

**RENUKA COMMODITIES DMCC
DUBAI, UAE**

Annual Financial Information
And
Independent Auditor's Report
1st April 2018 – 31st March, 2019

SANGANI AND COMPANY
CHARTERED ACCOUNTANTS

Corporate Offices No. 203 and 204

Ontario Tower, Opposite Oberoi Hotel, Business Bay

P.O. Box : 13403, DUBAI - U.A.E.

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(Since 1984)

سانجانی وشركاة

لتدقيق الحسابات

مكاتب الشركات رقم ٢٠٣ و ٢٠٤

اونتاريو تاور، اوبوسيت اوبروي هوتل، بوسينسس باي

ص.ب : ١٣٤٠٣، دبي - ا.ع.م.

هاتف: ٥٥٤٤٩٥٧ (٤ خطوط)، فاكس: ٥٥٤٤٩٥٦

Website: www.sanganico.com

The Shareholders,

Renuka Commodities DMCC

P.O.Box 125374, Jumeirah Lake Towers, Dubai, UAE

Report of the Auditors

We have audited the accompanying financial statements of RENUKA COMMODITIES DMCC, which comprise the statement of financial position as at 31st March, 2019, statement of profit or loss and other comprehensive income, statement of cash flows and accompanying notes for the year ended on 31st March, 2019. The Financials for previous year have been audited by another auditor, whose audit report dated 19th April, 2018 have issued a unqualified opinion with emphasis of matter.

Management Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Indian Accounting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of RENUKA COMMODITIES DMCC as at 31st March, 2019 and of its financial performance for the year then ended, in accordance with Indian Accounting Standards.

For Sangani and Company
Chartered Accountants

Pratik Sangani

Pratik Sangani

M.No - 697

24th April, 2019, Dubai, UAE




Renuka Commodities DMCC
Jumeirah Lake Towers, 24 J, AU Gold Tower, Sheikh Zayed Road, Dubai, UAE.
Balance Sheet as at 31st March, 2019

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	10.95	10.85
Other Intangible Assets	3	-	-
Financial Assets			
Investments	4	-	-
Other Advances	5	4,702.72	4,428.89
Deferred tax assets (net)		-	-
Current assets			
Inventories		-	-
Financial Assets			
Trade Receivables	6	831.61	8.25
Cash and Cash Equivalents	7	93.89	14.46
Loans	8	-	-
Other Advances	9	2,101.15	1,998.98
Financial Assets at FVTPL	10	-	-
Total Assets		7,740.32	6,461.43
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	4.97	4.97
Other Equity	12	(4,949.74)	(19,800.20)
Non-Current Liabilities			
Financial Liabilities			
Borrowings	13	-	-
Deferred Tax Liabilities (Net)		-	-
Current Liabilities			
Financial Liabilities			
Borrowings	14	6,468.53	316.60
Trade Payables	15	4,169.54	9,056.23
Financial Liabilities at FVTPL	16	-	418.28
Other Current Liabilities	17	2,046.08	16,463.55
Provisions	18	0.94	2.00
Total Equity and Liabilities		7,740.32	6,461.43

Accompanying Notes 1 to 29 form an integral part of this financial Statements

For and on behalf of the Board


Terrence Kaskar
Director

Renuka Commodities DMCC
Jumeirah Lake Towers, 24 J, AU Gold Tower, Sheikh Zayed Road, Dubai, UAE.
Statement of Profit & Loss for the year ended 31st March, 2019

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Revenue from Operations	19	1,635.01	4,590.92
Other Income	20	1.76	0.55
Total Income		1,636.77	4,591.47
EXPENSES			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade	21	1,538.69	12,781.90
Changes in Inventory of Finished Goods, Work-in-Progress & Stock-in-Trade		-	-
Employee Benefit Expenses	22	14.77	31.88
Finance Costs	23	88.60	157.07
Depreciation and Amortization Expense	24	1.38	1.73
Foreign Exchange (Gain)/Loss	25	(224.98)	(11.25)
Derivatives (Gain)/Loss	26	(473.92)	658.55
Other Expenses	27	19.08	39.74
Total Expenses		963.62	13,659.62
Profit/(Loss) before exceptional items and tax		673.15	(9,068.15)
Exceptional Items	28	(15,581.42)	17,831.20
Profit/(Loss) Before Tax		16,254.57	(26,899.35)
Current Tax		-	-
Deferred tax		-	-
Profit / (Loss) for the year		16,254.57	(26,899.35)
Other comprehensive income		-	-
Total comprehensive income for the year		-	-
Earnings per Share			
Basic		406.36	(672.48)
Diluted	29	406.36	(672.48)
[Nominal value of shares AED. 10,000/- each]			

Accompanying Notes 1 to 29 form an integral part of this financial Statements

For and on behalf of the Board



Terrence Kaskar
Director

Place: Mumbai
Date: 24th April, 2019

Renuka Commodities DMCC

Jumeirah Lake Towers, 24 J, AU Gold Tower, Sheikh Zayed Road, Dubai, UAE.

