares held by Non-Executive Directors as on March 31, 2015:**

Sr. No.	Name	No. of Shares
1	Mr. Sanjay K. Asher	10,10,000
2	Mr. Robert Taylor	55,450
3	Mr. S. K. Tuteja	60,000
4	Mr. Hrishikesh Parandekar	Nil

**6. Other Disclosures:**

- i. During the year there were no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
- ii. There were no instances of non-compliance by the Company and no penalties/strictures were imposed on the Company by stock exchanges/SEBI/any statutory authority on any matter related to capital markets, during the last 3 years.
- iii. Whistleblower Mechanism has been established for the employees to report to the management about unethical behaviour, mismanagement, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy, that could adversely impact the Company's operations and business performance. The Whistleblower Policy is overseen by the Audit Committee of the Board.

**7. Code of Conduct:**

Pursuant to Clause 49 of the Listing Agreement, the Board of Directors has laid down a 'Code of Conduct' for all the Board and Senior Management Members and they have affirmed compliance with the said Code of Conduct of the Company for the Financial Year 2014-15.

The declaration pursuant to Clause 49(II)(E) of the Listing Agreement stating that all the Board Members and Senior Management Members have affirmed their compliance with the said code of conduct for the year ended March 31, 2015 is annexed to this Report.

The Code of conduct is also placed on the Company's website.

**8. Code of conduct for prevention of Insider Trading Practices:**

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

**9. Compliance Officer:**

During the year, Mr. D. V. Iyer was the Company Secretary and the Compliance Officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 / 2015 and the Listing Agreements with the Stock Exchanges in India. Consequent to resignation of Mr. D. V. Iyer as the Company Secretary of the Company, Mr. Naveen Manghani has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. August 14, 2015.

**10. Means of Communication:**

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

**11. General Shareholder's Information:****i. Annual General Meeting (AGM)**

Date : September 30, 2015

Time : 11.30 a.m.

Venue : Maratha Mandir Hall (Near Railway Over Bridge)  
Khanapur Road, Belgaum – 590 006.

**ii. Financial Year**

The Financial Year of the Company is from  
April 1 to March 31.

**iii. Tentative Financial Calendar 2015-16**

1 <sup>st</sup> Quarterly results	: were declared on August 13, 2015
2 <sup>nd</sup> Quarterly results	: on or before November 14, 2015
3 <sup>rd</sup> Quarterly results	: on or before February 14, 2016
4 <sup>th</sup> Quarterly results	: before end of May, 2016

**iv. Date of Book Closure**

: Wednesday, September 23, 2015  
to Wednesday, September 30, 2015 (both days inclusive).

**v. Dividend Payment Date**

: No Dividend has been recommended by the Board  
for the year ended March 31, 2015

**vi. Corporate Identification of the Company**

: L01542KA1995PLC019046

**vii. Unclaimed Shares -**

In accordance with the requirement of Clause 5A(I) of the Listing Agreements entered into with the Stock Exchanges, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialised form pursuant to the public issue of the Company:

Sr. No.	Particulars	Number of Shareholders	Number of Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year April 1, 2014;	4	2,080
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year;	--	--
3	Number of shareholders to whom shares were transferred from suspense account during the year;	--	--
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, March 31, 2015;	4	2,080

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**viii. Listing on Stock Exchanges**

: The Company's Shares are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The Company has paid the listing fees for the year 2015-16.

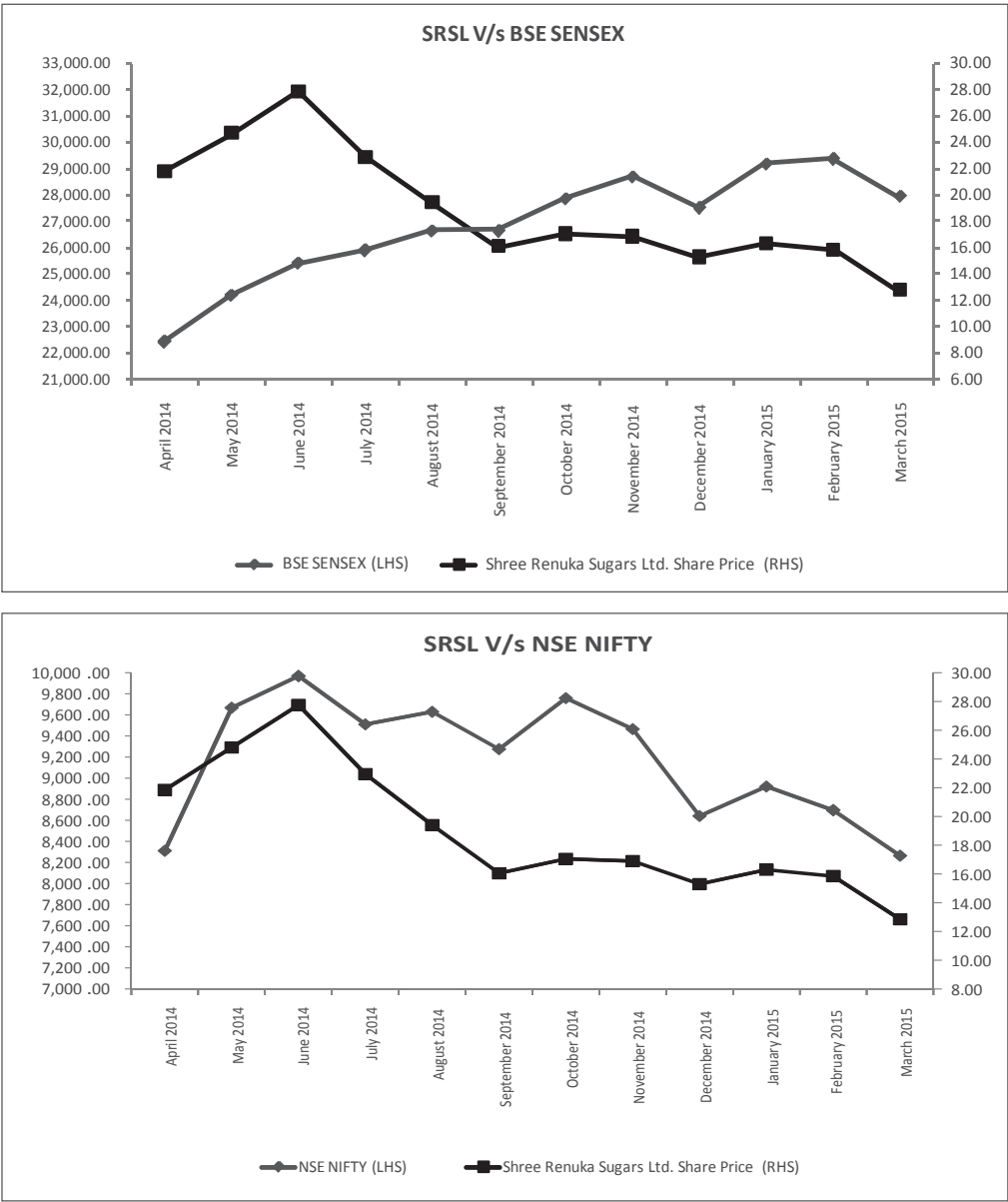
**ix. Stock Code**

: BSE - 532670  
NSE - RENUKA

**x. Market Price Data:**

Month	NSE			BSE		
	High (₹)	Low (₹)	Closing (₹)	High (₹)	Low (₹)	Closing (₹)
April, 2014	23.65	21.50	21.85	23.65	21.20	21.80
May, 2014	27.30	21.45	24.80	27.30	21.45	24.70
June, 2014	31.80	24.65	27.75	31.80	24.70	27.85
July, 2014	28.60	22.20	22.95	28.60	22.25	22.90
August, 2014	23.35	19.050	19.40	23.35	19.10	19.45
September, 2014	19.85	15.60	16.05	19.85	15.65	16.10
October, 2014	17.30	15.55	17.05	17.25	15.55	17.05
November, 2014	20.45	16.70	16.90	20.40	16.70	16.85
December, 2014	18.70	15.05	15.30	18.70	15.00	15.30
January, 2015	17.55	15.20	16.30	17.60	15.20	16.30
February, 2015	17.40	14.90	15.85	17.40	14.90	15.85
March, 2015	16.35	12.00	12.85	16.35	12.00	12.80

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



xii. Registrar & Transfer Agents

Karvy Computershare Pvt. Ltd  
**Unit: Shree Renuka Sugars Limited**  
Karvy Selenium Tower B,  
Plot 31-32, Gachibowli, Financial District,  
Nanakramguda,  
Hyderabad – 500 032  
Tel. No. +91 40 6716 2222 / 67161700  
Fax No. +91 40 2300 1153 / 67161680  
e-mail: einward.ris@karvy.com

xiii. Share Transfer System

The Company's shares are traded on the stock exchanges compulsorily in demat mode. Shares in physical mode, which are lodged for transfer, are processed and returned within the stipulated time period.



**xiv. Distribution of Shareholding as on March 31, 2015:**

Category	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 – 5,000	199,651	96.46	104,971,272	104,971,272	11.30
5,001 – 10,000	4,314	2.08	33,951,566	33,951,566	3.66
10,001 – 20,000	1,627	0.79	23,657,404	23,657,404	2.55
20,001 – 30,000	500	0.24	12,580,175	12,580,175	1.36
30,001 – 40,000	212	0.10	7,445,781	7,445,781	0.80
40,001 – 50,000	177	0.09	8,304,631	8,304,631	0.89
50,001 – 10,0000	237	0.12	17,024,505	17,024,505	1.83
100,001 & Above	250	0.12	720,875,908	720,875,908	77.61
<b>Total</b>	<b>206,968</b>	<b>100</b>	<b>928,811,242</b>	<b>928,811,242</b>	<b>100</b>

**xv. Categories of shares as on March 31, 2015:**

Category	Shareholding	Percentage
Promoters	514,984,934	55.45
Mutual Funds	27,048,927	2.91
Financial Institutions / Banks	21,117,412	2.27
Foreign Institutional Investors	65,287,759	7.03
Private Corporate Bodies	45,927,681	4.94
NRIs	14,371,641	1.55
Trusts	23,216,574	2.50
Indian Public	216,856,314	23.35
<b>Total</b>	<b>928,811,242</b>	<b>100</b>

**xvi. Dematerialization of shares and liquidity**

As on March 31, 2015, 7,857,211 equity shares of the Company (0.8459% of the total issued capital) were held in physical form and 920,954,031 equity shares (99.1541 of the total issued capital) were held in dematerialized form. Registrar and Transfer Agents are appointed for transfer of shares in dematerialization mode and in physical mode.

Under the Depository system the ISIN allotted to the Company's shares is INE087H01022.

**xvii. Outstanding GDRs / ADRs / Warrants or any convertible instrument.**

--

**xviii. Address for Correspondence**

Shareholders correspondence for transfer/  
Dematerialization of shares, payment of dividend and any  
other query should be directed to :

Karvy Computershare Pvt. Ltd

**Unit: Shree Renuka Sugars Limited**

Karvy Selenium Tower B,  
Plot 31-32, Gachibowli, Financial District,  
Nanakramguda,

Hyderabad – 500 032

Tel. No. +91 40 6716 2222 / 67161700

Fax No. +91 40 2300 1153 / 67161680

e-mail: einward.ris@karvy.com

All other queries on Annual Report should be directed to :

**Shree Renuka Sugars Limited**

BC 105, Havelock Road,

Cantonment,

Belgaum 590001

Tel No. 0831 2404000

Fax No. 0831 2404961

E-mail: naveen.manghani@renukasugars.com

**xix. Debt Securities**

Listing - The Wholesale Debt Market (WDM) Segment of  
BSE .

**Debenture Trustee -**

**IDBI Trusteeship Services Ltd.**

Asian Building, Ground Floor, 17 R. Kamani Marg,

Ballard Estate, Mumbai – 400001.

**Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement):**

Name of the Director	Mr. Robert Taylor	Mr. Jean-Luc Bohbot	Mr. Atul Chaturvedi	Mr. Ashit Mallick	Mr. Vijendra Singh
Date of Birth	9th January, 1971	8th December, 1968	6th October, 1955	1st January, 1957	1st February, 1960
Date of Appointment	9th May, 2005	24th June, 2015	24th June, 2015	24th June, 2015	10th May, 2011
Qualification	<ol style="list-style-type: none"> <li>1. Bachelor's degree in Science (Economics) from London School of Economics and</li> <li>2. Master's degree in Science (Agricultural Economics) from Oxford University</li> </ol>	A Post-Master's Degree in Market Finance and Risk Management from University of Paris Dauphine, France.	Post graduate from St. Johns College (Agra University).	<ol style="list-style-type: none"> <li>1. B.Sc. Agriculture and Animal Husbandry – from GB Pant University, Pantnagar, Uttarakhand</li> <li>2. Post Graduation in Sugar Technology from National Sugar Institute in 1981.</li> </ol>	<ol style="list-style-type: none"> <li>1. B.Sc from Meerut University in 1979.</li> <li>2. M.Sc. Agriculture (Plant Pathology) – from GB Pant University, Pantnagar, Uttarakhand</li> </ol>
Expertise in specific functional Area	Mr. Robert Taylor was market analyst E D & F man Sugar and later the head of Market Research and Analyst for Tate and Lyle International. He is having rich knowledge and experience in sugar industry especially world markets.	Mr. Bohbot joined the Wilmar Group in 2011 to set up and develop the Wilmar Sugar – Trading Division. Mr. Bohbot has extensive experience in the sugar trading business and prior to joining the Group, he was the Managing Director of a large European based trading company and the Managing Director of Eagle Trading, the Hong Kong-based Kuok Group joint venture for sugar trading.	Mr. Chaturvedi is a veteran in the Vegetable Oil/ Oil seeds and Agro Business of the Country. He has more than three decades of successful and varied general and strategic management experience in the field of Manufacturing and Trading. He has been associated with Adani Group since 1998 and has played a key role in the development of the Agro business of the Group. He is currently CEO and WTD in Agro Business in Adani Wilmar Ltd. A widely travelled International Trader, he has hands on experience in handling Agro Products, Vegetable Oils, Grains, Oilseeds within and outside India like China, South East Asia, Europe, Middle East, Canada, Australia etc.	Mr. Mallick is a Market Research Professional having experience of more than 30 years. He began his career as Rural Development Officer in Union Bank of India and thereafter joined Kirloskar Consultants Ltd., Pune. He worked in areas of Industrial MR, Finance Research, Techno Economic Feasibility of Sugar Factories, etc. He was appointed as Whole-time Director in AIMS Research Pvt. Ltd., a Research Company owned jointly by Dalal Street Publication, ICICI Ventures and IDBI, wherein he has worked in the areas of Analytical Research, Agriculture Research, Market Research in FMCG and Pharma Products. He was then a Senior Director in ICON	Mr. Singh has rich experience in Agro Processing industry for over 31 years. He began his career from Sugar Company – DCM Shriram Industries Ltd, as a Management Trainee and then gradually reached to the position of Senior General Manager and thereafter has held various senior positions in the top sugar companies of the country. During his stint with these companies, he has efficiently handled activities like production, Commercial, expansion, modernization, construction of Co-generation plant and other related activities. Under his leadership, the overall efficiencies of the plants improved, productivities increased and operation streamlined. He is associated with our Company since September 2010 designated as President (Sugar Mills).

Name of the Director	Mr. Robert Taylor	Mr. Jean-Luc Bohbot	Mr. Atul Chaturvedi	Mr. Ashit Mallick	Mr. Vijendra Singh
			Mr. Chaturvedi was declared "Globoil man of the year" for 2013 for his contribution to the Vegetable Oil Industry. Mr. Chaturvedi is associated with various organizations. He was Dy. Chairman of Soybean Processors Association of India (SOPA), Vice President – Solvent Extractors Association of India, Executive Member in Confederation of Indian Industry, etc. An eminent speaker, his views are widely respected by the business community.	ADDED VALUE – a WPP Company in Mumbai and helped set up areas of research specially in Brand Equity Research. Having worked with two of the biggest research firms in India and founding and nurturing two research companies – Mr. Ashit set Q&Q Research Insights Pvt. Ltd., a premium Mumbai Based Market Research Company which is active in areas of Agriculture Research, Consumer Research and E-Governance Research. He is currently the CEO & Managing Director of the said Company.	
Directorship held in other public companies	-	-	1. Adani Wilmar Limited 2. Adani Agri Fresh Limited 3. Adani Agri Logistics Limited	-	1. Gokak Sugars Limited
Membership / Chairman of the Committees of the Board of other Public Limited Companies in which he / she is a Director as on 31 <sup>st</sup> March, 2015 (includes only Audit & Shareholders' / Investors' Grievance Committee)	-	-	-	-	-
Number of shares held in the Company as on 31 <sup>st</sup> March, 2015	55,450	-	-	-	-

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

**SHREE RENUKA SUGARS LIMITED**

We have examined the compliance of conditions of Corporate Governance by Shree Renuka Sugars Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 in Clause 49 of the Listing Agreement.

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

**For Ashok Kumar, Prabhashankar & Co.**

Chartered Accountants

Firm Regn. No. 0049825

**K. N. Prabhashankar**

Partner

Membership No. 19575

Place : Mumbai

Dated: August 24, 2015

## CEO/CFO Certification

We, Narendra Murkumbi, Vice Chairman & Managing Director and K. K. Kumbhat, Chief Financial Officer of SHREE RENUKA SUGARS LIMITED, to the best of our knowledge and belief, hereby certify that :

- (A) We have reviewed the financial statements and cash flow statements for the year ended at March 31, 2015, and that based on our knowledge and belief :-
- (i) these statements do not contain any materially untrue statements or omit to state any material fact or contain statements that might be misleading; and
  - (ii) these statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) Based on our knowledge and information, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- (C) We along with Company's other certifying officers accept responsibility for establishing and maintaining internal controls and that we have:-
- (i) evaluated the effectiveness of the internal control systems of the Company; and
  - (ii) disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We along with Company's other certifying officers, have indicated to the auditors and the Audit Committee of the Company, the following:-
- (i) significant changes in internal control during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place: Mumbai  
Date: August 24, 2015

**Narendra Murkumbi**  
Vice Chairman & Managing Director

**K. K. Kumbhat**  
Chief Financial Officer

## DECLARATION OF MANAGING DIRECTOR ON COMPLIANCE WITH THE CODE OF CONDUCT

This is to certify that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended at March 31, 2015.

**For Shree Renuka Sugars Limited**

Place: Mumbai  
Date: August 24, 2015

**Narendra Murkumbi**  
Vice Chairman & Managing Director



# Independent Auditors' Report

To the Members of

SHREE RENUKA SUGARS LIMITED

## Report on the Financial Statements

We have audited the accompanying financial statements of **SHREE RENUKA SUGARS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

## Auditors' Responsibility

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

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

We conducted our audit 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 financial statements. We believe that the audit evidence we have obtained 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 31<sup>st</sup> March, 2015, and its loss and its cash flows for the year ended on that date.

## Emphasis of Matter

- 1) We draw attention to Note 5 to the financial statements in respect of the provision of Deferred Tax Asset on unabsorbed business losses wherein the Company represents that there is virtual certainty of future taxable profits that will be available for setting off such unabsorbed business losses. We have relied on such representation and our Opinion is not qualified in respect of this matter.
- 2) Without qualifying our opinion, we draw attention to the recoverable amount of the Investment made by the Company in its subsidiary company Shree Renuka Global Ventures Ltd., Mauritius. This investment is stated at its carrying amount of ₹ 18,219 Mn., as the fair value of Investment made by this subsidiary company in the step down subsidiary company Shree Renuka do Brasil Participacoes Ltda. , cannot be reliably measured. The management has assessed the recoverable amount of this investment and confirm that the carrying amount of this investment has not suffered any impairment in value.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company have disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 32(v) to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn No. 004982S

**K. N. Prabhashankar**

Partner

Membership No. 019575

Place: Mumbai

Date: May 21, 2015

## Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Shree Renuka Sugars Limited for the year ended March 31, 2015. We report that:

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, all fixed assets have been physically verified by the management during the year periodically which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification
- ii) a) With regard to inventory, physical verification has been conducted by the management at reasonable intervals.
- b) In our opinion, the procedure of physical verification of stocks followed by the management is reasonable and is adequate in relation to the size of the Company and nature of its business.
- c) The Company is maintaining proper records of inventory. No significant material discrepancies were noticed on the physical verification of stocks and the differences between the book stocks and the physical stocks have been properly dealt with in the books of account.
- iii) In respect of the loans, secured or unsecured granted by the Company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013:
  - a) The Company has given loans to Ten Subsidiary companies. In respect of the said loan, the maximum amount outstanding at any time during the year was ₹ 2,812.59 Millions and the year end balance is ₹ 1,974.55 Millions.
  - b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions, are not prima facie prejudicial to the interest of the company.
  - c) The principal amount is repayable on demand and there is no repayment schedule. The company is regular in receipt of interest from these subsidiaries except from two wholly owned Subsidiaries.
  - d) In respect of the said loans, the same is repayable on demand and therefore the question of overdue amount does not arise. In respect of interest, there is no overdue amount except in case of two wholly owned Subsidiaries whose Overdue Interest is ₹ 117.06 Million.
- iv) On the basis of checks carried out during the course of audit and as per the explanations given to us, we are of the opinion that with regard to purchase of inventory and fixed assets and for the sale of goods and services, there is an adequate internal control system commensurate with the size of the Company and nature of its business. In our opinion there is no continuing failure to correct major weaknesses in internal control system.
- v) According to the information and explanations given to us, the company has not accepted any deposits, hence reporting on clause (v) of the order is not applicable.
- vi) The Central Government has prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013 for some products of the Company. We have broadly reviewed these records of the company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of such records.
- vii) a) According to the information and explanations given to us and as per books and records examined by us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, Investor Education and Protection Fund and any other statutory dues with appropriate authorities outstanding as at 31<sup>st</sup> March 2015 for a period exceeding six months from the date they became payable.
- b) According to the information and explanations given to us and as per the records examined by us, the disputed statutory dues aggregating to ₹ 739.69 Million that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Sl No	Name of the Statute	Nature of Dues	Amount (₹ in Mn)	Period	Forum where Dispute is pending
1	Maharashtra Value Added Tax/CST	VAT credit/CST	8.05	2007-08 & 2008-09	Maharashtra Value added tax appeal Kolhapur
2	Central Excise Act 1944	Excise Duty	9.95	April 2008 to Sept. 2012	Commissioner of Central Excise Appeal
			344.13	Various Years (2004-2012)	CESTAT
			3.73	May 2008 to June 2010	Bombay High Court
			3.65		Supreme Court of India
3	Finance Act 1994	Service Tax	3.76	July 2005 to Sept. 2011	Commissioner of Central Excise Appeal
			16.10	April 2009 to April 2011	CESTAT
4	Custom Act 1962	Custom Duty	249.03	2004	Supreme Court of India
5	Income Tax Act 1961	Income Tax	101.29	2008-09 & 2009-10	Commission of Income Tax
<b>Grand Total</b>			739.69		

viii) The Company has accumulated losses at the end of financial year but such loss has not exceeded in excess of 50% of its Net Worth. The Company has incurred cash loss for the financial year of the reporting period and also for the immediate preceding financial year.

ix) The Company has borrowed funds from banks, financial institutions and also has raised funds by way of debentures. There is no default in repayment of dues to banks, financial institutions and debentureholders.

x) The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interests of the company.

xi) The term loans borrowed during the year have been utilised for the purposes for which they were raised.

xii) As per information and explanations given to us and on the basis of our examinations of books and records, there were no frauds on or by the company has been noticed or reported during the year.

