

ASHOK KUMAR, PRABHASHANKAR & CO.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

To the Members of
SHREE RENUKA AGRI VENTURES LIMITED

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of **SHREE RENUKA AGRI VENTURES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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 Ind AS 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 the Ind AS 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 Ind AS financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its loss including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note No: 13(7) in the Notes to the financial statements:

The Company has accumulated losses and its net worth has been fully eroded. The Company has incurred a net loss of Rs.19.27 Mn (Rs.20.29 Mn) during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date, due to which the Company may be unable to discharge its liabilities in the normal course of business. This condition indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons in the said Note by the Management.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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*, 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;

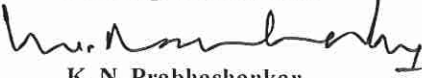


- c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereunder;
- e. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. 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 13(3) 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai
Date: 27.04.2018



For Ashok Kumar, Prabhaskar & Co.,
Chartered Accountants
Firm Regn No. 004982S



K. N. Prabhaskar
Partner
Membership No. 019575

Annexure 'A' to the Auditors' Report

The Annexure referred to in our report to the members of Shree Renuka Agri Ventures Limited for the year ended March 31, 2018. We report that:

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As at the end of the financial year, the company does not have any fixed assets. Hence reporting regarding physical verification and commenting on material discrepancies does not arise.
- c) The Company does not have any immovable properties.
- ii) The Company does not have any inventories. Hence provisions with regard to reporting on Physical verification and discrepancies thereon does not apply.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv) The Company has no loans, investments, guarantees and security. Hence compliance under section 185 and 186 of the Companies Act, 2013 does not arise.
- 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 not prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013.
- 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, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities outstanding as at 31st March 2018 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, there are no disputed amounts in respect of Income tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax as at 31st March 2018 except the following:

Sl No	Name of the Statute	Nature of Dues	Amount (Rs in Mn)	Period	Forum where Dispute is pending
1	Customs Act, 1962	Customs Demand	250.00	2013-14	CESTAT
Grand Total			250.00		

- viii) The Company has not borrowed any funds from financial institutions, banks and has also not raised funds by way of Debentures. Hence reporting on default on repayment does not arise.
- ix) Since the Company has not raised any money by way of initial public offer and has no term loans, reporting on the clause with regard to application of such term loans does not arise.
- x) As per information and explanations given to us and on the basis of our examinations of books and records, there were no frauds by the company or on the Company by its officers or employees has been noticed or reported during the year.

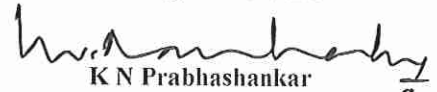


- xi) No managerial remuneration has been paid by the Company during the year and hence reporting on clause (xi) of the order is not applicable.
- xii) This is not a Nidhi Company, hence reporting under clause (xii) does not apply.
- xiii) As per information and explanations given to us and on the basis of our examinations of books and records, all the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with them and hence reporting on this clause is not applicable.
- xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

Place: Mumbai
Date: 27.04.2018



For Ashok Kumar Prabhaskar & Co.
Chartered Accountants
Firm Reg No: 004982S



K N Prabhaskar
Partner
Membership No: 019575

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Shree Renuka Agri Ventures Limited** ("the Company") as of 31st March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Place: Mumbai
Date: 27.04.2018



For Ashok Kumar Prabhaskar & Co.
Chartered Accountants
Firm Regn No: 004982S

K. N. Prabhaskar
Partner
Membership No: 19575

SHREE RENUKA AGRI VENTURES LIMITED
 Regd. Office : BC 105, Havelock Road, Camp, Belagavi - 590 001.
 Balance Sheet as at 31st Mar, 2018

(Amount in Rupees)

	Notes	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
I ASSETS				
Non-Current Assets				
Property, Plant and Equipments	2	-	-	-
Capital Work-In-Progress - Tangible		-	-	-
Other Intangible assets		-	-	-
Financial Assets:				
Investments		-	-	-
Trade receivables		-	-	-
Loans		-	-	-
Other Advances	3	3,795,000	3,795,000	3,795,000
Deferred Tax Assets (Net)		-	-	-
Current Assets				
Inventories		-	-	-
Financial assets:				
Investments		-	-	-
Trade receivables		-	-	-
Cash and Cash Equivalents	4	1,377,099	1,644,071	1,943,648
Loans		-	-	-
Other Advances	5	7,124	14,901	22,677
Total		5,179,223	5,453,972	5,761,325
II. EQUITY AND LIABILITIES				
Equity				
Equity Share capital	6	2,500,000	2,500,000	2,500,000
Other Equity	7	(222,737,036)	(203,471,588)	(183,183,570)
Non-Current Liabilities				
Financial Liabilities:				
Borrowings		-	-	-
Provisions		-	-	-
Deferred Tax Liabilities (Net)		-	-	-
Current Liabilities				
Financial Liabilities:				
Borrowings	8	222,583,400	203,008,304	180,337,410
Trade Payables	9	2,807,860	2,807,269	5,554,684
Other Financial Liabilities	10	25,000	609,987	552,801
Total		5,179,223	5,453,972	5,761,325

