BALRAMPUR CHINI MILLS LIMITED

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1st September, 2017

National Stock Exchange of India Limited Listing Deptt., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai- 400051	**BSE Limited** The Corporate Relationship Department 1st Floor, New Trading Wing, Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai- 400001	**The Calcutta Stock Exchange Limited** 7, Lyons Range, Kolkata – 700 001
Scrip Code: BALRAMCHIN	**Scrip Code:** 500038	**Scrip Code:** 12012

Dear Sir/ Madam,

Ref : **Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Sub: **Submission of Annual Report 2016-17**

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Annual Report 2016-17 as approved and adopted in the 41st Annual General Meeting of the Company held on 30th August, 2017.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,
For **Balrampur Chini Mills Limited**

NBagaria

Nitin Bagaria
(Company Secretary)

cane and able

BALRAMPUR CHINI MILLS LIMITED
ANNUAL REPORT 2016-17

Contents

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed 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 'anticipates', 'estimates', '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 achievement of results is 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 bear 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.

5 big messages that we wish to convey through this report

We are a efficient manufacturer in the Uttar Pradesh sugar industry

We moderated the impact of sectoral cyclicality through proactive investments in downstream by-product processing

We are working closely with farmers to facilitate higher productivity & varietal improvement in order to attain a better recovery

We invest in modern cane and agriculture technologies to benefit farmers

We proactively invested in environment protection and control to create a green sugar ecosystem

5 destinations of our business by 2020

Positioning as an 'environment-friendly' sugar company

Catalysing rural prosperity

Sustained cost effective leadership

Net cash position

Balanced business model largely insulated from cyclical impact

cane and able

The success of our company can be encapsulated in three sentences.

- We encourage farmers to plant high-yielding cane varieties
- We encourage them to plant more cane of the early maturing varieties
- We maximise cane utilisation and by-product generation

Produce better cane.
Crush more cane.
Crush efficiently.

That's really what success in the sugar industry comes down to:
as you sow, so you reap.

Our cane competence has come a long way

Value-creation engine

Balrampur Chini Mills reported the largest cash profit in its existence in 2016-17: ₹697.22 crore. This was 108.5% higher than the previous record profit achieved during financial year September 2009.

Cash profit	
FY September 2009 (₹ crore)	FY 2017 (₹ crore)
334.45	697.22

Operational

The Company widened the coverage of superior cane varieties from 4.87% of its command areas during sugar season 2013-14 to 41% during sugar season 2016-17 (enhancing recoveries).

Early maturing cane varieties	
SS 2013-14	SS 2016-17
4.87%	41%

Gearing

The Company had a gearing of 0.13 (following repayment of ₹471.85 crore long-term debt during the year) as on 31 March 2017. The Company had ₹204.84 crore long-term debt as on 31 March 2017 (more than two-thirds at zero percent interest and rest at a low rate of interest).

Peak long-term debt	Long-term debt
FY September 2008 (₹ crore)	FY17 (₹ crore)
1020.78	204.84

Sustainability

The Company believes that the investments in capacity de-bottlenecking and growth will be adequately funded by accruals and negligible debt.

Cash accruals	
FY17 (₹ crore)	FY16 (₹ crore)
697.22	210.37

Capex	
FY17 (₹ crore)	FY16 (₹ crore)
129.56	153.24

Uniqueness

Balrampur Chini Mills became arguably the first agro-based company in India to announce a share buyback in 2016-17.

Cash accruals	Share buyback
FY17 (₹ crore)	FY17 (₹ crore)
697.22	175

5 things you must know about Balrampur Chini Mills Limited.

1

The Company is among the largest integrated sugar manufacturer in India.
Cumulative cane crushing capacity of 76,500 tonnes per day, distillery capacity of 360 kilolitres per day and saleable cogeneration capacity of 163.2 megawatts.

2

The Company's units are located in the eastern and central part of Uttar Pradesh
79% of the Company's crushing capacity is based in Eastern Uttar Pradesh; 21% of the Company's crushing capacity is based in Central Uttar Pradesh

3

The Company (headed by Shri Vivek Saraogi) is respected as a wealth creator.
The Company's market capitalisation of ₹3415.88 crore as on 31 March 2017, reported 3.2x increase in the last five years (equity shares listed on BSE, NSE and CSE).

4

The Company has grown operations from two manufacturing units to 10 across two decades.
The Company's operations are spread across Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur.

5

The Company is a diversified sugar company with around 17% revenues from non-sugar products.
The Company is engaged in the manufacture of sugar, industrial alcohol, ethanol, power, molasses and bagasse among others.

MD's review
of the Company's 2016-17 performance

NEVER IN MY LAST TWO AND A HALF DECADES OF WORKING IN THE INDIAN SUGAR INDUSTRY HAVE I BEEN MORE OPTIMISTIC THAN I AM NOW.

To understand where my optimism comes from, it would be necessary to examine the reasons for the extensively cyclicality within India's sugar industry.

The cyclicality within India's sugar industry was largely derived from the Government's perspective that the industry existed only to benefit the cane grower. The result of this belief was that cane costs were periodically and arbitrarily increased for non-economic reasons; this arbitrarily-enforced pricing usually inflated raw material costs for sugar manufacturers without a corresponding capability in passing on such cost increases to consumers. When the squeeze transpired, a number of sugar manufacturers reported losses.

Transformation

The last sectoral trough was particularly challenging for two reasons. It was the most prolonged slowdown that one has seen in India's sugar industry; it was also the most intensive; sugar manufacturers did not just suffer losses across a longer tenure than usual; they also suffered considerably larger deficits than they had faced in their existence.

This background is necessary to appreciate the nature of the sectoral transformation that has transpired in the last couple of years and how this transformation is fundamentally different from the usual rebound in India's sugar industry. The rebound in the fortunes of India's sugar industry has to a large extent been influenced by the pragmatic policies of India's new Government that came into power in May 2014.

That the sugar sector began to revive not long after the new Government assumed charge is no coincidence. Over the last few years, we have seen a new perspective emerge from the Government: that if farmers are paid on time and attractively then the health of the country's sugar sector would be assured. In turn, we have seen the Government enunciate that if the health of the sugar sector needs to be revived and protected what it needs is policy clarity, consistency and equity, making it possible for sugar manufacturers to plan their growth across the foreseeable future.

Pragmatic interventions

The Government extended its intent into content; over the last couple of years, there have been a number of pragmatic interventions by the Government that have helped address emerging sectoral challenges with urgency, decisiveness and fairness. The result is that India's sugar industry is considerably more optimistic of its prospects because the decisions of the Indian Government are informed, professional and responsive.

The result is a win-win-win for farmers, manufacturers and consumers. Farmers are getting increasingly remunerated on time, strengthening their cash flows; manufacturers are enjoying superior viability after years of losses; consumers are benefiting from stable prices with the prospect a larger cane crop next season indicating that realisations will be stable. This superior proposition for all sectoral stakeholders indicates that we might be at the sweetest spot in decades – finally what is good for the farmers is also good for the miller and consumer.

Change in State Government

For Uttar Pradesh sugar manufacturers, this sectoral transformation comes at a time when the state's Government has changed. After decades, we have a Government in Uttar Pradesh that is of the same political party as the Government at the Centre. This is more than just a coincidence; the new Chief Minister of the Uttar Pradesh Government has initiated evaluation of the longstanding cane pricing formula with the objective to model it on the formulae followed in Maharashtra and Karnataka. Among other initiatives, the Chief Minister indicated a review of the existing Molasses and Ethanol Policy with the objective that the interests of the manufacturers are better represented; he indicated that it is time cane growers in the state extended to the use of higher yield cane varieties over conventional equivalents.

These observations by the Uttar Pradesh Chief Minister inspire the optimism that for the first time in living memory, the Governments of Centre and State would be working in tandem for industrial development – taking a holistic, aligned and uniform view from the perspectives of sugar realisations and raw material pricing.

Sectoral inflection

I believe that this alignment provides the basis for a sectoral inflection point. It would be myopic to believe that the Indian sugar sector will cease to be cyclical; what is becoming increasingly evident is that the sectoral downtrends would be shorter and less pronounced than what they were in the past; conversely, there is a growing optimism that the uptrend years will be far more and durable than the years of sectoral weakness.

Interestingly, even as this improvement will raise the water level for the broad sector, some manufacturers will rise higher than the others. I believe that the efficient, compliant and ethical companies will perform considerably better than the sectoral average; during industry rebounds, the companies that play completely by the book will report disproportionately larger gains than the rest. In this respect, one must indicate that when Balrampur Chini Mills made a large proactive investment in zero-discharge distilleries a couple of years ago, this decision was questioned on the grounds that we did it when nobody was doing it and hence was not necessary.

Being proactive

At Balrampur Chini Mills, we have believed that the time is always right to do something that is correct. The Pollution Control Board took a particularly stringent view of the environment standards that applied to the industrial sector in that state. The result was that a number of non-compliant manufacturers were compelled to shut operations. On the other hand, a proactive and compliant company like Balrampur Chini Mills is permitted to run for a higher number of days.

What gives me pleasure is that Balrampur Chini Mills is in a comfortable industry position at the start of the industrial rebound. The Company reported a 181.91% increase in cash profit to ₹697.22 crore over the previous year; this cash profit was 108.50% higher than the previous cash profit peak reported by the Company during September 2009, validating the investments that we made in our business capacity and capabilities during the last few years. Besides, our company completed a buy-back during the year under review, moderated long-term debt from ₹676.69 crore to ₹204.84 crore and reduced its average debt cost. The message that we would like to send out to our shareholders is that even as the sectoral rebound is far from over, Balrampur Chini Mills has strengthened its fundamentals with sustainable implications across the foreseeable future.

One of the questions that I have often been asked is where the Company is likely to go from here. My answer is that we would definitely like to keep growing: through quantitative and qualitative strategies. We believe that with the Government's new rules, staying in business could result in sectoral opportunities to acquire assets around a compelling price-value proposition. As always, Balrampur Chini Mills will be selective when it comes to inorganic opportunities, preferring to focus on independent assets over companies and buying into assets that are relatively clean of litigations and unseen encumbrances.

Growing from within

In addition to inorganic opportunities, we see a considerable scope in growing from within. We expect to increase our cane crushing capacity by 10% in the next season in the normal run of things. But more than this increase is the prospect of increasing the coverage of high-yielding cane varieties within our command areas. During the season gone by, 41% of our cane comprised early maturing cane varieties; the operating leverage available tells us that we have a few years of hard work ahead. This would consequently lead to further growth, enhancing our average consolidated recovery on the one hand and profitability on the other as we intend to achieve 80% of high yielding cane varieties in next two years.

Besides, I am convinced that while we have grown through entrepreneurial opportunity-seeking and passion-driven interventions, the time has come to graduate to systems-driven professionalism that would make our company increasingly independent of a disproportionate dependence on select individuals and greater focus on organisation-wide entrepreneurial leadership within. To achieve this Balrampur Chini Mills has engaged the best to strengthen its process orientation. We hope to reap the benefits of this process orientation in the near future.

Outlook

So were does this thinking converge?

The outlook at Balrampur Chini Mills will be to focus particularly on safety. We wish to create a working environment that will be safe, eliminating the incidence of accidents and mishaps. But more than that, we wish to create a Company where shocks are taken out of the system, processes are streamlined, information technology facilitates a drill-down into operating mechanics, every initiative and intervention has been audited for its comprehensive fallout and where we are completely compliant with regulatory requirements.

I believe that in the near future stakeholders will respect comprehensively safe companies like ours even more, enhancing value for all those associated with our Company.

Vivek Saraogi
Managing Director

We expect to increase our cane crushing capacity by 10% in the next season in the normal run of things. But more than this increase is the prospect of increasing the coverage of high-yielding cane varieties within our command areas.

In the depths of a chilling autumn lie **the seeds of a glorious summer**.

6 ways in which Balrampur Chini Mills transformed the dynamics of cane quality in a change-resistant Uttar Pradesh

It would have been easy to say 'Let the farmer give us whatever cane he wishes'.

1

At Balrampur, we walked a more difficult road. We looked at increasing the quality of cane we were getting from the farmers. Farmers adjusted; we didn't. The result is that when the farmers began to realise that we would focus on better quality cane and paid within the stipulated time period and sometimes much before the stipulated time period, they realised it made eminent sense to follow superior cane management initiatives. Which reminds us of what the legendary Henry Ford would say of customers seeking to buy his cars: 'They can like any colour – so long as it is black.'

It would have been easy to say of cane development 'It is the farmer's business.'

2

At Balrampur, we made the farmer's business our business. We engaged in cane development. Which means that we studied diverse cane varieties, we identified 3-4 varieties that would suit Uttar Pradesh's topography best; we recommended this selection to farmers; we persuaded them to trust us in graduating from their long-standing variety to the one we suggested; we provided seeds at a subsidised cost; we monitored the planting and growth of the cane variety until harvest; we conclusively demonstrated that the new variety delivered a superior yield to the farmer and superior recovery for our company, thereby a win-win situation for both.

It would have been easy to sit on a perch and advise.

3

At Balrampur, we put our hands in the bucket instead. We created an army of more than 500 field workers who would not sit at desks and write memos; they would travel around 40-50 kilometres from village to village every single day – and appraise farm health by asking some probing doctor-like questions: '*Chacha*, how much of your cultivable area has been allotted to cane this season? Why less? Why not more? What problems are you facing? What if I am able to suggest solutions for your problems? Have you heard of that farmer just 10 kilometres from here who raised his income 30% last season? When did you plant? When will your *ganna* be ready for your harvest? Can I have a look at your cane to test its health? Can I arrange for some help as I see a minor problem near the cane root?'

It took courage to even suggest that the farmers alter a centuries-old planting pattern.

4

At Balrampur, we made some outrageous suggestions. One was that farmers alter their planting pattern. The time-honoured tradition among cane growers in Uttar Pradesh was to sow in March and reap the harvest nine months later. The Company recommended something different: plant the crop in autumn and reap the harvest 13 months later. When farmers heard this, they scoffed: 'You are asking us to work longer for the same amount of money? What about loss in the income that we would have generated from an alternative crop?' Balrampur explained: the autumn cane would provide the highest yield. This autumn variety was less susceptible to pests, disease and also more resistant to damage by drought and flood. The variety would permit earlier crushing and facilitate a superior recovery. The variety would substantially enhance output. The Company would handhold farmers through the transition. Sceptics said they would experiment with a small patch; when the positives began to emerge, they widened coverage. When the positive word began to go around, other farmers began to convert and adapt. Today, around 41% of our command areas comprises early maturing variety.

At Balrampur, we instituted 'cane on wheels' to collect cane directly from the incoming vehicle as opposed to the conventional approach of dumping it on the ground and getting another vehicle to collect.

It would have been easy playing the role of a demanding customer.

5

At Balrampur, we are buying cane from more than 4.5 lac farmers. It would have been usual to see things from the transaction viewpoint: farmer-vendor and company-customer. The Company positioned itself as an engaged partner instead. A role manifested in the provision of farm-supporting inputs and resources. For instance, the Company (among other things) provides bio-compost at subsidised rates to farmers each season in addition to facilitating the distribution of various agri-inputs like fertilisers, pesticides & insecticides and urea spray. This health of sugarcane and soil. The result is that through engagements like these, Balrampur has graduated from customer into trusted friend, philosopher and guide.

It would have been smug for us to believe that our work ended with encouraging farmers.

6

At Balrampur, we instituted 'cane on wheels' to collect cane directly from the incoming vehicle as opposed to the conventional approach of dumping it on the ground and getting another vehicle to collect. This helped reduce transshipment time, effort and cost, enhancing systemic efficiency and turning raw material inventories around faster. The Company implemented the 'first in-first out formula' to ensure that no cane-carrying vehicle was stranded outside our factory gates. The cane survey team's planning helped create a seasonal calendar of which farmer would bring what quantity of cane harvested from what corner of his farm to which plant on which day, eliminating inventory mismatches. The Company's high-performance cutters eliminated leafy and unwanted cane parts, facilitating quicker crushing.

The big story: Despite crushing nearly 63000 tonnes daily, BCML's procurement to cane-crushing period stood at a mere 4-8 hours.

Case study

Trebled yields! How early cane varieties transformed the game

In the agricultural sector, most practices are centuries-old; most climatic realities are regionally applicable; most fundamental precepts are universal.

The result of these extensive realities is that gains, at best, are incremental.

At Balrampur, we resolved to break this deadlock; we committed to find a way of transforming farmer realities beyond the incremental towards the substantial; we resolved to extend farmer incomes to community wealth.

Balrampur's break was forged through early maturing cane varieties. Besides, the inter-cropping solution helped farmers enhance incomes.

The result is that a number of farmers reported an attractive increase in yields, enhancing incomes and prosperity.

Balrampur consistently focused on creating farmer wealth, **convinced that other stakeholders would subsequently benefit as well**

5 ways in which Balrampur Chini Mills has evolved into one of the most effective rural economy drivers in Uttar Pradesh

From profit to prosperity

1

At Balrampur, it would have been easy focusing singularly on enhancing corporate value; we selected to enhance value for farmers instead. Convinced that this would kick-start a virtuously cycle of win-win prosperity. The Company enhanced awareness on early maturing cane varieties. It arranged *kisaan gosthis*, demonstrated best practices, organised field tours and introduced cutting-edge agricultural technologies. The Company helped recharge rural local economies across 4.5 lac farmers.

From product to solution

2

At Balrampur, we revel in challenges; they get the best out of us.

Over years of terrain experience, the Company discovered that the farmers would leave a few inches of cane above the ground. This part enjoyed the highest sugar content, so leaving it on the ground moderated recovery and increased vulnerability to pests. Following encouragement from the Company, farmers who planted this flush against the ground generated an five additional quintals of cane per acre.

When the Company recognised that farmers suffered low returns, it encouraged inter-cropping during spring and autumn. The equidistant cane rows helped increase yield, moderated disease and enhanced sunlight exposure. Besides, farmers were encouraged to simultaneously plant potato, pulses and peas, enhancing farm incomes.

From ideas to innovation

3

At Balrampur, we recognised that under conventional sowing, seed requirement is more. The Company advised cane growers to do something lateral: cut single pieces and sow them; this rationalised seed consumption. Besides, the cane was sowed east-to-west for superior cross-ventilation; the farmers moderated costs and enhanced cane generation. When the farmer sowed the entire piece, it was difficult to assess the proportion that would be rotten; smaller pieces helped identify diseased portions and helped improve, germination.

From cash to cashlessness

4

At Balrampur, we perceived that the conventional cheque-based payments to around 4.5 lac farmers resulted in a time-lag between intended payout and cash receipt. The Company went online and cashless; the technology-driven direct online transfer made it possible for the Company to immediately remit payments, enhancing the customer's float, convenience and stakeholder trust. The Company did all this a decade before demonetisation.

Besides, the Company sent periodic SMSs across its database, updating farmers on cash transfers (and cane development).

From customer to consultant

5

At Balrampur, we recognised that our principal responsibility revolved around the transformation of farm realities and farmer destinies. In view of this, the Company worked with soil technologists to transform lowland areas. The Company experimented with soil application on cane to segregate cane roots from stagnant water. The Company also suggested the scientific application of nutrient inputs like sulpho zinc, potash and single super-phosphate, among others, to enhance soil health. Each Balrampur facility/factory provides agri inputs to farmers at fair prices, leveraging procurement economies.

At Balrampur, we believe that the more we put into the earth, **the more we will be able to generate from it**

4 ways in which Balrampur Chini Mills has invested in the environment to benefit community, society and other stakeholders

Environment priority

1

At Balrampur, we believe that success lies in not leaving a trace. In 2015, the Company made a momentous decision: it invested around ₹225 crore to eliminate discharge. In an effluents-intensive business, process waste water is recycled and re-used to clean roads, water plants, cool ash, spray on bagasse and suppress dust. In an environmentally-challenging business, the Company's operations are completely compliant with various statutory pollution control agencies across diverse guidelines for air, sound, water and groundwater. The result is that Balrampur has graduated into an environmentally responsible thought leader.

Responsible water consumption

2

At Balrampur, we believe that moderated consumption lies at the heart of the Company's environment commitment. Over the years, the Company moderated groundwater drawal. Even as the government mandated a maximum daily drawal limit of around 2,500 cubic metres, the Company's drawal remained well below this level. Besides, the harvested rainwater was also used for manufacturing operations whenever necessary.

Forward-looking incinerator

3

A couple of years ago, the Company commissioned ₹225 crore incinerators in its distilleries.

The investment in incinerators across all its three distilleries was almost equivalent to investing in a new distillery plant. The incinerator was perceived as a defensive investment on the grounds that this would result in zero effluents discharge and not generate incremental revenues. The Company went ahead regardless, convinced that there would soon come a time when the government would order the closure of all distilleries that did not possess such a facility. We believe that following this reality, other companies would immediately kick-start the initiative to invest in incinerators. However, the high time-lag between decision and implementation for other companies could create a favourable competitive advantage for Balrampur. Besides, the Company has been permitted to extend distillery campaign by a critical 60 days a year, enhancing revenues and shortening payback.

Real-time measurement

4

At Balrampur, we believe that in a business support function as critical as environment management, where any transgression, however fleeting, could attract censure and disrepute, there is a premium on the ability to generate real-time information leading to proactive initiatives. In view of this, the Company intends to invest ₹7 crore in online monitoring systems to measure air and water emissions in real-time.