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn No. 0049825

**K. N. Prabhashankar**

Partner

Membership No. 019575

Place: Mumbai

Date: May 21, 2015

# Balance Sheet as at 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	<b>928.81</b>	671.32
(b) Reserves and Surplus	3	<b>14,448.95</b>	12,685.58
(c) Money received against share warrants		-	-
<b>(2) Share Application money pending Allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	<b>9,733.72</b>	11,867.61
(b) Deferred Tax Liabilities (Net)	5	-	710.10
(c) Other Long-Term Liabilities	6	-	-
(d) Long-Term Provisions	7	<b>50.88</b>	32.63
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	8	<b>21,772.73</b>	21,889.44
(b) Trade Payables	9	<b>18,219.36</b>	10,864.21
(c) Other Current Liabilities	10	<b>6,036.57</b>	7,847.59
(d) Short-Term Provisions	11	<b>3.28</b>	2.67
<b>Total</b>		<b>71,194.30</b>	66,571.15
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	12A	<b>25,528.85</b>	26,895.79
(ii) Intangible Assets	12B	<b>19.46</b>	62.59
(iii) Capital Work-in-Progress-Tangible		<b>266.96</b>	243.70
(iv) Intangible assets under development		-	-
(b) Non-Current Investments	13	<b>19,474.67</b>	20,139.54
(c) Deferred tax assets (net)	5	<b>834.87</b>	-
(d) Long-Term Loans and Advances	14	<b>4,136.64</b>	3,873.60
(e) Other Non-Current Assets	15	<b>1.76</b>	2.64
<b>(2) Current Assets</b>			
(a) Current investments		-	-
(b) Inventories	16	<b>14,522.93</b>	10,033.93
(c) Trade Receivables	17	<b>2,832.18</b>	2,481.28
(d) Cash and Bank Balances	18	<b>914.21</b>	709.69
(e) Short-Term Loans and Advances	19	<b>2,660.89</b>	2,115.43
(f) Other Current Assets	20	<b>0.88</b>	12.96
<b>Total</b>		<b>71,194.30</b>	66,571.15

## Accompanying Notes 1 to 33 form part of the financial statements

To be read with our report of even date For and on behalf of the Board of Directors

### For Ashok Kumar, Prabhashankar & Co.,

Chartered Accountants  
Firm Regn. No. 0049825K. N. Prabhashankar  
Partner  
Membership No: 19575Place : Mumbai  
Date : May 21, 2015Vidya Murkumbi  
Executive Chairperson  
DIN: 00007588K. K. Kumbhat  
Chief Financial OfficerNarendra Murkumbi  
Vice Chairman & Managing Director  
DIN: 00009164D. V. Iyer  
Company Secretary  
ACS No.:13004

## Statement of Profit & Loss Account for the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Note	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>Revenue from Operations</b>	21	<b>58,241.05</b>	66,396.32
Less: Excise Duty		<b>799.10</b>	1,172.51
		<b>57,441.95</b>	65,223.81
Other Income	22	<b>38.85</b>	547.31
<b>Total Revenue</b>		<b>57,480.80</b>	65,771.12
<b>EXPENDITURE</b>			
Cost of Materials Consumed	23	<b>43,964.29</b>	43,969.55
Purchase of Stock-in-Trade	24	<b>10,300.03</b>	6,599.34
Changes in Inventory of Finished Goods, Work-in-Progress & Stock-in-Trade	25	<b>(3,413.69)</b>	8,268.02
Employee Benefit Expenses	26	<b>1,275.83</b>	1,218.93
Financial Costs	27	<b>3,361.70</b>	3,182.04
Depreciation and Amortization Expense	28	<b>1,556.13</b>	1,656.36
Other Expenses	29	<b>3,552.34</b>	3,768.07
<b>Total Expenses</b>		<b>60,596.63</b>	68,662.31
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>(3,115.82)</b>	(2,891.19)
Exceptional Items	30	<b>(1,342.01)</b>	(3,316.84)
<b>Profit/(Loss) before extraordinary items and tax</b>		<b>(4,457.83)</b>	(6,208.03)
Extraordinary Items		-	-
<b>Profit/(Loss) Before Tax</b>		<b>(4,457.83)</b>	(6,208.03)
Current Tax	31	-	173.63
Deferred tax		<b>(1,506.95)</b>	(1,720.77)
<b>Profit / (Loss) for the period</b>		<b>(2,950.88)</b>	(4,660.89)
<b>Earnings per Share</b>			
Basic	32	<b>(3.32)</b>	(6.94)
Diluted		<b>(3.32)</b>	(6.94)
[Nominal value of shares Re. 1/- each]			

### Accompanying Notes 1 to 33 form part of the financial statements

To be read with our report of even date For and on behalf of the Board of Directors

**For Ashok Kumar, Prabhashankar & Co.,**  
Chartered Accountants  
Firm Regn. No. 0049825

**K. N. Prabhashankar**  
Partner  
Membership No: 19575

Place : Mumbai  
Date : May 21, 2015

**Vidya Murkumbi**  
Executive Chairperson  
DIN: 00007588

**K. K. Kumbhat**  
Chief Financial Officer

**Narendra Murkumbi**  
Vice Chairman & Managing Director  
DIN: 00009164

**D. V. Iyer**  
Company Secretary  
ACS No.:13004



## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before Tax	<b>(4,457.83)</b>	(6,208.03)
<b>Adjustments to reconcile profit before tax to net cash provided by operating activities:</b>		
Depreciation	<b>1,556.13</b>	1,656.36
Financial Expenses	<b>3,361.70</b>	3,182.04
Loss/(Profit) on Sale of Fixed Assets	<b>5.92</b>	2.65
Dividend Income	<b>(3.80)</b>	(346.03)
(Gain)/ Loss from Sale of Investments	<b>(0.53)</b>	0.05
Exchange Fluctuations (net)	<b>1,342.01</b>	3,316.84
Amortisation of Expenses	<b>12.96</b>	25.56
<b>Operating profit before working capital changes</b>	<b>1,816.56</b>	1,629.44
<b>Changes in operating assets and liabilities:</b>		
Trade Receivables	<b>(350.90)</b>	(746.23)
Other Receivables	<b>(1,183.86)</b>	2,268.30
Inventory	<b>(4,489.00)</b>	10,554.45
Trade and Other Payables	<b>6,849.75</b>	(19,482.67)
<b>Cash generated from operations</b>	<b>2,642.55</b>	(5,776.71)
Income Tax (net)	<b>(28.68)</b>	126.33
<b>Net cash flow from operating activities</b>	<b>2,613.87</b>	(5,650.38)
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	<b>(176.45)</b>	(529.97)
Proceeds from Sale of Fixed Assets	<b>87.61</b>	25.32
Proceeds from Sale of Investments	<b>665.40</b>	2.00
Purchase of Investments	-	(12.77)
Dividend Income	<b>3.80</b>	346.03
<b>Net cash flow from investing activities</b>	<b>580.36</b>	(169.39)
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Equity Shares	<b>257.49</b>	-
Share Premium	<b>4,740.21</b>	-
Exchange Fluctuations (net)	<b>(1,591.43)</b>	(3,439.39)
Dividend Paid	-	(334.09)
Proceeds from Long-Term Borrowings	<b>2,071.00</b>	4,447.16
Repayment of Long-Term Borrowings	<b>(5,201.96)</b>	(6,101.06)

## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2015 (contd...)

All amounts in million Indian Rupees, unless otherwise stated.

	<b>Year Ended 31<sup>st</sup> March, 2015</b>	Year Ended 31 <sup>st</sup> March, 2014
Net Increase/(Decrease) in Working Capital Borrowings	<b>(116.71)</b>	13,980.90
Repayment of Deferred Purchase Tax	-	(52.13)
Finance Cost	<b>(3,565.35)</b>	(3,138.39)
<b>Net cash flow from financing activities</b>	<b>(3,406.75)</b>	5,363.00
<b>Net increase in cash and cash equivalents</b>	<b>(212.52)</b>	(456.77)
Opening Cash and Cash Equivalents	<b>424.72</b>	881.49
<b>Closing Cash and Cash Equivalents</b>	<b>212.20</b>	424.72

Notes:

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement notified under the Companies (Accounting Standards) Rules, 2006.
- 2) Additions of fixed assets include movement of Capital work-in-progress during the year.
- 3) Proceeds/(repayment) of Short-term borrowings have been shown on net basis.
- 4) Cash and Cash Equivalents do not include any amount which is not available to the company for its use .
- 5) Figure in brackets represents cash outflow from respective activities .
- 6) Exchange Fluctuations includes Hedges Cancelled Loss on External Commercial Borrowings.
- 7) As amount of Cash and cash equivalents is also available in Note No.18 , reconciliation of amount of Cash and cash equivalents as per Cash Flow Statement with the equivalent amount reported in the Balance Sheet is not required and hence not provided .

To be read with our report of even date For and on behalf of the Board

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn. No. 0049825

**K. N. Prabhashankar**

Partner

Membership No: 19575

**Vidya Murkumbi**

Executive Chairperson

DIN: 00007588

**Narendra Murkumbi**

Vice Chairman & Managing Director

DIN: 00009164

Place: Mumbai

Date : May 21, 2015

**K. K. Kumbhat**

Chief Financial Officer

**D. V. Iyer**

Company Secretary

ACS No.:13004

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

## Note 1. Significant Accounting Policies:

All amounts in million Indian Rupees, unless otherwise stated.

### a. Basis of presentation:

The accompanying financial statements have been presented for the year ended 31<sup>st</sup> March, 2015 along with comparative information for the year ended 31<sup>st</sup> March, 2014. The accompanying financial statements have been prepared on going concern basis under the historical cost convention on the accrual basis of accounting in conformity with accounting principles generally accepted in India ("Indian GAAP") and the relevant provisions prescribed in the Companies Act 2013, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India and of the Securities and Exchange Board of India. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year, except as stated hereunder.

### b. Use of estimates:

In preparing the Company's financial statements in conformity with accounting principles generally accepted in India, the Company's management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise.

### c. Fixed assets:

Fixed assets (Tangible and Intangible) are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Expenditure incurred during construction period has been added to the cost of the assets. These expenses have been allocated to the sugar, power generation and ethanol units on a reasonable basis. Subsidy received from the Government has been reduced from value of the respective assets.

### d. Borrowing costs:

Interest and other costs in connection with the borrowings of funds to the extent attributable to the acquisition or construction of qualifying assets or capitalized as part of the cost of such asset till such time the asset is ready for its intended use.

All other borrowings costs are recognised in the statement of profit and loss in the period in which they are incurred.

### e. Depreciation:

Depreciation is provided in the manner prescribed in Schedule II of the Companies Act, 2013. The Carrying Value of Fixed assets are depreciated over the revised remaining useful lives. Fixed assets having nil useful life has been charged to the opening balance of retained earnings as per the transitional provision prescribed in note 7 (b) of Schedule II of the Companies Act 2013.

### f. Leases:

A. Lease Rentals: Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. In case of long-term leases, the expenditure to the statement of profit and loss is recognized on the basis of equated lease rentals arrived at by allocating the total outflow of lease rentals on the entire contractual period over the period of the lease.

B. Lease Income: Lease income is recognized on accrual basis.

### g. Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-Current investments. Current investments are carried at lower of cost or fair value/ market value, determined on an individual investment basis. Non-Current Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Profit/loss on sale of investments is computed with reference to their average cost.

### h. Amalgamation:

Accounting for Amalgamation is as per AS-14 of the Indian Accounting Standards as prescribed by The Institute of Chartered Accountants of India. The Goodwill arising on Amalgamation is amortised on the basis over its useful life but shall not exceed five years.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

## i. Inventories:

Inventories are valued as follows:

Raw materials, stores and spares and packing materials

Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out ('FIFO') basis.

### Finished goods

Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods excludes excise duty.

Excise duty is generally provided on manufacture of goods, which are not exempt from the payment of duty. However, since the Company's finished goods are not segregated at the time of production into those for sale in domestic markets and those for sale in export markets, the Company is unable to determine the exact liability towards excise duty on finished goods. Accordingly, excise duty is provided/ paid only at the time of clearance of the goods from the factory.

### Work-in-process

Lower of cost up to estimated stage of process and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.

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.

### By- products

By-products are valued at cost. Inter-unit transfers of by- products also include the cost of transportation, duties, etc.

## j. Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, excise duty, sales returns.

Revenue from sale of power is recognised when the units generated are transmitted to the pooling station, in accordance with the terms and conditions of the power purchase agreement entered into by the Company with the purchasing parties.

Income from services is recognised as they are rendered (based on agreement/arrangement with the concerned customers).

Dividend income on investments is accounted for as and when the right to receive the payments is established.

Income against claims of the company, viz., export incentives, insurance claims, etc., is recognised on accrual/right to receive basis.

## k. Foreign currency transactions:

### Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### Conversion

Foreign currency monetary items are reported using the closing rate at the date of the Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and investments in foreign companies are recorded at the exchange rates prevailing on the date of making the investments.

### Exchange Differences

Exchange Differences is charged to the statement of profit and loss except arising on account of such conversion related to the purchase of fixed assets is adjusted therewith, and other long term monetary items is adjusted in the Foreign Currency Monetary Item Translation Difference Account.

### Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

## I. Derivative transactions:

Pursuant to the announcement on accounting for derivatives issued by the Institute of Chartered Accountants of India, the Company, in accordance with the principle of prudence as enunciated in AS-1, "Disclosure of Accounting Policies", provides for losses in respect of all outstanding derivative contracts at the Balance sheet date by marking them to market. Any net unrealized gains arising on such mark to market are not recognised as income.

## m. Employee benefits:

- Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.
- The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to "The Regional Provident Fund Commissioner and the Central Provident Fund under the Pension Scheme". The Company recognises such contributions as expense of the year in which the liability is incurred.
- The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to Gratuity Fund and the Company recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.
- The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

## n. Income tax:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961

Deferred income tax reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date.

## o. Miscellaneous expenditure:

Preliminary expenses are written-off over a period of five years from the year of commencement of commercial production.

The Deferred Revenue Expenditure comprises of debenture issue expenses and expenses towards Increase in Authorised Capital which is written off over a period of 5 years & expenses incurred on the lease units upto the date of production which is written off in proportion to the period of lease unexpired or 1/5th in case of long lease period.

## p. Government grants:

Government grants in the nature of promoter's contribution are credited to capital reserve and treated as a part of Shareholder's funds. Other Government grants/ subsidy have been reduced from value of the respective assets.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

## q. Financial derivatives and commodity futures:

Transactions in financial derivatives and commodity futures are accounted based on the mode of final settlement. Transactions, which are ultimately settled net, without taking delivery, are recorded net with the gains/losses being recognised as income/expenses in the financial statements. Transactions, which stipulate physical delivery of the goods and where the company intends to take delivery, are recorded at gross, as purchases and sales as a part of the company's sugar manufacturing activities.

## r. Provisions, contingent liabilities and contingent assets:

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- The Company has a present obligation as a result of a past event
- A probable outflow of resources is expected to settle the obligation and
- The amount of the obligation can be easily estimated.

Contingent Liability is disclosed in the case of

- A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A possible obligation, unless the probability of outflow of resources is remote.

Depending on facts of each case and after due evaluation of relevant legal aspects, claims against the Company not acknowledged as debts are disclosed as contingent liabilities. In respect of statutory matters, contingent liabilities are disclosed only for those demand(s) that are contested by the Company.

Contingent Assets are neither recognised nor disclosed.

## s. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue.

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

## t. Segment reporting:

The accounting policies adopted for segment reporting are in line with the accounting policies adopted by the Company, with the following additional policies for segment reporting:

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market led.
- (ii) Revenue, Expenses, Assets and Liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.
- (iii) Gains/losses from transactions in commodity futures, which are ultimately settled net, with/without taking delivery, are recorded as 'Other revenues' under the Sugar segment.
- (iv) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated".

## u. Impairment of assets:

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine,

- a. The provision for impairment loss, if any, required or
- b. The reversal, if any, required of impairment loss recognised in previous periods.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

## v. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current, non-current classification of assets and liabilities.



# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 2: Share Capital</b>		
<b>a) Authorised</b>		
25,000,000 Preference Shares of ` 10/- each	250.00	250.00
1,600,000,000 Equity Shares of ` 1/- each	1,600.00	1,600.00
	1,850.00	1,850.00
<b>b) Issued, Subscribed and Paid up</b>		
928,811,242 Equity Shares of Re. 1/- each fully paid (Previous year 671,319,650 Equity Shares of Re.1/- each)	928.81	671.32
<b>Total</b>	928.81	671.32
<b>c) Reconciliation of number of shares and Equity Shares outstanding :</b>		
At the beginning of the year	671,319,650	671,319,650
Addition/deletion during the year	257,491,592	-
<b>At the end of the year</b>	928,811,242	671,319,650

d) The Company has only one class of equity shares . The company declares and pays dividend in Indian rupees . The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share.

e) 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 dues . The distribution will be in proportion to the number of equity shares held by the shareholders .

f) **Details of Shareholders holding more than 5% shares in the Equity Share Capital of the company:**

Name of the Shareholder	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	No. of Shares	% to Equity	No. of Shares	% to Equity
Wilmar Sugar Holdings Pte. Limited	257,492,467	27.72	-	-
Murkumbi Investments Private Limited	121,414,000	13.07	121,414,000	18.09
Khandepar Investments Private Limited	75,400,000	8.12	75,400,000	11.23
Agri Venture Trading And Investment Private Limited	37,522,295	4.04	37,522,295	5.59

g) The aggregate number of Equity Shares allotted as fully paid up by way of Bonus Shares -334,900,000 equity shares in the ratio of 1:1 were issued as on March 18, 2010.

h) The Company has reserved the Equity share capital of the Company against Options for eligible employees of the Company under Employee Stock Option Scheme/ plan. Options which are vested can be exercised at any point of time. Option which are yet to be vested can be exercised after the vesting date. Details are given in the below table

Particulars	ESOP 2011
Option already vested	5,000,000
Par Value Per share Re.	1
Premium per Share	36.15

i) The Board at its meeting held on May 27, 2014, allotted 257,491,592 Equity Shares of face value of Re.1/- each, for a price of ` 20.08 per Equity Share, aggregating to ` 5,170.43 mn to M/s Wilmar Sugar Holdings Pte. Ltd.. Consequently Wilmar Sugar Holdings Pte. Ltd, now holds 27.72% of the enhanced equity share capital of the company, and paid-up Equity share capital of the company has increased from ` 671.32 mn to ` 928.81 mn.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 3: Reserves and Surplus</b>		
<b>a) Capital Reserve (Refer Note i below)</b>		
i) Subsidy received towards Co-Generation As per last Balance Sheet	18.75	18.75
ii) Others As per last Balance Sheet	0.26	0.26
<b>Closing Balance</b>	19.01	19.01
<b>b) Securities Premium</b>		
As per last Balance Sheet	10,574.05	10,574.05
Addition during the year	4,740.21	-
<b>Closing Balance</b>	15,314.26	10,574.05
<b>c) General Reserve (Refer Note ii below)</b>		
As per last Balance Sheet	3,166.02	3,166.02
Less : Transferred to Statement of Profit and Loss	(3,166.02)	-
<b>Closing Balance</b>	-	3,166.02
<b>d) Debenture Redemption Reserve (Refer Note iii below)</b>		
As per last Balance Sheet	525.00	1,136.41
Less : Transfer to Statement of Profit and Loss	(150.00)	(611.41)
<b>Closing Balance</b>	375.00	525.00
<b>e) Foreign Currency Monetary Item Translation Difference Account (Refer Note iv below)</b>		
As per last Balance Sheet	(47.87)	(78.69)
Add : Transfer to Statement of Profit and Loss	47.87	30.82
<b>Closing Balance</b>	-	(47.87)
<b>f) Surplus / (Deficit) in the Statement of Profit and Loss</b>		
Balance as per Last Financial Statement	(1,550.63)	2,441.84
Profit/(Loss) for the year	(2,950.88)	(4,660.89)
Add: Transferred from General Reserve	3,166.02	-
Less: Appropriation	-	-
Corporate Dividend Tax	-	57.01
Transitional Impact of change in usefull life of assets (Net of differed tax of ₹ 38.02 mn) (Refer Note 33 (xx))	(73.83)	-
Transfer from Debenture Redemption Reserve	150.00	611.41
<b>Net Surplus in Statement of Profit and Loss</b>	(1,259.32)	(1,550.63)
<b>Total</b>	14,448.95	12,685.58

- Capital Reserve consist of Subsidy received from Government of Karnataka for commissioning of Co-Generation plant located at Munoli Unit, for supply of excess power to the State grid.
- General reserve is primarily created to comply with the requirements of section 123 of the Companies Act, 2013 . This is a free reserve and can be utilised for any general purpose like issue of bonus shares , payment of dividend , buy back of shares etc. Balance in General Reserve of ₹ 3166.02 Mn transferred back to Surplus/ (Deficit) in statement of Profit and loss, due to accumulated losses.
- Debenture Redemption Reserve is created to the extent of 25% of the Non convertible debentures (being privately placed) equally over the period of the debenture before maturity, as per Rule 18 (7) of the Companies (shares and debentures) Rules, 2014 and Section 71 of the Companies Act, 2013. During the year the company has reversed Debenture Redemption Reserve created in the earlier years of ₹ 275 Mn on redemption of ₹ 1100 Mn non convertible debenture and created ₹ 125 Mn of debenture redemption reserve on outstanding amount of Non Convertible debenture.
- Foreign Currency Monetary Item Translation Difference Account (FCMITDA) represents unamortised foreign currency fluctuation loss on External commercial borrowings of US \$20 Mn utilised for purchase of shares of overseas subsidiary. The company has exercised the option available in AS11 para 46A (which was inserted by Ministry of corporate affairs vide its notification dated 29th Dec, 2011). The loan was repaid during the year and hence unamortised portion of FCMITDA is charged to Statement of Profit and Loss under Foreign Exchange Gain/(Loss) account.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>NON-CURRENT LIABILITIES</b>		
<b>Note 4: Long-Term Borrowings</b>		
<b>1) Secured:</b>		
<b>a) Non-Convertible Debentures</b>		
i) Nil (Previous year 600) Redeemable Non-Convertible Debentures (11.95%) of ` 1,000,000 each	-	600.00
ii) Nil (Previous year 500) Redeemable Non-Convertible Debentures (Floating Rate) of ` 1,000,000 each	-	500.00
iii) 1500 Redeemable Non-Convertible Debentures (11.70%) of ` 1,000,000 each	<b>1,500.00</b>	1,500.00
iv) 1000 Redeemable Non-Convertible Debentures (11.30%) of ` 1,000,000 each	<b>1,000.00</b>	1,000.00
<b>b) Term Loans</b>		
<b>From Banks and Financial Institutions</b>	<b>10,102.38</b>	12,040.53
<b>From others :</b>		
From Sugar Development Fund (SDF)	<b>1,141.75</b>	1,320.84
Interest Accrued but not due	<b>113.71</b>	109.32
<b>2) Unsecured :</b>		
Deferred Purchase Tax	<b>16.08</b>	16.08
	<b>13,873.92</b>	17,086.77
Less: Current Maturity of Long-Term Borrowings transferred to Other Current Liabilities (Refer Note 10 )	<b>4,140.20</b>	5,219.16
<b>Total</b>	<b>9,733.72</b>	11,867.61

## Nature of Security

### a) Non-Convertible Debentures:

- NIL (Previous year 600) Redeemable Non-Convertible Debentures (11.95%) of ` 1,000,000 each , secured by first pari-passu charge on movable and immovable assets of the company and were redeemed at par during the year.
- NIL (Previous Year 500) Redeemable Non-Convertible Debentures (Floating Rate) of ` 1,000,000 each , secured by first pari-passu charge on movable and immovable assets of the company and were redeemed at par during the year.
- 1500 Redeemable Non-Convertible Debentures (11.70%) of ` 1,000,000 each, secured by first pari-passu charge on movable and immovable assets of the company and are redeemable at par on April 02, 2017.
- 1000 Redeemable Non-Convertible Debentures (11.30%) of ` 1,000,000 each , secured by first pari-passu charge on movable and immovable assets of the company and are redeemable at par on December 24, 2017.