Accompanying Notes 1 to 13 form an integral part of this financial statements

To be read with our report of even date
 For Ashok Kumar, Prabhaskar & Co.,
 Chartered Accountants
 Firm Regn. No. : 0049825

K.N. Prabhaskar

K.N. Prabhaskar
 Partner
 Membership No. : 019575

Place : Mumbai
 Dated : April 27, 2018



For and on behalf of the Board

Vidya M. Murkumbi
 Vidya M. Murkumbi
 Director
 DIN: 00007588

Rajshekhar Charantimath
 Rajshekhar Charantimath
 Director
 DIN : 01663747

SHREE RENUKA AGRI VENTURES LIMITED
 Regd. Office : BC 105, Havelock Road, Camp, Belagavi - 590 001.
 Statement of Profit & Loss for the year ended 31st March, 2018

(Amount in Rupees)

	Notes	Year ended 31st March, 2018	Year ended 31st March, 2017
Revenue From Operations		-	-
Other Income		660	2,721,290
Total Revenue		660	2,721,290
Expenditure			
Purchase of Stock-in-Trade		-	-
Changes in the inventory of Finished Goods, Work in Progress and Stock in Trade		-	-
Finance Costs	11	18,963,948	22,697,978
Depreciation and Amortisation Expenses		-	-
Other Expenses	12	302,160	311,330
Total Expenses		19,266,108	23,009,308
Profit/(Loss) before exceptional items and tax		(19,265,448)	(20,288,018)
Exceptional Items		-	-
Profit/(Loss) Before Tax		(19,265,448)	(20,288,018)
Extraordinary Items		-	-
Profit/(Loss) Before Tax		(19,265,448)	(20,288,018)
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Total Tax Expenses		-	-
Profit/(Loss) for the year		(19,265,448)	(20,288,018)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset		-	-
Total comprehensive income for the year		(19,265,448)	(20,288,018)
Earning Per Equity Share:			
Basic (in Rs.)		(77.06)	(81.15)
Diluted (in Rs.)		(77.06)	(81.15)

Accompanying Notes 1 to 13 form an integral part of this financial statements

To be read with our report of even date
 For Ashok Kumar, Prabhaskar & Co.,
 Chartered Accountants
 Firm Regn. No. : 0049825

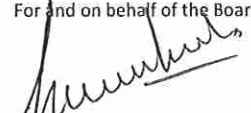


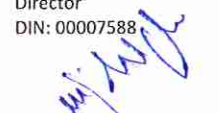
K.N. Prabhaskar
 Partner
 Membership No. : 019575

Place : Mumbai
 Dated : April 27, 2018



For and on behalf of the Board


 Vidya M. Murkumbi
 Director
 DIN: 00007588


 Rajshekhar Charantimath
 Director
 DIN : 01663747

SHREE RENUKA AGRI VENTURES LIMITED
 Regd. Office : BC 105, Havelock Road, Camp, Belagavi - 590 001.
 Cash Flow Statement for the year ended 31st March, 2018

(Amount in Rupees)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Cash Flow From Operating Activities:		
Profit/(Loss) before Taxation	(19,265,448)	(20,288,018)
Adjustments To Reconcile Profit/(Loss) Before Tax To Net Cash Provided By Operating Activities:		
Depreciation	-	-
Financial Expenses	18,963,948	22,697,978
Miscellaneous Expenditure Written off	-	-
Operating Profit before Working Capital Changes	(301,500)	2,409,960
Trade Receivables	-	-
Other Receivables	7,777	7,777
Trade and Other Payables	-	-
Cash generated from Operations	(293,723)	2,417,737
Income-Tax paid	-	-
Net Cash Flow from Operating Activities	(293,723)	2,417,737
Cash Flow from Investing Activities:		
Purchase of Fixed Assets	-	-
Preliminary / Pre-Operative Expenses	-	-
Net Cash Flow from Investing Activities	-	-
Cash Flow from Financing Activities:		
Proceeds from Short-Term Borrowings	18,990,701	19,980,664
Financial Expenses	(18,963,950)	(22,697,978)
Net Cash Flow from Financing Activities	26,751	(2,717,314)
Net Increase in Cash And Cash Equivalents	(266,972)	(299,577)
Opening Cash and Cash Equivalents	1,644,071	1,943,648
Closing Cash and Cash Equivalents	1,377,099	1,644,071