Cash Flow Statement for the year ended 31st March, 2019

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Tax	16,254.57	(26,899.35)
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Depreciation and Amortisation	1.38	1.73
Provision for impairment of short term loans to related parties	26.07	15,005.61
Provision for doubtful debts	-	582.35
Provision for impairment of investment in associate	-	4,447.56
Finance Costs	88.60	157.07
Loss/(Profit) on Sale of Fixed Assets	(0.03)	(0.55)
Foreign Exchange Fluctuation Reserve	(1,405.50)	(59.72)
Unrealised loss/(gain) on derivatives - net	(448.78)	(278.94)
Exchange Fluctuations (Net)	(224.98)	(11.25)
Operating profit/(loss) before working capital changes	14,291.33	(7,055.49)
Changes in operating assets and liabilities:		
Trade Receivables	(823.36)	2,030.43
Other Receivables	(402.07)	107.37
Trade & Other Payables	(19,305.22)	9,569.65
Cash generated from operations	(6,239.32)	4,651.96
Income-Tax paid	-	-
Net Cash Flow From Operating Activities	(6,239.32)	4,651.96
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(0.09)	(0.06)
Proceeds from Sale of Fixed Assets	0.03	0.86
Settlement on derivatives - net	30.50	(0.11)
Net Cash Flow From Investing Activities	30.44	0.69
CASH FLOW FROM FINANCING ACTIVITIES		
Exchange Fluctuations (Net)	224.98	11.25
Proceeds from Long-Term Borrowings	-	-
Proceeds from Short-Term Borrowings	6,151.93	(4,503.20)
Interest Paid	(88.60)	(157.07)
Net Cash Flow From Financing Activities	6,288.31	(4,649.02)
Net increase in Cash and Cash Equivalents	79.43	3.63
Opening Cash and Cash Equivalents	14.46	10.83
Closing Cash and Cash Equivalents	93.89	14.46

For and on behalf of the Board



Terrence Kaskar
Director

Place: Mumbai
Date: 24th April, 2019

Note 2 : Property, Plant and Equipment*All amounts in million Indian Rupees, unless otherwise stated.*

PARTICULARS	Apr 01, 2018	Additions	Disposal	Revaluation	Mar 31, 2019
GROSS BLOCK					
Office Building	16.33	-	-	1.39	17.72
Furniture & Fixtures	6.67	-	-	-	6.67
Office Equipments	2.35	0.09	0.44	-	2.00
Vehicles	0.33	-	-	-	0.33
Total	25.68	0.09	0.44	1.39	26.72
<i>Previous Year</i>	<i>29.16</i>	<i>0.07</i>	<i>3.55</i>	<i>-</i>	<i>25.68</i>
Accumulated Depreciation					
Office Building	5.63	0.84	-	0.33	6.80
Furniture & Fixtures	6.67	-	-	-	6.67
Office Equipments	2.35	0.06	0.44	-	1.97
Vehicles	0.18	0.15	-	-	0.33
Total	14.83	1.05	0.44	0.33	15.77
<i>Previous Year</i>	<i>16.34</i>	<i>1.43</i>	<i>3.24</i>	<i>0.30</i>	<i>14.83</i>
Net Block					
Office Building	10.70				10.92
Furniture & Fixtures	-				-
Office Equipments	-				0.03
Vehicles	0.15				-
Total	10.85				10.95
<i>Previous Year</i>	<i>12.82</i>				<i>10.85</i>

Note 3 : Other Intangible Assets*All amounts in million Indian Rupees, unless otherwise stated.*

PARTICULARS	Apr 01, 2018	Additions	Disposal	Revaluation	Mar 31, 2019
GROSS BLOCK					
Computer Software	0.05	-	-	-	0.05
Total	0.05	-	-	-	0.05
<i>Previous Year</i>	<i>0.05</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>0.05</i>
Accumulated Depreciation					
Computer Software	0.05	-	-	-	0.05
Total	0.05	-	-	-	0.05
<i>Previous Year</i>	<i>0.05</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>0.05</i>
Net Block					
Computer Software	-				-
Total	-	-	-	-	-
<i>Previous Year</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>