### b) Term-Loans

Rupee Term Loan availed from Indian Renewable Energy Development Authority (IREDA) are secured by first and exclusive charge on the movable and immovable assets of the companies' Co-Generation units located at Panchganga and Ajinkyatara.

Term loan from other banks and financial institutions are secured by first pari-passu charge on movable and immovable assets of the company.

#### From Others:

SDF Loans amounting to ` 828.93 Mn @ 4% p.a., are secured by exclusive second charge on movable and immovable assets of the company.

SDF Loan amounting to ` 312.82 Mn @ 7% p.a., is secured by first pari-passu charge on movable and immovable assets of the company.

Interest Accrued but not due represents interest on certain long-term borrowings, where the payment of interest has also been deferred for a period of time and is therefore considered to be in the nature of borrowings and included as a part of secured loans under Long term borrowings.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## Terms of Repayment

Particulars	Amount O/s as on 31 <sup>st</sup> March, 2015		Date of Maturity	Amt of Each Installment ₹ in Million
	Current	Non Current		
<b>Non-Convertible Debentures:</b>				
i) Non-Convertible Debentures (₹1500 Mn)	-	1,500.00	April 2, 2017	1,500.00
ii) Non-Convertible Debentures (₹1000 Mn)	-	1,000.00	December 24, 2017	1,000.00
<b>Term-Loans from Banks/Financial Institutions:</b>				
<b>A) Rupee Term-Loans:</b>				
i) IDBI Bank Ltd.				
Loan I	500.00	300.00	October 1, 2016	125.00*
Loan II	1,000.00	-	April 1, 2015	1,000.00
ii) EXIM Bank	260.87	717.39	December 31, 2018	65.22
iii) IREDA				
Loan I	80.50	382.38	December 31, 2020	20.12
Loan II	65.63	393.77	March 31, 2022	16.40
iv) State Bank of India	450.00	1,350.00	June 30, 2018	150.00
v) ICICI Bank Ltd	99.00	1,551.00	June 13, 2020	49.50
<b>B) Foreign Currency Loans:</b>				
ICICI Canada (CAD Loan)	1,491.84	-	February 22, 2016	CAD 14.44 Mn
<b>C) SEFASU Loan:</b>				
IDBI Bank Ltd	-	500.00	January 1, 2019	41.67
Axis Bank Ltd	-	460.00	February 20, 2019	38.33
State Bank of India	-	500.00	March 7, 2019	13.89
<b>Term-Loan from Others-Sugar Development Fund:</b>				
i) Havalga Co-Generation	63.30	126.60	March 21, 2018	31.65
ii) Athani Sugar	-	216.75	February 22, 2021	43.35
iii) Athani Co-Generation	-	312.82	September 30, 2021	31.28
iv) Havalga Sugar	-	267.08	February 22, 2021	53.41
v) Havalga Distillery	17.77	-	July 19, 2015	17.77
vi) Munoli Sugar	57.17	57.18	March 31, 2017	57.17
vii) Havalga Sugar	23.08	-	March 30, 2016	23.08
<b>Deferred Purchase Tax</b>	16.08	-		
<b>Interest Accrued but not due on loans</b>	14.96	98.75		
<b>Total Long Term Borrowings:</b>	<b>4,140.20</b>	<b>9,733.72</b>		

\* Final instalment ₹ 50 Mn

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 5 : Deferred Tax Liabilities/(Deferred Tax Assets) (Net)</b>		
<b>Deferred Tax Liability</b>		
Depreciation	4,124.74	4,022.62
Lease Rentals claimed on payment basis	104.42	118.69
<b>Gross Deferred Tax Liability</b>	<b>4,229.16</b>	<b>4,141.31</b>
<b>Deferred Tax Asset</b>		
Leave Encashment	18.41	12.00
Sugar Cane Purchase Tax	2.28	2.28
Unabsorbed Business Loss	5,043.34	3,416.93
<b>Gross Deferred Tax Asset</b>	<b>5,064.03</b>	<b>3,431.21</b>
<b>Deferred Tax Liabilities/(Deferred Tax Assets) (Net)</b>	<b>(834.87)</b>	<b>710.10</b>

Unabsorbed business losses have been recognised as deferred tax asset as there is virtual certainty that such deferred tax asset can be realised against future taxable profits in the forthcoming financial years.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 6 : Other Long-Term Liabilities</b>		
Purchase Tax Payable	415.82	361.83
Less: Payable within one year (transferred to other current liabilities, Refer Note No 10)	415.82	361.83
<b>Total</b>	-	-
<b>Note 7: Long-Term Provisions</b>		
<b>Provision for Employee Benefits:</b>		
Provision for Leave Encashment (Refer Note 33 (xv))	54.16	35.30
Less: Short-Term (transferred to short-term provisions, Refer Note No 11)	3.28	2.67
<b>Total</b>	50.88	32.63
<b>CURRENT LIABILITIES</b>		
<b>Note 8 : Short-Term Borrowings</b>		
<b>Secured</b>		
Working Capital from Banks:		
Rupee Borrowings	7,744.61	8,845.28
Foreign Currency Borrowings	13,774.50	11,619.91
<b>Unsecured</b>		
Working Capital from Banks:		
Rupee Borrowings	253.62	226.45
Foreign Currency Borrowings	-	1,197.80
<b>Total</b>	21,772.73	21,889.44
<b>Nature of Security :</b>		
i) Working Capital facilities from Banks are secured by hypothecation of stocks, books debts and other current assets and third charge on movable and immovable fixed assets of the company.		
<b>Note 9: Trade Payables</b>		
<b>For Goods and Services *</b>	18,219.36	10,864.21
Others	-	-
<b>Total</b>	18,219.36	10,864.21
* There is no principal amount and interest overdue to the Micro and Small Enterprises. During the year no interest has been paid to such parties (This information have been determined to the extent such parties have been identified on the basis of information available with the company).		
<b>Note 10: Other Current Liabilities</b>		
Current maturity of Long-Term Borrowings (Refer note 4)	4,140.20	5,219.16
Interest accrued but not due on Borrowings	310.23	518.28
Advance from Customers	610.95	1,334.23
Purchase Tax Payable (Refer Note 6)	415.82	361.83
Unclaimed Dividend	12.66	13.94
Salary Payable	50.02	81.19
Statutory Dues payable	64.29	76.41
Other Payables	432.40	242.55
<b>Total</b>	6,036.57	7,847.59
<b>Note 11: Short Term Provisions</b>		
Provision for Leave Encashment (Refer note 7)	3.28	2.67
<b>Total</b>	3.28	2.67

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## FIXED ASSETS SCHEDULE

### 12A. Tangible Assets

PARTICULARS	1 <sup>st</sup> April, 2014	Additions	Disposal	Effects of Foreign Currency Exchange Difference	31 <sup>st</sup> March, 2015
<b>Gross Carrying Value</b>					
Lease Hold Land	184.24	0.01	-	-	<b>184.25</b>
Free Hold Land	429.12	0.20	5.49	-	<b>423.83</b>
Buildings	5,479.29	35.51	1.07	-	<b>5,513.73</b>
Plant & Equipment	27,336.48	110.62	186.71	198.25	<b>27,458.64</b>
Furniture & Fixtures	298.38	5.55	2.26	-	<b>301.67</b>
Vehicles	116.76	0.63	11.64	-	<b>105.75</b>
<b>Total</b>	<b>33,844.27</b>	<b>152.52</b>	<b>207.17</b>	<b>198.25</b>	<b>33,987.87</b>
Previous Year	32,592.33	554.76	37.90	735.08	<b>33,844.27</b>
<b>Accumulated Depreciation</b>					
Lease Hold Land	1.67	2.19	-	-	<b>3.86</b>
Free Hold Land	-	-	-	-	<b>-</b>
Buildings	779.69	283.17	1.06	-	<b>1,061.80</b>
Plant & Equipment	5,976.66	1,243.71	103.59	-	<b>7,116.78</b>
Furniture & Fixtures	141.07	77.14	1.93	-	<b>216.28</b>
Vehicles	49.39	17.97	7.06	-	<b>60.30</b>
<b>Total</b>	<b>6,948.48</b>	<b>1,624.18</b>	<b>113.64</b>	<b>-</b>	<b>8,459.02</b>
Previous Year	5,318.71	1,639.70	9.93	-	<b>6,948.48</b>
<b>Net carrying value</b>					
Lease Hold Land	182.57				<b>180.39</b>
Free Hold Land	429.12				<b>423.83</b>
Buildings	4,699.60				<b>4,451.93</b>
Plant & Equipment	21,359.82				<b>20,341.86</b>
Furniture & Fixtures	157.31				<b>85.39</b>
Vehicles	67.37				<b>45.45</b>
<b>Total</b>	<b>26,895.79</b>				<b>25,528.85</b>
Previous Year	27,273.62				<b>26,895.79</b>
<b>Capital Work-in-progress</b>	243.70				<b>266.96</b>

### 12B. Intangible Assets

PARTICULARS	1 <sup>st</sup> April, 2014	Additions	Disposal	Effects of Foreign Currency Exchange Difference	31 <sup>st</sup> March, 2015
<b>Gross Carrying Value</b>					
Computer Software	106.69	0.68	-	-	<b>107.37</b>
<b>Total</b>	<b>106.69</b>	<b>0.68</b>	<b>-</b>	<b>-</b>	<b>107.37</b>
Previous Year	104.77	1.92	-	-	<b>106.69</b>
<b>Accumulated Depreciation</b>					
Computer Software	44.10	43.81	-	-	<b>87.91</b>
<b>Total</b>	<b>44.10</b>	<b>43.81</b>	<b>-</b>	<b>-</b>	<b>87.91</b>
Previous Year	27.44	16.66	-	-	<b>44.10</b>
<b>Net Carrying Value</b>					
Computer Software	62.59				<b>19.46</b>
<b>Total</b>	<b>62.59</b>				<b>19.46</b>
Previous Year	77.33				<b>62.59</b>



# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

PARTICULARS	Tangible Assets	Intangible Assets	Total
* Depreciation As above	1,624.18	43.81	<b>1,667.99</b>
Less : Depreciation charged to Opening reserves	57.63	16.20	<b>73.83</b>
Less: Deferred Tax Liability reversed	29.68	8.34	<b>38.02</b>
<b>Net Depreciation as per statement of Profit and Loss</b>	<b>1,536.87</b>	<b>19.27</b>	<b>1,556.14</b>
Refer note 28, 33 (xx)			

## Note 13: NON-CURRENT INVESTMENTS

	Currency	Face Value	Number of units	Year Ended 31 <sup>st</sup> March, 2015	Number of units	Year Ended 31 <sup>st</sup> March, 2014
<b>Trade Investments</b>						
<b>Investment in Equity Instruments</b>						
<b>In Subsidiary Companies :</b>						
<b>Un-Quoted:</b>						
Renuka Commodities DMCC, Dubai	AED	10000	<b>40</b>	<b>4.97</b>	40	4.97
Parana Global Trading (FZE)	AED	15000	<b>6</b>	<b>11.18</b>	6	11.18
Shree Renuka Agri Ventures Ltd.	INR	10	<b>250,000</b>	<b>2.50</b>	250,000	2.50
KBK Chem-Engineering Pvt Ltd.	INR	100	<b>169,143</b>	<b>547.92</b>	169,143	547.92
Gokak Sugars Ltd.	INR	10	<b>32,937,140</b>	<b>187.26</b>	32,937,140	187.26
Monica Trading Pvt.Ltd.	INR	10	<b>10,000</b>	<b>171.52</b>	10,000	171.52
(formerly known as Monica Realators & Investments Pvt. Ltd)						
Shree Renuka Global Ventures Ltd.	USD	1	<b>395,259,975</b>	<b>18,219.00</b>	395,259,975	18,219.00
Shree Renuka East Africa Agriventures PLC	Birr	180	<b>9,999</b>	<b>5.19</b>	9,999	5.19
Shree Renuka Tunaport Pvt. Ltd.	INR	10	<b>10,000</b>	<b>0.10</b>	10,000	0.10
<b>Other Investments:</b>						
<b>Equity shares (Unquoted):</b>						
National Commodity & Derivatives Exchange Ltd.(NCDEX) (Refer Note 2 below)	INR	10	<b>2,533,700</b>	<b>230.32</b>	6,336,000	895.19
				<b>19,379.96</b>		20,044.83
<b>Equity shares (Quoted):</b>						
Ugar Sugar works Ltd. (Refer Note 1 below)	INR	1	<b>5,001,000</b>	<b>94.71</b>	5,001,000	94.71
				<b>94.71</b>		94.71
<b>Total</b>				<b>19,474.67</b>		20,139.54

### Notes:

- Market value of the quoted investments\* 38.96 53.01  
\*(The Dimunition in the value of Quoted Investments is temporary in nature, hence no provision has been considered .)
- 18,36,000 Shares of NCDEX Ltd. are under lock-in period till Dec-15

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>NON-CURRENT ASSETS</b>		
<b>Note 14 : Long-Term Loans and Advances</b>		
<b>Unsecured &amp; Considered good:</b>		
Capital Advances	15.17	10.23
Advances to Subsidiary Companies	1,249.06	1,023.89
Deposits	1,659.31	1,563.72
<b>Others:</b>		
Export Incentives Receivable	202.70	209.62
MAT Credit Entitlement	528.90	574.09
Amount paid under protest to Government Authorities	438.09	448.64
Other Advances	43.41	43.41
<b>Total</b>	<b>4,136.64</b>	<b>3,873.60</b>
<b>Note 15 : Other Non-Current Assets</b>		
<b>Miscellaneous Expenditure to the extent not written off:</b>		
Deferred Revenue Expenditure	-	10.41
Goodwill on Amalgamation	-	1.67
Equity Shares Issues Expenses	2.64	3.52
	2.64	15.60
Less: To be amortised within one year (transferred to other Current Assets-Refer Note 20)	0.88	12.96
<b>Total</b>	<b>1.76</b>	<b>2.64</b>
<b>CURRENT ASSETS</b>		
<b>Note 16: Inventories</b>		
Raw materials and components	1,665.61	768.65
Stores and spares	780.74	734.35
Intermediate products	253.41	175.08
Finished goods:		
Manufactured	11,453.59	8,118.22
Trading	369.58	237.63
<b>Total</b>	<b>14,522.93</b>	<b>10,033.93</b>
<b>Note 17: Trade Receivables</b>		
<b>Unsecured &amp; Considered good:</b>		
Debts over six months*	265.55	236.06
Others	2,566.63	2,245.22
<b>Total</b>	<b>2,832.18</b>	<b>2,481.28</b>

\* Trade Receivable (over six months) include ₹19.60 Mn (Previous year ₹ Nil) due from Associate company, maximum outstanding ₹ 718.60 Mn (Previous year ₹ 867.55 Mn) during the year.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 18: Cash and Bank Balances</b>		
Cash and Cash Equivalents:		
Cash on hand	1.73	3.99
Balances with banks:		
In current accounts	210.47	420.73
	212.20	424.72
Other Bank Balances:		
Earmarked balances:		
Unpaid dividend accounts	12.66	13.94
Fixed Deposit pledged with bank/Deposited with Government Authorities	689.35	271.03
	702.01	284.97
<b>Total</b>	<b>914.21</b>	<b>709.69</b>
Balances with banks in deposit accounts include amounts that have been provided as margin money or those that have been pledged with government authorities towards guarantees, etc.		
<b>Note 19: Short-Term Loans and Advances</b>		
<b>Unsecured and considered good:</b>		
Loans and Advances to related parties:		
Advances to Subsidiary Companies	726.68	205.52
Advance to Associate Companies	150.04	137.53
Others:		
Export Incentives Receivable	4.50	-
Interest Accrued	67.80	13.47
Interest Receivable from Govt. of India	127.94	90.47
Prepaid Expenses	158.48	75.37
Deposits	124.96	124.96
Balances with Customs, Excise, etc.	677.06	680.20
Income Tax Refund Due (Net)	301.82	227.93
Other Advances*	321.61	559.98
<b>Total</b>	<b>2,660.89</b>	<b>2,115.43</b>
* Other Advances include ` 0.70 Mn (Previous year ` 1.30 Mn) due from an officer of the company, maximum outstanding ` 1.30 Mn (Previous year ` 1.50 Mn) during the year.		
<b>Note 20 : Other Current Assets</b>		
<b>Miscellaneous Expenditure to be amortised within one year:</b>		
Deferred Revenue Expenditure ( Refer Note-15)	-	10.41
Goodwill on Amalgamation ( Refer Note-15)	-	1.67
Equity Shares Issue Expenses ( Refer Note-15)	0.88	0.88
<b>Total</b>	<b>0.88</b>	<b>12.96</b>

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 21 : Revenue from Operations</b>		
<b>Sale of Products ( Gross )</b>		
Sale of Manufactured Sugar	41,921.23	53,794.46
Sale of Traded Sugar and Ethanol	10,314.43	6,729.53
Sale of Power	1,887.00	1,805.41
Sale of Ethanol and Allied Products	3,736.04	3,740.74
Sale of By-products and Others	382.35	326.18
	58,241.05	66,396.32
Less : Excise Duty	799.10	1,172.51
<b>Total</b>	<b>57,441.95</b>	<b>65,223.81</b>
<b>Note 22: Other Income</b>		
Dividend on Investments	3.80	346.03
Profit on Sale of Investments	0.53	-
Profit on Sale of Assets	1.29	0.98
Income from professional Services	22.79	128.86
Others	10.44	71.44
<b>Total</b>	<b>38.85</b>	<b>547.31</b>
<b>Note 23 : Cost of Materials Consumed</b>		
Sugar-Cane	13,532.91	11,967.93
Raw-Sugar	27,541.16	29,302.18
Bagasse	262.87	73.71
Coal	1,538.13	1,514.23
Molasses	865.78	499.25
Denatured Alcohol	174.00	320.69
Rectified Spirit	0.08	58.59
MG Alcohol	41.11	72.99
Others	8.25	159.98
<b>Total</b>	<b>43,964.29</b>	<b>43,969.55</b>
<b>Note 24: Cost of Traded Goods</b>		
Raw-Sugar	9,329.75	6,503.36
White Sugar	884.95	54.27
Distillery Products	1.46	18.78
Molasses	28.65	15.91
Coal	55.22	7.02
<b>Total</b>	<b>10,300.03</b>	<b>6,599.34</b>
<b>Note 25: Changes in Inventory of Finished Goods, Work-in-progress &amp; Stock-in-trade</b>		
Opening Stock	8,293.31	16,561.33
Less: Closing Stock	11,707.00	8,293.31
<b>Net (Increase)/Decrease in stock</b>	<b>(3,413.69)</b>	<b>8,268.02</b>

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 26: Employee Benefit Expenses</b>		
Salaries, Wages and Bonus	<b>1,166.03</b>	1,098.52
Contribution to Provident Fund, Gratuity Fund and Other Employee Benefits	<b>71.15</b>	73.10
Staff Welfare Expenses	<b>38.65</b>	47.31
<b>Total</b>	<b>1,275.83</b>	1,218.93
<b>Note 27: Finance Costs</b>		
Interest:		
On Term Loans	<b>1,267.43</b>	1,194.44
On Working Capital	<b>1,284.44</b>	1,049.88
On Debentures	<b>338.30</b>	511.43
Others:		
Bank and Other Borrowing Costs	<b>471.53</b>	426.29
<b>Total</b>	<b>3,361.70</b>	3,182.04
<b>Note 28: Depreciation and Amortisation Expenses</b>		
Depreciation and amortisation of Tangible assets*	<b>1,536.86</b>	1,639.70
Depreciation and amortisation of intangible assets*	<b>19.27</b>	16.66
<b>Total</b>	<b>1,556.13</b>	1,656.36
* Refer note no.12A and 12B		
<b>Note 29 : Other Expenses</b>		
<b>A. Manufacturing Expenses</b>		
Consumption of Stores and Spares	<b>392.36</b>	355.30
Consumption of Chemicals, Consumables, Oil and Lubricants	<b>364.33</b>	346.26
Sugar House Loading, Un-loading and Handling charges	<b>187.90</b>	187.56
Packing Materials	<b>796.69</b>	755.32
Power and Fuel	<b>172.52</b>	260.41
Lease Rentals	<b>125.32</b>	125.71
Repairs and Maintenance:		
Plant and Machinery	<b>133.20</b>	126.54
Buildings	<b>8.14</b>	2.06
Other Manufacturing Expenses	<b>107.77</b>	107.66
<b>A</b>	<b>2,288.23</b>	2,266.82

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 29 : Other Expenses (contd...)</b>		
<b>B. Administrative expenses</b>		
Rent, Rates and Taxes	116.52	186.85
Insurance	50.58	54.43
Travelling and Conveyance	40.30	54.04
Printing and Stationery	7.13	6.67
Communication Expenses	18.04	19.71
Legal and Professional Fees	88.94	122.99
Directors' Sitting Fees	1.28	1.08
Auditor's Remuneration	6.95	5.68
Safety and Security Expenses	53.05	51.56
Donations and Contributions	1.28	2.04
Loss on Sale of Fixed Assets	7.22	3.63
Loss on Sale of Long-Term Investments	-	0.05
Books, Periodicals, Subscription and Membership Expenses	13.80	14.89
Research and Development	8.59	0.81
Repairs and Maintenance - Others	52.70	57.76
Others	19.58	26.73
<b>B</b>	<b>485.96</b>	<b>608.92</b>
<b>C. Selling and Distribution Expenses</b>		
Freight and Forwarding Charges	660.53	700.17
Advertisement and Sales Promotion	37.25	125.70
Brokerage and Discounts	23.36	40.90
Excise Expenses on Exempted product	44.05	-
<b>C</b>	<b>765.19</b>	<b>866.77</b>
<b>D. Miscellaneous Expenditure Written Off</b>		
Pre-Operative Expenses	10.41	21.34
Goodwill On Amalgamation	1.67	3.34
Expenses on increase in authorised share capital	0.88	0.88
<b>D</b>	<b>12.96</b>	<b>25.56</b>
<b>Total (A+B+C+D)</b>	<b>3,552.34</b>	<b>3,768.07</b>
<b>Note 30: Exceptional Items</b>		
Foreign Exchange Gain/(Loss)	(1,342.01)	(3,316.84)
Other Exceptional Item	-	-
<b>Total</b>	<b>(1,342.01)</b>	<b>(3,316.84)</b>
<b>Note 31: Current Tax</b>		
Provision for Tax		
Current year- Tax on Dividend from overseas subsidiary u/s 115 BBD of the Income Tax Act	-	57.01
Short Provision of Income Tax of Earlier Years (Net)	-	116.62
MAT Credit Entitlement	-	-
<b>Total</b>	<b>-</b>	<b>173.63</b>



# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>Note 32: Earnings per Share</b>		
The calculation of Earnings per share (basic and diluted) are based on the Earnings and number of shares as computed below.		
<b>Reconciliation of earnings</b>		
Profit/(Loss) for the year ended 31 <sup>st</sup> March, 2015	(2,950.88)	(4,660.89)
<b>Net profit attributable to equity shareholders</b>	(2,950.88)	(4,660.89)
<b>Reconciliation of number of shares</b>	<b>Shares</b>	<b>Shares</b>
Shares outstanding at the beginning of the year	671,319,650	671,319,650
Shares outstanding at the end of the year	928,811,242	671,319,650
<b>Weighted average number of equity shares</b>	<b>889,305,683</b>	671,319,650
<b>Basic and Diluted Earnings Per Share (in rupees)</b>	<b>(3.32)</b>	(6.94)
[Nominal value of shares Re. 1/- each]		

## Note 33. Other Notes to the Financial Statements:

### i. Excise Duty on Finished Goods

Excise duty is generally provided on manufacture of goods, which are not exempt from the payment of duty. However, since the Company's finished goods are not segregated at the time of production into those for sale in domestic markets and those for sale in export markets, the Company is unable to determine the exact liability towards excise duty on finished goods. Accordingly, excise duty is provided/ paid only at the time of clearance of the goods from the factory.