To be read with our report of even date
 For Ashok Kumar, Prabhaskankar & Co.,
 Chartered Accountants
 Firm Regn. No. : 0049825

K.N. Prabhaskankar
 Partner
 Membership No. : 019575

Place : Mumbai
 Dated : April 27, 2018



For and on behalf of the Board

(Signature)
 Vidya M. Murkumbi
 Director
 DIN: 00007588

(Signature)
 Rajshekhax Charantimath
 Director
 DIN : 01663747

SHREE RENUKA AGRI VENTURES LIMITED
Regd. Office: BC 105, Havelock Road, Camp, Belagavi - 590 001.
Notes to Accounts forming part of the Financial Statements
for the year ended 31st March, 2018

Note 1: Significant Accounting Policies:

1. Basis of Presentation:

The accompanying financial statements have been presented for the year ended 31st March, 2018 along with comparative information for the year ended 31st March, 2017. These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) on going concern basis under the historical cost convention on the accrual basis of accounting 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 Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017. The accounting policies have been consistently applied by the Company except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of estimates:

In preparing the Company's financial statements in conformity with Ind AS, the Company's management is required to make estimates, judgements and assumptions that affect the application of accounting policies, 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 and if material, their effects are disclosed in the notes to the financial statements.

3. Property, plant and equipment:

Property, plant and equipment (Tangible and Intangible) are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to the location and condition necessary for its intended use. Expenditure incurred during construction period has been added to the cost of the assets.

4. 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.

5. 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.



6. 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.

7. Inventories:

Inventories- Raw Material are valued as follows:

Valued at lower of cost and net realizable 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 Moving Weighted Average basis.

8. Revenue recognition:

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue from sale of goods is recognized 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.

9. 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 amortized 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.

10. Derivative financial instruments:

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.



Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

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.

11. 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 realized.

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.

12. 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.

13. 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 recognized when the carrying amount of an asset exceeds its recoverable amount.



14. Provisions, contingent liabilities and contingent assets:

Provisions are recognized 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 recognized nor disclosed.

15. 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 realization 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.



Note 2: Property, Plant and Equipments

Amounts in Rupees

PARTICULARS	1st April, 2017	Additions	Disposal	31st Mar, 2018
Gross Carrying Value				
Office Equipment	33,450	-	-	33,450
Computer	83,280	-	-	83,280
Total	116,730	-	-	116,730
<i>Previous Year</i>	116,730	-	-	116,730
Accumulated Depreciation				
Office Equipment	33,450	-	-	33,450
Computer	83,280	-	-	83,280
Total	116,730	-	-	116,730
<i>Previous Year</i>	103,354	13,376	-	116,730
Net Carrying Value				
Office Equipment	-			-
Computer	-			-
Total	-			-
<i>Previous Year</i>	13,376			-



SHREE RENUKA AGRI VENTURES LIMITED
 Regd. Office : BC 105, Havelock Road, Camp, Belagavi - 590 001.
 Notes to Accounts forming part of the Financial Statements
 for the year ended 31st Mar, 2018

Non-Current Assets

(Amount in Rupees)

Note 3: Other Advances

	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
Security Deposits :			
Duty Paid Under Protest	3,750,000	3,750,000	3,750,000
Sales Tax (VAT) Deposit	45,000	45,000	45,000
	3,795,000	3,795,000	3,795,000

Current Assets

Note 4: Cash and Cash Equivalents

	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
Cash in Hand	591	771	78
Balances With Banks	1,376,508	1,643,300	1,943,570
	1,377,099	1,644,071	1,943,648

Note 5: Other Advances

	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
Prepaid Expenses	6,624	14,400	22,176
Other Advances	501	501	500
	7,124	14,901	22,677

Note 6: Equity Share capital

	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
Authorised :			
(25,000,000 Equity Shares of Rs.10/- Each)	250,000,000	250,000,000	250,000,000
	250,000,000	250,000,000	250,000,000
Issued, Subscribed & Paid-up:			
(250,000 Equity Shares of Rs.10/- Each fully Paid Up)	2,500,000	2,500,000	2,500,000
	2,500,000	2,500,000	2,500,000