Effluent management: Intensive, extensive and comprehensive

Distilleries generate effluents, which make them environmentally hazardous if the effluents are left untreated. Balrampur became one of the first Uttar Pradesh sugar companies to commission state-of-the-art incineration-cum-evaporation platforms across each of its distilleries – Balrampur, Mankapur and Babhnan – for an aggregated ₹225 crore investment. The effluents are concentrated through low temperature exhaust steam from the TG sets to generate 6 MW power at each plant (around 3 megawatts consumed captively, the rest marketed to the state electricity grid). The residue material is a potash-rich fertiliser (amorphous and granular) for which we are putting a granulation plant to convert in marketable packing. The result is 60 days of enhancement in duration of run for distilleries from 270 days to 330 days and will return the investment in just three years.

At Balrampur, there is no improvement initiative too small; **no challenge too large**

At Balrampur Chini Mills, whenever we do something good, the inevitable follow-up question is: 'Can it be done better?'

Opportunity-responsive

1

At Balrampur, we respond with speed to evolving realities. For instance, we conventionally deployed bagasse in co-generation during the non-sugar months. We installed an efficient bagasse drying system in Mankapur at a cost of ~₹9 crore to reduce moisture by 10% and enhance power output with the same quantum of bagasse. The incremental revenue will more than recover the investment made in the drying equipment.

Our two most important words: 'continuous improvement'

2

At Balrampur, we are troubled over the seemingly-niggling; we are increasingly driven by 'what can be' over 'what is'. The result is that we reduced downtime from ~10% to 5% through preventive exercises and superior plant maintenance. One would think that the team would have celebrated this achievement; the reality is that someone asked immediately after: 'When do we get this down to zero?'

Capex priority

3

At Balrampur, when we announced that we would not be building new manufacturing facilities, the projects team did not savour the prospect of relaxation. Instead, it continued to engage in business as usual: because when not building new manufacturing facilities, we continued making extensive improvements in plants, process and practices. For instance, we invested ₹60 crore in steam-saving projects that would enhance the efficiencies of our older Babhnan and Balrampur plants.

Healthy curiosity

4

At Balrampur, we are driven by the seeking of eventual truth. And this pure truth, we believe, is buried under layers of distracting detail. Our principal objective is to ask questions; in fact, just one question asked a number of times over. For instance, we believe that when we ask 'why', it leads us to a new understanding. When we ask the second 'why', the answer leads us to the next layer of understanding that is one step closer to the truth. At Balrampur, this 'why-why analysis' makes it possible to analyse plant and equipment under-delivery; this form of questioning separates the core from the irrelevant; the answers that we arrive at make it possible to take precise and informed decisions.

Common sense

5

At Balrampur, we do not claim to be geniuses; we are just a bunch of passionate individuals driven by the power of common sense. For instance, the conventional industry practice was to invest in an extensive inventory of spares in the event that a plant suffered a breakdown and needed to be returned to uptime in the shortest tenure. It would have been usual to nurse a large spares inventory; on the contrary, Balrampur moderated the inventory and invested in logistics instead. The result is that each time we experience downtime, the plant head logs into the inventory software, tracks where the part would be available within the Balrampur family, dispatches a vehicle and requisitions the component within hours. The result: the Company's spares inventory declined substantially. Every drop helps.

Case study

Quality first and last

At Balrampur, the first step towards anytime quality is derived from the cleaning of cane. The Company has a dedicated team managing cane from the cane purchasing centres and factory gate to the unloading section; the result is that only clean cane is delivered to the Company's manufacturing facilities. The binding of cane with dry leaves (instead of fresh ones) has helped to reduce colours and chemical consumption. The Company conducts meetings to discuss new technologies. The Company's MIS for cane indenting and daily requirements is managed by a software, making it possible to predict cane needs at any given point to minimise inventory size and tenure.

Our robust business model

Balrampur's singular focus: **Driven by the need to perform better than anyone else.**

AT BALRAMPUR, WE BELIEVE THAT SUCCESS IN A CHALLENGING BUSINESS LIKE SUGAR IS DERIVED NOT FROM THE CAPACITY TO DO A NUMBER OF THINGS BUT THE PASSION TO CHASE ONE OVER-RIDING OBJECTIVE AND THEN DO IT BETTER THAN ANYONE ELSE

From one location in 1990 to ten locations today

From one business segments (sugar) to three business segment today

From a recall around operational excellence to a respect for holistic responsibility

From manual interventions to a combination of manual cum technology interventions

From individual-driven to institutionalised processes

From debt-driven to net cash-positive

From good-market profitability to any-market sustainability

How we do business

AT BALRAMPUR, WE HAVE CONTINUOUSLY ADAPTED OUR BUSINESS MODEL. THIS PROACTIVE RESPONSIVENESS IN A RAPIDLY-EVOLVING MARKET ENVIRONMENT HAS TRANSLATED INTO PROFITABLE GROWTH ACROSS MARKET CYCLES.

The background of our sector

Income growth

India's GDP growth of 6-7% makes it the fastest growing major economy. A sustained growth in incomes (and hence, disposable incomes) drives India's consumption-driven story.

The sugar tradition

Even as India is the world's largest sugar consumer, the reality is that the country's sugar consumption per capita is fraction of the global average. This indicates that we are sitting in just the right market; as populations continue to grow and incomes rise, we foresee that India's sugar consumption will continue to increase.

Consumption potential

India is possibly the most exciting sugar market in the world for a reason that extends beyond mere under-consumption. Even at today's relatively under-consumed levels, the increase in the country's consumption of sugar is equivalent to the entire consumption of a country like Canada or Australia. The result is that India is more than just one country when it comes to sugar consumption; it is a number of countries within itself – and this number is growing each year.

Proxy

It would be simplistic seeing sugar as just one commodity. Sugar is a faithful proxy for a number of sweeping Indian realities. The product is a proxy for India's FMCG boom , considering most products use sugar as a preservative. Sugar is a proxy for the rise in the incidence of working women, resulting in a number of them seeking to consume packaged goods over freshly cooked alternatives. Sugar is a proxy of the branded and packaged revolution; an increasing government focus on food hygiene and security is likely to enhance the offtake of packaged products (consuming sugar). Sugar is a proxy of the growing reach and thrust of electronic media; the greater the push for food brands on television and social media, the stronger the indirect offtake of sugar-based products.

Geographic suitability

India is unique within the global sugar sector: the world's largest sugar consumer on one hand is also the world's second largest sugar producer on the other. This is on account of the fact that a number of cane growing pockets in India are among the most suitable in the world; Uttar Pradesh, for instance, is recognised as the unique convergence of precipitation, topography, sunshine and scale. This complement of advantages is likely to be enduring across the decades.

Diversification

The sugar business was solely a sugar business until three decades ago. One of the most dramatic changes that has since transpired is that the sugar business has now extended to two profitable extensions – the growing production of ethanol and the profitable co-generation of power. The result is that a number of sugar companies that commenced with the singular manufacture of sugar have since progressively de-risked their business personalities and emerged as diversified business conglomerates (with a growing proportion of non-sugar revenues).

Government support

There was a time when the sugar business was viewed with distrust largely on account of the possibility of effluent generation related to the management of molasses. The industry has transformed its personality since; the production of ethanol has found increasing use as a fuel additive that enhanced engine combustion and moderate pollution; the co-generation of power is seen as a clean fossil fuel-free power equivalent. Within just three decades, the sugar industry is now being perceived as an environment catalyst.

Sugar is a proxy of the growing reach and thrust of electronic media; the greater the push for food brands on television and social media, the stronger the indirect offtake of sugar-based products.

Focus
Partner, not just a customer

Innovate
Stay ahead, stay relevant

Inclusive
Believing in growing together

Strategy
Integrate to innovate

Conviction
Continuous improvement works

The passion that we bring to our business

Mantra
Discipline is key

Proactive
Be the first from beginning

Honest
The path to long-term prosperity

Hunger
Outperform own benchmarks

Forward-looking
Ready for tomorrow - today

How we address the sectoral landscape

Long-term

At Balrampur, we don't just select to do the things the right way; we also select to do the right things. The result is that we invested in incinerators before others; we invested extensively in environment-support plants and practices. This has been drawn out of a consistent commitment to invest for the long-term as opposed to respond to short-term sectoral arbitrage opportunities.

Credibility

At Balrampur, we have enhanced our trust-based reputation through the voluntary enforcement of environment-protecting regulations. These have translated into a predictable reliability in farmer payments, the willingness to embrace environment changes well before they become law and investing in our business with a long-term vision.

Strategic focus

At Balrampur, we believe that strategic clarity represents the foundation of our business model. While we were a sugar company, we selected to focus deeply on working within select locations; within these locations we enhanced our manufacturing capacity to capitalise extensively on economies of scale and presence. When we had largely consumed the operating leverage available to us in terms of space, we selected to expand to other proximate locations in East Uttar Pradesh where our reputation as credible paymasters preceded us. When the economics of the non-sugar businesses became evident, the Company diversified into ethanol production and co-generation. The result is that the Company of today comprises multiple locations and multiple products.

Sizing

At Balrampur, the conventional approach was to grow sugar capacities to the extent of cane availability. Even as much of this qualification continues to be relevant, the Company has graduated to the second qualification: all integrated plants must be prudently 'balanced' – the cane crushing capacity must generate adequate molasses and bagasse so that no material needs to be sold in the marketplace and no quantity needs to be procured, enhancing captive consumption and profitability.

Governance

At Balrampur, we believe that we are engaged in a business where trust is critical. The Company acquires cane from the farmers for which they need to be subsequently paid; over the decades, the Company has established its reputation for paying within the stipulated time period. This credibility has also extended to the timely liquidation of bank dues as a result of which Balrampur's working capital needs are addressed by a large multiple banking arrangements on the one hand and one of the lowest working capital costs within the Indian sector on the other. The Company is also among the most trusted listed sugar stocks, enjoying possibly the highest market capitalisation among pure-play sugar companies in India.

Our foundation of intangibles

Brand

Balrampur's business is brand-driven (respect). Over the decades, the Company's respect has generated distinctive recalls: ethical (fairness and compliances), reliable (strategic consistency) and dependable (stakeholder welfare).

Pioneering

Balrampur has been a pioneering sugar company in a number of ways. The Company was among the first in India's sugar sector to set up cogeneration and distillery plants, setting up incineration boilers at its distilleries.

Technologies

Balrampur embraced cutting-edge technologies to enhance operating efficiency. The Company was among the first to focus on savings and optimising output whether in the form of installation of bagasse dryers or steam saving equipment.

Intellectual capital

Balrampur's business is knowledge-driven. Balrampur enjoys a pool of knowledge-driven sectoral experts across the areas of cane understanding, cane management, farmer engagement, supply chain management, sugar quality, ethanol production, co-generation business, strategic direction and financial controls. The Company had 2979 employees on its payroll as on 31 March 2017 with more than 95% retention at the managerial level. Nearly 80% of the Company's employees were with the Company for more than five years as on 31 March 2017. The Company's average age of 43 indicated enthusiasm.

Relationships

Balrampur is driven by the power of relationships. This is best showcased in its engagement with more than 4.5 lac farmers supplying cane to its 10 units; most farmers selected to increase the proportion of cane standing on their fields.

The effectiveness of our business model

Cane crushing

Balrampur's outperformance is most visibly reflected in its ability to inspire the planting of more cane by way of increasing the yield. This abundant availability has resulted in the Company's cane access being largely protected even during years marked by pan-India cane decline; this empowered the Company to capitalise on the consequent price increase translating into consequent investments and business sustainability.

Share buyback

Balrampur emerged as the first in the sugar sector to complete a share buyback in 2016-17. The share buyback entailed an outgo of ₹175 crore for the re-purchase of 1 crore equity shares (4.1% contraction in the equity capital). We believe that the share buyback was a value-accreting initiative for shareholders.

Growth

Balrampur has enhanced corporate value as measures through the filter of profit after tax. The Company has reported its highest-ever cash profit: from ₹334.45 crore achieved during the year ended September 2009 to ₹697.22 crore achieved during the year ending 2016-17.

Sustainability

Balrampur possesses a robust Balance Sheet that ensures sustainable viability. The Company had long-term debt of ₹204.84 crore on its books as on 31 March 2017; the long term loans are either interest-free or attract a low interest rate of around 4%, resulting in an annual interest incidence of ₹2 crore only. EBITDA margin was an attractive 24.57% in a commodity business for 2016-17; return on capital employed was 28.73%, indicating business attractiveness.

Valuation

Balrampur's business model has been validated by the markets: valuation was ₹3415.88 crore as on 31 March 2017, the highest in India's sugar sector.

> The Company has reported its highest ever cash profit: from ₹334.45 crore in achieved in the year ended September 2009 to ₹697.22 crore in 2016-17.

BUSINESS MODEL OBJECTIVE

We aim to create a robust organisation marked by sustainable growth. We aim to achieve this through stronger process efficiency, expansion of the proportion of premium quality products and create avenues of assured revenue visibility.

COMPONENTS OF OUR BUSINESS MODEL

Location
Plants located in the cane-rich belt in Uttar Pradesh and proximate to each other for faster inter-plant cane transfer

Integration
Emerged from a sugar-only company to effectively use by-products to produce ethanol and generate power to create a stronger business

Farmer-friendly
Encourage farmers to plant high-yielding cane to ensure better returns as well as disease-free and healthy cane supplies to plants

Efficiency
Stretch culture resulted in higher operational efficiencies, reflected in better-than-average recovery across Uttar Pradesh

Environment-friendly
Proactively invested in environment protection measures to create a clean working environment and hassle-free operations

Financials
Strong Balance Sheet with lower gearing and a buyback

WHAT WE DO

Through robust operational efficiencies and stringent quality, we are among the most-respected sugar, ethanol and cogeneration companies in the country. The demand for our products is backed by robust sectoral optimism, stronger government policies (ethanol blending) and long-term contracts (PPA with state electricity board)

COMPETITIVE ADVANTAGE

Our competitive advantages comprise strong cane development, better cane management, latest technologies, consistent quality, longstanding relationships and proactive investments in waste treatment.

RESULTS

Higher productivity

Consistent quality

Lower plant downtime

Lower conversion cost

KEY BENEFICIARIES OF OUR VALUE CREATION

Paid ₹10693 crore cumulatively to farmers for cane in the last five years

Contributed to vendor prosperity

Delivering consistently sugar quality

Delighting customers

Invested in community-strengthening initiatives

Empowering communities

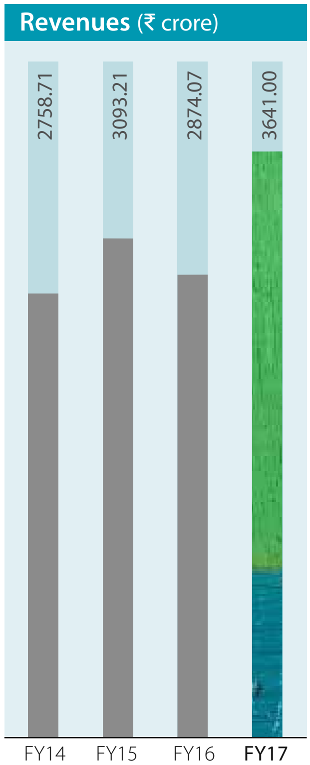
Employed 2979 people across locations

A strong employment generator

Shareholder value grew 3.2x in the last five years

Enhancing shareholders' wealth

How Balrampur **enhanced value in the last four years**



Definition
Sales growth without deducting excise duties.

Why we measure
This measure reflects the result of our ability to understand market trends and service customers with corresponding products, superior technologies and competent supply chain management.

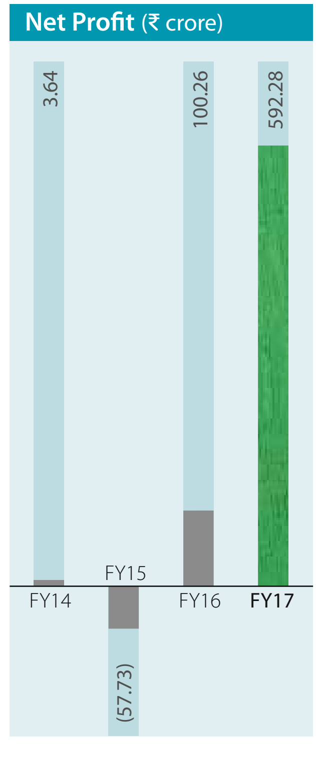
Performance
Our revenues increased 26.68% to ₹3641 crore in FY17 over FY16.

Value impact
Creates a robust growth engine on which to build profits.

Definition
Earning before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why we measure
It is an index that showcases the Company's ability to optimise business operating costs despite inflationary pressures, which can be easily compared with the retrospective average and sectoral peers.

Performance
The Company has delivered healthy EBITDA over the years compared to peers. The Company reported a 95.54% increase in its EBITDA in FY17 – an outcome improved sugar realisations and painstaking efforts of its team in improving operational efficiency.



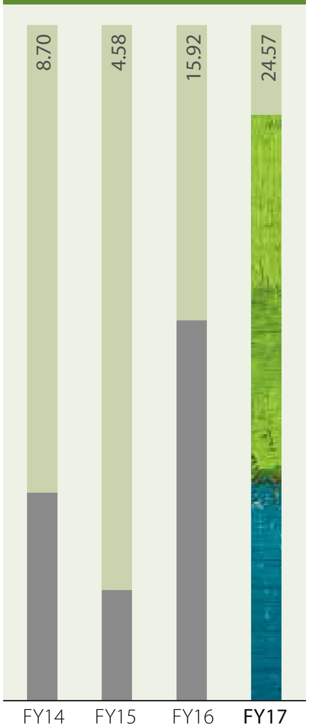
Definition
Profit earned during the year after deducting all expenses and provisions.

Why we measure
It highlights the strength in the business model in generating value for its shareholders.

Performance
The Company reported a 490.74% increase in its net profit in FY17 – a result of improved sugar realisations and various operational strategies comprising superior cane management, crushing and by product utilisation.

Value impact
Adequate cash pool available for reinvestment, accelerating the growth engine.

EBITDA margin (%)



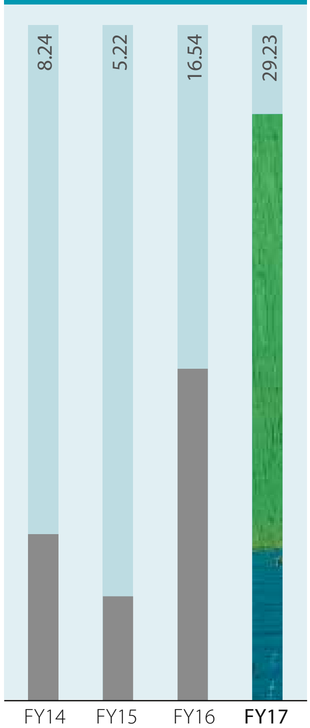
Definition
EBITDA margin is a profitability ratio used to measure a company's operating efficiency. Higher the operating margin, better for the Company.

Why we measure
The EBITDA margin gives an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

Performance
The Company reported a EBITDA margin of 24.57% in FY17 as compared to 15.92% in FY16. This was the result of higher improved operating efficiency.

Value impact
Demonstrates adequate buffer in the business, which when multiplied by scale, enhances surpluses.

ROCE (%)



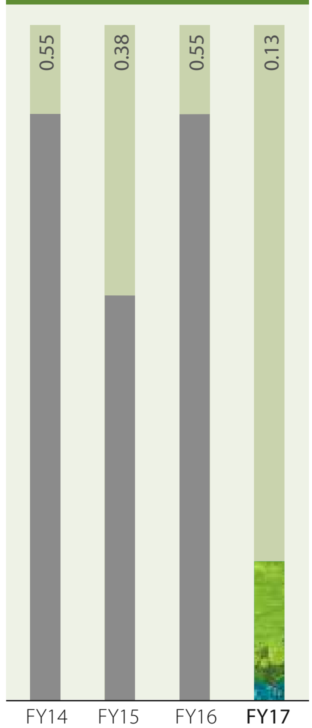
Definition
It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business.

Why we measure
ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use - especially in capital-intensive sectors.

Performance
The Company reported a ROCE of 29.23% in FY17 as compared 16.54% in FY16 – a showcase of prudently investing every rupee in profitable spaces that generate higher returns for shareholders.

Value impact
Enhanced ROCE can potentially drive valuations and perception.

Debt-equity ratio



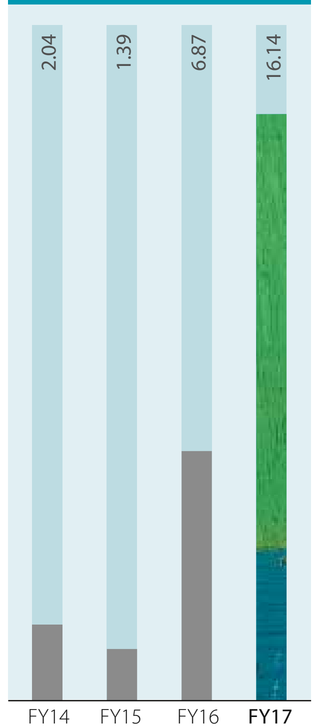
Definition
This is derived through the ratio of debt to net worth (less revaluation reserves).