### ii. Leases Payable

The Company has entered into various operating leases for office, residential and factory premises. These are generally short-term leases and cancellable by serving adequate notice. The minimum amount of lease rentals payable on non-cancelable leases is as follows:

S. No		As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
A	Within a period of one year	124.96	124.96
B	One year to five years	499.82	499.82
C	five years and above	1565.08	1,690.04
D	Lease rent charged to statement of profit and loss	125.32	125.71

### iii. Leases Receivable

The Company has entered into various operating leases for office, residential and factory premises. These are generally short-term leases and cancellable by serving adequate notice. The minimum amount of lease rentals receivable on non-cancelable leases is as follows:

S. No		As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
A	Within a period of one year	Nil	Nil
B	One year to five years	Nil	Nil
C	five years and above	Nil	Nil
D	Lease rent credited to statement of profit and loss	8.16	17.67

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## iv. Outstanding Commitments

As at 31<sup>st</sup> March, 2015, the Company had the following outstanding commitments:

<b>S. No</b>	<b>Outstanding Commitments</b>	<b>As at 31<sup>st</sup> March, 2015</b>	<b>As at 31<sup>st</sup> March, 2014</b>
A	Bank Guarantee	<b>5,012.00</b>	4,163.18
B	Corporate Guarantee	<b>16,238.64</b>	18,475.66
C	Estimated amount of contract pending for execution	<b>32.70</b>	42.24

## v. Contingent Liabilities

<b>Liabilities classified and considered contingent due to contested claims and legal disputes</b>	<b>As at 31<sup>st</sup> March, 2015</b>	<b>As at 31<sup>st</sup> March, 2014</b>
Income Tax Demands	<b>101.29</b>	17.00
Excise and Service Tax Demands	<b>496.70</b>	450.93
Sales Tax/VAT Demands	<b>12.99</b>	36.32
Customs Demand	<b>465.12</b>	465.12
<b>Total:</b>	<b>1,076.10</b>	969.37

- vi. Balances appearing under the head trade payables, trade receivables, loans and advances are subject to confirmation, adjustments, if any, on the receipt/reconciliation of such accounts.
- vii. In terms of accounting standard AS 28 on impairment of assets, there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognised during the year under review.

## viii. Value of Direct Imports (CIF Value)

	<b>Year Ended 31<sup>st</sup> March, 2015</b>	<b>Year Ended 31<sup>st</sup> March, 2014</b>
A Raw Materials	<b>14,625.15</b>	9,575.21
B Cost of traded goods	<b>10,056.33</b>	5,745.52
C Components, stores and spares	<b>129.60</b>	121.33
D Capital Goods	<b>Nil</b>	Nil
<b>Total:</b>	<b>24,811.09</b>	15,442.06

## ix. Consumption of Raw Material, Stores and Spares

<b>Particulars</b>	<b>Year Ended 31<sup>st</sup> March, 2015</b>		<b>Year Ended 31<sup>st</sup> March, 2014</b>	
	<b>₹ in million</b>	<b>% of total consumption</b>	<b>₹ in million</b>	<b>% of total consumption</b>
<b>Raw material</b>				
Imported*	<b>25,600</b>	<b>58%</b>	27,061	62%
Domestic	<b>18,364</b>	<b>42%</b>	16,908	38%
<b>Total</b>	<b>43,964</b>	<b>100%</b>	43,969	100%
<b>Stores, spares &amp; S</b>				
Imported	<b>125</b>	<b>16%</b>	17	5%
Domestic	<b>632</b>	<b>84%</b>	338	95%
<b>Total</b>	<b>757</b>	<b>100%</b>	355	100%

\* Includes imported material purchased on high seas and payment made in Rupees

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## x. Expenditure in Foreign Currency

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
A Interest	587.02	579.88
B Travelling expenses	8.28	14.04
C Others	8.61	27.87
<b>Total:</b>	<b>603.91</b>	621.79

## xi. Dividends remitted in Foreign Currency

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
Dividends remitted in Foreign Currency	-	0.60
Year to which dividend relates	-	2012-13
Number of non-resident share holders	-	1
Number of shares held by them	-	1,200,000

## xii. Earnings in Foreign Currency

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
A FOB Value of Exports	36,054.76	30,641.60
B Sale of Services	22.78	128.86
C Dividend from Foreign Subsidiary	-	335.46
<b>Total :</b>	<b>36,077.54</b>	31,105.92

## xiii. Auditors Remuneration

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
A Audit Fee	4.80	4.00
B Certification charges	0.80	0.60
C Tax audit services	0.80	0.60
D Reimbursement of expenses	0.55	0.48

- xiv.** In accordance with Companies (Accounting Standards) Amendment Rules 2009 as amended by Companies (Accounting Standards) (Second Amendment ) Rules 2011 as per AS-11, the Company exercised the option of adjusting exchange differences arising on long term foreign currency monetary items related to acquisition of depreciable capital assets in the cost of assets to be depreciated over the balance life of the assets and other long term monetary item in the "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the period of loan.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## xv. Defined Benefit plans

S. No	Particulars	Gratuity Benefits		Compensated Absences	
		31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
<b>1</b>	<b>Components of Employer Expenses</b>				
	Current Service cost	9.29	8.51	14.67	4.56
	Interest Cost	4.70	4.32	2.66	2.89
	Expected return on plan assets	(6.53)	(5.73)	0.00	0.00
	Actuarial Losses /(Gain)	9.64	(10.40)	13.73	(5.15)
	<b>Total Expenses recognised in P&amp;L</b>	<b>17.10</b>	<b>(3.30)</b>	<b>31.06</b>	<b>2.30</b>
<b>2</b>	<b>Actual Contribution and benefits paid during the year</b>				
	Actual Benefits paid	5.18	2.90	12.20	5.37
	Actual Contribution	2.83	11.60	0.00	0.00
<b>3</b>	<b>Net Assets/(Liability) recognised in the balance sheet as on 31.03.2015</b>				
	Present Value of Defined Benefit Obligation (DBO)	(72.66)	(54.26)	(54.16)	(35.30)
	Fair Value of Plan Asset	77.87	73.79	0.00	0.00
	<b>Net Assets/(Liability) recognised in the balance sheet</b>	<b>5.21</b>	<b>19.53</b>	<b>(54.16)</b>	<b>(35.30)</b>
<b>4</b>	<b>Change in DBO during the year ended 31<sup>st</sup> March 2015</b>				
	Present value of DBO at beginning of the year	54.26	54.73	35.30	38.37
	Current Service Cost	9.29	8.51	14.67	4.56
	Interest Cost	4.70	4.32	2.66	2.89
	Actuarial Losses/(Gains)	9.58	(10.40)	13.73	(5.15)
	Benefit paid	(5.18)	(2.90)	(12.20)	(5.37)
	<b>Present value of DBO at end of the year</b>	<b>72.65</b>	<b>54.26</b>	<b>54.16</b>	<b>35.30</b>
<b>5</b>	<b>Change in Fair Value of Assets during the year ended 31.03.2015</b>				
	Plan Assets at beginning of the year	73.74	59.36	0.00	0.00
	Actual return on plan Assets	6.53	5.73	0.00	0.00
	Actual Company contribution	2.83	11.60	0.00	0.00
	Actuarial (Losses)/Gains	(0.06)	(0.05)	0.00	0.00
	Benefits paid	(5.17)	(2.90)	0.00	0.00
	<b>Plan Assets at end of the year</b>	<b>77.87</b>	<b>73.74</b>	<b>0.00</b>	<b>0.00</b>
<b>6</b>	<b>Experience Adjustments</b>				
	Experience Adjustments on Plan Liabilities	(0.49)	(4.72)	8.08	(1.27)
	Actuarial Loss/(Gain) due to change in assumptions	10.08	(5.68)	5.65	(3.89)
	Experience Adjustments on Plan Assets	0.06	0.05	0.00	0.00
	<b>Net Actuarial Loss/ (Gain) for the year</b>	<b>9.65</b>	<b>(10.35)</b>	<b>13.73</b>	<b>(5.16)</b>
<b>7</b>	<b>Actuarial Assumptions</b>				
	Discount Rate	7.70%	9.10%	7.70%	9.10%
	Expected Return on Plan Assets	8.25%	9.00%	NA	NA
	<b>Salary Escalation</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## xvi. Primary Segment Reporting for the year ended 31<sup>st</sup> March, 2015

Particulars	SUGAR		TRADING		CO-GENERATION		ETHANOL		OTHER		ELIMINATIONS		TOTAL	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>REVENUE</b>														
External sales	41,766.54	53,186.16	10,314.34	6,729.53	1,887.72	1,806.33	3,412.08	3,456.93	61.27	44.86	-	-	57,441.95	65,223.81
Inter-segment sales	2,483.44	2,472.42	-	-	2,899.01	2,667.31	-	-	-	-	(5,382.45)	(5,139.73)	-	-
<b>Total Revenue</b>	<b>44,249.98</b>	<b>55,658.58</b>	<b>10,314.34</b>	<b>6,729.53</b>	<b>4,786.73</b>	<b>4,473.64</b>	<b>3,412.08</b>	<b>3,456.93</b>	<b>61.27</b>	<b>44.86</b>	<b>(5,382.45)</b>	<b>(5,139.73)</b>	<b>57,441.95</b>	<b>65,223.81</b>
Results	(439.86)	(483.39)	(4.73)	(79.82)	433.39	283.20	869.41	707.34	18.77	(3.03)	-	-	876.98	424.30
Unallocated corporate expenses													669.94	680.76
<b>Operating profit</b>													207.04	(256.46)
Financial expenses													3,361.71	3,182.04
Other income													38.85	547.31
<b>Profit from ordinary activities</b>													(3,115.82)	(2,891.19)
Exceptional items													(1,342.01)	(3,316.84)
<b>Net Profit</b>													(4,457.83)	(6,208.03)
<b>OTHER INFORMATION</b>														
Segment assets	32,874.06	29,023.47	373.33	648.42	8,254.81	8,331.26	4,526.02	4,152.72	168.21	157.59	-	-	46,196.43	42,313.46
Unallocated corporate assets	-	-	-	-	-	-	-	-	-	-	-	-	24,997.87	24,257.69
<b>Total Assets</b>	<b>32,874.06</b>	<b>29,023.47</b>	<b>373.33</b>	<b>648.42</b>	<b>8,254.81</b>	<b>8,331.26</b>	<b>4,526.02</b>	<b>4,152.72</b>	<b>168.21</b>	<b>157.59</b>	<b>-</b>	<b>-</b>	<b>71,194.30</b>	<b>66,571.15</b>
Segment liabilities	19,169.24	12,225.06	7.06	8.71	327.13	459.66	111.40	134.06	7.37	13.45	-	-	19,622.20	12,840.94
Unallocated corporate liabilities	-	-	-	-	-	-	-	-	-	-	-	-	36,194.34	40,373.30
<b>Total Liabilities</b>	<b>19,169.24</b>	<b>12,225.06</b>	<b>7.06</b>	<b>8.71</b>	<b>327.13</b>	<b>459.66</b>	<b>111.40</b>	<b>134.06</b>	<b>7.37</b>	<b>13.45</b>	<b>-</b>	<b>-</b>	<b>55,816.54</b>	<b>53,214.24</b>
Capital expenditure	55.56	238.09	-	-	91.97	116.82	2.08	(10.07)	2.06	29.37	-	-	151.67	374.21
Unallocated corporate capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	24.79	155.76
<b>Total Capital Expenditure</b>	<b>55.56</b>	<b>238.09</b>	<b>-</b>	<b>-</b>	<b>91.97</b>	<b>116.82</b>	<b>2.08</b>	<b>(10.07)</b>	<b>2.06</b>	<b>29.37</b>	<b>-</b>	<b>-</b>	<b>176.46</b>	<b>529.97</b>
Depreciation	942.13	958.25	-	-	450.76	502.64	114.81	155.21	6.06	5.16	-	-	1,513.76	1,621.26
Unallocated corporate depreciation	-	-	-	-	-	-	-	-	-	-	-	-	42.37	35.10
<b>Total Depreciation</b>	<b>942.13</b>	<b>958.25</b>	<b>-</b>	<b>-</b>	<b>450.76</b>	<b>502.64</b>	<b>114.81</b>	<b>155.21</b>	<b>6.06</b>	<b>5.16</b>	<b>-</b>	<b>-</b>	<b>1,556.13</b>	<b>1,656.36</b>

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## Primary Segment Information (by business segments)

### Composition of business segment

Segment

- |                   |   |
|-------------------|---|
| (a) Sugar         | White Sugar, Molasses, Baggasse   |
| (b) Trading       | Trading of White and Raw Sugar, Coal, Molasses, MG Alcohol                              |
| (c) Co-Generation | Electricity, Steam, Coal ash, Bagasse ash   |
| (d) Ethanol       | De-natured Ethanol, Rectified Spirit, De-natured Spirit, Extra-nature Alcohol, Ethanol, |
| (e) Other         | Bio-Compost, Press Mud.   |

### Secondary Segment Information:

	2014-15	2013-14
<b>Segment Revenue</b>		
- Within India	21,387.19	34,582.21
- Outside India	36,054.76	30,641.60
<b>Total Revenue</b>	<b>57,441.95</b>	65,223.81
<b>Segment Assets</b>		
- Within India	52,103.38	46,946.39
- Outside India	19,090.92	19,624.76
<b>Total Assets</b>	<b>71,194.30</b>	66,571.15
<b>Segment Liabilities</b>		
- Within India	38,904.20	35,400.00
- Outside India	16,912.34	17,814.24
<b>Total Liabilities</b>	<b>55,816.54</b>	53,214.24
<b>Capital Expenditure</b>		
- Within India	176.46	529.97
- Outside India	-	-
<b>Total Capital Expenditure</b>	<b>176.46</b>	529.97
<b>Depreciation</b>		
- Within India	1,556.13	1,656.36
- Outside India	-	-
<b>Total Depreciation</b>	<b>1,556.13</b>	1,656.36

Notes :

- Revenue is bifurcated based on sales to customers situated within India and Outside India.
- Segment Assets' Investments, Loans and Advances, Trade Receivables and other assets bifurcated based on situated within India and Outside India.
- Segment Liabilities' Borrowings, Trade Payables and Other Liabilities bifurcated based on situated within India and Outside India.



# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## xvii. Related Party Disclosures

### Related parties

#### (a) Subsidiary Companies

- i. Renuka Commodities DMCC, Dubai (UAE)
- ii. Parana Global Trading (FZE), Sharjah (UAE)
- iii. Shree Renuka Agri Ventures Limited
- iv. KBK Chem-Engineering Private Limited
- v. Gokak Sugars Limited
- vi. Shree Renuka Global Ventures Limited, Mauritius
- vii. Lanka Sugar Refinery Company (Private) Limited, Srilanka.
- viii. Monica Trading Private Limited (formerly Monica Realators & Investments Private Limited)
- ix. Shree Renuka East Africa Agriventures PLC, Ethiopia.
- x. Shree Renuka Tunaport Private Limited
- xi. Shree Renuka International PTE, Singapore

#### (b) Associate Companies

- i. Khandepar Investments Private Limited
- ii. Vantamuri Trading and Investments Limited
- iii. Murkumbi Investments Private Limited
- iv. Renuka Energy Resource Holdings (FZE), Sharjah
- v. Damodar Resource Holdings (FZE), Sharjah
- vi. Ravindra Energy Limited (Shree Renuka Energy Limited merged with Ravindra Energy Limited w.e.f. 18th March 2014)
- vii. Agri Venture Trading and Investment Private Limited
- viii. Adani Wilmar Limited\*
- ix. Wilmar Sugar Pte Limited\*
- x. Great Wall - Wilmar Holding\*
- xi. Wilmar Continental\*

\* Became associate company on 27th May 2014

#### (c) Key Managerial Personnel

- i. Mrs. Vidya Murkumbi – Executive Chairperson
- ii. Mr. Narendra Murkumbi – Vice Chairman and Managing Director
- iii. Mr. Vijendra Singh – President and Whole Time Director
- iv. Mr. K. K. Kumbhat- Chief Financial Officer
- v. Mr. D.V. Iyer- Company Secretary and Compliance Officer.

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>(a) Transactions with Subsidiary Companies</b>		
<b>i) Renuka Commodities DMCC, Dubai</b>		
<b>1 Nature of transaction</b>	<b>Advances Paid</b>	<b>Advances Paid</b>
Volume of transactions during the period	(77.05)	38.02
Interest Income on advances	29.70	6.43
Advance for purchase/(refund) of Raw Sugar	75.81	-
Outstanding as at the end of the period	85.01	56.55
<b>2 Nature of transaction</b>	<b>Dividend receivable</b>	<b>Dividend receivable</b>
Volume of transactions during the period	-	335.46
Outstanding as at the end of the period	-	-
<b>3 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	-
Outstanding as at the end of the period	4.97	4.97
<b>ii) Parana Global Trading (FZE)</b>		
<b>1 Nature of transaction</b>	<b>Advances Refunded</b>	<b>Advances Refunded</b>
Volume of transactions during the period	-	(23.31)
Outstanding as at the end of the period	-	-
<b>2 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	9.51
Investment in subsidiary	11.18	11.18
<b>iii) Shree Renuka Agri Ventures Ltd</b>		
<b>1 Nature of transaction</b>	<b>Purchase/Sale</b>	<b>Purchase/Sale</b>
Advance for Purchases and Others	2,474.44	10,652.21
Purchase of Raw Sugar	(2,498.53)	(11,496.35)
Rent	8.26	18.09
Interest Income on advances	13.98	2.49
Outstanding as at the end of the period	145.68	147.53
<b>2 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	-
Investment in subsidiary	2.50	2.50
<b>iv) KBK Chem Engineering Pvt. Ltd</b>		
<b>1 Nature of transaction</b>	<b>Advance paid</b>	<b>Advance paid</b>
Volume of transactions during the period	107.31	160.96
Interest Income on advances	95.36	69.92
Outstanding as at the end of the period	975.87	773.20
<b>2 Nature of transaction</b>	<b>Purchase and sale</b>	<b>Purchase and sale</b>
Purchase of Plant & machinery	(24.19)	(22.77)
Advance for purchase	25.42	21.95
Outstanding as at the end of the period	1.00	(0.23)
<b>3 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	-
Investment in subsidiary	547.92	547.92

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>v) Gokak Sugars Ltd.</b>		
<b>1 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	-
Investment in subsidiary	<b>187.26</b>	187.26
<b>2 Nature of transaction</b>	<b>Advances Paid</b>	<b>Advances Paid</b>
Advance paid/(refunded) during the period	<b>568.28</b>	(1,014.59)
Interest Income on advances	<b>50.70</b>	72.01
<b>3 Nature of transaction</b>	<b>Purchase and sales</b>	<b>Purchase and sales</b>
Purchases of Byproducts of Sugar	<b>(176.40)</b>	(128.26 )
Purchase of Sugar	-	( 45.00 )
Purchase of Stores and Spares	<b>(0.60)</b>	(20.93 )
Sales and others	<b>4.33</b>	2.15
Sale of Services	<b>48.49</b>	50.00
Outstanding as at the end of the period	<b>494.80</b>	-
<b>vi) Shree Renuka Global Ventures Ltd , Mauritius</b>		
<b>1 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	3.26
Investment in subsidiary	<b>18,219.00</b>	18,219.00
<b>2 Nature of transaction</b>	<b>Advances Paid</b>	<b>Advances Paid</b>
Volume of transactions during the period	-	(3.26)
Outstanding as at the end of the period	-	-
<b>vii) Monica Trading Pvt. Ltd. (formerly Monica Realators and Investments Private Limited)</b>		
<b>1 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	-
Investment in subsidiary	<b>171.52</b>	171.52
<b>2 Nature of transaction</b>	<b>Inter Corporate Deposit</b>	<b>Inter Corporate Deposit</b>
Volume of transactions during the period	<b>(5.60)</b>	(64.13)
Interest Income on advances	<b>27.29</b>	30.06
Outstanding as at the end of the period	<b>266.92</b>	245.23
<b>3 Nature of transaction</b>	<b>Advances Refund</b>	<b>Advances Refund</b>
Volume of transactions during the period	-	(13.05)
Outstanding as at the end of the period	-	-
<b>4 Nature of transaction</b>	<b>Rent Payable</b>	<b>Rent Payable</b>
Volume of transactions during the period	<b>11.98</b>	21.57
Outstanding as at the end of the period	-	-

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>viii) Shree Renuka East Africa Agriventures PLC</b>		
<b>1 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	-
Investment in subsidiary	5.19	0.59
<b>2 Nature of transaction</b>	<b>Advances Paid</b>	<b>Advances Paid</b>
Volume of transactions during the period	0.00	0.01
Outstanding as at the end of the period	0.04	0.04
<b>ix) Lanka Sugar Refinery Company (Private) Limited, Srilanka</b>		
<b>1 Nature of transaction</b>	<b>Advances Paid</b>	<b>Advances Paid</b>
Volume of transactions during the period	0.00	0.88
Outstanding as at the end of the period	1.19	1.19
<b>x) Shree Renuka Tunaport Private Limited</b>		
<b>1 Nature of transaction</b>	<b>Investment</b>	<b>Investment</b>
Volume of transactions during the period	-	-
Investment in subsidiary	0.10	0.10
<b>2 Nature of transaction</b>	<b>Advances Paid</b>	<b>Advances Paid</b>
Volume of transactions during the period	0.17	0.60
Interest Income on advances	0.62	0.51
Outstanding as at the end of the period	6.22	5.43
<b>xi) Shree Renuka International PTE, Singapore</b>		
<b>1 Nature of transaction</b>	<b>Advances Paid</b>	<b>Advances Paid</b>
Volume of transactions during the period	(0.25)	0.25
Outstanding as at the end of the period	0.00	0.25
<b>B) Transactions with Associate Companies</b>		
<b>i) Renuka Energy Resource Holding (FZE)</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance paid	0.01	123.90
Purchase of Coal	-	(123.73)
Outstanding as at the end of the period	0.17	0.16
<b>ii) Ravindra Energy Limited</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance paid	0.06	5.38
Purchase of Coal	-	(5.44)
Outstanding as at the end of the period	19.60	(0.07)
	<b>Sales</b>	<b>Sales</b>
Sale of Sugar and Others	718.61	867.55
Receipt against Sale	(699.00)	(867.55)

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>iii) Vantamuri Trading And Investments Limited</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance for purchases	(4.42)	633.02
Purchase of Coal	-	(510.98)
Interest Income on advances	16.93	17.21
Outstanding as at the end of the period	150.04	137.53
	<b>Sales</b>	<b>Sales</b>
Sale of Investments	-	1.50
<b>iv) Adani Wilmar Limited</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance for purchases	47.84	NA
Purchases	(8,503.82)	NA
Payment against Purchases	6,182.63	NA
	<b>Sales</b>	<b>Sales</b>
Sale of Sugar	5.15	NA
Receipts against sale of Sugar	(5.15)	NA
Rent	0.10	NA
Outstanding as at the end of the period	(2,230.19)	43.06
<b>v) Wilmar Sugar Pte Limited</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance for purchases	5,174.41	NA
Purchase of Raw Sugar	(9,615.72)	NA
	<b>Sales</b>	<b>Sales</b>
Sale of Sugar	1,119.68	NA
Receipts against sale of Sugar	(1,103.64)	NA
Outstanding as at the end of the period	(4,414.83)	10.44
<b>vi) Great Wall - Wilmar Holdings Limited</b>		
<b>1 Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sale of Services	0.17	-
Outstanding as at the end of the period	-	-
<b>vii) Wilmar Sugar Holding Pte. Ltd.</b>		
<b>1 Nature of transaction</b>	<b>Equity Contribution</b>	<b>Equity Contribution</b>
Volume of transaction	5,170.43	-
<b>C (a) Transactions with Key Management Personnel (Directors)</b>		
Remuneration including contributions to PF	47.30	57.91
Outstanding remuneration payable	-	0.12
<b>Nature of transaction</b>	<b>Rent Paid</b>	<b>Rent Paid</b>
Volume of transactions during the year	3.78	2.88
Outstanding as at the end of the year	-	0.71
	<b>Loans/Advances</b>	<b>Loans/Advances</b>
Loans/Advances given during the year	2.50	-
(Repayment of Loans)/Advances during the year	(0.21)	-
Outstanding as at the end of the year	2.29	-
<b>(b) Transactions with Key Management Personnel (Others)</b>		
Remuneration including contributions to PF	20.98	NA
	<b>Loans /Advances</b>	<b>Loans/Advances</b>
Loans/Advances given during the year	1.45	NA
(Repayment of Loans)/Advances during the year	(5.05)	NA
Outstanding as at the end of the year	0.70	NA

# Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## xviii. Disclosure under clause 32 of the Listing Agreement:

Loan given to Subsidiary :

Name of the company	Amount Outstanding as on		Maximum amount outstanding any time during the year ended	
	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Renuka Commodities DMCC, Dubai	85.01	56.55	527.10	227.96
Shree Renuka Agri Ventures Ltd	145.68	147.53	151.50	147.53
KBK Chem Engineering Pvt. Ltd	975.87	773.20	975.87	773.20
Gokak Sugars Ltd.	494.80	-	884.94	1,254.63
Shree Renuka Global Ventures Ltd , Mauritius	-	-	-	3.26
Parana Global Trading (FZE)	-	-	-	23.31
Shree Renuka East Africa Agriventures PLC	0.04	0.03	0.04	0.03
Monica Trading Pvt Limited	266.92	245.23	266.92	298.75
Shree Renuka Tunaport Private Limited	6.22	5.43	6.22	5.43
Shree Renuka International PTE, Singapore	-	0.25	-	0.25

## xix. Derivative instruments and Unhedged foreign currency exposure

(a) Category wise nominal value of derivatives instruments outstanding is as under:

- **For Hedging currency and interest rate risks:**

Sr No.	Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
1	Forwards	11,623	2,587
2	Currency Swaps	1,480	3,617
3	Currency Options	(3,125)	2,198
4	Interest Rate Swaps	1,978	3,396
<b>TOTAL</b>		<b>11,956</b>	<b>11,798</b>

(b) Unhedged foreign currency exposures is as under:

Particulars	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Payables	9,164	17,187
Receivables	3,223	4,058

xx. During the year ended 31<sup>st</sup> March 2015, the Company has revised the useful lives of certain fixed assets as per useful life specified in schedule II of the Companies Act, 2013. Accordingly, the carrying value of fixed assets as on 1st April, 2014, has been depreciated over the revised remaining useful lives. As a result of this change, the net depreciation charge for the year ended 31<sup>st</sup> March 2015 is lower by ₹136.38 mn. Further, an amount of ₹ 73.83 mn (Net of deferred tax of ₹ 38.02 mn) representing the carrying value of assets, whose remaining useful life is Nil, as at 1st April, 2014, has been charged to the opening balance of retained earnings as per the transitional provision prescribed in note 7(b) of Schedule II of the Companies Act, 2013.



## Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

**xxi.** For payment of managerial remuneration to Mrs. Vidya Murkumbi and Mr. Vijendra Singh, Whole time directors of the Company, the company has obtained the share holder's approval by way of special resolution, and permission of the Central government is pending

### **xxii. Details of Loan Given, Investments made and Guarantee Given Covered U/S 186 (4) of the Companies Act, 2013**

- a) Loans given to Subsidiaries for business purpose and disclosed in Note 33 (xviii).
- b) Investments made are disclosed in Note 13
- c) Corporate Guarantees given by the company in respect of loans as at 31<sup>st</sup> March 2015

Sr No	Name of the Company	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	Purpose of Guarantees Given
1	Gokak Sugars Limited	<b>662.46</b>	1,113.53	Loan from Banks and Financial Institution
2	KBK Chem-Engineering Pvt. Ltd.	<b>261.59</b>	322.27	Loan from Banks and Financial Institution
3	Renuka Commodities DMCC	<b>14,199.10</b>	15,980.31	Loan from Banks and Financial Institution
4	Renuka Vale Do Ivai S/A	<b>1,115.49</b>	1,026.67	Loan from Banks and Financial Institution
5	Others	-	32.88	Loan from Banks and Financial Institution

**xxiii.** Previous year's figures have been regrouped /rearranged wherever necessary to confirm to the current year grouping.

To be read with our report of even date For and on behalf of the Board

### **For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn. No. 0049825

#### **K. N. Prabhashankar**

Partner

Membership No: 19575

Place: Mumbai

Date : May 21, 2015

#### **Vidya Murkumbi**

Executive Chairperson

DIN: 00007588

#### **K. K. Kumbhat**

Chief Financial Officer

#### **Narendra Murkumbi**

Vice Chairman & Managing Director

DIN: 00009164

#### **D. V. Iyer**

Company Secretary

ACS No.:13004

# Independent Auditors' Report

To the Members of

SHREE RENUKA SUGARS LIMITED

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SHREE RENUKA SUGARS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## Management's Responsibility for the consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

## Emphasis of Matter

- 1) We draw attention to Note 5 to the Consolidated financial statements in respect of the provision of Deferred Tax Asset on unabsorbed business losses wherein the Group represents that there is virtual certainty of future taxable profits that will be available for setting off Unabsorbed Business Losses. We have relied on such representation and our Opinion is not qualified in respect of this matter.
- 2) Without qualifying our opinion, we draw attention on the recoverable amount of the investments made by Shree Renuka Global Ventures Limited in Shree Renuka do Brasil Participacoes Ltda. These investments are stated at their carrying amounts of USD 476,348,019 (Equivalent to ` 22,726.07 Mn) as the fair value cannot be reliably measured. The Company has assessed the recoverable amounts of these investments and confirm that the carrying amounts of these investments have not suffered any impairment in value.

## Other Matters

We did not audit the financial statements / financial information of Six subsidiaries whose financial statements / financial information reflect total assets of ` 101,408.63 Mn as at 31<sup>st</sup> March, 2015, total revenues of ` 46,298.08 Mn and net cash flows amounting to ` (521.48) Mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this report is in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory

auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

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

- i. The Group have disclosed the impact of pending litigations on its financial position in its Consolidated financial statements – Refer Note 34(iii) to the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn No. 0049825

**K. N. Prabhashankar**

Partner

Membership No. 019575

Place: Mumbai

Date: May 21, 2015

## Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Shree Renuka Sugars Limited for the year ended March 31, 2015. We report that:

- i) a) The Holding Company and its subsidiaries in India have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All fixed assets have been physically verified by the management during the year periodically which is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- ii) a) With regard to inventory, physical verification has been conducted by the management at reasonable intervals.
- b) The procedure of physical verification of stocks followed by the management is reasonable and is adequate in relation to the size of the Holding Company and its subsidiaries in India and nature of their business.
- c) The Holding Company and its subsidiaries in India is maintaining proper records of inventory. No significant material discrepancies were noticed on the physical verification of stocks and the differences between the book stocks and the physical stocks have been properly dealt with in the books of account.
- iii) The reporting in respect of the loans, secured or unsecured granted by the Company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 is not applicable for Consolidated Financial Statements.
- iv) On the basis of checks carried out during the course of audit and as reported to us by other auditors, we are of the opinion that with regard to purchase of inventory and fixed assets and for the sale of goods and services, there is an adequate internal control system commensurate with the size of the Holding Company and its subsidiaries in India and nature of their business. There is no continuing failure to correct major weaknesses in internal control system.
- v) The Holding Company and its subsidiaries in India have not accepted any deposits, hence reporting on clause (v) of the order is not applicable.

vi) The Central Government has prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013 for some products of Holding Company and some of its subsidiaries in India. We report that the respective auditors have broadly reviewed these records of the company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, a detailed examination of such records has not been carried out.

- vii) a) As per the books and records examined and reported by the respective auditors, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, Investor Education and Protection Fund and any other statutory dues with appropriate authorities outstanding as at 31<sup>st</sup> March 2015 for a period exceeding six months from the date they became payable.
- b) As per the records examined by us and based on the reports of the other auditors, the disputed statutory dues aggregating to ₹ 739.69 Million that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

SI No	Name of the Statute	Nature of Dues	Amount (₹ in Mn)	Period	Forum where Dispute is pending
1	Maharashtra Value Added Tax/CST	VAT credit/CST	8.05	2007-08 & 2008-09	Maharashtra Value added tax appeal Kolhapur
2	Central Excise Act 1944	Excise Duty	9.95	April 2008 to Sept. 2012	Commissioner of Central Excise Appeal
			344.13	Various Years (2004-2012)	CESTAT
			3.73	May 2008 to June 2010	Bombay High Court
			3.65		Supreme Court of India
3	Finance Act 1994	Service Tax	3.76	July 2005 to Sept. 2011	Commissioner of Central Excise Appeal
			16.10	April 2009 to April 2011	CESTAT
4	Custom Act 1962	Custom Duty	249.03	2004	Supreme Court of India
5	Income Tax Act 1961	Income Tax	101.29	2008-09 & 2009-10	Commission of Income Tax
<b>Grand Total</b>			<b>739.69</b>		

viii) The Holding Company and its subsidiaries in India have accumulated losses at the end of financial year but such loss has not exceeded in excess of 50% of its Net Worth. The Holding Company and its subsidiaries in India have incurred cash loss for the financial year of the reporting period and also for the immediate preceding financial year.

ix) The Holding Company and some of its subsidiaries in India have borrowed funds from banks, financial institutions and also has raised funds by way of debentures. There is no default in repayment of dues to banks, financial institutions and debentureholders.

x) The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interests of the company.

xi) The term loans borrowed during the year have been utilised for the purposes for which they were raised.

xii) As per information and explanations given to us and on the basis of our examinations of books and records and as reported to us by other auditors, there were no frauds on or by the company has been noticed or reported during the year.

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn No. 0049825

**K. N. Prabhashankar**

Partner

Membership No. 019575

Place: Mumbai

Date: May 21, 2015



# Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	<b>928.81</b>	671.32
(b) Reserves and Surplus	3	<b>(24,353.97)</b>	(5,636.05)
<b>(2) Share Application money pending Allotment</b>		-	-
<b>(3) Minority Interest</b>		<b>15.62</b>	22.76
<b>(4) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	<b>39,252.39</b>	50,197.05
(b) Deferred Tax Liabilities (Net)	5	-	-
(c) Other Long-Term Liabilities	6	<b>1,848.30</b>	3,356.75
(d) Long-Term Provisions	7	<b>773.11</b>	812.04
<b>(5) Current Liabilities</b>			
(a) Short-Term Borrowings	8	<b>26,266.33</b>	28,694.42
(b) Trade Payables	9	<b>32,955.01</b>	26,200.25
(c) Other Current Liabilities	10	<b>31,975.64</b>	25,180.29
(d) Short-Term Provisions	11	<b>5.36</b>	7.03
<b>Total</b>		<b>109,666.60</b>	129,505.86
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	12A	<b>52,835.21</b>	69,876.96
(ii) Intangible Assets	12B	<b>7,242.83</b>	9,823.70
(iii) Capital Work-in-Progress-Tangible		<b>330.87</b>	318.92
(iv) Intangible assets under development		-	-
(b) Non-Current Investments	13	<b>824.16</b>	1,641.68
(c) Deferred tax assets (net)	5	<b>3,550.64</b>	1,862.43
(d) Long-Term Loans and Advances	14	<b>6,020.62</b>	6,956.58
(e) Other Non-Current Assets	15	<b>833.30</b>	1,095.46
<b>(2) Current Assets</b>			
(a) Current Investments	16	<b>22.72</b>	27.70
(b) Inventories	17	<b>22,326.00</b>	22,775.10
(c) Trade Receivables	18	<b>6,168.68</b>	6,442.75
(d) Cash and Bank Balances	19	<b>1,302.28</b>	1,614.85
(e) Short-Term Loans and Advances	20	<b>8,152.85</b>	6,995.31
(f) Other Current Assets	21	<b>56.44</b>	74.42
<b>Total</b>		<b>109,666.60</b>	129,505.86

## Accompanying Notes 1 to 34 form part of the financial statements

To be read with our report of even date

For and on behalf of the Board of Directors

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn No: 0049825

**K. N. Prabhashankar**

Partner

Membership No: 19575

**Vidya Murkumbi**

Executive Chairperson

DIN: 00007588

**Narendra Murkumbi**

Vice Chairman &amp; Managing Director

DIN: 00009164

Place: Mumbai

Date : May 21, 2015

**K. K. Kumbhat**

Chief Financial Officer

**D. V. Iyer**

Company Secretary

ACS No.:13004

# Consolidated Statement of Profit & Loss Account

for the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Note	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>Revenue from Operations</b>	22	<b>103,950.77</b>	119,018.57
Less: Excise Duty		<b>3,074.83</b>	3,554.27
		<b>100,875.94</b>	115,464.30
Other Income	23	<b>464.90</b>	651.60
<b>Total Revenue</b>		<b>101,340.84</b>	116,115.90
<b>EXPENDITURE</b>			
Cost of Material Consumed	24	<b>70,645.79</b>	57,450.97
Purchase of Stock-in-trade	25	<b>20,686.15</b>	29,725.09
Changes in Inventory of Finished Goods, Work-in-Progress & Stock-in-Trade	26	<b>(3,823.78)</b>	9,415.99
Employee Benefit Expenses	27	<b>2,531.71</b>	2,452.00
Financial Costs	28	<b>9,222.22</b>	9,590.75
Depreciation and Amortisation Expense	29	<b>9,912.72</b>	10,760.75
Other Expenses	30	<b>6,538.05</b>	7,191.34
<b>Total Expenses</b>		<b>115,712.86</b>	126,586.89
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>(14,372.02)</b>	(10,470.99)
<b>Exceptional Items</b>			
Forex Gain /(Loss)	31	<b>(6,513.98)</b>	(6,318.53)
<b>Profit/(Loss) before extraordinary items and tax</b>		<b>(20,886.00)</b>	(16,789.52)
<b>Extraordinary Items</b>		-	-
<b>Profit/(Loss) Before Tax</b>			
Current Tax	32	-	185.67
Deferred tax		<b>(2,750.12)</b>	(2,185.56)
<b>Profit / (Loss) after tax but before minority interest</b>		<b>(18,135.88)</b>	(14,789.63)
Profit/(Loss) attributable to Minority Shareholders		<b>(7.14)</b>	(9.82)
<b>Profit/(Loss) for the year</b>		<b>(18,128.74)</b>	(14,779.81)
<b>Earnings per Share</b>			
Basic	33	<b>(20.39)</b>	(22.02)
Diluted		<b>(20.39)</b>	(22.02)
[Nominal value of shares Re. 1/- each]			

**Accompanying notes 1 to 34 form part of the financial Statements**

To be read with our report of even date

For and on behalf of the Board of Directors

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn No: 0049825

**K. N. Prabhashankar**

Partner

Membership No: 19575

**Vidya Murkumbi**

Executive Chairperson

DIN: 00007588

**Narendra Murkumbi**

Vice Chairman & Managing Director

DIN: 00009164

Place: Mumbai

Date : May 21, 2015

**K. K. Kumbhat**

Chief Financial Officer

**D. V. Iyer**

Company Secretary

ACS No.:13004

## Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before Tax	(20,886.00)	(16,789.52)
<b>Adjustments to reconcile profit / (loss) before tax to net cash provided by operating activities:</b>		
Depreciation and Amortisation including preoperative	9,912.72	10,760.75
Financial expenses	9,222.22	9,590.75
Loss/(Profit) on sale of fixed assets	191.20	(71.03)
Dividend Income	(3.88)	(10.88)
Loss from sale of investments	(17.18)	(19.47)
Exchange Fluctuations (net)	6,513.98	6,318.53
Opening Reserves of subsidiaries ceased to exist transferred	-	3.83
Foreign Currency Translation Reserve	(1,236.45)	(3,443.51)
Amortisation of Expenses	13.76	26.38
<b>Operating profit before working capital changes</b>	<b>3,710.37</b>	<b>6,365.83</b>
<b>Changes in operating assets and liabilities:</b>		
Trade receivables	535.60	(4,517.72)
Other receivables	(609.14)	4,996.53
Inventory	(1,629.35)	14,910.48
Trade and other payables	5,359.48	(19,766.39)
<b>Cash generated from operations</b>	<b>7,366.96</b>	<b>1,988.73</b>
Income Tax (net)	(24.67)	250.06
<b>Net Cash Flow From Operating Activities</b>	<b>7,342.29</b>	<b>2,238.79</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets (including goodwill)	(1,894.49)	(3,027.65)
Proceeds from sale of fixed assets	1,959.64	2,310.07
Proceeds from sale of investments	839.68	-
Purchase of Investments (net)	-	703.73
Dividend Income	3.88	10.88
<b>Net Cash Flow From Investing Activities</b>	<b>908.71</b>	<b>(2.97)</b>

## Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	<b>Year Ended 31<sup>st</sup> March, 2015</b>	Year Ended 31 <sup>st</sup> March, 2014
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Equity Shares	<b>257.49</b>	-
Share premium	<b>4,740.22</b>	-
Exchange Fluctuations (net)	<b>(5,532.57)</b>	(6,318.53)
Dividend paid	<b>(1.28)</b>	(334.09)
Proceeds/(Repayment) from long-term borrowings(net)	<b>3,365.54</b>	(4,394.16)
Net Increase/(Decrease) in Working Capital Borrowings	<b>(2,428.09)</b>	14,432.91
Repayment of Deferred Purchase Tax	<b>(52.13)</b>	(52.13)
Finance Cost	<b>(9,329.83)</b>	(7,415.13)
<b>Net Cash Flow From Financing Activities</b>	<b>(8,980.65)</b>	(4,081.13)
<b>Net increase in cash and cash equivalents</b>	<b>(729.65)</b>	(1,845.31)
Opening cash and cash equivalents	<b>1,329.13</b>	3,174.44
<b>Closing cash and cash equivalents</b>	<b>599.48</b>	1,329.13

To be read with our report of even date

For and on behalf of the Board of Directors

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn No: 004982S

**K. N. Prabhashankar**

Partner

Membership No: 19575

Place: Mumbai

Date : May 21, 2015

**Vidya Murkumbi**

Executive Chairperson

DIN: 00007588

**K. K. Kumbhat**

Chief Financial Officer

**Narendra Murkumbi**

Vice Chairman & Managing Director

DIN: 00009164

**D. V. Iyer**

Company Secretary

ACS No.:13004

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

## Note 1. Significant Accounting Policies:

All amounts in million Indian Rupees, unless otherwise stated.

### a. Basis of presentation:

The accompanying financial statements have been presented for the year ended 31<sup>st</sup> March, 2015 along with comparative information for the year ended 31<sup>st</sup> March, 2014. The accompanying financial statements have been prepared on going concern basis under the historical cost convention on the accrual basis of accounting in conformity with accounting principles generally accepted in India ("Indian GAAP") and the relevant provisions prescribed in the Companies Act 2013, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India and of the Securities and Exchange Board of India. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year, except as stated hereunder.

### b. Consolidation:

The accompanying Consolidated Financial Statements comprise the accounts of Shree Renuka Sugars Limited and its direct and indirect subsidiaries after eliminating all material inter-company accounts, transactions, profits and losses. A subsidiary is an entity in which the Group has either direct or indirect majority ownership interest and has the power to control the financial and operating policies of that entity.

### b. Use of estimates:

In preparing the Company's financial statements in conformity with accounting principles generally accepted in India, the Company's management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise.

### c. Fixed assets:

Fixed assets (Tangible and Intangible) are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Expenditure incurred during construction period has been added to the cost of the assets. These expenses have been allocated to the sugar, power generation and ethanol units on a reasonable basis. Subsidy received from the Government has been reduced from value of the respective assets.

### d. Borrowing costs:

Interest and other costs in connection with the borrowings of funds to the extent attributable to the acquisition or construction of qualifying assets or capitalized as part of the cost of such asset till such time the asset is ready for its intended use.

All other borrowings costs are recognised in the statement of profit and loss in the period in which they are incurred.

### e. Depreciation:

- Other than Brazilian Companies-** Depreciation is provided in the manner prescribed in Schedule II of the Companies Act, 2013. The Carrying Value of Companies assets are depreciated over the remaining useful life of the asset, using the Straight line method of depreciation. Carrying Value of Assets having zero useful life is adjusted in the Opening Balance of retained earnings.
- For Brazilian Companies-** The residual and useful life of assets and depreciation method are reviewed at each year end and adjusted prospectively. Depreciation is calculated on Straight Line Method. Maintenance expenses that results in extension of the useful life of assets are capitalised and the items that wear out during the year are recorded at the time of their replacement and depreciated over the period of next harvest season. Maintenance expenses with no impact on economic useful life of asset are recognised as expenses when realised.

### f. Leases:

- Lease Rentals:** Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. In case of long- term leases, the expenditure to the statement of profit and loss is recognized on the basis of equated lease rentals arrived at by allocating the total outflow of lease rentals on the entire contractual period over the period of the lease.
- Lease Income:** Lease income is recognized on accrual basis.

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

## **g. Investments:**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-Current investments. Current investments are carried at lower of cost or fair value/ market value, determined on an individual investment basis. Non-Current Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Profit/loss on sale of investments is computed with reference to their average cost.

## **h. Amalgamation:**

Accounting for Amalgamation is as per AS-14 of the Indian Accounting Standards as prescribed by The Institute of Chartered Accountants of India. The Goodwill arising on Amalgamation is amortised on the basis over its useful life but shall not exceed five years.

## **i. Inventories:**

Inventories are valued as follows:

Raw materials, stores and spares and packing materials

Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out ('FIFO') basis.

### **Finished goods**

Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods excludes excise duty.

Excise duty is generally provided on manufacture of goods, which are not exempt from the payment of duty. However, since the Company's finished goods are not segregated at the time of production into those for sale in domestic markets and those for sale in export markets, the Company is unable to determine the exact liability towards excise duty on finished goods. Accordingly, excise duty is provided/paid only at the time of clearance of the goods from the factory.

### **Work-in-process**

Lower of cost up to estimated stage of process and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.

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.

### **By- products**

By-products are valued at cost. Inter-unit transfers of by- products also include the cost of transportation, duties, etc.

### **Biological Assets**

Biological assets of the Company and its subsidiaries are represented by sugarcane used as raw material in the production of sugar and alcohol.

Sugar cane is classified as a permanent crop, whose economically viable production cycle on average is five years after its first cut.

The fair value of the sugar cane at harvest is determined by the quantities harvested, it is valued by the value of CONSECANA (Council of Sugar Cane Producers, sugar and São Paulo State Alcohol) accumulated in the respective month. The fair value of the harvested sugar cane will be the cost of the raw material used in the production of sugar and ethanol process.

## **j. Revenue recognition:**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, excise duty, sales returns.

Revenue from sale of power is recognised when the units generated are transmitted to the pooling station, in accordance with the terms and conditions of the power purchase agreement entered into by the Company with the purchasing parties.

Income from services is recognised as they are rendered (based on agreement/arrangement with the concerned customers).

Dividend income on investments is accounted for as and when the right to receive the payments is established.



# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

Income against claims of the company, viz., export incentives, insurance claims, etc., is recognised on accrual/right to receive basis.

## k. Foreign currency transactions:

### Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### Conversion

Foreign currency monetary items are reported using the closing rate at the date of the Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and investments in foreign companies are recorded at the exchange rates prevailing on the date of making the investments.

### Exchange Differences

Exchange Differences is charged to the revenue account except arising on account of such conversion related to the purchase of fixed assets is adjusted therewith, and other long term monetary items is adjusted in the Foreign Currency Monetary Item Translation Difference Account.

### Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the profit and loss account in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

## l. Derivative transactions:

Pursuant to the announcement on accounting for derivatives issued by the Institute of Chartered Accountants of India, the Company, in accordance with the principle of prudence as enunciated in AS-1, "Disclosure of Accounting Policies", provides for losses in respect of all outstanding derivative contracts at the Balance sheet date by marking them to market. Any net unrealized gains arising on such mark to market are not recognised as income.