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

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	% to Equity	No. of Shares	% to Equity
Shree Renuka Sugars Limited (including holding by representatives)	250,000	100%	250,000	100%

Note 7: Other Equity

	As at 31st March 2018	As at 31st March 2017	As at 31st March, 2016
Surplus/(Deficit) in the Statement of Profit & Loss:			
Balance as per Last Financial Statement	(203,471,588)	(183,183,570)	(164,524,442)
Add: Profit/(loss) for the year	(19,265,448)	(20,288,018)	(18,659,128)
Net Surplus/(Deficit) in Statement of Profit and Loss	(222,737,036)	(203,471,588)	(183,183,570)



Current Liabilities

Note 8: Borrowings

(Amount in Rupees)

	As at 31st March 2018	As at 31st March 2017	As at 31st March, 2016
<u>Unsecured</u>			
From Related Party			
Shree Renuka Sugars Limited - Holding Company	222,583,400	203,008,304	180,337,410
	222,583,400	203,008,304	180,337,410

Note 9: Trade Payables

For Goods and Services	2,807,859	2,807,269	5,554,684
	2,807,859	2,807,269	5,554,684

Note 10: Other Financial Liabilities

TDS Payable	25,000	609,987	552,801
	25,000	609,987	552,801

Note 11: Finance Costs

	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest Others	18,961,495	22,695,683
Bank Charges	2,453	2,295
	18,963,948	22,697,978

Note 12: Other Expenses

Rent, Rates and Taxes	51,390	14,104
Printing & Stationery	-	30
Audit Fees:		
Statutory Audit Fees	200,000	229,000
Other Services	50,000	57,250
Legal and Professional fees	770	10,946
	302,160	311,330



Note 13: Other Notes to the Financial Statements:*All amounts in Indian Rupees, unless otherwise stated.***1. 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:

- Within a period of one year – Nil (Previous year - Nil)
- Lease Rent charged to Statement of Profit and Loss for the year ended 31.03.2018 is Rs. Nil (Previous year Rs. Nil)

2. Auditors' remuneration:

- a. As Statutory Audit Fees – Rs. 200,000 (Previous year Rs. 200,000)
- b. As Tax Audit Fees – Rs. Nil (Previous year Rs. Nil)
- c. As Others Services- Rs 50,000 (Previous year Rs 50,000)

3. a) Estimated amount of contracts remaining to be executed on capital account and not provided – Nil**b) Contingent liability**

Liabilities classified and considered contingent due to contested claims and legal disputes	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Customs Demand	250,000,000	250,000,000
Total:	250,000,000	250,000,000

4. Related party transactions:**a) Transactions with Holding Company****i) Shree Renuka Sugars Ltd.**

		Year Ended 31st March, 2018	Year Ended 31st March, 2017
1	Nature of transaction	Purchase/Sale	Purchase/Sale
	Advance for Sales and Others	(2,509,751)	(2,244,780)
	Sale of Raw-Sugar	-	-
	Rent	-	-
	Interest paid on advances	(17,065,345)	(20,426,114)
	Outstanding as at the end of the period	(222,583,400)	(203,008,304)
2	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	-
	Investment in subsidiary	2,500,000	2,500,000



5. Foreign exchange earned and utilized during the year - Nil
6. Expenditure in Foreign Currency – Nil
7. The company has accumulated loss and its net worth has been fully eroded. Further the company has incurred net loss of Rs 19,265,448/- current year (Previous Year Rs 20,288,018) and the company's current liabilities exceeded its current assets. This indicates existence of material uncertainty which may cast significant doubt on companies' ability to continue as a going concern. However the management has adopted going concern basis of preparation on the basis that the holding company will provide necessary financial support to enable it to realize its asset and discharge its liabilities as and when due.
8. The Holding Company in Board meeting held on March 12, 2018 decided that it will not charge interest to the company from 1st January 2018 i.e Q4 of Financial Year 2017-18 onwards
9. Previous year's figures have been regrouped/ rearranged wherever necessary to conform to the current year grouping.

To be read with our report of even date.
For Ashok Kumar, Prabhashankar & Co.,
Chartered Accountants
Firm Registration No. : 004982S



K. N. Prabhashankar
Partner
Membership No.: 19575




Place: Mumbai
Date: April 27, 2018

For and on behalf of the Board



Vidya M Murkumbi
Director
DIN: 00007588



Rajshekhar Charantimath
Director
DIN: 01663747