Why we measure
This is one of the defining measures of a company's financial health, indicating the ability of the Company to remunerate shareholders over debt providers (the lower the gearing the better). In turn, it indicates the ability of the Company to sustain growth in profits, margins and shareholder value.

Performance
The Company's gearing moderated to 0.13 in FY17. We recommend that this ratio be read in conjunction with long-term debt/operating profit (declining, indicating a growing ability to service debt).

Value impact
Enhanced shareholder value by keeping the equity side constant; enhanced flexibility in moderating debt cost.

Interest cover (x)



Definition
This is derived through the division of EBITDA by interest outflow.

Why we measure
Interest cover indicates the Company's comfort in servicing interest, the higher the better.

Performance
The Company strengthened its interest cover from 6.87 in 2015-16 to 16.14 in 2016-17.

Value impact
Enhanced cash flows.

Capacities

Units	Sugarcane crushing capacity (tonnes of cane per day)	Distillery (kilolitres per day)	Installed power generation capacity (megawatts)	Saleable power capacity (megawatts)
Balrampur	12,000	160	49.55	27.25
Babhnan	10,000	100	21.70	8.00
Tulsipur	7,000	-	9.50	-
Haidergarh	5,000	-	23.25	20.95
Akbarpur	7,500	-	18.00	11.00
Manakpur	8,000	100	43.60	30.00
Rauzagaon	8,000	-	30.75	23.00
Kumbhi	8,000	-	32.70	23.00
Gularia	8,000	-	31.30	20.00
Maizapur	3,000	-	6.00	-
Total	**76,500**	**360**	**266.35**	**163.20**

Performance snapshot

Businesses	Sugar	Distillery	Cogeneration
	BCML is among the largest sugar manufacturers in the country. It produced nearly 9 lac tonnes of sugar in sugar season 2016-17.	The Company's three distilleries produced 72158 KL during FY2016-17.	The Company generated 7537.41 lac units of power in FY2016-17 out of which 67.7% was sold to the State Grid.
	For more details turn to page 32	For more details turn to page 33	For more details turn to page 33
Contribution to total revenues	83.46%	8.97%	7.57%
Financial performance	**Segment revenues** ₹3038.71 crore **Segment PBIT** ₹557.67 crore	**Segment revenues** ₹326.76 crore **Segment PBIT** ₹117.93 crore	**Segment revenues** ₹275.53 crore **Segment PBIT** ₹157.68 crore
Primary growth drivers	• Strong domestic demand	• Assured offtake owing to industry-friendly government policies • Stringent compliance with environmental regulations resulting in increased distillery availability	• Best-in-class plant utilisation and efficiency ratios

Financial summary

Financials

(₹ in crore)

Particulars	March 2013	March 2014	March 2015	March 2016	March 2017
Revenue from operations	3,384.03	2,758.71	3,093.21	2,874.07	3,641.00
Other income	42.80	25.94	15.04	46.48	24.94
Total income	**3,426.83**	**2,784.65**	**3,108.25**	**2,920.55**	**3,665.94**
Stock adjustments	108.04	(184.10)	426.41	(136.23)	(419.52)
Cost of material consumed	2,410.91	2275.00	2,083.54	2,112.54	2,576.85
Excise duty	109.19	93.76	106.23	117.41	180.86
Gross profit	**798.69**	**599.99**	**492.07**	**826.83**	**1,327.75**
Overheads and all other expenditure	336.00	360.03	350.53	369.38	433.24
PBDIT	**462.69**	**239.96**	**141.54**	**457.45**	**894.51**
Finance costs	143.87	117.84	102.09	66.55	55.43
PBDT	**318.82**	**122.12**	**39.45**	**390.90**	**839.08**
Depreciation and amortisation expenses	108.26	109.45	115.61	110.11	104.94
Profit before tax and exceptional items	**210.56**	**12.67**	**(76.16)**	**280.79**	**734.14**
Exceptional items	-	-	-	173.10	-
Pre-tax profit	**210.56**	**12.67**	**(76.16)**	**107.69**	**734.14**
Tax	48.53	9.03	(18.43)	7.43	141.86
Profit for the year	**162.03**	**3.64**	**(57.73)**	**100.26**	**592.28**
Other comprehensive income (net of tax)	N.A.	N.A.	N.A.	(0.38)	(3.63)
Total comprehensive income	N.A.	N.A.	N.A.	**99.88**	**588.65**
Equity capital	**24.43**	**24.48**	**24.49**	**24.50**	**23.50**
Reserves (excluding revaluation reserves)	**1,298.44**	**1,193.84**	**1,104.78**	**1,207.02**	**1,517.75**

Note: The above financial summary for March 2017 & March 2016 is based on IND AS.

Value-added statement

(₹ in crore)

Particulars	March 2013	March 2014	March 2015	March 2016	March 2017
Income from production	3,166.80	2,849.05	2,560.57	2,892.89	3,879.66
Add: other income	42.80	25.94	15.04	46.48	24.94
Corporate output	3,209.60	2,874.99	2,575.61	2,939.37	3,904.60
Less: cost of materials consumed	2,410.91	2,275.00	2,083.54	2,112.54	2,576.85
Less: other manufacturing expenses	206.55	218.33	200.23	218.43	252.33
Equals gross value-added	592.14	381.66	291.84	608.40	1,075.42
Less: depreciation and amortisation expenses	108.26	109.45	115.61	110.11	104.94
Less: exceptional items	-	-	-	173.10	-
Equals net value-added	483.88	272.21	176.23	325.19	970.48
Allocation of net value-added					
To personnel	129.46	141.70	150.30	150.95	180.91
To taxes (including tax on dividend)	56.83	9.03	(18.43)	7.43	159.32
To creditors (via interest)	143.87	117.84	102.09	66.55	55.43
To investors (via dividend)	48.86	-	-	-	85.75
To investors (via buy-back)*	-	-	-	-	174.89
To the Company (via retained earnings)	104.86	3.64	(57.73)	100.26	314.18

* Including related expenditure but excluding amount adjusted with Share Capital.

Financial ratios

Key financial ratios

Financial year	March 2013	March 2014	March 2015	March 2016	March 2017
Overheads-total income (%)	9.93	13.05	11.33	12.85	11.90
PBDIT-total income (%)	13.67	8.70	4.58	15.92	24.57
Interest-total income (%)	4.25	4.27	3.30	2.32	1.52
Interest cover (times)	3.22	2.04	1.39	6.87	16.14
PBDT-total income (%)	9.42	4.43	1.28	13.60	23.05
PAT-total income (%)	4.79	0.13	(1.87)	3.49	16.27
Cash profit-total income (%)	7.99	4.10	1.87	7.32	19.15
Return on net worth (%)	12.75	0.29	(4.92)	8.88	44.42
Return on capital employed (%)	14.72	8.24	5.10	16.54	29.23

Balance Sheet ratios

Financial year	March 2013	March 2014	March 2015	March 2016	March 2017
Debt-equity ratio	0.38	0.55	0.44	0.55	0.13
Inventory turnover (days)	203	277	197	237	232
Current ratio	0.99	1.08	1.05	1.22	1.16
Quick ratio	0.22	0.12	0.26	0.18	0.09
Asset turnover (total revenue/total assets)	0.80	0.66	0.77	0.76	0.95
Fixed asset coverage ratio	3.05	2.28	2.81	2.11	6.92
Debt service coverage ratio	0.99	0.70	0.96	1.22	7.99

Growth ratios

Financial year	March 2013	March 2014	March 2015	March 2016	March 2017
Growth in turnover (%)	41.57	(18.48)	12.13	(7.08)	26.68
Growth in PBDIT (%)	73.96	(48.14)	(41.02)	223.21	95.54
Growth in PAT (%)	2347.58	(97.75)	-*	-**	490.74
Growth in cash profit (%)	130.23	(58.16)	(48.82)	263.52	231.43

Per share data

Financial year	March 2013	March 2014	March 2015	March 2016	March 2017
Basic EPS (₹)	6.63	0.15	(2.36)	4.09	24.26
CEPS (₹)	11.06	4.62	2.36	8.59	28.56
Dividend (₹)	2.00	-	-	-	3.50
Book value (₹)	54.15	49.76	46.11	50.28	65.58
Price-earnings (%)	6.57	375.59	-	26.45	5.99
Net indebtedness (₹)	20.45	27.25	20.08	27.63	8.72

* Profit to loss

** Loss to profit

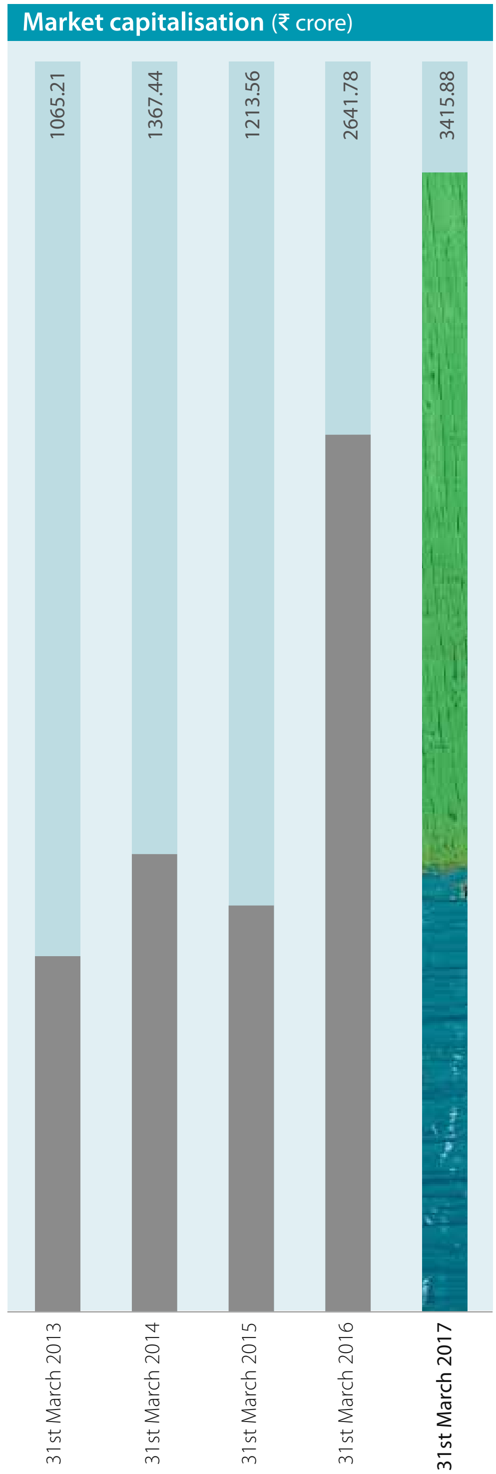
Creating shareholder value

Market capitalisation

A robust performance resulted in a strong growth in the Company's performance in the capital markets and helped in growing shareholders' value. Market capitalisation of the Company increased from ₹2641.78 crore as on 31st March 2016 to ₹3415.88 crore as on 31st March 2017.

Total shareholders' return (TSR)

Total shareholders' return measures the growth derived directly in the form of dividend and indirectly in the form of capital appreciation recorded by the stock during a financial year. TSR is calculated by adding the dividend to the difference between the closing and the opening market capitalisation (equity shares multiplied by closing market price on the stock exchanges). During the year under review, the Company reported a TSR of 32.55%.



Management discussion and analysis

Industry structure and development

Indian sugar industry

After textiles, the sugar industry is the second largest agro-based industry in India. The Indian sugar industry is one of the largest contributors to the Indian economy: five crore farmers and their families are directly dependent on the sector. More than ₹60,000 crore was paid to cane farmers during sugar season 2016-17. Direct and indirect employment is provided to more than 0.5 million people. The sector earned forex worth USD 5,000 million in the last five years. Moreover, the sector exports around 5,000 megawatts of renewable power to the National Grid. Around 12 million tons of molasses are utilised to produce 300 crore litres of alcohol.

Hectarage

The total sugarcane acreage in the country during the sugar season 2016-17 was ~49.91 lac hectares, – a 5.5% reduction from the previous season. Uttar Pradesh, the leading sugarcane producing state in the country, had a slightly higher area under sugarcane at 23.35 lac hectares, as against 23.02 lac hectares in the last season. During 2016-17, production levels fell in Karnataka and Maharashtra but surged in Uttar Pradesh, mainly due to the use of a high-yielding cane variety. This resulted in Uttar Pradesh emerging as the largest sugar producer in the country. UP for the current season produced ~87.5 lac tonnes – an all-time-high, surpassing the previous 2006-07 record of 84.75 lac tonnes.

In the other major sugar producing state, Maharashtra, cane hectarage declined during 2016-17, largely due to a drought-like situation last year, poor rainfall and water availability for irrigation (from 10.5 lac hectares in 2015-16 to 7.80 lac hectares in 2016-17). Sugar production stood at around 42.14 lac tonnes in 2016-17, as against 84.08 lac tonnes produced in 2015-16. Much like Maharashtra, the overall hectarage in Karnataka also declined (4.15 lac hectares during 2016-17 as against 5.10 lac hectares in 2015-16). Sugar production in 2016-17 is estimated to be around 20.33 lac tonnes versus 39.20 lac tonnes produced in 2015-16.

Output

Sugar production in India is expected to be ~19% lower during the 2016-17 season compared with the previous year due to a drought in Karnataka and Maharashtra, which forced mills to close crushing early. Indian mills will likely produce 20.3 million tons of sugar during the year—the lowest in seven years. In 2015-16, the mills produced 25.1 million tonnes. With the production expected to be lower than the estimated demand and a tight demand-supply situation the Government recently announced a raw sugar import quota of 5.0 lac tonnes in order to address regional imbalances. For SY2016-17, the closing inventory is pegged at 4.50 million tones. India's domestic consumption of sugar is estimated at ~24 million tonnes. Initial estimates suggests that mills are likely to produce higher sugar in the sugar season 2017-18 (beginning October 2017) due to significantly higher cane planting, expected normal monsoons and abundant water availability in reservoirs.

Cane procurement

Cane prices during the current sugar season have been either stable or shown a modest increase. For SY2017, the FRP was fixed at ₹230 per quintal, is the same as the previous year. The Uttar Pradesh Government, through a November 18, 2016 directive, announced SAP of ₹305 per quintal for normal variety of sugarcane, a ₹25 per quintal increase for SY 2016-17 (October-September season). At these prices, the landed cost of cane (inclusive of basic SAP, taxes and levies and inward

Global sugar production rose by 7.9 million tonnes in 2016-17 to reach 176.9 million tonnes; a 2.3 million tonne-drop from the forecasted amount, owing to an output reduction in India, as per various reports.

freight costs) is around ₹322-325 per quintal for the State. The cost of production for sugar is likely to increase as a result. Mills will have to pay the entire cane price upfront, unlike in SY2015-16, when mills were given the flexibility of paying ₹50 per quintal (out of the total basic SAP of ₹280 per quintal) within a period of 90 days from the end of the season. It is expected the Uttar Pradesh-based sugar mills will continue to report steady sugar realisations over the near-term, given the supply position. Nevertheless, these mills are likely to continue to derive benefits resulting from the cane development activities undertaken in the recent past.

Price trends

Sugar realisations in the country have been trending upwards since August 2015 after reaching a low of ₹23,000 per metric tonne in July 2015 in Uttar Pradesh and to ₹20,000 per metric tonne in Maharashtra. The Central Government's directives on mandatory exports in September 2015 and cane production subsidies in December 2015 helped brighten sectoral prospects. Drought-like conditions in key geographies (primarily in Maharashtra and Karnataka) during SY2016 led to a fall in sugar production and correspondingly drove prices to ~₹36,000 per metric tonne in August 2016. In October 2016, prices rose to ₹37,000 per metric tonne. Prices dipped in the wake of the demonetisation initiative in November 2016 as the demand in general softened during that period. Looking ahead, sugar prices are expected to remain steady in the near future.

Global sugar sector overview

Global sugar production rose by 7.9 million tonnes in 2016-17 to reach 176.9 million tonnes; a 2.3 million tonne-drop from the forecasted amount, owing to an output reduction in India, as per various reports. Upward revisions for Brazil, the European Union and Russia will be more than offset by the reduction in production in India, the US and Guatemala, among others. Unfavourable sugar outputs across major geographies caused a sizeable deficit in 2015-16. Thereafter, sugar prices rebounded during January 2016 after many years. After a marginal decline in February, the price uptick continued during the months of May ($480 per metric tonne), June ($530 metric tonne) and July ($540 per metric tonne). It dipped marginally again in August, before peaking at $595 per metric tonne in October 2016, a four-year high. While prices have come under significant pressure thereafter, they still remain strong. Improved outputs in Thailand, China and Brazil have brightened prospects for the vertical. Also, expectations of a marginal surplus in 2017-18 have reduced prices.

Ethanol

The Central Government is promoting and encouraging the usage of ethanol derived from molasses for blending with petroleum. The Central Government-approved National Policy on Biofuels encourages the use of renewable energy resources as alternative fuels. The Central Government had set a target to replace 20% of the fuel consumption with biofuels (bio-ethanol and biodiesel) by end-2017. In a bid to renew its focus and implement the ethanol blending programme, the Central Government recommended a 10% mandatory blending of ethanol with gasoline across all states. This was on the back of the partial success of the 5% blending programme. India has around 330 distilleries which can produce over 4 billion litres of rectified spirit (alcohol) per year. Of this, ~162 distilleries have the capacity to distil over 2 billion litres of conventional bio-ethanol. India produces conventional bio-ethanol mostly from sugar molasses and partly from grains. Production of advanced bio-ethanol is still in the R&D stage.

Domestic ethanol usage as fuel and in other industries

(million litres)

Calendar Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Beginning stocks	1,374	1,672	1,440	1,241	847	824	618	422	286	321
Production	2,150	1,073	1,522	1,681	2,154	2,057	2,002	2,292	2,085	1,918
Imports	70	280	92	39	35	33	107	217	450	600
Exports	12	5	53	119	177	234	175	200	140	140
Total Consumption	1,940	1,580	1,760	1,995	2,035	2,062	2,130	2,445	2,360	2,510
Used as fuel Consumption	280	100	50	365	305	382	350	685	1100	800
% towards fuel consumption	14.4%	6.3%	2.8%	18.3%	15.0%	18.5%	16.4%	28.0%	46.6%	31.9%
Ending Stocks	1,672	1,440	1,241	847	824	618	422	286	321	189,685
Feedstock Use (MT)										
Feedstock A (based on 24% recovery)	8,958	4,469	6,342	7,004	8,975	8,573	8,343	9,551	8,689	7,994
Market Penetration										
Fuel Ethanol	280	100	50	365	305	382	350	685	1100	800
Gasoline	15,368	17,608	19,563	20,716	21,842	23,749	21,843	29,651	32,409	34,916
Blend Rate (%)	1.8	0.6	0.3	1.8	1.4	1.6	1.4	2.3	3.4	2.3

Domestic production has remained stable except for the steep decline in 2009. Production in 2017 is pegged to decline by 8% to 1.9 billion litres due to a decline in cane planting for the second year running.

Outlook

Domestic production has remained stable except for the steep decline in 2009. Production in 2017 is pegged to decline by 8% to 1.9 billion litres due to a decline in cane planting for the second year running. Acute water scarcity and abnormal weather conditions in major cane planting regions discouraged farmers. Market penetration of fuel ethanol in 2017 is expected to fall to 2.3% compared to 3.4% during the previous year. Industry sources indicate that the OMCs may procure upwards of 800 million litres in 2017. Technically, given the current growth in petrol consumption, the installed capacity will meet 5 to 6% of the blended target. The fixed price for ethanol delivered at OMC depots is attractive for sugar mills. On the contrary, any procedural delays could encourage them to divert ethanol to chemical industries. Additionally, mills could start using molasses as cattle feed or for exports if prices get too competitive. Throughout the last decade, ethanol requirement grew from 1.8 billion litres to 2.4 billion litres in 2016, and will continue to increase in 2017 to 2.5 billion litres.

Cogeneration

Sugar production is an energy-intensive industry and requires both steam as well as electricity. Bagasse is utilised to generate fuel via the Organic Renkine Cycle method. Bagasse-based cogeneration potential is estimated to be 5,000 megawatts.

Segment-wise performance

Sugar

The sugar segment constituted the largest share of the Company's revenues. The segment contributed 83.46% of the Company's turnover during the year under review against 79.67% in 2015-16. Revenues from sugar segment during 2016-17 stood at ₹3,038.71 crore as compared to ₹2,289.90 crore in 2015-16.

Distillery

Revenues from this segment contributed 8.97% of the Company's revenues during the year under review against 10.28% in 2015-16. Revenues from the segment stood at ₹326.76 crore in 2016-17 compared to ₹295.49 crore in 2015-16.

Cogeneration

Revenues from cogeneration accounted for 7.57% of the Company's revenues during the year under review compared to 9.73% in 2015-16. Revenues from this segment stood at ₹275.53 crore in 2016-17 compared to ₹279.76 crore in 2015-16.