## m. Employee benefits:

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of profit and loss of the year in which the related service is rendered.

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are paid to "The Regional Provident Fund Commissioner and the Central Provident Fund under the Pension Scheme". The Company recognises such contributions as expense of the year in which the liability is incurred.

The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to Gratuity Fund and the Company recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

## n. Income tax:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

Deferred income tax reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternate tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date.

**o. Miscellaneous expenditure:**

Preliminary expenses are written-off over a period of five years from the year of commencement of commercial production.

The Deferred Revenue Expenditure comprises of debenture issue expenses and expenses towards Increase in Authorised Capital, which is written off over a period of 5 years & expenses incurred on the lease units upto the date of production which is written off in proportion to the period of lease unexpired or 1/5th in case of long lease period.

**p. Government grants:**

Government grants in the nature of promoter's contribution are credited to capital reserve and treated as a part of Shareholder's funds. Other Government grants/ subsidy have been reduced from value of the respective assets.

**q. Financial derivatives and commodity futures:**

Transactions in financial derivatives and commodity futures are accounted based on the mode of final settlement. Transactions, which are ultimately settled net, without taking delivery, are recorded net with the gains/losses being recognised as income/expenses in the financial statements. Transactions, which stipulate physical delivery of the goods and where the company intends to take delivery, are recorded at gross, as purchases and sales as a part of the company's sugar manufacturing activities.

**r. Provisions, contingent liabilities and contingent assets:**

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- The Company has a present obligation as a result of a past event
- A probable outflow of resources is expected to settle the obligation and
- The amount of the obligation can be easily estimated.

Contingent Liability is disclosed in the case of

- A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A possible obligation, unless the probability of outflow of resources is remote.

Depending on facts of each case and after due evaluation of relevant legal aspects, claims against the Company not acknowledged as debts are disclosed as contingent liabilities. In respect of statutory matters, contingent liabilities are disclosed only for those demand(s) that are contested by the Company.

Contingent Assets are neither recognised nor disclosed.

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

## s. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue.

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

## t. Segment reporting:

The accounting policies adopted for segment reporting are in line with the accounting policies adopted by the Company, with the following additional policies for segment reporting:

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market led.
- (ii) Revenue, Expenses, Assets and Liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.
- (iii) Gains/losses from transactions in commodity futures, which are ultimately settled net, with/without taking delivery, are recorded as 'Other revenues' under the Sugar segment.
- (iv) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated".

## u. Impairment of assets:

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine,

- a. The provision for impairment loss, if any, required or
- b. The reversal, if any, required of impairment loss recognised in previous periods.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

## v. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current, non-current classification of assets and liabilities.

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 2: Share Capital</b>		
<b>a) Authorised</b>		
25,000,000 Preference Shares of ₹ 10/- each	250.00	250.00
1600,000,000 Equity Shares of ₹ 1/- each	1,600.00	1,600.00
	<b>1,850.00</b>	1,850.00
<b>b) Issued, Subscribed and Paid up</b>		
928,811,242 Equity Shares of Re. 1/- each fully paid (Previous year 671,319,650 Equity Shares of Re.1/- each)	<b>928.81</b>	671.32
<b>Total</b>	<b>928.81</b>	671.32
<b>Note 3: Reserves and Surplus</b>		
<b>a) Capital Reserve</b>		
i) Subsidy received towards Co-Generation As per last Balance Sheet	18.75	18.75
ii) Others As per last Balance Sheet	0.26	0.26
<b>Closing Balance</b>	<b>19.01</b>	19.01
<b>b) Securities Premium</b>		
As per last Balance Sheet	10,574.05	10,574.05
Addition during the year	4,740.22	-
<b>Closing Balance</b>	<b>15,314.27</b>	10,574.05
<b>c) General Reserve</b>		
As per last Balance Sheet	3,166.02	3,166.02
Less : Transfer to Statement of Profit and Loss	(3,166.02)	-
<b>Closing Balance</b>	<b>0.00</b>	3,166.02
<b>d) Debenture Redemption Reserve</b>		
As per last Balance Sheet	525.00	1,136.41
Less : Transfer to Statement of Profit and Loss	(150.00)	(611.41)
<b>Closing Balance</b>	<b>375.00</b>	525.00
<b>e) Reserves on Consolidation</b>		
As per last Balance Sheet	366.87	366.87
Add : Transfer from Statement of Profit and Loss	-	-
<b>Closing Balance</b>	<b>366.87</b>	366.87
<b>f) Foreign Currency Translation Reserve</b>		
Balance As Per Last Financial Statement	(1,967.70)	1,475.82
Add: Transfer to/(from) Statement of profit and loss	(1,236.45)	(3,443.51)
<b>Closing Balance</b>	<b>(3,204.15)</b>	(1,967.70)

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 3: Reserves and Surplus (contd...)</b>		
<b>g) Foreign Currency Monetary Item Translation Difference Account</b>		
As per last Balance Sheet	(5,487.20)	(4,087.72)
Add: Transfer to/(from) Statement of profit and loss	(4,005.27)	(1,399.48)
<b>Closing Balance</b>	<b>(9,492.47)</b>	<b>(5,487.20)</b>
<b>h) Surplus /(Deficit) in the Statement of Profit and Loss</b>		
<b>Balance as per Last Financial Statement</b>	<b>(12,832.11)</b>	1,275.45
<b>Profit/(Loss) for the year</b>	<b>(18,128.74)</b>	(14,779.81)
<b>Add: Transferred from General Reserve</b>	<b>3,166.02</b>	-
<b>Less: Appropriation</b>		
Opening Reserves of subsidiaries ceased to exist transferred	-	3.83
Corporate Dividend Tax	-	57.01
Transitional Impact of change in useful life of assets	(87.67)	-
Transfer from Debenture Redemption Reserve	150.00	611.41
<b>Net Surplus/(Deficit) in Statement of Profit and Loss</b>	<b>(27,732.50)</b>	<b>(12,832.11)</b>
<b>Total</b>	<b>(24,353.97)</b>	<b>(5,636.05)</b>
<b>NON-CURRENT LIABILITIES</b>		
<b>Note 4: Long-Term Borrowings</b>		
<b>1) Secured:</b>		
<b>a) Non-Convertible Debentures</b>		
i) Nil (Previous year 600) Redeemable Non-Convertible Debentures (11.95%) of ` 1,000,000 each	-	600.00
ii) Nil (Previous year 500) Redeemable Non-Convertible Debentures (Floating Rate) of ` 1,000,000 each	-	500.00
iii) 1500 Redeemable Non-Convertible Debentures (11.70%) of ` 1,000,000 each	1,500.00	1,500.00
iv) 1000 Redeemable Non-Convertible Debentures (11.30%) of ` 1,000,000 each	1,000.00	1,000.00
<b>b) Term Loans</b>		
<b>From Banks and Financial Institutions</b>	<b>58,929.35</b>	61,855.98
<b>From others:</b>		
Sugar Development Fund (SDF)	1,141.75	1,320.84
Interest Accrued but not due	113.71	109.32
<b>2) Unsecured:</b>		
Deferred Purchase Tax	16.08	1 6.08
	<b>62,700.89</b>	66,902.22
Less: Current Maturity of Long-Term Borrowings transferred to Other Current Liabilities (Refer Note 10)	<b>23,448.50</b>	16,705.17
<b>Total</b>	<b>39,252.39</b>	<b>50,197.05</b>

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 5 : Deferred Tax Liabilities/(Deferred Tax Assets) (Net)</b>		
<b>Deferred Tax Liability</b>		
Depreciation	<b>4,588.56</b>	4,506.95
Lease Rentals / Others	<b>464.09</b>	596.75
<b>Gross Deferred Tax Liability</b>	<b>5,052.65</b>	5,103.70
<b>Deferred Tax Asset</b>		
Leave Encashment/Gratuity/Sugarcane Purchase tax	<b>21.00</b>	14.45
Unabsorbed Business Loss	<b>5,368.30</b>	3,677.43
Others	<b>3,213.99</b>	3,274.24
<b>Gross Deferred Tax Asset</b>	<b>8,603.29</b>	6,966.13
<b>Deferred Tax Liabilities/(Deferred Tax Assets) (Net)</b>	<b>(3,550.64)</b>	(1,862.43)
Unabsorbed business losses have been recognised as deferred tax asset as there is virtual certainty that such deferred tax asset can be realised against future taxable profits in the forth coming financial years.		
<b>Note 6 : Other Long-Term Liability</b>		
<b>Others:</b>		
Advance from Customers	<b>1,007.26</b>	1,316.96
Trade Payables	<b>258.78</b>	671.79
Other Liabilities	<b>582.26</b>	1,368.00
Purchase Tax Payable	<b>415.82</b>	361.83
Less: Payable within one year (transferred to Other current liabilities, Refer Note No 10)	<b>415.82</b>	361.83
<b>Total</b>	<b>1,848.30</b>	3,356.75
<b>Note 7: Long-Term Provisions</b>		
<b>Provision for Employee Benefits:</b>		
Provision for Gratuity	<b>8.60</b>	9.56
Provision for Leave Encashment	<b>56.38</b>	37.65
Less: Short Term (transferred to Short-term provisions, Refer Note No 11)	<b>5.36</b>	7.02
Other Provisions	<b>713.49</b>	771.85
<b>Total</b>	<b>773.11</b>	812.04
<b>CURRENT LIABILITIES</b>		
<b>Note 8 : Short-Term Borrowings</b>		
<b>Secured</b>		
Working Capital from Banks:		
Rupee Borrowings	<b>7,864.06</b>	9,232.29
Foreign Currency Borrowings	<b>18,148.65</b>	18,037.22
<b>Unsecured</b>		
Foreign Currency Borrowings	-	1,197.80
Working Capital Borrowings	<b>253.62</b>	227.11
<b>Total</b>	<b>26,266.33</b>	28,694.42



# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 9: Trade Payables</b>		
For Goods and Services	32,955.01	26,200.25
Others	-	-
<b>Total</b>	<b>32,955.01</b>	<b>26,200.25</b>
<b>Note 10: Other Current Liabilities</b>		
Current maturity of Long-Term Borrowings (Refer note 4)	23,448.50	16,705.17
Interest accrued but not due on Borrowings	2,578.60	2,686.20
Advance from Customers	2,020.04	2,272.19
Purchase Tax Payable (Refer Note 6)	415.82	361.83
Unclaimed Dividend	12.66	13.94
Salary Payable	57.65	88.03
Statutory Dues payable	78.26	92.31
Other Payables	3,364.11	2,960.62
<b>Total</b>	<b>31,975.64</b>	<b>25,180.29</b>
<b>Note 11: Short Term Provisions</b>		
Provision for Gratuity (Refer note 7)	1.48	3.19
Provision for Leave Encashment (Refer note 7)	3.88	3.84
<b>Total</b>	<b>5.36</b>	<b>7.03</b>

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## FIXED ASSETS SCHEDULE

### 12A. Tangible Assets

PARTICULARS	1 <sup>st</sup> April, 2014	Additions	Disposal/ Adjustment	Effects of Foreign Currency Exchange Difference	31 <sup>st</sup> March, 2015
<b>Gross Carrying Value</b>					
Lease Hold Land	184.24	0.01	-	-	<b>184.25</b>
Free Hold Land	1,226.05	12.51	0.84	(172.30)	<b>1,065.42</b>
Buildings	10,346.47	5.10	22.06	(1,212.41)	<b>9,117.10</b>
Plant & Equipment	84,875.06	232.85	(607.14)	(15,372.09)	<b>70,342.96</b>
Furniture & Fixtures	576.46	112.78	(0.23)	(90.91)	<b>598.56</b>
Vehicles	2,280.74	6.51	(287.59)	(679.77)	<b>1,895.07</b>
<b>Total</b>	<b>99,489.03</b>	<b>369.76</b>	<b>(872.06)</b>	<b>(17,527.48)</b>	<b>83,203.36</b>
Previous Year	97,653.96	4,947.97	2,547.38	(565.52)	<b>99,489.03</b>
<b>Accumulated Depreciation</b>					
Lease Hold Land	1.67	2.19	-	-	<b>3.86</b>
Free Hold Land	-	-	-	-	<b>-</b>
Buildings	1,568.92	507.86	6.50	(199.80)	<b>1,870.48</b>
Plant & Equipment	26,520.97	6,775.11	(267.47)	(6,884.34)	<b>26,679.21</b>
Furniture & Fixtures	345.75	133.45	(0.78)	(54.70)	<b>425.28</b>
Vehicles	1,174.76	332.22	(300.23)	(417.90)	<b>1,389.31</b>
<b>Total</b>	<b>29,612.07</b>	<b>7,750.83</b>	<b>(561.98)</b>	<b>(7,556.74)</b>	<b>30,368.14</b>
Previous Year	22,988.82	7,579.05	491.37	(464.43)	<b>29,612.07</b>
<b>Net Carrying Value</b>					
Lease Hold Land	182.57				<b>180.39</b>
Free Hold Land	1,226.05				<b>1,065.42</b>
Buildings	8,777.55				<b>7,246.62</b>
Plant & Equipment	58,354.09				<b>43,663.75</b>
Furniture & Fixtures	230.72				<b>173.28</b>
Vehicles	1,105.98				<b>505.75</b>
<b>Total</b>	<b>69,876.96</b>				<b>52,835.21</b>
Previous Year	74,665.14				<b>69,876.96</b>
<b>Capital Work-in-progress</b>	318.92				<b>330.87</b>

### 12B. Intangible Assets

PARTICULARS	1 <sup>st</sup> April, 2014	Additions	Disposal/ Adjustment	Effects of Foreign Currency Exchange Difference	31 <sup>st</sup> March, 2015
<b>Gross Carrying Value</b>					
Goodwill on Consolidation	9,467.52	-	2,462.23	-	<b>7,005.29</b>
Transmission Rights	365.03	-	-	(99.06)	<b>265.97</b>
Computer Software	240.42	1,512.78	-	(1,513.25)	<b>239.95</b>
<b>Total</b>	<b>10,072.97</b>	<b>1,512.78</b>	<b>2,462.23</b>	<b>(1,612.31)</b>	<b>7,511.21</b>
Previous Year	10,252.01	11.36	183.03	(7.37)	<b>10,072.97</b>
<b>Accumulated Depreciation</b>					
Goodwill on Consolidation	-	-	-	-	<b>-</b>
Transmission Rights	95.23	24.42	-	(32.47)	<b>87.18</b>
Computer Software	154.04	59.01	1.30	(30.55)	<b>181.20</b>
<b>Total</b>	<b>249.27</b>	<b>83.43</b>	<b>1.30</b>	<b>(63.02)</b>	<b>268.38</b>
Previous Year	204.18	47.08	-	(1.99)	<b>249.27</b>
<b>Net Carrying Value</b>					
Goodwill on Consolidation	9,467.52				<b>7,005.29</b>
Transmission Rights	269.80				<b>178.79</b>
Computer Software	86.38				<b>58.75</b>
<b>Total</b>	<b>9,823.70</b>	<b>-</b>	<b>-</b>		<b>7,242.83</b>
Previous Year	10,047.83				<b>9,823.70</b>

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 13: NON-CURRENT INVESTMENTS</b>		
<b>Non Trade Investments</b>		
<b>Investment in Equity Instrument</b>		
<b>Other Investments (At cost):</b>		
In Equity Shares (Unquoted)	230.32	895.19
In Equity Shares (Quoted)	94.71	94.71
Investment in Associates Companies (Unquoted)	499.13	651.78
<b>Total</b>	<b>824.16</b>	<b>1,641.68</b>
<b>Note 14 : Long-Term Loans and Advances</b>		
<b>Unsecured &amp; Considered good:</b>		
Capital Advances	39.79	32.75
Advances to Associate Companies	21.96	-
Deposits	1,977.44	1,888.65
Prepaid Expenses	297.65	475.57
<b>Others:</b>		
Export Incentives Receivable	202.70	209.62
Balances with Customs, Excise, etc.	1,391.79	1,776.05
MAT Credit Entitlement	545.07	590.27
Amount paid under protest to Government Authorities	438.34	448.64
Other Advances	1,105.88	1,535.03
<b>Total</b>	<b>6,020.62</b>	<b>6,956.58</b>
<b>Note 15 : Other Non-Current Assets</b>		
Long Term Trade Receivable	822.22	1,083.76
Miscellaneous Expenditure to the extent not written off:		
Deferred Revenue Expenditure	9.73	20.28
Goodwill on Amalgamation	-	1.67
Equity Shares Issues Expenses	2.64	3.52
	<b>834.59</b>	<b>1,109.23</b>
Less: to be amortised within one year (transferred to Other Current Assets- Refer Note 21)	1.29	13.77
<b>Total</b>	<b>833.30</b>	<b>1,095.46</b>
<b>CURRENT ASSETS</b>		
<b>Note 16: Current Investments</b>		
Banco DO Brazil	22.72	27.70
<b>Total</b>	<b>22.72</b>	<b>27.70</b>

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 17: Inventories</b>		
Raw Materials and Components	1,789.69	1,026.85
Biological Assets	6,306.75	11,304.81
Work-in-Progress	118.94	95.78
Stores and Spares	1,130.45	1,270.98
Intermediate Products	285.13	254.31
Finished Goods:		
Manufactured	12,312.26	8,565.18
Trading	382.78	257.19
<b>Total</b>	<b>22,326.00</b>	<b>22,775.10</b>
<b>Note 18: Trade Receivables</b>		
<b>Unsecured &amp; Considered good:</b>		
Debts over six months	1,676.16	1,799.70
Others	4,492.52	4,643.05
<b>Total</b>	<b>6,168.68</b>	<b>6,442.75</b>
<b>Note 19: Cash and Bank Balances</b>		
Cash and Cash Equivalents:		
Cash on hand	6.49	13.59
Balances with Banks:		
In Current Accounts	592.99	1,315.54
	599.48	1,329.13
Other Bank Balances:		
Earmarked balances		
Unpaid dividend accounts	12.66	13.94
Fixed Deposit pledged with bank/deposited with Government authorities	690.14	271.78
	702.80	285.72
<b>Total</b>	<b>1,302.28</b>	<b>1,614.85</b>
<b>Note 20 : Short-Term Loans and Advances</b>		
<b>Unsecured and Considered Good:</b>		
Loans and Advances to Related parties:		
Advance to Associate Companies	150.04	137.53
Others:		
Export Incentives Receivable	4.50	-
Interest Accrued	67.80	13.47
Interest Receivable from Govt. of India	127.94	90.47
Prepaid Expenses	294.15	278.95
Deposit	125.07	125.61
Balances with Customs, Excise, etc.	1,776.16	2,317.96
Income Tax Refund Due (Net)	317.91	248.05
Other Advances	5,289.28	3,783.27
<b>Total</b>	<b>8,152.85</b>	<b>6,995.31</b>

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 21 : Other Current Assets</b>		
<b>Miscellaneous Expenditure to be amortised within one year:</b>		
Deferred Revenue Expenditure ( Refer Note-15)	55.56	71.87
Goodwill on Amalgamation ( Refer Note-15)	-	1.67
Equity Shares Issues Expenses	0.88	0.88
<b>Total</b>	<b>56.44</b>	<b>74.42</b>
<b>Note 22: Revenue from Operations</b>		
<b>Sale of Products ( Gross )</b>		
Sale of Manufactured Sugar	47,868.59	62,463.99
Sale of Traded Sugar and Ethanol	25,235.57	27,252.76
Sale of Power	7,293.84	5,267.10
Sale of Ethanol and Allied products	20,632.28	21,665.86
Sale from Engineering Division	376.46	47.37
Sale of By-products and Others	2,544.03	2,321.49
	<b>103,950.77</b>	<b>119,018.57</b>
Less : Excise Duty	3,074.83	3,554.27
<b>Total</b>	<b>100,875.94</b>	<b>115,464.30</b>
<b>Note 23 : Other Income</b>		
Dividend on Investments	3.88	10.88
Profit on Sale of Investments	17.18	19.52
Profit on Sale of Assets	1.31	87.84
Income from professional Services	22.78	128.86
Others	419.75	404.50
<b>Total</b>	<b>464.90</b>	<b>651.60</b>
<b>Note 24: Cost of Materials Consumed</b>		
Sugar-Cane	40,167.61	37,035.34
Raw-Sugar	27,505.15	17,805.83
Bagasse	211.09	40.12
Coal	1,538.13	1,514.23
Molasses	767.13	422.15
Denatured Alcohol	174.00	320.69
Rectified Spirit	0.08	58.59
MG Alcohol	41.11	72.99
Others	8.25	158.08
Engineering Division	233.24	22.95
<b>Total</b>	<b>70,645.79</b>	<b>57,450.97</b>
<b>Note 25: Purchase of Stock in Trade</b>		
Raw-Sugar	19,715.87	29,629.11
White Sugar	884.95	54.27
Distillery	1.46	18.78
Molasses	28.65	15.91
Coal	55.22	7.02
<b>Total</b>	<b>20,686.15</b>	<b>29,725.09</b>

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 26: Changes in Inventory of Finished Goods, Work-in-progress &amp; Stock-in-trade</b>		
Opening Stock		
Work in progress	95.78	95.80
Finished goods and intermediate products	8,809.97	18,225.95
<b>A</b>	<b>8,905.75</b>	18,321.75
Less: Closing stock		
Work in progress	118.94	102.96
Finished goods and intermediate products	12,610.59	8,802.80
<b>B</b>	<b>12,729.53</b>	8,905.76
<b>Total (A-B)</b>	<b>(3,823.78)</b>	9,415.99
<b>Note 27: Employee Benefit Expenses</b>		
Salaries, Wages and Bonus	2,363.14	2,263.11
Contribution to Provident Fund, Gratuity Fund and Other Employee Benefits	76.81	81.74
Staff Welfare Expenses	91.76	107.15
<b>Total</b>	<b>2,531.71</b>	2,452.00
<b>Note 28: Finance Costs</b>		
Interest:		
On Term-Loans	6,071.96	6,988.28
On Working Capital	1,059.32	1,388.45
On Debentures	338.30	511.43
Others:		
Bank Charges and Other Borrowing Costs	1,752.64	702.59
<b>Total</b>	<b>9,222.22</b>	9,590.75
<b>Note 29 : Depreciation and Amortisation Expenses</b>		
Depreciation and amortisation of Tangible assets	9,856.92	10,713.67
Depreciation and amortisation of intangible assets	55.80	47.09
<b>Total</b>	<b>9,912.72</b>	10,760.76
<b>Note 30 : Other Expenses</b>		
<b>A. Manufacturing Expenses</b>		
Consumption of Stores and Spares	419.69	375.15
Consumption of Chemicals, Consumables, Oil and Lubricants	375.82	358.20
Sugar House Loading, Un-loading and Handling Charges	192.97	194.33
Packing Materials	816.85	778.24
Direct Expenses (Engineering)	26.58	7.53
Power and Fuel	189.11	286.78
Lease Rentals	156.28	173.70
Repairs and Maintenance:		
Plant and Machinery	332.67	178.13
Buildings	9.04	3.03
Other Manufacturing Expenses	124.08	127.88
<b>A</b>	<b>2,643.09</b>	2,482.97



# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 30 : Other Expenses (Contd...)</b>		
<b>B. Administrative Expenses</b>		
Rent, Rates and Taxes	877.63	783.45
Insurance	148.47	159.41
Travelling and Conveyance	89.23	108.05
Printing and Stationery	7.86	7.36
Communication Expenses	55.78	76.30
Legal and Professional Fees	340.89	444.70
Directors' Sitting Fees	1.28	1.08
Auditor's Remuneration	24.95	22.09
Safety and Security Expenses	60.92	59.60
Donations and Contributions	8.36	8.66
Loss on Sale of Fixed Assets	192.51	16.81
Loss on Sale of Long-Term Investments	-	0.05
Books, Periodicals, Subscription and Membership Expenses	21.42	24.83
Sundry Balances Written Off	-	4.39
Research and Development	10.09	2.85
Repairs and Maintenance-Others	58.19	66.69
Prior Period Expenses	(92.97)	-
Others	222.76	269.31
<b>B</b>	<b>2,027.37</b>	<b>2,055.63</b>
<b>C. Selling and Distribution Expenses</b>		
Freight and Forwarding Charges	1,728.91	2,439.51
Advertising and Sales Promotion	40.88	129.00
Warehousing Expenses	0.17	1.35
Brokerage and Discounts	26.49	15.51
Commission and Market Development Expenses	57.38	40.99
<b>C</b>	<b>1,853.83</b>	<b>2,626.36</b>
<b>D. Miscellaneous Expenditure-Written Off</b>		
Pre-Operative Expenses	11.21	22.16
Goodwill On Amalgamation	1.67	3.34
Expenditure on increase of Authorised Share Capital	0.88	0.88
<b>D</b>	<b>13.76</b>	<b>26.38</b>
<b>Total (A + B+C+D)</b>	<b>6,538.05</b>	<b>7,191.34</b>
<b>Note 31: Exceptional Items</b>		
Gain/(Loss) on foreign currency transactions	(6,513.98)	(6,318.53)
<b>Total</b>	<b>(6,513.98)</b>	<b>(6,318.53)</b>

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Note 32: Current Tax</b>		
Current Tax	-	57.01
Short Provision of Income Tax of Earlier Years - Net	-	128.66
<b>Total</b>	-	185.67
<b>Note 33: Earnings per Share</b>		
The calculations of earnings per share (basic and diluted) are based on the earnings and number of shares as computed below.		
<b>Reconciliation of earnings</b>		
Profit/(Loss) for the year ended 31 <sup>st</sup> March, 2015	(18,128.74)	(14,779.81)
<b>Net profit/(Loss) attributable to equity shareholders</b>	(18,128.74)	(14,779.81)
<b>Reconciliation of number of shares</b>	<b>Shares</b>	<b>Shares</b>
Shares outstanding at the beginning of the Year	671,319,650	671,319,650
Shares outstanding at the end of the Year	928,811,242	671,319,650
<b>Weighted average number of equity shares</b>	<b>889,305,683</b>	671,319,650
<b>Basic and Diluted Earnings Per Share (in rupees)</b>	(20.39)	(22.02)
[Nominal value of shares Re. 1/- each]		

## Note 34. Other Notes to the Financial Statements:

### i. Excise Duty on Finished Goods

Excise duty is generally provided on manufacture of goods, which are not exempt from the payment of duty. However, since the Company's finished goods are not segregated at the time of production into those for sale in domestic markets and those for sale in export markets, the Company is unable to determine the exact liability towards excise duty on finished goods. Accordingly, excise duty is provided/ paid only at the time of clearance of the goods from the factory.