Note 4 : Investments*All amounts in million Indian Rupees, unless otherwise stated.*

	Currency	Face Value	Number of units	As at 31st Mar, 2019	As at 31st Mar, 2018
Investment in Equity Instruments					
Un-Quoted Investments:					
In Subsidiary Company :					
Shree Renuka Global Ventures Ltd.	USD	1	81,615,000	4,447.56	4,447.56
				4,447.56	4,447.56
Less : Provision for Investment				4,447.56	4,447.56
				-	-

NON-CURRENT ASSETS
Note 5 : Other Advances
All amounts in million Indian Rupees, unless otherwise stated.

	As at 31st March, 2019	As at 31st March, 2018
Unsecured & Considered good:		
Advances paid to Associate Companies	-	-
Others:		
Other Advances	4,702.72	4,428.89
	4,702.72	4,428.89

Note 6 : Trade Receivables

	As at 31st March, 2019	As at 31st March, 2018
Unsecured & Considered good:		
Debts over six months	626.48	589.99
Others	823.49	0.61
	1,449.97	590.60
Less : Provision for Trade Receivables	618.36	582.35
	831.61	8.25

Note 7 : Cash and Cash Equivalents

	As at 31st March, 2019	As at 31st March, 2018
Cash and Cash Equivalents:		
Cash on hand	0.06	0.27
Balances with banks:		
In current accounts	93.83	14.19
	93.89	14.46

Note 8 : Loans

	As at 31st March, 2019	As at 31st March, 2018
Unsecured and considered good:		
Loans and Advances to related parties:		
Advance to Associate Companies	15,821.01	14,883.46
	15,821.01	14,883.46
Less : Provision for Loans	15,821.01	14,883.46
	-	-

Note 9 : Other Advances

	As at 31st March, 2019	As at 31st March, 2018
Others:		
Prepaid Expenses	20.36	19.79
Deposits	0.05	0.01
Other Advances	2,218.90	2,101.33
	2,239.31	2,121.13
Less : Provision for Other Advances	138.16	122.15
	2,101.15	1,998.98

Note 10 : Financial Asset at FVTPL

	As at 31st March, 2019	As at 31st March, 2018
Financial Asset at FVTPL	-	-
	-	-

Note 11 : Equity Share Capital

	As at 31st March, 2019	As at 31st March, 2018
a) Authorised		
40 Equity Shares of AED 10,000 each	4.97	4.97
	4.97	4.97
b) Issued, Subscribed and Paid up		
40 Equity Shares of AED 10,000/- each fully paid up	4.97	4.97
	4.97	4.97

c) Reconciliation of number of shares and Equity Shares outstanding :	As at 31st March, 2019	As at 31st March, 2018
At the beginning of the year	40	40
Addition/deletion during the year	-	-
At the end of the year	40	40

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

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% to Equity	No. of Shares	% to Equity
Shree Renuka Sugars Limited	40	100.00	40	100.00

Note 12- Other Equity*All amounts in million Indian Rupees, unless otherwise stated.*

				Total equity attributable to the equity holders of the Company
	Foreign Exchange Translation Reserve	Revaluation Reserve	Retained Earnings	
As at 31st March 2018	693.07	8.66	(20,501.93)	(19,800.20)
Profit for the year	(1,405.50)	1.39	16,254.57	14,850.46
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	(712.43)	10.05	(4,247.36)	(4,949.74)
Transfer to/(From) Retained Earnings	-	-	-	-
Depreciation of Revalued Assets	-	(0.33)	0.33	-
As at 31st March 2019	(712.43)	9.72	(4,247.03)	(4,949.74)

NON-CURRENT LIABILITIES**Note 13 : Borrowings**

	As at 31st March, 2019	As at 31st March, 2018
1) Secured:		
a) Term loans from banks and financial institutions	2,044.91	1,925.84
	2,044.91	1,925.84
Less: Current Maturity of Long-Term Borrowings transferred to Other Current Liabilities (Refer Note 17)	2,044.91	1,925.84
	-	-

Terms of Repayment

Particulars	Amount O/s as at 31st March, 2019		Date of Maturity	Amt of Each Installment Rs in Million
	Current	Non Current		
a) Term Loans:				
i) Standard Chartered Bank				
Loan I	1,493.81	-	April 10, 2018	1,493.81
Loan II	551.10	-	April 10, 2018	551.10
Total Long Term Borrowings:	2,044.91	-		