Segment-wise revenue#

(₹ crore)

Segments	March 2013	March 2014	March 2015	March 2016*	March 2017*
Sugar	2,869.21	2,186.31	2,422.77	2,289.90	3,038.71
Distillery	206.10	251.74	285.27	295.49	326.76
Cogeneration	218.80	236.28	282.40	279.76	275.53
Others	5.05	5.94	6.48	8.92	-
Total	**3,299.16**	**2,680.27**	**2,996.92**	**2,874.07**	**3,641.00**

 # Does not include inter-segmental revenues

** Revenues are on gross basis, based as per IND AS*

Segment analysis

Sugar

Revenues earned in FY17

₹3,038.71 crore

Sugar as a proportion of overall revenues

83.46%

Overview

Balrampur is among the largest Indian sugar producers with a cumulative crushing capacity of 76,500 tonnes of cane per day. The Company has eight plants in Eastern Uttar Pradesh and two in Central Uttar Pradesh. The plants are located within a 200-kilometre radius, resulting in logistical efficiency.

Highlights, 2016-17

- Crushed 794.65 lac quintal of cane across plants (742.56 lac quintals in 2015-16)
- Reported an average recovery of 10.66% compared to 11.06% in 2015-16
- Improved output 3.1% over 2015-16 through the increased use of early maturing varieties of cane
- Initiated steam-saving (and hence cost saving) initiatives

Distinctiveness

- A sizeable production capacity allows the Company to generate economies-of-scale
- Strategically located plants ensure that the Company is able to access superior cane quality
- The Company provides farmers high-yielding seeds, subsidised agro inputs, timely soil testing facility and disease prevention advice
- Stringent operational control and minimal chemical use have allowed Company's sugar produce to be rated as top quality
- Preventive maintenance has helped maintain high plant availability

Balrampur is among the largest Indian sugar producers with a cumulative crushing capacity of 76,500 tonnes of cane per day.

Road ahead

The Company will continue to optimise energy use and enhanced process efficiencies

Operational summary

Cane crushed (in lac tonnes)

	March 2013	March 2014	March 2015	March 2016	March 2017
Balrampur	12.59	12.12	12.91	12.02	12.34
Babhnan	10.48	10.03	11.24	8.77	9.84
Tulsipur	5.72	6.02	6.64	7.11	6.25
Haidergarh	4.17	3.71	3.53	3.31	3.75
Akbarpur	8.37	7.83	6.34	7.14	7.51
Rauzagaon	7.88	6.78	6.58	5.62	6.92
Mankapur	8.62	8.61	9.20	7.69	8.43
Kumbhi	10.77	9.31	9.79	10.01	10.48
Gularia	9.06	7.23	8.40	9.79	10.75
Maizapur	3.39	3.38	3.60	2.79	3.19
Khalilabad	-	2.26	2.34	-	-
Total	**81.05**	**77.28**	**80.57**	**74.25**	**79.46**

Sugar production (in lac tonnes)

	March 2013	March 2014	March 2015	March 2016	March 2017
Balrampur	1.20	1.18	1.27	1.30	1.28
Babhnan	1.00	1.00	1.09	0.97	1.00
Tulsipur	0.53	0.58	0.66	0.76	0.65
Haidergarh	0.38	0.34	0.32	0.34	0.36
Akbarpur	0.82	0.77	0.61	0.78	0.76
Rauzagaon	0.76	0.67	0.64	0.61	0.75
Mankapur	0.82	0.85	0.91	0.85	0.84
Kumbhi	1.04	0.94	1.01	1.17	1.24
Gularia	0.86	0.69	0.85	1.14	1.26
Maizapur	0.31	0.32	0.35	0.30	0.33
Khalilabad	-	0.21	0.21	-	-
Total	**7.72**	**7.55**	**7.92**	**8.22**	**8.47**

Segment analysis

Distillery

Revenues earned in FY17

₹326.76 crore

Distillery revenues as a proportion of overall revenues

8.97%

Overview

Balrampur's three distilleries at Balrampur, Babhnan and Mankapur produce industrial alcohol and ethanol, enjoying a cumulative capacity of 360 kilolitres per day.

The Company converts a majority of the rectified spirit produced in the distillery into ethanol or directly produces ethanol from molasses, enabling the Company to service oil marketing companies. These contracts are backed by attractive realisations and steady offtake, helping the Company enhance revenue visibility, bottom line and steady y-o-y growth.

Highlights, 2016-17

- Capacity of the Babhnan distillery was enhanced from 60 KLPD to 100 KLPD
- Revenues remained under pressure owing to delays in the finalisation of contracts by oil marketing companies
- The Company sold 68,835 KL of ethanol compared to 56,283 KL in 2015-16

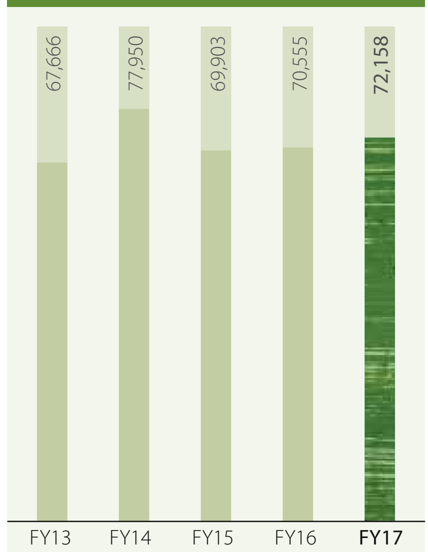
Distinctiveness

- The Company's capacity (360 kilolitres per day) translates into attractive economies-of-scale
- The Company's firm contracts with OMCs ensure assured offtake and revenue visibility
- The proactive installation of incinerators empowers the environment-friendly distilleries to run up to 330 days instead of 270 by most.

Road ahead

The Company will focus on improving operational efficiencies.

Alcohol production (in kilolitres)



Segment analysis

Cogeneration

Revenues earned in FY17

₹275.53 crore

Cogeneration revenues as a proportion of overall revenues

7.57%

Overview

Balrampur enjoys a saleable cogeneration capacity of 163.2 megawatts; bagasse is the feedstock.

The Company consumes nearly 32% of the power produced and exports the rest to the state electricity grid at predetermined tariff protected by a multi-year contract. This segment serves as the bottom-line protector, marked by steady offtake and realisations.

Highlights, 2016-17

- Generated 7,537.41 lac units of power; 5,104.93 lac units were supplied to the State Electricity Board
- Installed a bagasse-drying system to generate more power from the same bagasse quantum

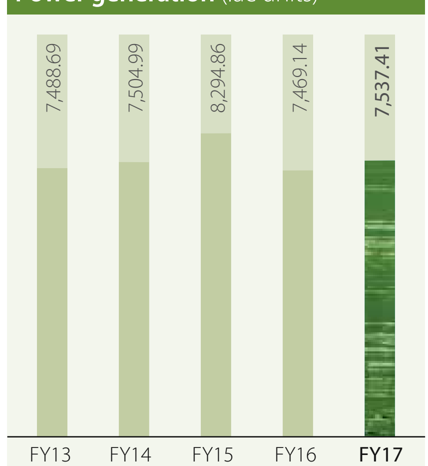
Distinctiveness

- A saleable capacity of 163.2 megawatts helps the Company enhance economies-of-scale
- Long-term power purchase agreement with the State Electricity Board provides long-term revenue visibility

Road ahead

The Company will focus on enhancing plant efficiency.

Power generation (lac units)



SCOT Analysis – Strengths, Challenges, Opportunities and Threats

Strengths

- India, second largest sugar producer in the world after Brazil
- The UP sugar industry paid over ₹21,729 crore to the sugarcane growers for the sugar season 2016-17
- Sustains the livelihood of 6 million agricultural and 0.5 million skilled and semi-skilled industrial worker families
- Covers around 5 million hectares ~3% of gross cultivable land in the country
- Provides raw materials for a number of downstream industries
- India is the largest consumer of sugar in the world
- The industry has been the focal point of rural socio-economic development

Challenges

- The government still controls raw material pricing apart from other regulatory measures
- Lack of investments over the year have led the industry to stick to conventional manufacturing processes
- Soil deterioration following an overuse of fertilisers

Opportunities

- High value by-products
- Attractive potential to increase productivity of sugarcane yield and sugar recovery
- Lower per capita consumption leaves enough room for the industry to grow
- Advanced technology available to enhance by-product utilisation

Threats

- Sector is vulnerable to political interests
- Lack of ground water availability for irrigation purpose
- Sugarcane growing still dependent on the monsoons
- High input costs make the industry uncompetitive

Cane management

The success of Balrampur has been woven around superior cane management. The Company's dedicated teams work closely with farmers to plant better cane varieties, access more cane, improve yield and enhance income.

Over the years, disease management has emerged as one of the competencies of the Company, resulting in superior cane quality and higher recovery. The Company provides farmers with necessary agro inputs to enhance productivity and cultivate robust varieties.

Initiatives

- Provides necessary support to farmers in the area of disease prevention, comprising the provision of high-yielding seeds, use of modern cane implements, agro inputs like tricoderma and biofertilisers, among others
- Advises farmers in planting equidistant cane rows in exchange for better cross-ventilation and sunlight
- Appointed agri-scientists for a quick identification of cane disease and redressal
- Supplied hume pipes in low lying areas to drain excess water
- Erected farm fences to protect against stray animals
- Improved germination through the use of smaller cane parts
- Coordinated the supply of quality nutrients, fungicides and pesticides at subsidised rates
- Promoted crop rotation to increase fertility and minimise disease impact

The result: The Company increased the proportion of early maturing cane varieties to 41% of the total sugarcane crushed in 2016-17 (around 5% in 2013-14).

Sugarcane crushed
(lac quintal)
794.65
FY2016-17

Average recovery
10.66%
FY2016-17

Number of farmers addressed
(lac)
4.5
2016-17

Financial review 2016-17

based on IND AS

Capital structure

The equity share capital of the Company reduced from ₹24.50 crore as on 31st March 2016 (244,949,767 shares of ₹1 each) to ₹23.50 crore as on 31st March 2017 (235,010,467 shares of ₹1 each). During the year, the Company bought back 1 (one) crore equity shares and also issued 60,700 equity shares under the Employee Stock Option Scheme.

Reserves and surpluses

Reserves and surpluses of the Company increased by 25.74% from ₹1,207.02 crore as on 31st March 2016 to ₹1,517.75 crore as on 31st March 2017. This was mainly on account of profit retention during the year.

During the year, Capital Redemption Reserve increased by ₹1.00 crore due to a transfer from the Securities Premium Reserve on account of a buy-back of shares. Securities Premium Reserve decreased by 33.61% on account of utilisation of ₹175.00 crore towards buy-back of equity shares. Free reserves of the Company stood at ₹1,505.64 crore as on 31st March 2017, accounting for 99.20% of the total reserves.

Debt profile

Total long-term borrowings (including current maturities) reduced substantially by 69.73% from ₹676.70 crore as on 31st March 2016 to ₹204.84 crore as on 31st March 2017 due to scheduled repayments of ₹170.18 crore and pre-payments of ₹301.68 crore during the year under review.

Working capital borrowings increased from ₹994.42 crore as on 31st March 2016 to ₹1,577.44 crore as on 31st March 2017 for funding higher working capital needs as a result of higher sugarcane crushing and speedy payment to farmers.

Capital employed

The capital employed by the Company in the business stood at ₹3,270.54 crore as on 31st March 2017 as against ₹2,849.63 crore as on 31st March 2016, an increase of 14.77%. ROCE for the year stood at 29.23% in 2016-17 as against 16.54% in 2015-16.

Net block and depreciation

Net block of the Company stood at ₹1,418.43 crore as on 31st March 2017 as compared to ₹1,425.05 crore as on 31st March 2016. The Company provided ₹104.94 crore as depreciation and amortisation during the year.

Investments

Investments stood at ₹45.02 crore as on 31st March 2017 as compared to ₹47.83 crore as on 31st March 2016.

Trade and other receivables

Trade receivables reduced by 18.32% from ₹199.28 crore as on 31st March 2016 to ₹162.77 crore as on 31st March 2017. The outstanding are mainly for receivables on account of supply of power to UPPCL.

Trade and other payables

Trade payables reduced by 30.23% from ₹423.35 crore as on 31st March 2016 to ₹295.38 crore as on 31st March 2017 on account of speedy payment to farmers. This also led to increase in working capital loans.

Other financial assets

Other financial assets reduced from ₹70.04 crore from 31st March 2016 to ₹4.53 crore as on 31st March 2017 mainly on account of realisation of claims receivable.

Other financial liabilities

Other financial liabilities (excluding current maturities of long-term debt) increased from ₹56.41 crore from 31st March 2016 to ₹66.25 crore as on 31st March 2017 mainly on account of increase in unpaid salaries and other payroll dues. The said increase would be settled in 2017-18 according to the payment terms.

Other non-current assets

Other non-current assets reduced from ₹14.79 crore as on 31st March 2016 to ₹9.54 crore as on 31st March 2017 mainly on account of a reduction in capital advances.

Other non-current liabilities

Other non-current liabilities reduced from ₹7.35 crore as on 31st March 2016 to ₹0.28 crore as on 31st March 2017.

Other current assets

Other current assets reduced from ₹40.93 crore as on 31st March 2016 to ₹26.31 crore as on 31st March 2017 mainly for reduction in receivables on account of cenvat, vat and other taxes & duties.

Other current liabilities

Other current liabilities increased from ₹138.10 crore as on 31st March 2016 to ₹158.54 crore as on 31st March 2017 mainly due to an increase in statutory liabilities on account of excise duty on closing stock.

Reserves and surpluses of the Company increased by 25.74% from ₹1,207.02 crore as on 31st March 2016 to ₹1,517.75 crore as on 31st March 2017.

Our environment, safety and health commitment

GROWING CONTEXT OF ENVIRONMENT MANAGEMENT

- Rising global temperatures
- Increasing environment awareness
- Stronger community and media awareness against transgressions
- Lower transgression tolerance
- Carcinogenic urban vehicle-based pollution
- Growing acceptance of biofuels over fossil fuels
- Distillery spent wash with pollution potential

BCML'S PROACTIVE RESPONSE

- Extra-statutory initiatives; proactive investments
- Zero tolerance for process deviations
- Targeted outcomes better than prescribed norms
- Investment in training and best practices
- Discipline of real-time emissions monitoring
- Close monitoring on hazardous waste management

INVESTMENTS MADE BY BCML

- Organisation-wide mitigation equipment investment
- Online real-time pollution monitoring systems
- Investment in electrostatic precipitators and wet scrubbers
- Cogen capacity to use bagasse to generate green power
- Proactive investment in effluent treatment plants for maintaining the environment in and around factory premises
- Use of solid grease instead of black bituminous roller bearing oil
- Rainwater harvesting system
- Investment in incinerators in distilleries
- Condensate polishing units to reduce borewell water extraction
- Investment in planetary gears and helical gears and VFD's to reduce power consumption in the system
- Bagasse drying system

ACHIEVEMENTS

- Solid particular matter concentration reduced 66%
- Bagasse-based cogen addresses Company's power requirements and helps export surplus
- Distillery-generated ethanol used in petrol blending
- Use of solid grease eliminated water contamination
- Overall ground water drawal substantially lower than prescribed norms
- Around 6% bagasse saving achieved owing to installation of bagasse dryer

Balrampur invested proactively in environment, health and safety control measures to reinforce its respect as a responsible corporate citizen.

Overview

The business of sugar manufacture, when practiced conventionally, is marked by risk. The core manufacture of sugar generates molasses; molasses generally contains harmful toxics and acids. The bagasse is flammable and required cautious management. Besides, the business consumes an extensive steam quantity

Balrampur invested proactively in environment, health and safety control measures to reinforce its respect as a responsible corporate citizen. The Company is committed to provide comprehensive resources and educational materials to enhance aware and reinforce its environment-friendly, health-oriented and safety-conscious citizenship.

The foundation of the Company's operating policy is integration where the by-product of one process serves as raw material for another process. This maximises resource utilisation and reduces material disposal on the one hand while minimising waste and logistic costs.

Raw materials and by-products

The Company believes in using products and by-products in the system to reduce emission and discharge. The Company's primary raw material is sugarcane; the Company uses bagasse and molasses for downstream products. It would be relevant to indicate that even as this overarching process architecture is by itself environment-friendly, the nature of downstream products also continues to enhance environmental integrity. For instance, ethanol is used as a petrol additive that enhances engine combustibility and reduces vehicular emissions; bagasse is used to generate power through a renewable resource (as opposed to finitely available fossil fuels). The beauty of this arrangement lies in the fact that all the by-products generated by the Company are capable of being consumed in situ.

Emissions

BCML invested significantly in emission control measures. The Company installed online systems to monitor emission levels on a real-time basis. The electrostatic precipitators and wet scrubbers installed by the Company across its plants helped bring down solid particulate matter concentration much below the prevailing norms.

Water

BCML has taken every precaution necessary to ensure compliance with the Pollution Control effluent treatment. The treated water at the plant gets recycled which, in turn, reduced freshwater drawl. BCML has also installed a rainwater harvesting system to effectively utilise the water resources at its disposal.

Effluents

The Company was among the first in Uttar Pradesh to install incinerators in the distilleries for effluent management. The Company invested ₹225 crore towards incineration of distillery effluent.

The concentrate spent wash generates condensate water (malodorous, bacteria and low pH), which is treated in a condensate polishing unit to enhance reusability. The distillery waste is solidified and incinerated which in turn generates steam and thus power. The process generates potash-rich ash (soil nutrient) sold to farmers at subsidised rates. Water extraction from soil has been reduced owing to the process. The Company now uses the entire spent wash generated in the distillery as a fuel for the incinerator boilers which, in turn, enables it to run distilleries for 330 days instead of 270 days, provided molasses is available.

Energy conservation

The various energy efficiency initiatives led to an increase in efficiency across units – enhanced power efficiency, lower steam consumption and lower power consumption per tonne of crushed cane.

Health and safety

The Company undertook safety audits, providing personal protection equipment and developing SOPs for safety. This ensured employee health and safety. The Company formed an Environmental Health and Safety committee comprising members of all departments, meeting at regular intervals to identify issues and take corrective action across plants.

9 risks impacting BCML's business and how they have been mitigated…

1 Industry slowdown

Implication: Sub-optimal return on investments dims chances of sustainable growth

De-risking: India, being the largest sugar consumer in the world, provides strong optimism. Besides sugar, the Company is also engaged in the production of ethanol and generation of power, reducing its dependence on sugar. The large scale provides economies of scale and process efficiencies ensure margin expansion.

2 Technological obsolescence

Implication: Inefficient processes can lead to cost overruns

De-risking: The Company has been proactive in making investments in technological upgradation. It has latest plants as well as best available environment management equipment to eliminate emission and waste disposal.

3 Qualitative inconsistencies

Implication: Customer attrition can lower realisations

De-risking: The Company ensures crushing clean and disease-free cane to manufacture better quality sugar. It invested in better process discipline through stringent SOPs. The result is that more than 13% of the Company's produce is around 40 ICUMSA, commanding a premium of ₹1,000-1,500 per tonne over regular quality sugar.

4 Inadequate financials

Implication: Business sustainability can adversely be impacted because of a stretched Balance Sheet

De-risking: Achieved a long-term gearing of 0.13 (as on 31st March 2017). ~73% of the long-term debt is interest-free and the balance is at subsidised rates with minimum impact on interest payout. The Company paid ₹175 crore towards equity buyback, reflecting the strength of its Balance Sheet. The Company's Current and Quick ratios stood at 1.16 and 0.09, respectively, signifying a strong working capital position.

5 Regulatory clampdown

Implication: Business operations may come to a halt because of non-compliance

De-risking: It proactively installed incinerators to make the distilleries pollution-free. It also invested in ETPs to attain zero-discharge at the sugar mills. The Company recycles and reuses process water to reduce freshwater drawal.

6 Commodity risk

Implication: Sugar is a commodity and its price is influenced by various factors, including normal demand and supply

De-risking: The Company, over the years, has focused more on value-added downstream products and forward integration of sugar with cogeneration and distillery, which has helped hedge revenues.

7 Cane unavailability

Implication: Disrupted crushing activities can adversely affect the bottom-line

De-risking: The Company implemented information technology to assess cane requirement and assure supply. Besides, it provided the farmers in its command areas with high yielding seeds to ensure better cane availability. The Company also pays to farmers promptly. The Company supplies various disease management inputs and technology for better farming. Besides, the Company trains farmers and provides them with agri-inputs to make their produce free of disease.

8 Business cyclicality

Implication: Revenues may be dented as a result of an over dependence on a particular vertical

De-risking: Though sugar is a cyclical business, BCML invested in building a strong by-product business of power and ethanol to reduce effects of cyclicality in its business. The ethanol offtake is backed by governmental contracts at predetermined prices as well as the surplus power is exported to the State Electricity Board through long-term power purchase agreement. This ensures revenue visibility over a foreseeable future with its own set of challenges

9 Foreign exchange fluctuation risk

Implication: This could result in unwarranted revenue loss as a result of an over-dependence

De-risking: The working model of BCML does not involve much of foreign exchange risk management as the Company neither exports nor imports sugar in a substantial way. However, as a matter of prudence, the Company hedges its long-term and short-term foreign exchange exposure, which helps in protecting its financials.

Internal control systems and their adequacy

The internal controls are commensurate with the size and the nature of the operations of the Company. These controls have been designed to provide a reasonable assurance with regard to maintaining proper accounting controls, monitoring of operations, safeguarding of resources and utilizing them to the maximum, promoting operational efficiency, compliances with applicable regulations and ensuring reliability of financial reporting. In addition, there is an internal audit process that reviews the in-system checks and regularly covers significant operational areas.