### ii. Leases Payable

The Company has entered into various operating and financial leases for office, residential and factory premises. These are generally short-term leases and cancellable by serving adequate notice. The minimum amount of lease rentals payable on non-cancelable leases is as follows:

S. No	Lease Payable	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
A	Within a period of one year	1,311.10	651.59
B	One year to five years	1,007.60	1,509.00
C	five years and above	1,565.08	1,690.04
D	Lease rent charged to statement of profit and loss	156.28	173.70

### iii. Leases Receivable

S. No	Lease Receivable	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
A	Within a period of one year	3.90	Nil
B	One year to five years	Nil	Nil
C	five years and above	Nil	Nil
D	Lease rent credited to statement of profit and loss	3.99	Nil

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## iv. Outstanding Commitments

<b>S. No</b>	<b>Outstanding Commitments</b>	<b>As at 31<sup>st</sup> March, 2015</b>	<b>As at 31<sup>st</sup> March, 2014</b>
A	Bank Guarantee	<b>662.00</b>	1,767.58
B	Corporate Guarantee	<b>100.24</b>	147.40
C	Estimated amount of contract pending for execution	<b>39.34</b>	48.37

## v. Contingent Liabilities

<b>Liabilities classified and considered contingent due to contested claims and legal disputes</b>	<b>As at 31<sup>st</sup> March, 2015</b>	<b>As at 31<sup>st</sup> March, 2014</b>
Income Tax Demands	<b>101.29</b>	17.00
Excise and Service Tax Demands	<b>754.68</b>	711.22
Sales Tax/VAT Demands	<b>67.01</b>	52.17
Customs Demand	<b>465.12</b>	465.12
Brazilian Taxes	<b>860.78</b>	1,047.06
Other Matters	<b>1,210.35</b>	1,062.25
<b>Total:</b>	<b>3,459.23</b>	3,354.82

- vi. Balances appearing under the head Trade payables, Trade Receivables, loans and advances are subject to confirmation, adjustments, if any, on the receipt/reconciliation of such accounts

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## vii. A) Segment Reporting for the year ended 31<sup>st</sup> March, 2015

Particulars	SUGAR		TRADING		CO-GENERATION		ETHANOL		ENGINEERING		OTHER		ELIMINATIONS		TOTAL	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>REVENUE</b>																
External sales	69,368.72	88,326.76	21,391.08	19,372.29	6,275.87	4,161.82	3,456.93	3,456.93	363.02	43.53	65.17	102.97	-	-	100,875.94	115,464.30
Inter-segment sales	2,689.02	2,687.31	-	-	3,049.89	2,820.52	-	-	(37.22)	-	-	-	(5,701.69)	(5,507.83)	-	-
<b>Total Revenue</b>	<b>72,057.74</b>	<b>91,014.07</b>	<b>21,391.08</b>	<b>19,372.29</b>	<b>9,325.76</b>	<b>6,982.34</b>	<b>3,456.93</b>	<b>3,456.93</b>	<b>325.80</b>	<b>43.53</b>	<b>65.17</b>	<b>102.97</b>	<b>(5,701.69)</b>	<b>(5,507.83)</b>	<b>100,875.94</b>	<b>115,464.30</b>
Results	4,865.50	11,103.94	602.76	714.92	993.70	(76.28)	869.41	707.34	49.41	(54.52)	25.46	14.75	(205.58)	-	7,200.66	12,410.14
Unallocated corporate expenses															12,815.38	13,941.98
<b>Operating profit</b>															<b>(5,614.72)</b>	<b>(1,531.84)</b>
Financial expenses															9,222.20	9,590.75
Other income															464.90	651.60
<b>Profit from ordinary activities</b>															<b>(14,372.02)</b>	<b>(10,470.99)</b>
Exceptional items															(6,513.98)	(6,318.53)
<b>Net Profit</b>															<b>(20,886.00)</b>	<b>(16,789.52)</b>
<b>OTHER INFORMATION</b>																
Segment assets	32,045.66	60,223.97	26,832.42	23,220.68	17,437.37	12,933.69	4,382.56	4,152.72	(183.79)	(86.42)	168.21	157.59	-	-	80,682.43	100,602.27
Unallocated corporate assets															28,984.17	28,903.65
<b>Total Assets</b>	<b>32,045.66</b>	<b>60,223.97</b>	<b>26,832.42</b>	<b>23,220.68</b>	<b>17,437.37</b>	<b>12,933.69</b>	<b>4,382.56</b>	<b>4,152.72</b>	<b>(183.79)</b>	<b>(86.42)</b>	<b>168.21</b>	<b>157.59</b>	<b>-</b>	<b>-</b>	<b>109,666.60</b>	<b>129,505.86</b>
Segment liabilities	71,551.43	71,612.06	17,988.63	15,129.69	3,938.36	2,983.70	111.40	134.06	396.19	418.04	7.38	13.45	-	-	93,993.39	90,291.00
Unallocated corporate liabilities															39,082.75	44,156.83
<b>Total Liabilities</b>	<b>71,551.43</b>	<b>71,612.06</b>	<b>17,988.63</b>	<b>15,129.69</b>	<b>3,938.36</b>	<b>2,983.70</b>	<b>111.40</b>	<b>134.06</b>	<b>396.19</b>	<b>418.04</b>	<b>7.38</b>	<b>13.45</b>	<b>-</b>	<b>-</b>	<b>133,076.14</b>	<b>34,447.83</b>
Capital expenditure	1,765.79	2,744.89	0.14	3.74	96.12	116.82	2.08	(10.07)	0.01	0.30	2.06	29.37	-	-	1,866.20	2,885.05
Unallocated corporate capital expenditure															28.29	142.61
<b>Total Capital Expenditure</b>	<b>1,765.79</b>	<b>2,744.89</b>	<b>0.14</b>	<b>3.74</b>	<b>96.12</b>	<b>116.82</b>	<b>2.08</b>	<b>(10.07)</b>	<b>0.01</b>	<b>0.30</b>	<b>2.06</b>	<b>29.37</b>	<b>-</b>	<b>-</b>	<b>1,894.49</b>	<b>3,027.66</b>
Depreciation	8,605.21	9,422.09	5.73	5.63	1,131.49	1,130.02	114.81	155.21	6.73	6.81	6.06	5.16	-	-	9,870.03	10,724.92
Unallocated corporate depreciation															42.69	35.84
<b>Total Depreciation</b>	<b>8,605.21</b>	<b>9,422.09</b>	<b>5.73</b>	<b>5.63</b>	<b>1,131.49</b>	<b>1,130.02</b>	<b>114.81</b>	<b>155.21</b>	<b>6.73</b>	<b>6.81</b>	<b>6.06</b>	<b>5.16</b>	<b>-</b>	<b>-</b>	<b>9,912.72</b>	<b>10,760.75</b>

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## vii. (B) Secondary Segment information:

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>A. Segment Revenue</b>		
- Within India	<b>22,772.65</b>	37,335.41
- Outside India	<b>78,103.29</b>	78,128.90
<b>Total Revenue</b>	<b>100,875.94</b>	115,464.31
<b>B. Segment Assets</b>		
- Within India	<b>52,882.77</b>	47,288.07
- Outside India	<b>56,783.83</b>	82,217.79
<b>Total Assets</b>	<b>109,666.60</b>	129,505.86
<b>C. Segment Liabilities</b>		
- Within India	<b>40,493.79</b>	36,331.78
- Outside India	<b>92,582.35</b>	98,116.05
<b>Total Liabilities</b>	<b>133,076.14</b>	134,447.83
<b>D. Capital Expenditure</b>		
- Within India	<b>205.79</b>	552.21
- Outside India	<b>1,688.70</b>	2,475.44
<b>Total Capital Expenditure</b>	<b>1,894.49</b>	3,027.65
<b>E. Depreciation</b>		
- Within India	<b>1,612.24</b>	1,722.71
- Outside India	<b>8,300.48</b>	9,038.04
<b>Total Depreciation</b>	<b>9,912.72</b>	10,760.75

The geographical segments are considered for disclosure as secondary segment.

Revenue is bifurcated based on sales to customers situated within India and Outside India.

Segment Assets' investments, Loans and Advances, Trade Receivables and other assets bifurcated based on situated within India and Outside India.

Segment Liabilities' Borrowings, Trade Payables and Other Liabilities bifurcated based on situated within India and Outside India.

- viii. In terms of accounting standard AS 28 on impairment of assets there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognized during the year under review.
- ix. In accordance with Companies (Accounting Standards) Amendment Rules 2009 as amended by Companies (Accounting Standards) (Second Amendment ) Rules 2011, the Company exercised the option of adjusting exchange differences arising on long term foreign currency monetary items related to acquisition of depreciable capital assets in the cost of assets to be depreciated over the balance life of the assets and other long term monetary item in the "Foreign Currency Monetary Item Translation Difference" to be amortised over the period of loan.

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## x. Related Party Disclosures

### Related parties

#### (A) Associate Companies

- i. Khandepar Investments Private Limited
- ii. Vantamuri Trading And Investments Limited (formerly Shree Renuka Infraprojects Limited.)
- iii. Murkumbi Investments Private Limited
- iv. Renuka Energy Resource Holdings (FZE), Sharjah
- v. Damodar Resource Holdings (FZE), Sharjah
- vi. Ravindra Energy Limited (Shree Renuka Energy Limited merged with Ravindra Energy Limited w.e.f. 18th March 2014)
- vii. Agri Venture Trading and Investment Pvt. Ltd.
- viii. Adani Wilmar Limited\*
- ix. Wilmar Sugar Pte Ltd.\*
- x. Great Wall - Wilmar Holding\*
- xi. Wilmar Continental\*
- xii. Wilmar Continental Edible Oils And Fats (Pty) Ltd.\*
- xiii. Wilmar Sugar Brasil Commercial Ltda - Sao Paulo\*

\* Became associate company on 27th May 2014

#### (B) Key Managerial Persons

- i. Mrs. Vidya Murkumbi – Executive Chairperson (Shree Renuka Sugars Limited)
- ii. Mr. Narendra Murkumbi – Vice Chairman and Managing Director (Shree Renuka Sugars Limited)
- iii. Mr. Vijendra Singh – President and Whole Time Director (Shree Renuka Sugars Limited)
- iv. Mr. Pratik Vora – Director (Renuka Commodities DMCC, Dubai)
- v. Mr. Prashant Niranjana – Director (Renuka Commodities DMCC, Dubai)
- vi. Mr. K. K. Kumbhat – Chief Financial Officer
- vii. Mr. D.V. Iyer – Company Secretary and Compliance Officer.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>(A) Transactions with associate Companies</b>		
<b>i) Vantamuri Trading And Investments Limited</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance for purchases	<b>(4.42)</b>	633.02
Purchase of Coal	-	(510.98)
Interest Income on advances	<b>16.93</b>	15.49
Rental Income	<b>1.60</b>	-
Outstanding as at the end of the period	<b>151.64</b>	137.53
	<b>Sales</b>	<b>Sales</b>
Sale of Investments	-	1.50
<b>ii) Renuka Energy Resource Holding (FZE)</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance paid	<b>0.01</b>	123.89
Purchase of Coal	-	(123.73)
Outstanding as at the end of the period	<b>0.17</b>	0.16

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>iii) Ravindra Energy Limited</b> (Shree Renuka Energy Limited merged with Ravindra Energy Limited w.e.f. 18th March 2014)		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance paid	0.06	5.38
Purchase of Coal	-	(5.44)
Rental Income	2.40	-
Outstanding at the end of the period	22.00	(0.07)
	<b>Sales</b>	<b>Sales</b>
Sale of Sugar	718.60	867.55
Sale of Stores & Spares	0.01	-
Receipt against Sale	(699.00)	(867.55)
<b>iv) Adani Wilmar Limited</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance for purchases	36.37	NA
Purchases	(8,503.82)	NA
Payment against Purchases	6,182.63	NA
	<b>Sales</b>	<b>Sales</b>
Sales	14.49	NA
Receipts against sales	(10.19)	NA
Rent	0.10	NA
Outstanding as at the end of the period	(2,237.36)	43.06
<b>v) Wilmar Sugar Pte. Ltd.</b>		
<b>1 Nature of transaction</b>	<b>Purchases</b>	<b>Purchases</b>
Advance for purchases	7,606.12	NA
Trade Advances Received	(1,249.01)	NA
Purchase of Raw Sugar	(12,925.15)	NA
	<b>Sales</b>	<b>Sales</b>
Sales	5,296.28	NA
Receipts against sales	(3,195.07)	NA
Interest Paid	(13.84)	NA
Other Income/(expense)	116.91	NA
Outstanding as at the end of the period	(4,353.29)	10.47
<b>vi) Wilmar Sugar (Myanmar) Pte. Ltd.</b>		
<b>1 Nature of transaction</b>	<b>Sales</b>	<b>Sales</b>
Sales	0.60	Nil
Receipts against Sales	(0.60)	Nil
Outstanding as at the end of the period	-	Nil



# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
<b>vii) Great Wall - Wilmar Holdings Limited</b>		
<b>1 Nature of transaction</b>	<b>Sales</b>	Sales
Sale of Services	<b>0.17</b>	-
Outstanding as at the end of the period	-	-
<b>viii) Wilmar Sugar Holding Pte. Ltd.</b>		
<b>1 Nature of transaction</b>	<b>Equity Contribution</b>	Equity Contribution
Volume of transaction	<b>5,170.43</b>	-
<b>ix) Wilmar Continental Edible Oils And Fats (Pty) Ltd.</b>		
<b>1 Nature of transaction</b>	<b>Purchases &amp; Sales</b>	Purchases & Sales
Volume of transaction	<b>1.36</b>	-
Outstanding as at the end of the period	-	-
<b>x) Wilmar Sugar Brasil Commercial Ltda - Sao Paulo</b>		
<b>1 Nature of transaction</b>	<b>Purchases &amp; Sales</b>	Purchases & Sales
Trade Advances Received	<b>(249.86)</b>	-
Sales	<b>314.03</b>	-
Receipts against Sales	<b>(64.09)</b>	-
Other Income/(expense)	<b>0.02</b>	-
Outstanding as at the end of the period	<b>0.10</b>	-
<b>B) a). Transactions with key Management Personnel (Directors)</b>		
Remuneration including contributions to PF	<b>65.10</b>	76.61
Outstanding remuneration payable	-	0.12
<b>1 Nature of transaction</b>	<b>Rent Paid</b>	Rent Paid
Volume of transactions during the year	<b>3.78</b>	2.88
Outstanding as at the end of the year	-	0.71
	<b>Loans/Advances</b>	Loans/Advances
Loans/Advances given during the year	<b>2.50</b>	-
(Repayment of Loans)/Advances during the year	<b>(0.21)</b>	-
Outstanding as at the end of the year	<b>2.29</b>	-
<b>b). Transactions with Key management personnel (Others)</b>		
Remuneration including contributions to PF	<b>20.98</b>	NA
Outstanding remuneration payable	-	NA
<b>Nature of transaction</b>	<b>Rent Paid</b>	Rent Paid
Loans/Advances given during the year	<b>1.45</b>	NA
(Repayment of Loans)/Advances during the year	<b>(5.05)</b>	NA
Outstanding as at the end of the year	<b>0.70</b>	NA

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## xi. Derivative instruments and Unhedged foreign currency exposure

### (a) Category wise nominal value of derivatives instruments outstanding is as under:

#### • For Hedging currency and interest rate risks:

S No.	Particulars	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
1	Forwards	11,623	2,587
2	Currency Swaps	1,480	3,617
3	Currency Options	(3,125)	2,318
4	Interest Rate Swaps	1,978	3,396
	<b>TOTAL</b>	<b>11,956</b>	<b>11,918</b>

#### • For Hedging commodity risks

Particulars	Year Ended 31 <sup>st</sup> March, 2015	Quantity in MT Year Ended 31 <sup>st</sup> March, 2014
For White Sugar Sales	129,100	64,800
For Raw Sugars Sales	195,275	166,421

### (b). Unhedged foreign currency exposures is as under:

Particulars	Year Ended 31 <sup>st</sup> March, 2015	Year Ended 31 <sup>st</sup> March, 2014
Payables	49,337	44,743
Receivables	3,223	3,760

## xii. Enterprises consolidated as subsidiary in accordance with Accounting Standard 21-Consolidated Financial Statements

Loan given to Subsidiary :

Name of the Enterprise	Country of Incorporation	Proportion of ownership interest
Renuka Commodities DMCC, Dubai	Dubai	100.00%
Parana Global Trading (FZE) (Formerly Shree Renuka Biofuels Holdings (FZE), Sharjah	Sharjah	100.00%
Shree Renuka Global Ventures Ltd., Mauritius	Mauritius	100.00%
Shree Renuka East Africa Agriventures PLC, Ethiopia	Ethiopia	99.99%
Lanka Sugar Refinery Company (Private) Limited	Srilanka	100.00%
Gokak Sugars Ltd.	India	93.64%
Shree Renuka Agri Ventures Ltd.	India	100.00%
Monica Trading Private Limited (Formerly Monica Realators & Investments Private Limited)	India	100.00%
Shree Renuka Tunaport Pvt. Ltd.	India	100.00%
KBK Chem Engineering Pvt Ltd.	India	100.00%
Shree Renuka do Brasil Participações Ltda.	Brazil	99.86%
Shree Renuka São Paulo Participações Ltda.	Brazil	100.00%
Renuka do Brasil S/A	Brazil	59.41%
Revati S.A- Acucar e Alcool	Brazil	100.00%
Renuka Geradora de Energia Elétrica Ltda	Brazil	99.99%

# Consolidated Notes to Accounts

forming part of the Financial Statements For the year ended 31<sup>st</sup> March, 2015

All amounts in million Indian Rupees, unless otherwise stated.

## xii. Enterprises consolidated as subsidiary in accordance with Accounting Standard 21-Consolidated Financial Statements (Contd...)

Name of the Enterprise	Country of Incorporation	Proportion of ownership interest
Renuka Cogeração Ltda	Brazil	99.99%
Revati Geradora de Energia Elétrica Ltda	Brazil	99.99%
Revati Agropecuaria Ltda.	Brazil	99.99%
Apoena Logistica E Comercio De Productos Agricolas Ltda	Brazil	100%
Renuka Vale do IVAI S/A	Brazil	100%
Ivaicana Agropecuaria Ltda.	Brazil	99.99%
Biovale Comercio de Leveduras Ltda.	Brazil	99.99%
Ivai Logistica Ltda.	Brazil	100%

## xiii. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

Name of the Enterprise	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
Shree Renuka Sugars Limited	-65.65%	15,377.75	16.27%	(2,950.90)
<b>Subsidiaries</b>				
<b>Indian</b>				
Gokak Sugars Ltd.	-0.71%	167.42	0.62%	(112.32)
Shree Renuka Agri Ventures Ltd.	0.69%	(161.84)	0.00%	(0.35)
Monica Trading Private Limited (Formerly Monica Realators & Investments Private Limited)	0.19%	(44.31)	0.11%	(20.82)
Shree Renuka Tunaport Pvt. Ltd.	0.00%	0.10	0.00%	-
KBK Chem Engineering Pvt Ltd.	1.10%	(256.90)	0.40%	(72.86)
<b>Foreign</b>				
Renuka Commodities DMCC, Dubai	-36.90%	8,644.81	-4.78%	867.08
Parana Global Trading (FZE) (Formerly Shree Renuka Biofuels Holdings (FZE)), Sharjah	-0.01%	2.19	0.01%	(1.62)
Shree Renuka Global Ventures Ltd., Mauritius	-97.10%	22,745.11	0.01%	(1.89)
Shree Renuka East Africa Agriventures PLC, Ethiopia	-0.03%	6.59	0.00%	-
Lanka Sugar Refinery Company (Private) Limited	-0.01%	1.38	0.01%	(0.97)
Shree Renuka do Brasil Participações Ltda.	-36.54%	8,560.53	-0.30%	55.22
Shree Renuka São Paulo Participações Ltda.	-33.91%	7,943.25	0.07%	(13.30)
Renuka do Brasil S/A	100.48%	(23,537.05)	79.23%	(14,369.76)
Revati S.A- Acucar e Alcool	-18.29%	4,283.83	2.40%	(434.38)
Renuka Geradora de Energia Elétrica Ltda	-1.30%	304.09	-1.35%	245.07
Renuka Cogeração Ltda	-10.38%	2,430.46	0.00%	(0.02)
Revati Geradora de Energia Elétrica Ltda	-20.74%	4,859.43	-0.67%	121.42
Revati Agropecuaria Ltda.	26.19%	(6,134.30)	34.93%	(6,334.13)
Apoena Logistica E Comercio De Productos Agricolas Ltda	0.02%	(5.46)	0.00%	(0.81)
Renuka Vale do IVAI S/A	9.54%	(2,234.32)	17.98%	(3,260.27)
Ivaicana Agropecuaria Ltda.	-1.17%	274.47	7.50%	(1,360.90)
Biovale Comercio de Leveduras Ltda.	-2.06%	482.06	0.01%	(1.33)
Renuka Trading Ltd.	0.00%	-	0.00%	-
Ivai Logistica Ltda.	0.03%	(5.95)	0.00%	(0.24)

xiv. Previous year's figures have been regrouped /rearranged wherever necessary to confirm to the current year grouping.