CURRENT LIABILITIES**Note 14 : Borrowings**

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Working Capital from Banks: Foreign Currency Borrowings	-	-
Unsecured		
From holding company :		
Shree Renuka Sugars Limited	321.23	316.60
Wilmar Sugar Holdings Pte. Ltd.	6,147.30	-
	6,468.53	316.60

Note 15 : Trade Payables

	As at 31st March, 2019	As at 31st March, 2018
For Goods and Services	4,169.54	9,056.23
Others	-	-
	4,169.54	9,056.23

Note 16 : Financial Liability at FVTPL

	As at 31st March, 2019	As at 31st March, 2018
Financial Liability at FVTPL	-	418.28
	-	418.28

Note 17 : Other Current Liabilities

	As at 31st March, 2019	As at 31st March, 2018
Current maturity of Long-Term Borrowings (Refer Note 13)	2,044.91	1,925.84
Interest accrued but not due on Borrowings	-	-
Advance from Customers	-	-
Other Payables	1.17	2.37
Invocation amount paid by Shree Renuka Sugars Ltd.	-	14,535.34
	2,046.08	16,463.55

Note 18 : Provisions

	As at 31st March, 2019	As at 31st March, 2018
Provision for Gratuity	0.94	2.00
	0.94	2.00

Note 19 : Revenue from Operations

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Raw Sugar	928.41	1,643.49
White Sugar	706.07	2,947.04
Coal	-	-
Empty Bags	0.53	0.39
Contract Cancellation	-	-
	1,635.01	4,590.92

Note 20 : Other Income

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Profit on Sale of Assets	0.03	0.55
Income from Rent	1.73	-
	1.76	0.55

Note 21 : Purchase of Stock-in-Trade

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Raw Sugar	832.09	1,650.10
White Sugar	706.07	2,960.81
Coal	-	-
Empty Bags	0.53	0.39
Contract Cancellation	-	8,170.60
	1,538.69	12,781.90

Note 22 : Employee Benefit Expenses

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Salaries, Wages and Bonus	13.95	30.35
Contribution to Gratuity	0.64	1.21
Staff Welfare Expenses	0.18	0.32
	14.77	31.88

Note 23 : Financial Costs

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest:		
On Term Loans	-	13.70
On Working Capital	-	107.90
Others:		
Bank and Other Borrowing Costs	0.16	35.53
Interest Expense / (Income)	88.44	(0.06)
	88.60	157.07

Note 24 : Depreciation and Amortization Expense

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Depreciation and amortisation of Tangible assets*	1.38	1.73
Depreciation and amortisation of intangible assets*	-	-
	1.38	1.73

* Refer note no. 2 and 3

Note 25 : Foreign Exchange (Gain)/Loss

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Foreign Exchange (Gain) / Loss	(224.98)	(11.25)
	(224.98)	(11.25)

Note 26 : Derivatives (Gain)/Loss

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Realised (Gain) / Loss on Derivatives - Commodities	(25.14)	937.49
Unrealised (Gain) / Loss on Derivatives - Net	(448.78)	(278.94)
	(473.92)	658.55

Note 27 : Other Expenses

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Rent, Rates and Taxes	2.23	1.42
Insurance	0.78	1.21
Travelling and Conveyance	1.78	1.00
Printing and Stationery	0.02	0.02
Communication Expenses	0.92	1.03
Water & Electricity Expenses	0.02	0.03
Legal and Professional Fees	9.54	27.39
Repairs & Maintenance	1.18	1.55
Auditor's Remuneration	0.60	2.32
Membership & Subscriptions	1.94	3.11
Sundry Balances Written Off	-	-
Others	0.07	0.66
	19.08	39.74

Note 28 : Exceptional Items

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Provision for doubtful assets	26.07	20,035.52
Liabilities written back	(15,607.49)	(2,204.32)
	(15,581.42)	17,831.20

Note 29 : Earnings per Share

The calculation of Earnings per share (basic and diluted) are based on the Earnings and number of shares as computed below.

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Reconciliation of earnings		
Profit/(Loss) for the year ended 31st March, 2019	16,254.57	(26,899.35)
Net profit attributable to equity shareholders	16,254.57	(26,899.35)
Reconciliation of number of shares	Shares	Shares
Shares outstanding at the beginning of the year	40	40
Shares outstanding at the end of the year	40	40
Weighted average number of equity shares	40	40
Basic and Diluted Earnings Per Share (in rupees) [Nominal value of shares AED 10,000/- each]	406.36	(672.48)