The Audit Reports, submitted by the Internal Auditors, are reviewed by the Audit committee. Any suggestion for improvements submitted to the Committee are considered and the implementation of corrective actions, wherever required, is followed up. Statutory and Internal Auditors are also invited to the Audit Committee meetings to ascertain their views on the adequacy of internal control systems. Periodically, the Board of Directors is informed of the same.

Human resources

The focal point of the Company's human resource policy is continuous learning; the policy is progressively geared to meet the aspirations of the employees. To enhance efficiency and competence, as well as motivate employees, the Company organises training programmes. This resulted in an effective retention of employees and enhanced loyalties. The Company provides various compensation packages and performance-based incentives. To attract and retain the best available talent, the Company is committed to providing equal employment opportunities and the best working conditions. The Company had 2979 employees on its payroll as on 31st March, 2017.

Cautionary statement

Statements made in this report describing industry outlook as well as the Company's plans, policies and expectations may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

Report of the Board of Directors

for the year ended 31st March, 2017

Dear Shareholders,

Your Directors have the pleasure of presenting their report as a part of the 41st Annual Report, along with the Audited Accounts of the Company for the year ended 31st March, 2017.

Financial Results

The financial results of the Company are summarised below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations	3,64,099.71	2,87,406.77	3,64,099.71	2,87,406.77
Profit before finance costs, tax, depreciation and amortisation, exceptional items and other comprehensive income	89,451.32	45,744.95	89,409.73	45,742.25
Less: Finance costs	5,542.80	6,654.53	5,542.80	6,654.53
Less: Depreciation and amortisation expense	10,493.71	11,010.52	10,502.84	11,019.71
Profit before tax	73,414.81	28,079.90	73,364.09	28,068.01
Add: Share of profit of associate	-	-	127.43	-
Less: Exceptional items	-	17,310.41	-	17,310.41
Less: Tax expense	14,186.16	743.28	14,215.56	743.28
Profit for the year	59,228.65	10,026.21	59,275.96	10,014.32
Other comprehensive income (net of tax)	(362.95)	(37.69)	(362.92)	(37.69)
Total comprehensive income for the year	**58,865.70**	**9,988.52**	**58,913.04**	**9,976.63**

Dividend and its Distribution Policy

The Board of Directors of the Company declared an interim dividend of 350% (i.e. ₹3.50 per share on Equity Shares of the face value of ₹1/- each) for the financial year ended 31st March, 2017. Total outgo on the interim dividend was ₹10,320.17 Lacs (including dividend distribution tax of ₹1,745.58 Lacs). The Board has not proposed any final dividend for the financial year ended 31st March, 2017 and accordingly, the interim dividend paid during the year shall be treated as final dividend.

Since the Company is one of the top 500 listed entities based on market capitalisation (calculated as on 31st March of every financial year), pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the Dividend Distribution Policy, as adopted by the Board at its meeting held on 11th February, 2017, has been annexed to this Report as Annexure - I and the same is also available on the website of the Company at the following web-link: http://www.chini.com/policies/Dividend_Distribution_Policy_2017.pdf

Operations

The operational data of the Company for the last two sugar seasons and financial years are as under:

Particulars	Sugar season		Financial year	
	2016-17	2015-16	2016-17	2015-16
Sugarcane crushed (in lac quintals)	838.54	703.87	794.65	742.56
Sugar produced (in lac quintals)	90.01	78.35	84.70	82.15
Recovery (%)	10.74	11.13	10.66	11.06

Industry scenario and outlook

The sugar season 2016-17 started with a carry-forward stock of 77.5 lac tonnes of sugar and perception of lower production due to a shortage of cane output specifically in the Deccan Plateau region (including Tamil Nadu). Production estimates were revised multiple times at the industrial as well as the ministerial levels and finally the country ended with a little higher than 200 lac tonnes of sugar. Production levels in Maharashtra ended at around 42 lac tonnes which was just half of its 2015 production whereas, Karnataka ended at around 20.5 lac tonnes. However, it was because of an increase in production in Uttar Pradesh, the pan-India figures managed to cross the 200 lac tonnes mark. State-wise production figures show that Uttar Pradesh stood as the largest sugar producing state in the country producing almost 87.5 lac tonnes sugar. The reason behind this growth was the adoption of new varieties of cane resulting in higher yields and recovery rates as well as prompt cane price payments in last year which incentivised farmers across the state for sowing more cane. In the first half of the current sugar season (2016-17), sugar dispatched by mills into the domestic market was almost a million tonne lower than last year. This decline in demand was attributed to a lower offtake on account of demonetisation. Demand during the second half is expected to pick up by atleast 50% of what it lost during the first half, thus resulting in a total demand of around 243 lac tonnes. In the wake of the lower production levels in Maharashtra and South India, the Central Government assessed the overall demand and supply position and in order to ensure a comfortable sugar stock at the end of the sugar season allowed duty free import of 5 lac tonnes of raw sugar. This decision of the Central Government was pragmatic in the sense that it addressed the regional imbalances of sugar inventory prevalent in the different parts of the country. Hence, after considering the aforementioned imported stock, India may end the sugar season with a closing stock of 40 to 45 lac tonnes. Ex-mill sugar prices in Uttar Pradesh remained within the range of ₹3,450 and ₹3,750 per quintal. As far as the next season is concerned, higher acreage and optimal monsoons indicates production levels to be at par with consumption levels, thus, paving the way for a well-balanced market in the days to come marked by stabilised sugar prices with a slightly upward bias.

Global sugar production levels are expected to report a surplus status following a brief period of deficit with Brazil, Thailand and even China either maintaining current production levels or generating a slight increase. A major increase in production is expected from the Eurozone. 2017-18 MY will mark the first year during which the EU countries will come out of the five decade-long production quota and export limit regime. Post the announcement of the abolition of the sugar quota (slated to come into effect on 1st October, 2017), beet plantation has increased substantially. Sugar production is expected to reach around 19 million tonnes in 2017-18 and the EU is expected to emerge as a net 2 million tonnes exporter from being a net importer.

BCML's performance during 2016-17

Revenue from operations of the Company during the year ended 31st March, 2017 improved to ₹3,64,099.71 Lacs as compared to ₹2,87,406.77 Lacs for the year ended 31st March, 2016 – an increase of 26.68% driven by improved sugar realisations. Sugar recovery lowered slightly to 10.66% during the financial year ended 31st March, 2017 compared to 11.06% in the previous year. The other segments i.e. distillery and cogeneration delivered steady performances. The Company earned a total comprehensive income of ₹58,865.70 Lacs during the year ended 31st March, 2017 compared to ₹9,988.52 Lacs in the previous year.

Segment-wise performance and outlook

Sugar

During the year, sugarcane crushing activities started earlier than usual, which enabled the Company to crush a higher quantity of cane compared to last year. Sugarcane crushed during the year stood at 794.65 lac quintals as compared to 742.56 lac quintals in the previous year. Recovery lowered to 10.66% as compared to 11.06% achieved during the previous year owing to weather conditions which were not completely conducive. The Company has been working closely with farmers to increase the sowing of early variety of sugarcane which would enable the Company to crush more cane and improve recovery rates, going forward. The Company is providing farmers with necessary agri-inputs for increasing their farm yields and improving clean cane quality. Steps have also been taken to educate cane growers on modern agricultural practices.

During the year, the Company sold 79.74 lac quintals of sugar at an average realisation of ₹35.90 per kilogram as against 80.70 lac quintals at an average realisation of ₹27.06 per kilogram in the previous year.

Distillery

The Company's distillery segment performed satisfactorily. The Company produced 721.58 lac bulk litres of alcohol during the year ended 31st March, 2017 as against 705.55 lac bulk litres during the previous year. Sales during the year was 691.80 lac bulk litres as compared to 647.49 lac bulk litres during the previous year. Ethanol sales constituted 99.5% of the revenues generated by the segment during the year as compared to 86.9% during the previous year. During the year under review, the prices of ethanol remained remunerative. The average realisation per bulk litre stood at ₹42.55 as against ₹40.41 per bulk litre in the previous year. The Company successfully commissioned incinerator boilers at all of its three distilleries in order to achieve a zero liquid discharge status. This initiative coupled with higher availability of molasses due to enhanced crushing levels as mentioned above would enable the Company to better utilise its distillery capacities. With the thrust laid by the Central Government on the Ethanol Blending Programme, the Company foresees increased demand from oil marketing companies during the current year. The Central Government has fixed the supply price of ethanol at ₹39 per litre for the period between December 2016 and November 2017.

Cogeneration

The performance of the cogeneration segment remained stable during the year. Total power generated during the year stood at 7,537.41 lac units compared to 7,469.14 lac units in the previous year. Power exported to the Uttar Pradesh Power Corporation Limited stood at 5,104.93 lac units as against 5,307.41 lac units in the previous year. The average realisation per unit stood at ₹4.81 as against ₹4.77 per unit in the previous year. The Company also sold 1.98 lac renewable energy certificates during the year resulting in gross proceeds worth ₹2,977.17 Lacs. Going forward, the power generation capacities are expected to improve their utilisation levels due to a greater availability of bagasse resulting from higher amounts of cane crushed.

Organic Manure

Following the discontinuation of the organic manure division, the spent wash generated during the distillation process is being used as fuel for incinerator boilers.

A detailed analysis of the Company's operations, future expectations and business environment has been given in the Management Discussion & Analysis Report which forms a part of this Report.

Governmental policies related to the sugar industry

The salient features of the major policies relating to the sugar industry are as under:

- The Central Government announced the FRP (Fair & Remunerative Price) for sugarcane for the sugar season 2016-17 to be ₹230 per quintal and ₹255 per quintal for the sugar season 2017-18 (linked to a basic recovery of 9.50% and subject to a premium of ₹2.68 per quintal for every 0.1% increase in recovery above that level).
- The Government of Uttar Pradesh increased the State Advised Price (SAP) of sugarcane for the sugar season 2016-17 from ₹280 per quintal to ₹305 per quintal, for the normal variety of sugarcane. In addition, society cane commission and sugarcane purchase tax of ₹4.50 and ₹2.00 per quintal of sugarcane, respectively, were levied.
- The Central Government allowed imports upto 5.00 lac tonnes of raw sugar at zero duty to address the regional imbalances of sugar inventory in the country.
- The Central Government fixed the supply price of ethanol at ₹39 per litre for the period between December 2016 and November 2017.

Impact of GST

The GST Council has met substantial demands of the industry and hence, it is unlikely that GST shall pose any hindrance to the industry. A comparative table of the proposed GST rates vis-à-vis the existing rates are placed hereunder :

Sl. No.	Commodity	Rates under Central Excise	GST Rates	Remarks
1.	Sugar cane	-	Nil	State Government-levied purchase tax will be subsumed
2.	Sugar	Basic @ ₹71 per quintal, Sugar Cess @ ₹124 per quintal [effective at an *ad valorem* rate of approximately 5.27%]	5%	State Government-levied entry tax will be subsumed
3.	Molasses	@ ₹75 per quintal [effective at an *ad valorem* rate of approximately 17%]	28%	No impact on the Company as it enjoys captive usage of molasses
4.	Ethyl alcohol	@ 12.50 %/BL	18%	State Government-levied purchase tax will be subsumed
5.	Bagasse and Press mud	Nil	5%	No impact on the Company as it enjoys captive usage of bagasse
6.	Electricity	The present position has been maintained and the electricity has been kept out of the purview of GST		

Subsidiary and Associate Companies

The Company's subsidiary Indo Gulf Industries Limited (IGIL) reported a net loss of ₹50.72 Lacs for the year ended 31st March, 2017 as compared to a loss of ₹11.89 Lacs for the year ended 31st March, 2016. During the year under review, the Company entered into a Share Purchase Agreement (SPA), inter alia, with Ganesh Explosives Private Limited (Acquirer) for sale and transfer of the entire shareholding (53.96%) in IGIL held by the Company, subject to the compliance of Open Offer formalities under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended) by the Acquirer and conditions precedent in terms of the SPA. As on the date of this report, the Open Offer formalities stand completed and the entire shareholding of the Company in IGIL along with the control and management of the said company has been transferred to the Acquirer.

During the year under review, Visual Percept Solar Projects Private Limited (VPSPPL) became an associate company, consequent to the acquisition of 45% equity stake of VPSPPL by the Company, pursuant to the Call Option Agreement dated 30th March, 2015. Share of profit of the said associate company for the year ended 31st March, 2017 is ₹127.43 Lacs.

Except the above, no body corporate has become or ceased to be a subsidiary, joint venture or associate company during the year.

Consolidated Financial Statements

In compliance with the provisions of the Companies Act, 2013 (as amended) (the "Act") and implementation requirements of the Indian Accounting Standards Rules on accounting and disclosure requirements, as applicable and as prescribed under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"), the Audited Consolidated Financial Statements form part of this Annual Report.

Pursuant to Section 129(3) of the Act, a statement in Form AOC-1 containing the salient features of the financial statements of the Company's Subsidiary and Associate companies is also provided in this Annual Report.

The audited financial statements of the Company including the consolidated financial statements and related information of the Company and the audited accounts of the subsidiary are available on the website of the Company at www.chini.com. The annual accounts of the Subsidiary Company and the related detailed information shall be made available to the members of the Company seeking such information at any point of time. The annual accounts of the Subsidiary Company would be avaliable for inspection by the members at the Company's Registered Office during business hours.

Share Capital

During the year under review, the Company issued and allotted 60,700 equity shares of ₹1 each at a price of ₹45 per share (including premium of ₹44 per share) upon the exercise of 60,700 options under the Employee Stock Option Scheme. Consequently, the paid-up share capital of the Company increased to ₹24,50,10,467 consisting of 24,50,10,467 equity shares of ₹1 each.

Buyback of Shares

Further, during the year under review, the Company sought approval of the shareholders to buy-back its equity shares, through the "Tender Offer" route using the Stock Exchange Mechanism, for an aggregate amount of upto ₹17,500 Lacs (being 14.72% of the total paid-up equity share capital and free reserves of the Company as on 31st March, 2016), at a price of ₹175/- per Equity Share on a proportionate basis in accordance with the provisions contained in the Act, rules made thereunder, the SEBI (Buy Back of Securities) Regulations, 1998 and other applicable circulars, clarifications and notifications. Details of the Postal Ballot process conducted to seek the aforesaid approval of the shareholders are given in the Corporate Governance Report.

Post the Buyback of 1,00,00,000 equity shares, the equity share capital of the Company stood at ₹23,50,10,467 consisting of 23,50,10,467 equity shares of ₹1 each as on 31st March, 2017.

Employee Stock Option Scheme

The applicable disclosures as required under the SEBI Guidelines as amended and the details of stock options as at 31st March, 2017 under the Employee Stock Option Scheme, 2005 are set out in the attached Annexure - II and forming part of this Report.

Credit Rating

ICRA Limited - a Credit Rating Agency, vide its letter dated 8th November, 2016, revised the Credit Rating of the Company from [ICRA] A+ to [ICRA] AA- with respect to long-term loans. Further, ICRA Limited, vide its letter dated 12th April, 2017, revised upwards the long-term rating of the Company from [ICRA] AA- to [ICRA] AA. The short-term rating was retained at [ICRA] A1+.

CRISIL - a credit rating agency, vide its letter dated 26th May, 2017, has assigned the credit rating of the Company to CRISIL AA with respect to long-term loans. The short-term rating has been assigned at CRISIL A1+.

Directors

The members of the Company at the 40th Annual General Meeting, held on 12th August, 2016, appointed Shri Sakti Prasad Ghosh and Shri Sumit Mazumder as Independent Directors for a term of 5 (five) consecutive years ending on 30th September, 2020 and 30th April, 2021 respectively in terms of Section 149 and other applicable provisions of the Act.

The Board of Directors on the recommendation of the Nomination & Remuneration Committee appointed Shri Naresh Dayal as an Additional Director (Non-Executive, Non-Independent Director), with effect from 15th November, 2016.

By virtue of the provisions of the Articles of Association of the Company and Section 161 of the Act, Shri Naresh Dayal will vacate office at the ensuing Annual General Meeting (AGM). The Board of Directors at its meeting held on 27th May, 2017, has recommended for the approval of the members the appointment of Shri Naresh Dayal as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation, with effect from the date of the ensuing AGM of the Company.

Notice under Section 160 of the Act, has been received from a member of the Company proposing candidature of Shri Naresh Dayal.

During the year under review, Smt. Meenakshi Saraogi informed the Company about her decision to resign as a Director of the Company, owing to her indifferent health. Accordingly, with effect from the close of business hours on 15th November, 2016, she has ceased to be a Director of the Company. The Board wishes to place its sincere appreciation of the contributions made by Smt. Meenakshi Saraogi to the tremendous growth of the Company.

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company at their meeting held on 11th February, 2017 has re-appointed Shri Vivek Saraogi as the Managing Director of the Company for a further period of 5 years with effect from 1st April, 2017, subject to approval of the members at the ensuing AGM.

The Board of Directors of the Company at their meeting held on 27th May, 2017 has re-appointed Dr. A. K. Saxena as a Whole-time Director of the Company for a further period of 5 years with effect from 1st August, 2017 based on the recommendation of the Nomination & Remuneration Committee, subject to approval of the members at the ensuing AGM.

Director retiring by rotation

Dr. A. K. Saxena retires from the Board by rotation and being eligible, offers himself for re-appointment.

Information regarding the directors seeking appointment/ re-appointment

Resume and other information regarding the directors seeking appointment / re-appointment as required by Regulation 36 of the Listing Regulations have been given in the Notice convening the ensuing AGM and in the Statement pursuant to Section 102 of the Act. The Board of Directors recommends the above appointment(s) / re-appointment(s).

None of the Directors of the Company are disqualified as per the applicable provisions of the Act.

Other Information

Appointment of directors is made in accordance with the Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

Other details pertaining to the Directors, their appointment / cessation during the year under review and their remuneration are given in the Extract of Annual Return annexed hereto and forming part of this Report.

The Executive Directors (including Managing Director and Whole-time Director) of the Company do not receive any remuneration or commission from the Subsidiary Company.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed both under the Act and Regulation 16 of the Listing Regulations.

Separate Meeting of Independent Directors

Details of the separate meeting of Independent Directors held in terms of Schedule IV of the Act and Regulation 25(3) of the Listing Regulations are given in the Corporate Governance Report.

Directors' Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act and Regulation 18 of the Listing Regulations in the preparation of the annual accounts for the year ended 31st March, 2017 and state that :

i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. 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 at the end of the financial year and of the profit of the Company for that period;

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Directors have prepared the annual accounts on a *going concern* basis;

v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Particulars of Employees

The particulars of employees, as required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), are given in a separate annexure attached hereto as Annexure - III and forms part of this Report. During the year under review, no complaint / case was filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act are given in Annexure - IV attached hereto and forming part of this Report.

Deposits

The Company has not accepted any deposit from the public and consequently, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Shri Vivek Saraogi, Managing Director, Shri Pramod Patwari, Chief Financial Officer and Shri Nitin Bagaria, Company Secretary. During the year, there has been no change in the Key Managerial Personnel of the Company.

Details pertaining to their remuneration have been provided in the Extract of Annual Return annexed hereto and forming part of this Report.

Board Meetings

The Board met 4 (four) times during the financial year under review, the details of which are given in the Corporate Governance Report attached to this Report.

Committees of the Board

Pursuant to various requirements under the Act and the Listing Regulations, the Board of Directors has constituted various committees such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Executive Committee and Share Transfer Committee. The details of composition, terms of reference, etc., pertaining to these committees are mentioned in the Corporate Governance Report.

Audit Committee

All recommendations made by the Audit Committee during the year were accepted by the Board.

Whistleblower Policy

The Company has in place a Whistleblower Policy to deal with unethical behavior, victimisation, fraud and other grievances or concerns, if any. The aforementioned whistleblower policy is available on the Company's website at the following web-link:

http://www.chini.com/policies/Vigil_Mechanism_Policy.pdf

Policy on Selection and Remuneration of Directors

Based on the recommendation of the Nomination & Remuneration Committee, the Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees was revised and adopted by the Board of Directors at their meeting held on 11th August, 2016. The said policy was made applicable w.e.f. 1st September, 2016 and is annexed as Annexure - V.

Board Evaluation

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out the evaluation of its own performance and that of its Committees as well as evaluation of performance of the individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report attached to this Report.

Corporate Social Responsibility

The CSR policy approved by the Board is available on the Company's website at the following web-link:
http://www.chini.com/policies/CSR_Policy.pdf

The Annual Report on CSR activities is appended as Annexure - VI.

Inter-corporate Loans and Investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements forming part of this Annual Report.

Related Party Transactions

There have been no materially-significant related party transactions made by the Company with the Promoters, the Directors or the Key Managerial Personnel which may be in conflict with the interests of the Company at large. The Policy on Related Party Transactions as approved by the Board can be accessed on the Company's website at following web-link:

http://www.chini.com/policies/Policy_on_materiality_of_Related_Party_Transactions.pdf

The details of related party transactions are set out in the notes to the financial statements.

Risk Management Policy

The policy on risk assessment and minimisation procedures as laid down by the Board are periodically reviewed by the Audit Committee and the Board. The policy facilitates in identification of risks at appropriate time and ensures necessary steps to be taken to mitigate the risks. Brief details of risks and concerns are given in the Management Discussion and Analysis Report.