All amounts in million Indian Rupees, unless otherwise stated.

**Annexure-A****Statement pursuant to first proviso to sub-section (3) of section 129 of the companies Act 2013, read with rule 5 of companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies**

S No.	Name of the Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment other than investment in subsidiary	Turnover (including other income)	Profit/(Loss) Before Taxation	Provision for Taxation	Profit/(Loss) After Taxation	Proposed Dividend	% of Share Holding
1	Renuka Commodities DMCC, Dubai	INR	4.97	8,639.84	26,695.73	18,050.92	-	14,955.81	867.08	-	867.08	-	100%
2	Parana Global Trading (FZE) (Formerly Shree Renuka Biofuels Holdings (FZE)), Sharjah	AED	0.40	546.95	1,608.14	1,060.79	-	898.36	52.08	-	52.08	-	100%
		INR	11.18	(8.99)	2.34	0.15	-	-	(1.62)	-	(1.62)	-	
		AED	0.90	(0.77)	0.14	0.01	-	-	(0.10)	-	(0.10)	-	
3	Shree Renuka Global Ventures Ltd., Mauritius	INR	22,666.56	78.55	22,760.35	15.24	-	-	(1.89)	-	(1.89)	-	100%
4	Shree Renuka East Africa Agriventures PLC, Ethiopia	USD	476.87	(0.21)	476.91	0.24	-	-	(0.03)	-	(0.03)	-	99.99%
		INR	5.19	1.40	6.63	0.04	-	-	-	-	-	-	
5	Lanka Sugar Refinery Company (Private) Limited	USD	0.11	-	0.11	0.00	-	-	-	-	-	-	
		INR	5.77	(4.39)	2.89	1.51	-	-	(0.97)	-	(0.97)	-	
6	Gokak Sugars Ltd.	LKR	13.73	(10.46)	6.15	2.88	-	1,174.51	(2.80)	-	(2.80)	-	100.00%
		INR	351.75	(184.33)	1,839.18	1,671.76	-	-	(170.15)	57.83	(112.32)	-	93.64%
7	Shree Renuka Agri Ventures Ltd.	INR	2.50	(164.35)	1.52	163.36	-	2,498.53	(0.35)	-	(0.35)	-	100.00%
8	Monica Trading Private Limited (Formerly Monica Realators & Investments Private Limited)	INR	0.10	(44.41)	223.68	267.99	-	15.72	(23.50)	2.68	(20.82)	-	100.00%
9	Shree Renuka Tunaport Pvt. Ltd.	INR	0.10	-	6.37	6.27	-	-	-	-	-	-	100.00%
10	KBK Chem Engineering Pvt Ltd.	INR	16.91	(273.81)	1,121.25	1,378.16	-	401.21	(74.67)	1.81	(72.86)	-	100.00%
11	Shree Renuka do Brasil Participações Ltda.	BRL	837.55	(392.03)	592.53	147.02	-	-	2.87	-	2.87	-	99.86%
12	Shree Renuka São Paulo Participações Ltda.	INR	16,093.45	(7,532.92)	11,385.53	2,824.99	-	-	55.22	-	55.22	-	100.00%
		BRL	600.11	(186.72)	465.45	52.06	-	-	(0.69)	-	(0.69)	-	
		INR	11,531.11	(3,587.87)	8,943.57	1,000.32	-	-	(13.30)	-	(13.30)	-	
13	Renuka do Brasil S/A	BRL	1,246.61	(2,471.54)	1,406.55	2,631.48	-	695.81	(748.68)	0.84	(747.84)	-	59.41%
		INR	23,953.52	(47,490.57)	27,026.92	50,563.97	-	13,369.98	(14,385.88)	16.13	(14,369.76)	-	
14	Revati S.A.-Acucar e Alcool	BRL	306.17	(83.23)	774.88	551.94	-	419.31	(20.80)	(1.81)	(22.61)	-	100.00%
		INR	5,883.09	(1,599.26)	14,889.39	10,605.56	-	8,057.11	(399.69)	(34.69)	(434.38)	-	
15	Renuka Geradora de Energia Elétrica Ltda	BRL	28.75	(12.92)	97.73	81.90	-	68.31	14.14	(1.38)	12.75	-	99.99%
16	Renuka Cogeração Ltda	INR	552.40	(248.31)	1,877.86	1,573.77	-	1,312.63	271.61	(26.55)	245.07	-	99.99%
		BRL	126.62	(0.14)	126.57	0.08	-	-	(0.00)	-	(0.00)	-	
		INR	2,433.06	(2.60)	2,432.08	1.62	-	-	(0.02)	-	(0.02)	-	
17	Revati Geradora de Energia Elétrica Ltda	BRL	221.88	31.02	358.64	105.74	-	105.49	6.96	(0.64)	6.32	-	99.99%
18	Revati Agropecuaria Ltda.	INR	4,263.37	596.07	6,891.19	2,031.76	-	2,026.99	133.64	(12.22)	121.42	-	99.99%
		BRL	552.35	(871.59)	504.60	823.85	0.00	112.84	(329.64)	-	(329.64)	-	
		INR	10,613.34	(16,747.64)	9,695.94	15,830.24	0.06	2,168.20	(6,334.13)	-	(6,334.13)	-	

All amounts in million Indian Rupees, unless otherwise stated.

S No.	Name of the Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment other than investment in subsidiary	Turnover (including other income)	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of Share Holding
19	Apoena Logistica E Comercio De Productos Agricolas Ltda	BRL	0.01	(0.29)	0.01	0.29	-	-	(0.04)	-	(0.04)	-	100%
20	Renuka Vale do IVAI S/A	INR	0.19	(5.65)	0.12	5.58	-	-	(0.81)	-	(0.81)	-	100%
21	Ivaicana Agropecuaria Ltda.	BRL	175.00	(291.28)	508.18	624.46	25.87	207.83	(221.19)	51.52	(169.67)	-	100%
22	Biovale Comercio de Leveduras Ltda.	INR	3,362.63	(5,596.95)	9,764.73	11,999.05	497.03	3,993.41	(4,250.15)	989.88	(3,260.27)	-	99.99%
23	Renuka Trading Ltd.	BRL	51.45	(37.17)	153.77	139.48	0.11	33.76	(75.91)	5.08	(70.82)	-	99.99%
24	Ivai Logistica Ltda.	INR	988.69	(714.22)	2,954.65	2,680.18	2.03	648.66	(1,458.56)	97.66	(1,360.90)	-	99.99%
		BRL	14.00	11.09	26.47	1.38	-	0.72	(0.31)	0.24	(0.07)	-	100%
		INR	269.01	213.05	508.64	26.58	-	13.85	(5.90)	4.57	(1.33)	-	100%
		BRL	-	-	-	-	-	-	-	-	-	-	-
		INR	-	-	-	-	-	-	-	-	-	-	-
		BRL	0.03	(0.34)	0.00	0.31	-	-	(0.01)	-	(0.01)	-	100%
		INR	0.58	(6.53)	0.00	5.95	-	-	(0.24)	-	(0.24)	-	100%

Assets and Liabilities and Income and Expenditure have been converted from reporting currency into Rupees as on 31st March, 2015 at following exchange rate-

Reporting Currency	Conversion Rate	
	Assets/Liabilities	Income/Expenses
UAE Dirham (AED)	17.0165	16.6480
United States Dollar (USD)	62.5000	61.1521
Brazilian Reals (BRL)	19.2158	24.8694
Sri Lankan Rupees	0.4693	0.4667

\* Total assets includes Current and non current assets.

\*\* Total liabilities include current liabilities and non current liabilities.

To be read with our report of even date For and on behalf of the Board of Directors

**For Ashok Kumar, Prabhashankar & Co.,**

Chartered Accountants

Firm Regn No: 0049825

**K. N. Prabhashankar**

Partner

Membership No: 19575

**Vidya Murkumbi**

Executive Chairperson

DIN: 00007588

**Narendra Murkumbi**

Vice Chairman & Managing Director

DIN: 00009164

Place: Mumbai

Date : May 21, 2015

**K. K. Kumbhat**

Chief Financial Officer

**D. V. Iyer**

Company Secretary

ACS No.:13004

## NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of Shree Renuka Sugars Limited will be held on Wednesday, September 30, 2015 at Maratha Mandir Hall, Near Railway Over Bridge, Khanapur Road, Belgaum – 590 006 at 11.30 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015 together with the Reports of the Board of Directors and the Auditors thereon; and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Vijendra Singh (DIN 03537522), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. Ashok Kumar, Prabhashankar & Co., Chartered Accountants (Firm Registration No. 004982S), be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Robert Taylor (DIN 00010681), in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of 5 (five) consecutive years with effect from April 1, 2015.”

5. **To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ashit Mallick (DIN 02139851), who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 24, 2015 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of 3 (three) consecutive years with effect from June 24, 2015.”

6. **To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Jean-Luc Bohbot (DIN 06857132), who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 24, 2015 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. **To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Atul Chaturvedi (DIN 0017535), who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 24, 2015 and who holds office upto the date of this

Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation."

**8. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration of ₹ 4,50,000/- (Rupees Four Lakhs Fifty Thousand only) (plus service tax and out-of-pocket expenses, if any, for the purpose of Audit) to M/s B. M. Sharma & Co., Cost Accountants (Firm Registration No. 00219) appointed as Cost Auditors by the Board of Directors of the Company for conducting the cost audit for the financial year ending March 31, 2016, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors  
for **Shree Renuka Sugars Limited**

Place: **Mumbai**  
Date: **August 24, 2015**

**Naveen Manghani**  
Company Secretary

**Regd. Office:**

BC 105, Havelock Road,  
Camp, Belgaum – 590 001.

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The instrument appointing Proxy(ies) must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A

person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect, at any time between 9 a.m. and 6 p.m. during the working days of the Company, the proxies lodged provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the special business under item Nos. 4 to 8, is annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 23, 2015 to Wednesday, September 30, 2015, (both days inclusive).
6. This Notice is being sent to all the Members, whose names appear in the Register of Members / Statements of beneficial ownership maintained by the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on August 21, 2015.
7. Electronic copy of the Annual Report for the year ended March 31, 2015 including the Notice of the 19th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail ID(s) are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the above mentioned documents is being sent in the permitted mode.
8. Members/proxies are requested to hand over the duly filled in and signed Attendance Slip, at the entrance of the Hall while attending the meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. As required under Clause 49 of the Listing Agreement, the relevant information in respect of the Directors



seeking appointment / re-appointment at the Annual General Meeting is provided in the Report on Corporate Governance forming part of the Annual Report.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants ("DPs") with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agents of the Company viz. Karvy Computershare Pvt. Ltd. ("KARVY").
10. All relevant documents referred to in the accompanying Notice are open for inspection by members at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays, between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.
11. Members holding shares in physical mode are requested to advise about change of address to KARVY and members holding shares in electronic mode are requested to intimate their respective DPs about any change of address or Bank mandate and NOT to the Company or KARVY.
12. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 (corresponding to Section 205C of the Companies Act, 1956), as amended and rules thereof, dividend which remains unpaid or unclaimed for a period of 7 (seven) years will be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company has transferred the unpaid/ unclaimed dividend for the financial year 2006-07 to IEPF. Members who have not encashed their dividend warrant(s) for earlier years are requested to make their claim by specifying their Folio No./DP ID and Client ID to the Registrar and Share Transfer Agent, Karvy Computershare Private Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad-500 081, e-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com). Unpaid/Unclaimed dividend for the financial year 2007-08, must be claimed on or before February 6, 2016 as amount remaining unclaimed after the said date, would be transferred to IEPF within a period of 30 days from thereof.
13. **Members who have not registered their e-mail addresses so far are requested to register/update their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars etc. in respect of shares held in demat mode, e-mail addresses can be registered with the depository and members who hold shares in physical form are requested to register their e-mail addresses with KARVY.**
14. In compliance with Clause 35B of the Listing Agreement with the Stock Exchange(s) and the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management

and Administration) Rules, 2014, the Company is offering e-voting facility to all its Members as an alternate mode to exercise their right to vote.

15. The facility for voting through ballot paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
16. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
17. Remote E-Voting

The Company is pleased to provide e-voting facility to the shareholders of the Company to enable them to cast their votes electronically on the items mentioned in the Notice. The facility for voting by ballot or polling paper shall also be made available at the Annual General Meeting and the shareholders attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has appointed Mr. Gururaj Mutalik, Advocate as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The e-voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on September 23, 2015, being the Cut-off date for the purpose. The Shareholders of the Company holding shares either in dematerialised or in physical form, as on the Cut-off date, may cast their vote electronically. A person who is not a shareholder on the Cut-off date should treat this Notice for information purposes only.

Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut-off date i.e. September 23, 2015, may obtain the login ID and password by sending a request at [einward.ris@karvy.com](mailto:einward.ris@karvy.com). However, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you will need to go through 'Forgot Password' option available on the Karvy's e-voting website to reset the same.

18. The complete particulars of the venue of the Meeting including route map and prominent land mark for easy location are enclosed herewith. The route map of the Venue of the Meeting is also hosted along with the Notice on the website of the Company i.e. [www.renukasugars.com](http://www.renukasugars.com).

The process and manner for remote e-voting are as under:

1. The Company has entered into an arrangement with

Karvy Computershare Private Limited ("Karvy") for facilitating remote e-voting for the Annual General Meeting. The instructions for remote e-voting are as under:

- (i) Open your web browser during the e-voting period and navigate to <https://evoting.karvy.com>.
- (ii) Enter the login credentials, i.e. user-id & password, mentioned on the Attendance Slip / Email forwarded through the electronic notice:

User-ID	For shareholder(s)/ Beneficial Owner(s) holding Shares In Demat Form:- a) For NSDL:- 8 Characters DP ID Followed by 8 Digits Client ID b) For CDSL:- 16 Digits Beneficiary ID c) For Members holding shares in Physical Form:- Folio Number registered with the Company
Password	Your Unique password is printed on the AGM Attendance Slip / sent via email forwarded through the electronic notice.
Captcha	Enter the Verification code for Security reasons, i.e., please enter the alphabets and numbers in the exact way as they are displayed.

- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) Members holding shares in Demat / Physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like \*, #, @, etc.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that such company opts for e-voting through Karvy's e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID., etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference. In case you forget it, you will need to go through 'Forgot Password' option available on the Karvy's e-voting website to reset the same.
- (v) You need to login again with the new credentials.
- (vi) On successful login, system will prompt to select the 'Event', i.e. 'SHREE RENUKA SUGARS LIMITED'.
- (vii) If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any other company, then your existing login id and password are to be used.

- (viii) On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ABSTAIN' for voting. Enter the number of shares under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding. If you do not want to cast a vote, you may select 'ABSTAIN'.
  - (ix) After selecting the resolution if you have decided to cast vote on the same, click on "SUBMIT" and 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.
  - (x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
  - (xi) Corporate / Institutional Members (corporate / FIs / FII's / Trust / Mutual Funds / Banks, etc.) are required to send scanned copy (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [gururajmutalik@gmail.com](mailto:gururajmutalik@gmail.com) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image / pdf file of the Board Resolution should be in the naming format "Corporate Name".
2. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently. Kindly note that once you have cast your vote you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.
  3. The Portal will remain open for voting from: 9.00 a.m. on September 27, 2015 to 5.00 p.m. on September 29, 2015 (both days inclusive). The e-voting portal shall be disabled by Karvy thereafter.
  4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com>. In case of any grievances, you may contact Mr. K S Reddy of Karvy Computershare Private Limited at 040-67162222 or at 1800-3454-001 (toll free); email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com).
  5. The Scrutinizer shall within a period not later than 3 (Three) days from the conclusion of the voting at the Annual General Meeting, first count the votes cast at the annual general meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (Two) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 3 (Three) days after the conclusion of the Annual General Meeting to the Chairperson of the Company. The Chairperson, or any other person authorised by the Chairperson, shall declare the result of the voting forthwith.
  6. The resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the resolutions.

7. The results declared along with the Scrutinizer's Report(s) will be placed on the website of the Company [www.renukasugars.com](http://www.renukasugars.com) and on Karvy's website (<https://evoting.karvy.com>) immediately after it is declared by the Chairperson, or any other person authorised by the Chairperson, and the same shall be communicated to National Stock Exchange of India Limited and BSE Limited.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4:

The members of Company at its 18th Annual General Meeting had appointed Mr. Robert Taylor as an Independent Director as per the provisions of Sections 149 and 152 of the Companies Act, 2013 ("the Act") for a period of 1 year effective from April 1, 2014.

Pursuant to Section 149(10) of the Act, upon expiry of the term of appointment of an Independent Director, such Independent Director is eligible for re-appointment on passing of a special resolution by the Company. Independent Directors are not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

It is proposed to re-appoint Mr. Robert Taylor as an Independent Director to hold office for a period for 5 (five) consecutive years with effect from April 1, 2015. The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Robert Taylor for the office of Director of the Company.

Mr. Robert Taylor is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declaration from Mr. Robert Taylor that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board and as per performance evaluation of Mr. Robert Taylor, he fulfils the conditions for re-appointment as Independent Director as specified in the Act and the Listing Agreement and is also independent of the management.

Brief resume of Mr. Robert Taylor, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter of appointment of Mr. Robert Taylor as Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement.

Mr. Robert Taylor is interested in the resolution set out at Item No. 4 of the Notice with regard to his appointment.

The relatives of Mr. Robert Taylor may be deemed to be interested in the resolution set out at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in this resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the shareholders.

### Item No. 5:

The Board of Directors at its meeting held on June 24, 2015 appointed Mr. Ashit Mallick as an Additional Director as per the provisions of Sections 161, 149 and 152 of the Companies Act, 2013 ("the Act") for a period of 3 (three) consecutive years effective from June 24, 2015, subject to the approval of the members.

In terms of Section 161 of the Companies Act, 2013, his appointment as a Director ceases on the date of the Annual General Meeting.

The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ashit Mallick as an Independent Director of the Company.

Mr. Ashit Mallick is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declaration from Mr. Ashit Mallick that he meets with the criteria of independence as prescribed both under 149(6) of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Ashit Mallick fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement and is also independent of the management.

Brief resume of Mr. Ashit Mallick, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter of appointment of Mr. Ashit Mallick as Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement.

Mr. Ashit Mallick is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. The relatives of Mr. Ashit Mallick may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the shareholders.

#### **Item Nos. 6 & 7:**

Pursuant to the terms of the Joint Venture (JV) Agreement with Wilmar Sugar Holdings Pte Ltd., (WSH) dated February 20, 2014, WSH nominated directorship of Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi. The Board of Directors at its meeting held on June 24, 2015 has appointed Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi as Additional Directors with effect from June 24, 2015 as per the provisions of Section 161 of the Companies Act, 2013 ("the Act") to hold office from the date of the said meeting till the date of the ensuing Annual General Meeting of the Company.

The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi for the office of Director of the Company, liable to retire by rotation.

Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

Brief resume of Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi, nature of their expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement are provided in the Corporate Governance Report forming part of the Annual Report. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement.

Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi are interested in the respective resolutions set out at Item Nos. 6 & 7 of the Notice, respectively, with regard to their appointments. The relatives of Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi may be deemed to be interested in the resolution set out respectively at Item Nos. 6 & 7 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key

Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the said resolutions.

The Board recommends the Ordinary Resolution set out at Item Nos. 6 & 7 of the Notice for approval of the shareholders.

#### **Item No. 8:**

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and payment of remuneration of ₹ 4,50,000/- (Rupees Four Lakhs Fifty Thousand only) (plus service tax and out-of-pocket expenses, if any,) to M/s B. M. Sharma & Co., Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the shareholders.

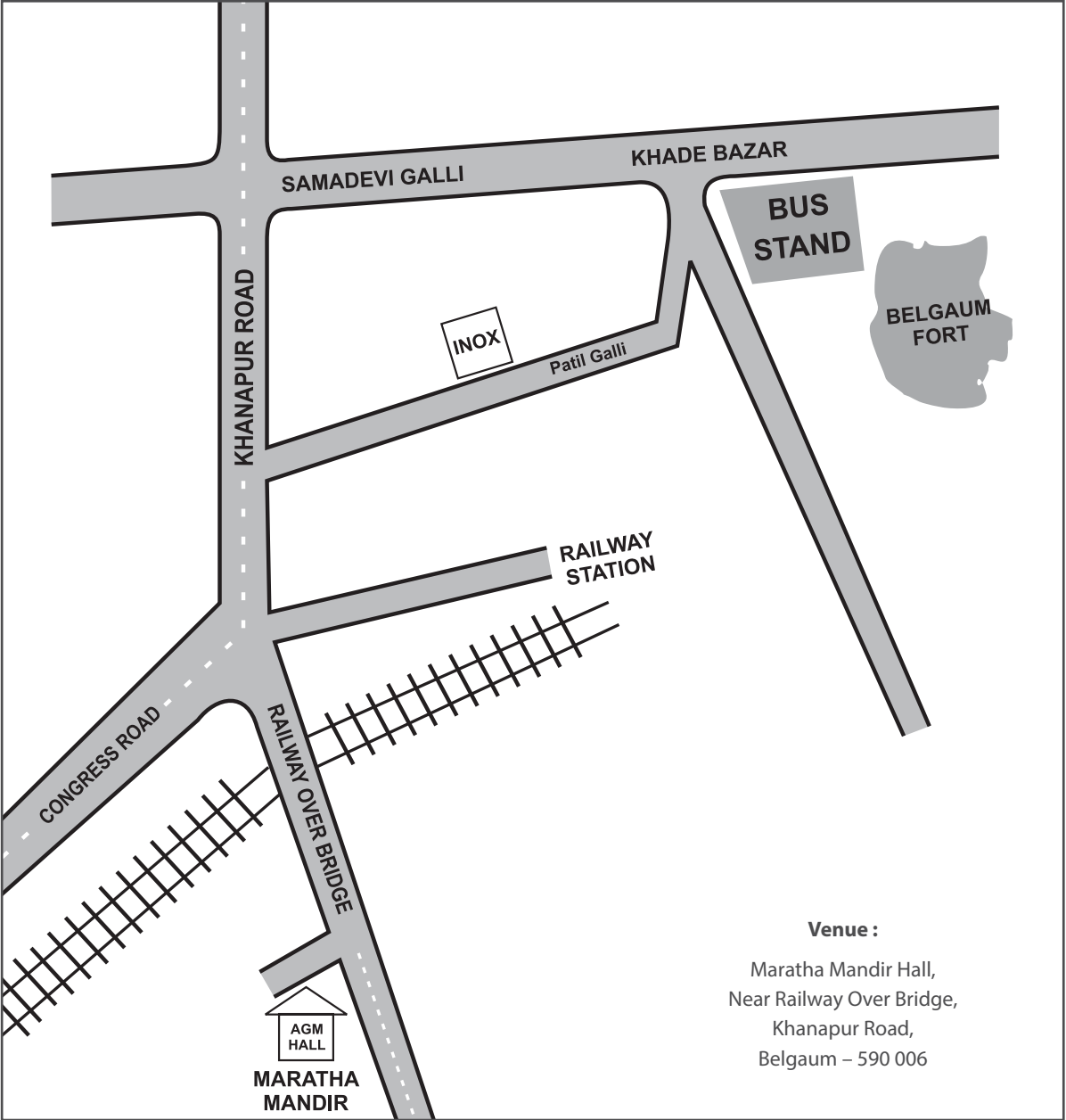
By Order of the Board of Directors  
for **Shree Renuka Sugars Limited**

Place: **Mumbai**  
Date: **August 24, 2015**

**Naveen Manghani**  
Company Secretary

**Regd. Office:**  
BC 105, Havelock Road,  
Camp, Belgaum – 590 001.

# ROUTE MAP OF AGM VENUE







**Registered Office**

BC 105, Havelock Road, Camp, Belgaum-590 001.

Tel: 91-831-2404000 | Fax: 91-831-2469891

[www.renukasugars.com](http://www.renukasugars.com)