Extract of Annual Return

Extract of Annual Return in Form MGT- 9 is annexed to this Report as Annexure - VII.

Material Changes and Commitments

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31st March, 2017 and the date of this Report.

Significant and Material Orders

There are no significant/ material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to the financial statements. During the year, such controls were reviewed and no reportable material weakness was observed.

Corporate Governance

In terms of the provisions of Regulation 34(3) of the Listing Regulations, the Management Discussion and Analysis, the Corporate Governance Report and the Certificate on the compliance of conditions of Corporate Governance form part of the Annual Report and are given separately as Annexure - VIII.

Business Responsibility Report

Regulation 34(2) of the Listing Regulations, inter alia, provides that the annual reports of the top 500 listed entities based on market capitalisation (calculated as on March 31st of every financial year), shall include a Business Responsibility Report. Since the Company is one of the top 500 listed entities, it has presented its first Business Responsibility Report for the financial year 2016-17, as Annexure - IX to this Report.

Auditors

Statutory Auditors and their Audit Report

M/s. G. P. Agrawal & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company at the 40th AGM held on 12th August, 2016 to hold office from the conclusion of that AGM till the conclusion of the 41st AGM to be held in the year 2017. M/s. G. P. Agrawal & Co., Chartered Accountants would vacate office as the Auditors of the Company at the conclusion of the ensuing AGM pursuant to the provisions of Section 139(2)(b) of the Act to comply with the provision of compulsory rotation of auditors. Pursuant to the applicable provisions of the Act, on the recommendation of the Audit Committee of the Board, it is proposed to appoint M/s. Lodha & Co., Chartered Accountants, (Firm Registration No. 301051E) as the Statutory Auditors of the Company to hold office from the conclusion of the 41st AGM until the conclusion of the 46th AGM. The Company has received a letter from M/s. Lodha & Co. confirming that they are eligible for appointment as Statutory Auditors of the Company under Section 139 of the Act and meet the criteria for appointment specified in Section 141 of the Act. Necessary resolution for the appointment of M/s. Lodha & Co., Chartered Accountants as the Statutory Auditors is included in the Notice of the ensuing AGM.

The reports given by the outgoing Auditors, M/s. G. P. Agrawal & Co., Chartered Accountants on the standalone and consolidated financial statements of the Company for the year ended 31st March, 2017 form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports.

The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

Secretarial Auditors and their Audit Report

Pursuant to the provisions of Section 204 of the Act, the Company has appointed M/s. MKB & Associates, Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year

2016-17 is attached as Annexure - X and forms part of this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors and their Audit Report

The Cost Auditors (M/s. N. Radhakrishnan & Co., Cost Accountants) appointed by the Board have submitted the Cost Audit Report within the time limit prescribed under the Act and Rules made thereunder.

During the year under review, pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the Board appointed M/s. N. Radhakrishnan & Co., Cost Accountants, to conduct cost audit of the Company relating to sugar (including industrial alcohol) and electricity for the financial year ended 31st March, 2017.

On the date of this Report, your directors have, on the recommendation of the Audit Committee, appointed M/s. N. Radhakrishnan & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2017-18. As required under the Act, a resolution seeking ratification of the remuneration payable to the Cost Auditors form part of the Notice convening the ensuing AGM.

Annexures forming part of this Report

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form part of this Report :

Annexure	Particulars
I	Dividend Distribution Policy
II	Details of Employee Stock Option Scheme
III	Particulars of Employees
IV	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
V	Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity
VI	Annual Report on CSR activities
VII	Extract of the Annual Return as per Form MGT-9
VIII	Corporate Governance Report and Management Discussion & Analysis
IX	Business Responsibility Report
X	Secretarial Audit Report

Appreciation

Your Board of Directors takes this opportunity to thank all the stakeholders – the Central Government, the Government of Uttar Pradesh, shareholders, customers, dealers, State Bank of India, HDFC Bank, Punjab National Bank, other banks and financial institutions and all other business associates for their excellent support. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees.

For and on behalf of the Board of Directors

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN – 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419

Place: Kolkata
Date: 27th May, 2017

Annexure I
to the Board's Report

DIVIDEND DISTRIBUTION POLICY

1. Background

Securities and Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 which came into force w.e.f. July 8, 2016. Pursuant to Regulation 43A of the said Regulations, top 500 listed entities based on market capitalization (calculated as on March 31st of every financial year) should have a Dividend Distribution Policy.

Therefore, the Board of Directors of Balrampur Chini Mills Limited has adopted this Dividend Distribution Policy of the Company as per the aforesaid requirement.

2. Effective Date

This Policy becomes effective from the date of its adoption by the Board i.e. Saturday, 11th February, 2017.

3. Definitions & Interpretations

Unless repugnant to the context:

(a) 'Act' shall mean the Companies Act, 2013 as amended from time to time and shall include Rules, Regulations and Secretarial Standards made thereunder or pursuant thereto.

(b) 'Board' shall mean the Board of Directors of the Company, as constituted from time to time.

(c) 'Company' shall mean 'Balrampur Chini Mills Limited'.

(d) 'Policy' shall mean this Dividend Distribution Policy as per the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016.

(e) 'Listing Regulations' shall mean SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended).

All words and expressions used but not defined in this Policy, but defined in the Act or the Listing Regulations shall have the same meaning as respectively assigned to them in such Act or Regulations, as the case may be.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

4. Objective

The Company shall strive to drive growth and thereby maximise shareholders' value. The object of this Policy is to strike a balance between dividend payout and the need to retain earnings for future growth. This Policy broadly specifies the external and internal factors that shall be considered while declaring dividend.

5. General policy of the Company as regards Dividend

The general considerations of the Company for taking decisions with regard to dividend payout or retention of profits shall be as following:

(a) Subject to the other considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management and other relevant factors.

(b) The Board may also, where appropriate, aim at distributing dividends in form of fully or partly paid shares or other securities, subject to applicable law.

6. Parameters

The Board shall consider the following parameters:

(a) *Circumstances under which the shareholders of the Company may or may not expect dividend:*

Shareholders may expect Dividend when the Company is having adequate surplus funds after providing all expenses, depreciation, etc., and complying all other statutory requirements of the Act.

Shareholders may not expect Dividend:

(i) When the Sugar Industry Scenario is uncertain, even if the Company has earned profits in the year.

(ii) When there are regulatory restrictions.

(iii) Whenever it is proposed to utilise the surplus cash for buy back of securities.

(b) *Financial parameters/Internal factors:*

In addition to the aforesaid parameters, the decision of dividend payout or retention of profits shall also be based on the following:

(i) Operating Cash Flows.

(ii) Long term strategic plans.

(iii) Debt repayment schedules and contractual constraints such as dividend restrictions in debt contracts and the current degree of financial leverage.

(iv) Such other criteria as deemed fit by the Board.

(c) *External factors:*

The various legal rules and constraints such as paying dividends that would impair capital and policy decisions that may be formulated by the Government or in case of uncertain or recessionary economic and business conditions, the Company will endeavour to retain larger part of profits to build up reserves to absorb future shocks.

(d) *Policy to utilise retained earnings with regard to dividend:*

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year(s) or out of free reserves, in accordance with the provisions of the Act, after due regard to the parameters laid down in this Policy.

(e) *Parameters adopted with regard to various classes of shares:*

The factors and parameters for declaration of dividend to different class of shares of the Company shall be same as covered above. Additionally, the following shall be considered:

(i) The dividend will be paid to the equity shareholders based on the terms of the issue.

(ii) The dividend shall be paid out of Company's distributable profits and / or profits of earlier year(s) (subject to applicable law), and shall be allocated among shareholders on a pro-rata basis according to the number of each type and class of shares held.

7. Review

The Board may review and amend the Policy, from time to time, as it may deem fit and / or to give effect to any amendment in any applicable law.

Annexure II
to the Board's Report

Disclosures as required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014, with respect to Employees Stock Option Scheme, 2005 of the Company, as on 31st March, 2017

A. **Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time**

The same has been disclosed in the Notes to the Audited Financial Statements forming part of this Annual Report.

B. **Diluted EPS on issue of shares pursuant to the issue of shares on exercise of options calculated in accordance with Accounting Standard [AS] 'Earnings Per Share'**

Diluted EPS for the year ended 31st March, 2017 calculated in accordance with Ind-AS 33 (Earnings per Share) – ₹24.25.

C. **Details relating to Employees Stock Option Scheme, 2005 (ESOS)**

(i) Description including terms and conditions of ESOS

(a) **Date of Shareholders' approval:** 08.09.2005 (approval for granting of options) and 25.05.2009 (approval for re-pricing of Options);

(b) **Total number of options approved under ESOS:**

Year	2005^	2006#	2007*	2008	2009
No. of options granted	6,22,500	8,83,000	9,95,500	12,80,000	14,64,500
Date of grant	31.10.2005	27.11.2006	27.11.2007	25.11.2008	28.05.2009

^ 12,000 options remaining unexercised at the end of exercise period as on 31.10.2014 lapsed during the year 2014-15.

18,500 options remaining unexercised at the end of exercise period as on 26.11.2015 lapsed during the year 2015-16.

* 27,000 options remaining unexercised at the end of exercise period as on 26.11.2016 lapsed during the year 2016-17.

(c) **Vesting requirements:** The options vested on completion of one year from the date of grant of options.

(d) **Exercise price or pricing formula:**

Date of grant	31.10.2005	27.11.2006	27.11.2007	25.11.2008	28.05.2009
Exercise price per share$ (Each option is equivalent to one equity share having face value of ₹1 each of the Company)	₹45 (revised from ₹74.60)	₹45 (revised from ₹104.10)	₹45 (revised from ₹72.20)	₹45 (revised from ₹74.20)	₹45

The exercise price of the options is determined by the Remuneration Committee on the date the option is granted. It is based on the average daily closing market price of the equity shares of the Company during the preceding 26 weeks, prior to the date of grant [on the stock exchange it is traded most].

$The shareholders of the Company at their Extra-Ordinary General Meeting held on 25th May, 2009 have accorded approval to re-price the exercise price of the options granted in the years 2005, 2006, 2007 & 2008, which have not been exercised and also the exercise price in respect of options to be granted for the year 2009 at 20% discount to the average daily closing market price of the Company's shares, on the stock exchange it is traded most, during the preceding 26 weeks prior to the date of the meeting held to re-price the exercise price of the unexercised options and options granted for the year 2009. Accordingly, the Remuneration Committee on 28th May 2009 has re-priced the exercise price of the unexercised options for the years 2005, 2006, 2007 & 2008 and granted stock options for the year 2009 at an exercise price of ₹45 per equity share.

(e) **Maximum term of options granted:** The eligible employees can exercise their options within a period of 96 months from the date of vesting of options;

(f) **Source of shares (primary, secondary or combination):** Primary;

(g) **Variation in terms of options:** Detailed in para C(i)(d) above.

(ii) **Method used to account for ESOS - Intrinsic or fair value:** Intrinsic value;

(iii) **Options movement during the year**

Particulars	Details
Number of options outstanding at the beginning of the period	1,58,200
Number of options granted during the year	Nil
Number of options forfeited / lapsed during the year	29,500
Number of options vested during the year	Nil
Number of options exercised during the year	60,700
Number of shares arising as a result of exercise of options	60,700
Money realized by exercise of options (INR), if scheme is implemented directly by the company	₹2731500/-
Loan repaid by the Trust during the year from exercise price received	Not applicable
Number of options outstanding at the end of the year	68,000
Number of options exercisable at the end of the year	68,000

(iv) **Details of options granted to**

a) Senior Managerial Personnel: Options have not been granted during the year ended 31st March, 2017.

b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year – Nil.

c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant – Nil.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Dr. Arvind Krishna Saxena	**Vivek Saraogi**
Place: Kolkata	*Whole-time Director*	*Managing Director*
Date: 27th May, 2017	DIN – 00846939	DIN – 00221419

Notes:

Other disclosures which are not applicable to the Company have not been separately commented upon.

Additional Disclosures pursuant to Regulations 13 and 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014:

1. Other disclosures have also been uploaded on Company's website at the following web-link: http://chini.com/financials-d.php
2. A certificate from G. P. Agrawal & Co. Chartered Accountants, Statutory Auditors with respect to the implementation of the Company's ESOP Scheme, forms part of the Report and would also be placed before the shareholders at the ensuing AGM.

Auditors' Certificate

As required under Clause 14 of the SEBI (Employees Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 read with Regulation 13 of the SEBI (Share Based Employee Benefits) Regulations, 2014

We have examined the books of account and other relevant records of Balrampur Chini Mills Ltd. having its registered office at 'FMC Fortuna', 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata – 700020 and based on the information and explanations given to us, we certify that in our opinion, the Company has implemented the Employee Stock Option Scheme in accordance with SEBI (Employees Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 read with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the special resolution passed by the Company in the Extra-ordinary General Meeting held on 8th September, 2005 and 25th May, 2009.

For G.P. Agrawal & Co.
Chartered Accountants
F.R.No. 302082E

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Place: Kolkata
Date: 27th May, 2017

Annexure III
to the Board's Report

Statement of Disclosure of Remuneration under Section 197(12) of Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)

I. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016-17:**

Name	Designation	Ratio
Shri Vivek Saraogi	Managing Director	185:1
Dr. A. K. Saxena	Whole-time Director	13:1

II. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2016-17:**

Name	Designation	% increase in remuneration
Shri Vivek Saraogi	Managing Director	98.30
Dr. A. K. Saxena	Whole-time Director	6.44
Shri Pramod Patwari	Chief Financial Officer	N.A.
Shri Nitin Bagaria	Company Secretary	N.A.

III. **The percentage increase in the median remuneration of employees in the financial year 2016-17:**

The percentage increase in the median remuneration of the employees is 11.40%.

IV. **The number of permanent employees on the rolls of the Company:**

There were 2979 number of permanent employees on the rolls of the Company as on 31st March, 2017.

V. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year – 19.66%

Percentile increase in the managerial remuneration – 52.37%

Justification – Remuneration paid to the managerial personnel are as per recommendation of the Nomination & Remuneration Committee and as approved by the Board and the Shareholders of the Company. In view of the profits during the FY 2016-17, commission is payable to the Managing Director as per the terms of his appointment and hence the difference in percentile increases.

VI. **Affirmation that the remuneration is as per the remuneration policy of the Company:**
It is hereby affirmed that the remuneration paid during the year 2016-17 is as per the Remuneration Policy of the Company.

Notes :

1. Shri Pramod Patwari (Chief Financial Officer) and Shri Nitin Bagaria (Company Secretary) were appointed w.e.f. 16th December, 2015 and 4th November, 2015 respectively and therefore, percentage increase in remuneration is not provided.
2. The Non-Executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Report on Corporate Governance and is governed by the Remuneration Policy of the Company, as provided in the Annual Report. In view of this, the calculation of the ratio of remuneration and percentage increase in remuneration of Non-Executive Directors would not be meaningful and hence not provided.
3. Permanent employees on the rolls of the Company does not include Badli Workers, Seasonal, Retainers, Advisors, Trainees / Apprentice, etc.

Statement of Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)

Name	Designation, Nature of duties	Remuneration (₹)	Qualification and experience (years)	Age (years)	Date of commencement of employment	Last employer, designation
Employed throughout the financial year						
Shri Vivek Saraogi	Managing Director	3,41,36,733	B. Com (Hons.), (29)	51	03.07.1987	None
Shri Krishana Pal Singh	Group Head (Operations)	74,01,999	Diploma in Mech. Engineering (39)	60	16.09.2002	Ghaghara Sugar Ltd., D.G.M. (Engg.)
Shri Naresh Kumar Khetan	Executive President & Group Commercial Advisor	66,02,001	B.Com (Hons.) & FCA (33)	58	01.06.1989	Partner in M/s. M. Kumar Jain & Co., Chartered Accountants
Shri Nirmal Kumar Agarwal	Executive President (Unit Head)	53,90,487	Diploma in Mech. Engineering (36)	59	08.06.2006	Bajaj Hindusthan, Barkhera Unit, Vice President (Unit Head)
Shri Pramod Patwari	Chief Financial Officer	45,93,550	B.Com (H), ACA, ACS (22)	47	01.06.2007	Zenith Exports Limited, Finance Controller & Company Secretary
Shri Rohit Bothra	President (Taxation & Strategy)	45,43,258	B.Com (H), CA, GRAD. CWA (23)	44	16.01.2014	Ernst & Young LLP, Sr. Manager
Shri Anil Gupta	Chief General Manager -Corporate Power	44,96,027	Diploma in Mech. Engineering (33)	54	24.03.2003	Thermax Ltd, Manager
Shri Shiw Chand Sharma	Sr. GM – Corporate Affairs	44,58,353	B.Com (38)	58	01.03.2006	None
Shri Praveen Gupta	Chief General Manager	44,39,383	B.E. (MECH), P.G.D.M. (I.I.M. Calcutta) (35)	58	09.10.2008	M/s Upper Ganges Sugar & Inds., Seohara (U.P.), Jt. Executive President
Shri Jugal Kishore Bajaj	Sr. GM – Sales & Marketing	44,17,587	B.Com (47)	67	01.07.1972	H.M. Fatehpuria, Accounts Clerk

Notes:

1. Remuneration includes salary, company's contributions to provident fund, bonus, allowances and monetary value of perquisites.
2. Except the appointment of directors, all appointments are non-contractual and terminable by notice on either side.
3. No employee is a relative of any director of the Company.
4. None of the employees are covered under Rule 5(2)(ii) and (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended).

For and on behalf of the Board of Directors

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN – 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419

Place: Kolkata
Date: 27th May, 2017

Annexure IV
to the Board's Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy

The Company has taken various steps towards conservation of energy in all its plants. In order to reduce the energy consumption, following steps were taken:

a) Variable Frequency Drive (VFDs) is being added in the system on urgent basis in all the Units.

b) Installation of planetary gears in replacement of inefficient, worn out gears is also being done on regular basis in all the plants.

c) Efficient D.C. Drives / A.C. VFDs for Mill drives are being installed in our older Units - Balrampur & Babhnan to replace inefficient Turbine driven milling plants.

d) Continuous use of CFL & LED lights is being encouraged.

e) Installation of HTEM in our Unit - Haidergarh to reduce the steam consumption by 10%.

The impact of above measures are expected to reduce the consumption of fuel and power substantially and consequently the cost of production.

(ii) The steps taken by the Company for utilising alternate sources of energy

The Company has installed three Incineration Power Plants in its Chemical Plants to use the waste water / spent wash water as fuel after concentration to generate electrical energy through waste. We have installed three plants of 6 MW each for generation of green power through waste.

(iii) The capital investment on energy conservation equipments during the year 2016-17 was ₹6826.71 Lacs.

(B) Technology absorption

(i) The Company carried on following sugarcane development activities during the financial year 2016-17:

- Distribution of new improved varieties of seeds;
- Rearing of speed nurseries of new improved varieties for varietal replacement;
- Moist heat therapy to eradicate seed borne diseases;
- Pest control measures to protect cane from diseases;
- Biological control laboratory for sugarcane pest management;
- Inter cropping of sugarcane for multi crops to growers;
- Distribution of fertilisers and manures for healthy development & growth of sugarcane;
- Installation of soil testing laboratory including analysis of micronutrients;
- Ratoon crop management & gap filling helping increase yield and recovery;

(ii) Due to above efforts, it is expected that higher yield of disease free cane will be available to the Company, resulting in higher returns to the Company and the cane growers. Multi cropping also helps farmers to get more returns.

(iii) The Company has not imported any technology.

(iv) Expenditure incurred on Research & Development: Nil.

(C) Foreign Exchange Earnings and outgo

	Year 2016-17	Year 2015-16
Foreign Exchange earned in terms of actual inflows -	Nil	Nil
Foreign Exchange outgo in terms of actual outflows -	₹102.36 Lacs	₹44.87 Lacs

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Dr. Arvind Krishna Saxena	**Vivek Saraogi**
Place: Kolkata	*Whole-time Director*	*Managing Director*
Date: 27th May, 2017	DIN – 00846939	DIN – 00221419

Annexure V
to the Board's Report

Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity

1. Preamble

Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall 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.

Part – D of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also mandates the Nomination and Remuneration Committee 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. It further requires the Nomination and Remuneration Committee to devise a policy on diversity of the Board of Directors of the listed entity.

This Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity (the "Policy") is designed to (i) attract, motivate and retain talented employees in the competitive market, (ii) motivate employees to excel in their performance, recognise their contribution, (iii) retain talent in the organisation, reward merit and protect organisational stability & flexibility and (iv) lay down the criteria for selection of directors in the Board and persons in the senior management to assist the Board of Directors in performing its duties. This Policy will also ensure constitution of the Board with optimum combination of Executive and Non-Executive Directors including Independent Directors who possess diverse experience and expertise in strategic management, governance and provide long term vision and direction to the Company.

However, the Board should act according to its obligations under the specific facts and circumstances it faces.

The Board of Directors (the "Board") of Balrampur Chini Mills Limited (the "Company") at their meeting held on August 11, 2016 have adapted this Policy and it shall be effective from September 1, 2016. This Policy supersedes the existing Remuneration Policy and Criteria for selection of Directors and persons in Senior Management.

This Policy applies to the Company's Directors, Key Managerial Personnel and other employees.

2. Objectives

This Policy is formulated with the following objectives:

(i) To set the criteria for determining qualifications, positive attributes and independence of a director.

(ii) To have a diverse Board, with people from diverse areas of expertise and experience.

(iii) To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and employees of the quality required to run the Company successfully.

(iv) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

(v) To ensure that the remuneration 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.

(vi) To attract, recruit, motivate and retain desired talent.

However, exceptional occasions may arise where it is appropriate to act differently than set out in this Policy due to some extra-ordinary talent of any candidate and due to outstanding performance.

3. Definitions and Interpretations

"Act" shall mean the Companies Act, 2013 (as amended) along with the rules made thereunder.

"Committee" means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company.

"Key Managerial Personnel" or "KMP" means personnel as defined under the Companies Act, 2013.

"Listing Regulations" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Senior Management", "Senior Management Personnel" or "Senior Executives" means employees of the Company who are members of its core management team excluding directors comprising all members of management one level below the executive directors, including the functional heads. Unless expressly excluded, Senior Management includes KMP.

4. Policy for selection and appointment of the Board Members

Board Membership Criteria & Diversity

The Board of Directors should be composed of individuals who have demonstrated significant achievements in business, education, individual profession and/or public service. They should have requisite expertise, education and experience to make a significant contribution to the deliberations of the Board of Directors in light of the Company's business. In addition, the Board shall have atleast one woman director.

The Committee may review the appropriate skills and characteristics of Board members in the context of the current structure of the Board. This assessment should include issues of diversity, age, business, qualifications, ethics & integrity, willingness to participate in Board matters and other criteria that the Committee and the Board find to be relevant at that point of time. A variety and balance of skills, background and experience is desirable.

The composition of the Board shall meet the conditions prescribed under the Act and the Listing Regulations. Proposed appointees shall possess the Director Identification Number and meet the criteria as laid down in the Act and the Listing Regulations.

Attributes

The overall ability and experience of individual Board candidates should determine their suitability. The following attributes may be considered as desirable in any candidate for the Board:

- Experience - A Board candidate should have extensive experience in business, administration, profession, governance and/or public service. An ideal Board candidate may have had experience in more than one of these areas.
- Education - Ideally, it is desirable that a Board candidate should hold degree from a respected college or university. In some cases, it is further desirable for the candidate also to have earned a masters or acumen in governance & administration. However, these educational criteria are not meant to exclude an exceptional candidate who does not meet these educational criteria.
- Personal - A Board candidate should be of the highest moral and ethical character. The candidate should exhibit independence, objectivity and be capable of serving as a representative of the stakeholder.
- Individual Characteristics - A Board candidate should have the personal qualities to be able to make a substantial active contribution to the Board deliberations. These qualities include intelligence, self-assuredness, high ethical standard, inter-personal skills, independence, judgmental, courage, a willingness to ask difficult questions, communication skills and commitment.
- Availability - A Board candidate must be willing to commit, as well as have, sufficient time available to discharge the duties of the Board membership. The candidate should not have any prohibited interlocking relationships.
- Compatibility - A Board candidate should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the Senior Management of the Company.
- Compliance - A Candidate should meet the compliance requirements prescribed under the Act, the Listing Regulations and other Rules & Regulations or standards set out by the Company.

Predominance of Independent Directors

Independence promotes integrity, accountability and governance. The Board shall comprise of requisite number of Independent Directors as prescribed under the law.

Not less than requisite number of directors shall be independent directors who meet the criteria for independence as required under the Act, the Listing Regulations and other prescribed Rules & Regulations applicable to the Company. Besides, the Board will consider all relevant facts and circumstances in making a determination of independence.

Selection and Orientation of New Directors

The Committee shall identify candidates for the Board and recommend them for appointment by the Board and subsequently for approval by the shareholders as prescribed under the law. The Board delegates the screening process to the Committee with direct input from the Chairman of the Board or the Managing Director or any other Committee as may deem appropriate. The Senior Management, working in conjunction with the Committee, shall develop an appropriate familiarisation program for new directors that include background briefings, meetings with the Senior Management and visits to Company facilities etc.

Assessing Performance of Board and Committees

The Committee shall evaluate performance of each director and report annually to the Board on the results of the assessment process. The performance evaluation of Independent Directors shall be done by the entire Board of Directors. The Independent Directors in their meeting shall review the performance of non-independent directors and the Board as a whole. While assessing the performance, the Board or the Committee shall take into account attendance of directors in the Board and Committee meetings, performance of the business, accomplishment of long-term strategic objectives & their participation, role & functioning of various committees, compliance and other matter as they may think fit. The purpose of the assessment is to increase the effectiveness of the Board.

5. Selection and nomination of Senior Management including KMP

Criteria for selection of directors shall also apply for selection of executives in the Senior Management excepting those which are not applicable for KMP. Where appointment or performance of any KMP requires specific qualification or degree, the person should also possess the same. Keeping self-up-to-date for performing duties, on issues and emerging trends is an important part of responsibilities. KMP must take reasonable steps to remain current in professional development, corporate governance and discharging duties & responsibilities.

The KMP shall meet the conditions prescribed under the Act and other Rules & Regulations as may be applicable.

6. Compensation Structure

Principles of Remuneration

This Policy reflects the balance between the interests of the stakeholders of the Company as well as a balance between the Company's short-term and long-term strategy. As a result, the structure of the remuneration package for the Executive Directors and the Senior Management Personnel are designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company. The Company strives for high performance in the field of sustainability and aims to maintain a good balance between economic gains, respect for people and concern for the environment in line with the values of the Company and business principles to ensure that highly skilled and qualified personnel can be attracted and retained. The Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size and complexity. The Company shall strive to be an equal opportunity employer.

The following elements shall be considered for payment of remuneration to Executive Directors, Senior Management Personnel and other employees :

Industry Average, Remuneration drawn by peers considering nature and volume of responsibilities, Qualification, Experience, Immediate previous position held in earlier organization & responsibilities occupied, responsibilities shouldered in the Company, contribution made within the organisation, any achievement, reward or recognition, behavioural patterns, work ethics, evaluation of performance, etc.

Remuneration to Executive Directors & Non-Executive Directors

The Executive Directors shall be eligible for a monthly remuneration consisting of salary, perquisites and profit based annual commission (in case of Managing Director), as may be approved by the Board of Directors, based on the recommendations of the Committee, provided the same are in accordance with the statutory provisions of the Act, the rules made thereunder, for the time being in force and approved by the Shareholders and the Central Government, wherever required.

The Non-Executive Directors (including Independent Directors) shall be entitled to receive sitting fees for attending each meeting of the Board of Directors and the committees thereof. The fees paid to the Non-Executive Directors for attending meetings shall be such as may be determined by the Board within the limits prescribed under the Act. Beside the sitting fees, they are also entitled to reimbursement of expenses for participation in meetings of the Board / Committee / Shareholders and payment of commission on net profits.

Any review of the remuneration to Executive Directors and Non-Executive Directors shall be on the basis of performance evaluation of directors and as per recommendation of the Committee.

Payment of commission & sitting fees to Non-Executive Directors shall be subject to the provisions of the Act including prescribed rules & schedules thereunder and the Listing Regulations.

Remuneration to Senior Management and other employees

In order to attract and retain managerial expertise, the elements of the remuneration of the Senior Management are determined on the basis of the work they do and the value they create as well as of the conditions in other similar companies. Each element of the remuneration has been weighted in order to ensure a continuous positive development of the Company both in the short and long-term as well as of the employees to enhance productivity.

Remuneration of employees largely consists of base remuneration, perquisites, bonus, exgratia, etc. The components of the total remuneration vary for different cadres/grades are governed by industry pattern, qualification and experience of the employee, responsibilities handled by him, individual performance, among others. Employees/workers may be granted advance/loan with or without interest in case of genuine needs like- Medical, education, housing, marriage or for any other genuine purpose, subject to in conformity with the applicable laws and regulations as amended from time to time. The remuneration to employees/workers shall also comply with the applicable regulations and policies of the respective governments. As the factories of the Company are situated in the State of Uttar Pradesh, the remuneration to employees/workers (other than Senior Management) shall also be in compliance with the policies of the U.P. Govt. including Wage Board.

However, the Company may give compensation in the form of reward or incentive to any employee for his outstanding or extraordinary performance, which is over and above the benchmark set for him during any year.

Annual appraisal of performance of Senior Executives and other employees shall be done by the respective reporting authority/ head of the department in association with HR Department. Based on such performance evaluation any increase in remuneration shall be considered.

Long Term Incentive-Employee Stock Option Scheme

The Company has in place an Employees Stock Option Scheme for the Non-Promoter Executive Director(s) and employees of the Company with the objective of aligning interests of the executive management and key employees with the long-term goals of the Company and its shareholders and also to attract and retain talent to align the interest of employees with those creating sustainable value for all stakeholders. The stock options plan is long term for eight years after vesting time of one year from the date of grant of options.

7. Supplementary Provisions

The Committee may review this Policy periodically and suggest revisions in this Policy to the Board to ensure this Policy serves its purpose and accurately reflects the sense of the Board and the Company.

Annexure VI
to the Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:	Our vision for CSR is – "to contribute for bringing social and economic change to the underprivileged section of the society in an equitable manner and to contribute for the skill development as means of livelihood for the weaker sections of the society. This way we are building our business on responsible, sustainable and ethical foundations within a commercial framework to enable us to be a significant and effective force for positive change. In doing so we believe we are contributing to develop the quality of human life and making a better India." CSR activities will be carried on by the Company through: I. Balrampur Institute of Vocational Aid (hereinafter referred to as "BIVA"), II. Balrampur Foundation, III. Balrampur Trust, and IV. Other society, trust, hospital, fund or organisations engaged in activities specified in Schedule VII to the Companies Act, 2013 (as amended) as may be approved by the CSR Committee of the Board in accordance with the provisions of the said Act and Rules made thereunder. BIVA is a registered trust and is recognised & affiliated by different Central and State Government agencies. It provides employment enhancing specialised vocational training to the underprivileged for helping alleviate poverty and enhancing self-reliance. The object of the Balrampur Foundation and Balrampur Trust is to provide education, medical relief, promoting rural development projects and other objects of general public utility for the upliftment of the economically disempowered section of the society. The CSR Policy of the Company has been disclosed on the website of the Company and is available at the following web-link: http://chini.com/policies/CSR_Policy.pdf
2.	The Composition of the CSR Committee:	Your Company's CSR Committee comprises of the following members: - Shri Naresh Chandra – Chairman (Independent Director) - Shri Dinesh Kumar Mittal – Member (Independent Director) - Shri Vivek Saraogi – Member (Managing Director) - Smt. Novel S Lavasa – Member (Independent Director)
3.	Average net profit of the Company for last three financial years:	₹1266.08 lacs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above):	₹25.32 lacs
5.	Details of CSR spent during the financial year	
	a. Total amount to be spent for the Financial Year:	₹25.32 lacs
	b. Amount unspent, if any :	Nil
	c. Manner in which the amount spent during the financial year is detailed below:	The manner in which the amount is spent is detailed in Annexure A.
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:	N.A.
7.	Affirmation by CSR Committee:	The CSR Committee affirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objective and Policy of the Company.

[Annexure A]

1 Sl. No.	2 CSR Project or activity identified	3 Sector in which the Project is covered	4 Projects or Programs (1) Local area or other (2) Specify the state and district where the project or programs was undertaken	5 Amount outlay (budget) project or programs wise (₹)	6 Amount spent on the projects or programs Sub-heads: Direct expenditure on projects or programs (₹)	7 Cumulative Expenditure up to reporting period (₹)	8 Amount spent: Direct or through implementing agency
1.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.	Local areas - Kolkata (W.B.) & Uttar Pradesh	3,00,000	7,86,900	7,86,900	- Ramakrishna Mission Janasikshamandira - Balrampur Foundation - Rotary Club of Calcutta
2.	Promoting health care including preventing health care	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.	Local areas - Kolkata (W.B.) & Uttar Pradesh	12,00,000	4,69,033	4,69,033	- Balrampur Foundation - Anandalok Hospital - S.V.S. Marwari Hospital - Shree Vishudhanand Hospital
3.	Promoting education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Local areas - Kolkata (W.B.) & Uttar Pradesh	6,00,000	5,91,900	5,91,900	- Balrampur Foundation - Natraj Yuva Sangh - Bharat Relief Society - Apne Aap Women Worldwide (India) Trust
4.	Special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Local area - Kolkata (W.B.)	4,00,000	2,32,000	2,32,000	- Manovikas Kendra - Society for the Education of the Crippled - Divya Chaya Trust - Kabir Peace Mission

1	2	3	4	5	6	7	8
Sl. 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 the project or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: Direct expenditure on projects or programs	Cumulative Expenditure up to reporting period	Amount spent: Direct or through implementing agency
				(₹)	(₹)	(₹)	
5.	Setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Local area - Kolkata (W.B.)	3,00,000	3,55,100	3,55,100	- Amoragori Juba Sangh - People's Welfare Society
6.	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic Sports.	Local area - Uttar Pradesh	1,00,000	19,07,500	19,07,500	- U.P. Wrestling Association - Balrampur Foundation
7.	Animal Welfare	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.	Local area - Uttar Pradesh	1,00,000	51,000	51,000	- Balrampur Foundation
8.	Rural Development Projects	Rural development projects.	Local area - Uttar Pradesh	-	30,000	30,000	- Balrampur Foundation
9.	Slum Area Development	Slum Area Development.	-	-	-	-	-
10.	Expenditure on administrative overheads	-	-	-	Nil	-	-
				30,00,000	**44,23,433**	**44,23,433**	

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419

Sd/-
Naresh Chandra
Chairman - CSR Committee
DIN – 000158333

Place: Kolkata
Date: 27th May, 2017

Annexure VII
to the Board's Report

FORM MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

[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	L15421WB1975PLC030118
ii)	Registration Date	14/07/1975
iii)	Name of the Company	BALRAMPUR CHINI MILLS LIMITED
iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	FMC Fortuna, 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata – 700020. Phone: 033-22874749, Fax: 033-22873083, Email: bcml@bcml.in, Website: www.chini.com
vi)	Whether listed company: Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Apeejay House Block "B", 3rd Floor, 15, Park Street, Kolkata – 700016 Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032. Tel. No. 040-67161500 Fax No. 040-23420814 Toll Free No. 18003454001 Email: einward.ris@karvy.com 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 shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Sugar	10721	82.86

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Indo Gulf Industries Ltd. 213, Rectangle One, D-4 District Centre, Saket, New Delhi -110017	L74900DL1981PLC011425	Subsidiary	53.96%	Section 2(87)(ii)
2.	Visual Percept Solar Projects Private Limited 813, Dalamal Tower, Free Press Journal Marg, Nariman Point, Mumbai - 400021	U40106MH2010PTC206631	Associate	45%	Section 2(6)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April -2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	82863160	-	82863160	33.82	79716503	-	79716503	33.92	+0.10
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	17136839	-	17136839	7.00	16504293	-	16504293	7.02	+0.02
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**99999999**	**-**	**99999999**	**40.82**	**96220796**	**-**	**96220796**	**40.94**	**+0.12**
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters (A)= (A)(1)+ (A)(2)	**99999999**	**-**	**99999999**	**40.82**	**96220796**	**-**	**96220796**	**40.94**	**+0.12**
B. Public Shareholding									

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April -2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1. Institutions									
a) Mutual Funds	23333141	1362	23334503	9.53	25239027	1362	25240389	10.74	+1.21
b) Banks / FIs	1126640	1881	1128521	0.46	779592	1881	781473	0.33	-0.13
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	16982522	-	16982522	6.93	13852631	-	13852631	5.90	-1.03
g) FIIs	20538514	100	20538614	8.38	2148771	100	2148871	0.92	-7.46
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Foreign Financial Institution/ Banks	3450	-	3450	0.00	3450	-	3450	0.00	-
Sub-total B)(1):-	**61984267**	**3343**	**61987610**	**25.30**	**42023471**	**3343**	**42026814**	**17.89**	**-7.41**
2. Non-Institutions									
a) Bodies Corporate i) Indian	12211595	45989	12257584	5.00	10740651	42989	10783640	4.59	-0.41
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	30160976	1605463	31766439	12.98	31949209	1501936	33451145	14.23	+1.25
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	21111545	-	21111545	8.62	15539734	-	15539734	6.61	-2.01
c) Others (specify)									
Non Resident Indians	1472069	12652	1484721	0.61	2013886	12647	2026533	0.86	+0.25
Clearing Members	3382681	-	3382681	1.38	438291	-	438291	0.19	-1.19
Trusts	57444	-	57444	0.02	133091	-	133091	0.06	+0.04
Directors & their Relatives	18594	-	18594	0.01	16855	-	16855	0.01	0.00
Foreign Portfolio Investor (Corporate)	12611569	-	12611569	5.15	34107639	-	34107639	14.51	+9.36
Unclaimed Shares Suspense Account – Regulation 39 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	271581	-	271581	0.11	265929	-	265929	0.11	0.00
Sub-total (B)(2):-	**81298054**	**1664104**	**82962158**	**33.88**	**95205285**	**1557572**	**96762857**	**41.17**	**+7.29**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**143282321**	**1667447**	**144949768**	**59.18**	**137228756**	**1560915**	**138789671**	**59.06**	**-0.12**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**243282320**	**1667447**	**244949767**	**100.00**	**233449552**	**1560915**	**235010467**	**100.00**	**0.00**

ii) Shareholding of Promoters:

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year [As on 01-April -2016]			Shareholding at the end of the year [As on 31-March-2017]			% change in share-holding 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.	Shri Vivek Saraogi	38082320	15.55	Nil	36661967	15.60	Nil	0.05
2.	Kamal Nayan Saraogi HUF	7862300	3.21	Nil	7572091	3.22	Nil	0.01
3.	Vivek Saraogi HUF	170040	0.07	Nil	163764	0.07	Nil	0.00
4.	Smt. Meenakshi Saraogi	14244300	5.81	Nil	-	-	-	-5.81
5.	Smt. Sumedha Saraogi	9799000	4.00	Nil	9422629	4.01	Nil	0.01
6.	Smt. Stuti Dhanuka	5012000	2.04	Nil	4797649	2.04	Nil	0.00
7.	Shri Karan Saraogi	3946600	1.61	Nil	17519446	7.46	Nil	5.85
8.	Ms. Avantika Saraogi	3746600	1.53	Nil	3578957	1.52	Nil	-0.01
9.	Udaipur Cotton Mills Co. Ltd.	6559680	2.68	Nil	6317552	2.69	Nil	0.01
10.	Meenakshi Mercantiles Ltd.	7476050	3.05	Nil	7200098	3.06	Nil	0.01
11.	Novel Suppliers Pvt. Ltd.	3101109	1.27	Nil	2986643	1.27	Nil	0.00
	Total	**99999999**	**40.82**	**Nil**	**96220796**	**40.94**	**Nil**	**0.12**

Note : Apart from the changes in shareholding due to inter-se transfer and/or sale of shares under buyback of shares by the Company, the percentage of shareholding and the percentage change therein during the year is also adjusted to give effect to the change in Total Share Capital of the Company due to allotment of shares to employees under the Employees Stock Option Scheme and the extinguishment of equity share capital consequent to the buyback of shares by the Company.

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

Sl. No.	Name of the Shareholders	Date	Reason	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
1.	Shri Vivek Saraogi						
	At the beginning of the year	01.04.2016		38082320	15.55		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	1420353	0.60	36661967	15.60
	At the end of the year	31.03.2017				36661967	15.60
2.	Kamal Nayan Saraogi HUF						
	At the beginning of the year	01.04.2016		7862300	3.21		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	290209	0.12	7572091	3.22
	At the end of the year	31.03.2017				7572091	3.22
3.	Vivek Saraogi HUF						
	At the beginning of the year	01.04.2016		170040	0.07		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	6276	0.00	163764	0.07
	At the end of the year	31.03.2017				163764	0.07
4.	Smt. Meenakshi Saraogi						
	At the beginning of the year	01.04.2016		14244300	5.81		
	Increase / Decrease in Shareholding during the year	22.09.2016	Inter se transfer	14244300	5.81	0	0.00
	At the end of the year	31.03.2017				0	0.00

Sl. No.	Name of the Shareholders	Date	Reason	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
5.	**Smt. Sumedha Saraogi**						
	At the beginning of the year	01.04.2016		9799000	4.00		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	376371	0.16	9422629	4.01
	At the end of the year	31.03.2017				9422629	4.01
6.	**Smt. Stuti Dhanuka**						
	At the beginning of the year	01.04.2016		5012000	2.04		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	214351	0.09	4797649	2.04
	At the end of the year	31.03.2017				4797649	2.04
7.	**Shri Karan Saraogi**						
	At the beginning of the year	01.04.2016		3946600	1.61		
	Increase / Decrease in Shareholding during the year	22.09.2016	Inter se transfer	14244300	5.81	18190900	7.42
		23.02.2017	Buyback of Shares	671454	0.29	17519446	7.46
	At the end of the year	31.03.2017				17519446	7.46
8.	**Ms. Avantika Saraogi**						
	At the beginning of the year	01.04.2016		3746600	1.53		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	167643	0.07	3578957	1.52
	At the end of the year	31.03.2017				3578957	1.52
9.	**Udaipur Cotton Mills Co. Ltd.**						
	At the beginning of the year	01.04.2016		6559680	2.68		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	242128	0.10	6317552	2.69
	At the end of the year	31.03.2017				6317552	2.69
10.	**Meenakshi Mercantiles Ltd.**						
	At the beginning of the year	01.04.2016		7476050	3.05		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	275952	0.12	7200098	3.06
	At the end of the year	31.03.2017				7200098	3.06
11.	**Novel Suppliers Pvt. Ltd.**						
	At the beginning of the year	01.04.2016		3101109	1.27		
	Increase / Decrease in Shareholding during the year	23.02.2017	Buyback of Shares	114466	0.05	2986643	1.27
	At the end of the year	31.03.2017				2986643	1.27

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholders	Date	Reason	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
1.	**Life Insurance Corporation of India**						
	At the beginning of the year	01.04.2016		14183234	5.79		5.79
	Increase / Decrease in Shareholding during the year	08.04.2016	SELL	330603	0.13	13852631	5.66
	At the end of the year	31.03.2017				13852631	5.89^
2.	**Government Pension Fund Global**						
	At the beginning of the year	01.04.2016		12299993	5.02		
	Increase / Decrease in Shareholding during the year	08.04.2016	SELL	50000	0.02	12249993	5.00
		15.04.2016	SELL	80000	0.03	12169993	4.97
		13.05.2016	SELL	160000	0.07	12009993	4.90
		17.06.2016	SELL	896008	0.36	11113985	4.54
		24.06.2016	SELL	113992	0.05	10999993	4.49
		01.07.2016	SELL	100000	0.04	10899993	4.45
		08.07.2016	SELL	100000	0.04	10799993	4.41
		15.07.2016	SELL	100000	0.04	10699993	4.37
		12.08.2016	SELL	502825	0.21	10197168	4.16
		19.08.2016	SELL	29500	0.01	10167668	4.15
		26.08.2016	SELL	30500	0.01	10137168	4.14
		14.10.2016	SELL	34000	0.01	10103168	4.12^
		18.11.2016	SELL	36000	0.01	10067168	4.11
		30.12.2016	SELL	175158	0.07	9892010	4.04
		06.01.2017	SELL	989580	0.40	8902430	3.64
		03.02.2017	SELL	120000	0.05	8782430	3.59
		03.03.2017	SELL	66018	0.03	8716412	3.71^
		03.03.2017	Buyback of Shares	614747	0.26	8101665	3.45
		10.03.2017	SELL	296691	0.13	7804974	3.32
		17.03.2017	SELL	300979	0.13	7503995	3.19
		24.03.2017	SELL	710981	0.30	6793014	2.89
		31.03.2017	SELL	149908	0.06	6643106	2.83
	At the end of the year	31.03.2017				6643106	2.83
3.	**IDFC Premier Equity Fund**						
	At the beginning of the year	01.04.2016		8281224	3.38		
	Increase / Decrease in Shareholding during the year	23.09.2016	BUY	218028	0.09	8499252	3.47
		30.09.2016	BUY	514013	0.21	9013265	3.68
		07.10.2016	BUY	197430	0.08	9210695	3.76
		28.10.2016	BUY	237123	0.10	9447818	3.86
		06.01.2017	BUY	29452	0.01	9477270	3.87
	At the end of the year	31.03.2017				9477270	4.03^

Sl. No.	Name of the Shareholders	Date	Reason	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
4.	**Akash Bhanshali**						
	At the beginning of the year	01.04.2016		7773232	3.17		
	Increase / Decrease in Shareholding during the year	06.05.2016	SELL	486397	0.20	7286835	2.97
		13.05.2016	SELL	1598707	0.65	5688128	2.32
		20.05.2016	SELL	483746	0.20	5204382	2.12
		27.05.2016	SELL	188136	0.07	5016246	2.05
		05.08.2016	SELL	91484	0.04	4924762	2.01
		24.02.2017	SELL	325766	0.13	4598996	1.88
		03.03.2017	Buyback of Shares	215135	0.09	4383861	1.86^
		10.03.2017	SELL	353006	0.15	4030855	1.71
		17.03.2017	SELL	31205	0.01	3999650	1.70
	At the end of the year	31.03.2017				3999650	1.70
5.	**Lata Bhanshali**						
	At the beginning of the year	01.04.2016		5582332	2.28		
	Increase / Decrease in Shareholding during the year	17.06.2016	SELL	400000	0.16	5182332	2.12
		08.07.2016	SELL	500000	0.20	4682332	1.91^
		23.09.2016	SELL	1300000	0.53	3382332	1.38
		27.01.2017	SELL	500000	0.20	2882332	1.18
		17.02.2017	SELL	414720	0.17	2467612	1.01
		03.03.2017	Buyback of Shares	139531	0.06	2328081	0.99^
	At the end of the year	31.03.2017				2328081	0.99
6.	**L & T Mutual Fund Trustee Limited – L & T Equity Fund****						
	At the beginning of the year	01.04.2016		2966364	1.21		
	Increase / Decrease in Shareholding during the year	23.12.2016	SELL	200000	0.08	2766364	1.13
		03.02.2017@	SELL	1100000	0.45	1666364	0.68
		10.02.2017	BUY	78248	0.03	1744612	0.71
		03.03.2017	SELL	198527	0.08	1546085	0.66^
		10.03.2017	BUY	70000	0.03	1616085	0.69
	At the end of the year	31.03.2017				1616085	0.69
7.	**SBI Life Insurance****						
	At the beginning of the year	01.04.2016		2799288	1.14		
	Increase / Decrease in Shareholding during the year	08.04.2016	SELL	782094	0.32	2017194	0.82
		15.04.2016@	SELL	437488	0.18	1579706	0.64
		29.04.2016	SELL	300000	0.12	1279706	0.52
		06.05.2016	BUY	115000	0.05	1394706	0.57
		20.05.2016	BUY	100000	0.04	1494706	0.61

Sl. No.	Name of the Shareholders	Date	Reason	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
		03.06.2016	SELL	600000	0.24	894706	0.37
		17.06.2016	BUY	275000	0.11	1169706	0.48
		24.06.2016*	BUY	1065411	0.43	2235117	0.91
		30.06.2016	BUY	492851	0.20	2727968	1.11
		08.07.2016	BUY	825000	0.34	3552968	1.45
		15.07.2016	BUY	229864	0.09	3782832	1.54
		22.07.2016	BUY	100000	0.04	3882832	1.58
		05.08.2016	BUY	100000	0.04	3982832	1.62
		12.08.2016	BUY	65000	0.03	4047832	1.65
		23.09.2016	SELL	118051	0.05	3929781	1.60
		07.10.2016	SELL	435000	0.18	3494781	1.42
		14.10.2016	SELL	344000	0.14	3150781	1.28
		21.10.2016	SELL	337204	0.14	2813577	1.14
		28.10.2016	SELL	573657	0.23	2239920	0.91
		04.11.2016@	SELL	600000	0.24	1639920	0.67
		11.11.2016	SELL	1420262	0.58	219658	0.09
		25.11.2016	SELL	200000	0.08	19658	0.01
		02.12.2016	SELL	6755	0.00	12903	0.01
		09.12.2016	SELL	12903	0.01	0	0.00
	At the end of the year	31.03.2017				0	0.00
8.	**L & T Mutual Fund Trustee Limited – L & T India Value Fund**						
	At the beginning of the year	01.04.2016		2550500	1.04		
	Increase / Decrease in Shareholding during the year	15.04.2016	SELL	425500	0.17	2125000	0.87
		22.04.2016	SELL	202600	0.08	1922400	0.79
		24.06.2016@		0	0.00	1922400	0.79
		05.08.2016*	BUY	593800	0.24	2516200	1.03^
		26.08.2016	BUY	142400	0.06	2658600	1.09
		23.09.2016	BUY	1247300	0.50	3905900	1.59
		25.11.2016	BUY	453500	0.19	4359400	1.78
		03.03.2017	Buyback of Shares	407369	0.17	3952031	1.68^
	At the end of the year	31.03.2017				3952031	1.68
9.	**Dimensional Emerging Markets Value Fund**						
	At the beginning of the year	01.04.2016		2168825	0.88		
	Increase / Decrease in Shareholding during the year	03.03.2017	Buyback of Shares	80054	0.03	2088771	0.89^
	At the end of the year	31.03.2017				2088771	0.89^

Sl. No.	Name of the Shareholders	Date	Reason	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
10.	**Polunin Emerging Markets Small Cap Fund, LLC**						
	At the beginning of the year	01.04.2016		2132798	0.87		
	Increase / Decrease in Shareholding during the year	07.10.2016@		0	0.00	2132798	0.87
		04.11.2016*		0	0.00	2132798	0.87
		11.11.2016@		0	0.00	2132798	0.87
		03.03.2017*		0	0.00	2132798	0.87^
	At the end of the year	31.03.2017				2132798	0.91
11.	**Merrill Lynch Capital Markets Espana, S.A., S.V.#**						
	At the beginning of the year	01.04.2016		1936263	0.79		
	Increase / Decrease in Shareholding during the year	15.04.2016*		0	0.00	1936263	0.79
		05.08.2016@		0	0.00	1936263	0.79
		26.08.2016		1936263	0.79	0	0.00
	At the end of the year	31.03.2017				0	0.00
12.	**L & T Mutual Fund Trustee Limited – L & T India Prudence Fund#**						
	At the beginning of the year	01.04.2016		1700000	0.70		
	Increase / Decrease in Shareholding during the year	30.06.2016	BUY	29024	0.01	1729024	0.71
		23.09.2016	BUY	300000	0.12	2029024	0.83
		07.10.2016*	BUY	223568	0.09	2252592	0.92
		18.11.2016	BUY	100000	0.04	2352592	0.96
		25.11.2016	BUY	100000	0.04	2452592	1.00
		16.12.2016	BUY	100000	0.04	2552592	1.04
		06.01.2017	BUY	100000	0.04	2652592	1.08
		03.02.2017	SELL	325000	0.13	2327592	0.95
		03.03.2017	Buyback of Shares	228796	0.10	2098796	0.89^
		10.03.2017	BUY	70000	0.03	2168796	0.92
		31.03.2017	BUY	100000	0.04	2268796	0.96
	At the end of the year	31.03.2017				2268796	0.96
13.	**Vanguard Emerging Markets Stock Index Fund, ASERIE#**						
	At the beginning of the year	01.04.2016		769289	0.31		
	Increase / Decrease in Shareholding during the year	06.05.2016	BUY	134772	0.06	904061	0.37
		03.06.2016	BUY	140252	0.06	1044313	0.43
		24.06.2016	BUY	290423	0.12	1334736	0.55
		22.07.2016	BUY	10242	0.00	1344978	0.55^
		29.07.2016	BUY	29466	0.01	1374444	0.56
		05.08.2016	BUY	22661	0.01	1397105	0.57
		12.08.2016	BUY	22725	0.01	1419830	0.58

Sl. No.	Name of the Shareholders	Date	Reason	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
		19.08.2016	BUY	32320	0.01	1452150	0.59
		26.08.2016	BUY	47655	0.02	1499805	0.61
		02.09.2016	BUY	502988	0.21	2002793	0.82
		09.09.2016	BUY	18750	0.01	2021543	0.83
		07.10.2016	BUY	20000	0.01	2041543	0.83^
		14.10.2016	BUY	13750	0.01	2055293	0.84
		21.10.2016	BUY	46875	0.02	2102168	0.86
		28.10.2016	BUY	18750	0.01	2120918	0.87
		11.11.2016*	BUY	40625	0.01	2161543	0.88
		25.11.2016	BUY	49375	0.02	2210918	0.90
		02.12.2016	BUY	28125	0.01	2239043	0.91
		03.03.2017@	Buyback of Shares	209230	0.09	2029813	0.86^
		24.03.2017	BUY	20070	0.01	2049883	0.87
		31.03.2017	BUY	19624	0.01	2069507	0.88
	At the end of the year	31.03.2017				2069507	0.88
14.	**Ocean Dial Gateway To India Mauritius Limited#**						
	At the beginning of the year	01.04.2016		0	0.00		
	Increase / Decrease in Shareholding during the year	03.02.2017*		2500000	1.02	2500000	1.02
	At the end of the year	31.03.2017				2500000	1.06^

#Not in the list of Top 10 shareholders as on 01.04.2016. The same has been reflected above since the shareholder was one of the Top Ten Shareholders either during the year 2016-17 or as on 31.03.2017.

*Refers to the date on which joined as one of the Top Ten Shareholders.

**During the year ceased to be in the list of Top Ten Shareholders.

@Refers to the date on which ceased as one of the Top Ten Shareholders.

^Other than the change in shareholding due to purchase or sale of shares, the change in the percentage of shareholding during the year is also consequent to allotment of shares to employees under the Employees Stock Option Scheme of the Company and the extinguishment of equity share capital consequent to the buyback of shares by the Company.

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	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
1.	**Shri Naresh Chandra, Chairman, Independent Director**				
	At the beginning of the year	0	0.00		
	Nil holding / changes during the year	0			
	At the end of the year			0	0.00
2.	**Shri Vivek Saraogi, Managing Director**				
	At the beginning of the year	38082320	15.55		
	Changes during the year Buyback of shares – 23.02.2017	1420353	0.60	36661967	15.60^
	At the end of the year			36661967	15.60^
3.	**Smt. Meenakshi Saraogi, Non-Executive Director#**				
	At the beginning of the year	14244300	5.81		
	Changes during the year -Inter se Transfer on 22.09.2016	14244300	5.81	0	0.00
	At the end of the year			0	0.00
4.	**Shri R. N. Das, Independent Director**				
	At the beginning of the year	0	0.00		
	Nil holding / changes during the year	0			
	At the end of the year			0	0.00
5.	**Shri D. K. Mittal, Independent Director**				
	At the beginning of the year	1094	0.00		
	Changes during the year Sell - Open Market – 30.06.2016 Sell - Open Market – 04.07.2016 Sell - Open Market – 07.07.2016	 700 200 194		 394 194 0	 0.00 0.00 0.00
	At the end of the year			0	0.00
6.	**Shri Krishnava Dutt, Independent Director**				
	At the beginning of the year	0	0.00		
	Nil holding / changes during the year	0			
	At the end of the year			0	0.00
7.	**Smt. Novel S. Lavasa, Independent Director**				
	At the beginning of the year	0	0.00		
	Nil holding/ changes during the year	0			
	At the end of the year			0	0.00
8.	**Dr. Arvind Krishna Saxena, Whole-time Director**				
	At the beginning of the year	17500	0.01		
	Changes during the year Buyback of shares – 23.02.2017	645	0.00	16855	0.01
	At the end of the year			16855	0.01

Sl. No.	Name of the Directors and KMP	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
9.	**Shri Sakti Prasad Ghosh, Independent Director**				
	At the beginning of the year	0	0.00		
	Nil holding / changes during the year	0			
	At the end of the year			0	0.00
10.	**Shri Sumit Mazumder, Independent Director%**				
	At the beginning of the year	0	0.00		
	Nil holding / changes during the year	0			
	At the end of the year			0	0.00
11.	**Shri Naresh Dayal, Non - Executive Director***				
	At the beginning of the year	0	0.00		
	Nil holding / changes during the year	0			
	At the end of the year			0	0.00
12.	**Shri Nitin Bagaria, Company Secretary**				
	At the beginning of the year	6	0.00		
	Nil changes during the year	0			
	At the end of the year			6	0.00
13.	**Shri Pramod Patwari, Chief Financial Officer**				
	At the beginning of the year	0	0.00		
	Nil holding / changes during the year	0			
	At the end of the year			0	0.00

Resigned with effect from 15th November 2016 (closure of business hours).

% Appointed with effect from 21st May, 2016.

* Appointed with effect from 15th November, 2016.

^ Apart from the change in shareholding due to sale of shares under buyback of shares by the Company, the percentage of shareholding and the percentage change therein during the year is also adjusted to give effect the change in total share capital of the Company due to allotment of shares to employees under the Employees Stock Option Scheme and the extinguishment of equity share capital consequent to the buyback of shares by the Company.

V. INDEBTEDNESS

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

(₹ in Lacs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	152111.52	15000.00	-	167111.52
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	1252.22	-	-	1252.22
Total (i+ii+iii)	**153363.74**	**15000.00**	**-**	**168363.74**
Indebtedness at the beginning of the financial year				
i) Principal Amount				
Addition*	1,17,756.82	3,36,447.29	-	4,54,204.11
Reduction*	2,01,598.24	2,41,921.04	-	4,43,519.28
Net Change	**- 83,841.42**	**94,526.25**	**-**	**10,684.83**
Indebtedness at the end of the financial year				
i) Principal Amount	68,701.93	1,09,526.25	-	1,78,228.18
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	820.39	-	-	820.39
Total (i+ii+iii)	**69,522.32**	**1,09,526.25**	**-**	**1,79,048.57**

*Addition and reduction includes an amount of ₹256.82 Lacs and ₹688.65 Lacs respectively towards interest accrued but not due.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shri Vivek Saraogi	Dr. Arvind Krishna Saxena	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	150.00	18.29	168.29
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	23.22	2.79	26.01
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	 150.00 -	 - -	 150.00 -
5.	Others, please specify	-	-	-
	Total (A)	**323.22**	**21.08**	**344.30**
	Ceiling as per the Act	10% of the net profit, calculated as per Section 198 of the Companies Act, 2013 read together with the Central Government Orders dated 8th January, 2015.		

B. Remuneration to other directors:

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors									Total Amount
		Shri Naresh Chandra	Shri R. N. Das	Shri D. K. Mittal	Shri Krishnava Dutt	Smt. Meenakshi Saraogi	Shri S. P. Ghosh	Smt. Novel S Lavasa	Shri Sumit Mazumder	Shri Naresh Dayal	
1.	**Independent Directors**										
	Fee for attending board/ committee meetings	4.20	4.80	2.00	0.60	–	10.60	3.00	1.00	–	26.20
	Commission	12.00	12.00	9.00	9.00	–	9.00	9.00	7.75	–	67.75
	Others, please specify	–	–	–	–	–	–	–	–	–	–
	Total (1)	**16.20**	**16.80**	**11.00**	**9.60**	**–**	**19.60**	**12.00**	**8.75**	**–**	**93.95**
2.	**Other Non-Executive Directors**										
	Fee for attending board/ committee meetings	–	–	–	–	0.80	–	–	–	0.80	1.60
	Commission	–	–	–	–	–	–	–	–	3.35	3.35
	Others, please specify	–	–	–	–	–	–	–	–	–	–
	Total (2)	**–**	**–**	**–**	**–**	**0.80**	**–**	**–**	**–**	**4.15**	**4.95**
	Total (B)=(1+2)	**16.20**	**16.80**	**11.00**	**9.60**	**0.80**	**19.60**	**12.00**	**8.75**	**4.15**	**98.90**
	Total Managerial Remuneration [(A) + (B)]										**443.19**
	Overall Ceiling as per the Act	11% of the net profit, calculated as per Section 198 of the Companies Act, 2013.									

Commission relates to the financial year 2016-17 and shall be paid after the 41st Annual General Meeting. Smt. Meenakshi Saraogi has waived off her entitlement to receive commission (payable to Non-Executive Directors) for the financial year 2016-17. Sitting Fees and Commission are net off Service Tax, Swachh Bharat Cess (SBC) and Krishi Kalyan Cess (KKC).

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			Shri Nitin Bagaria	Shri Pramod Patwari	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	21.32	39.09	60.41
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	N.A.	0.62	0.40	1.02
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	–	–	–
2.	Stock Option	N.A.	–	–	–
3.	Sweat Equity	N.A.	–	–	–
4.	Commission	N.A.	–	–	–
	- as % of profit	N.A.	–	–	–
	Others, specify	N.A.	–	–	–
5.	Others, please specify	N.A.	–	–	–
	Total	N.A.	**21.94**	**39.49**	**61.43**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

For and on behalf of the Board of Directors

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN – 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419

Place: Kolkata
Date: 27th May, 2017

Annexure VIII
to the Board's Report

Corporate Governance Report

Company's Philosophy on Code of Governance

Corporate Governance refers to, but not limited to, a set of laws, regulations and good practices & systems that enable an organisation to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. Sound governance practices and responsible corporate behaviour contribute to superior long term performance of organisations. Corporate Governance requires everyone to raise their level of competency and capability to meet the expectations in managing the enterprise and its resources optimally with prudent ethical standards.

The Company recognises that good corporate governance is a continuous exercise. Adherence to transparency, accountability, fairness and ethical standards are an integral part of the Company's function. The Company's structure, business dealings, administration and disclosure practices are aligned to good corporate governance philosophy. The Company has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development which benefits all the stakeholders. The Company also aims to increase and sustain its corporate values through growth and innovation.

Date of Report

The information provided in this Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2017. This Report is updated as on the date of the Report wherever applicable.

Board of Directors

The Company recognises the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") mandate that for a company with a non-executive chairman, atleast one third of the board should comprise of independent directors. As on 31st March, 2017, the Board comprised of 10 (ten) directors, of which 7 (seven) (more than two third) were Independent Directors including the Chairman. The composition of the Board is in conformity with the requirements of Regulation 17(1) of the Listing Regulations.

The composition of the Board of Directors as on 31st March, 2017, the number of other directorships and committees of which a director is a Member/Chairperson and the attendance of each director at the Board meetings and the last Annual General Meeting (AGM) of the Company were as follows:

Name of the Directors	Category	No. of directorships*#@	No. of membership/ chairmanship on Board committees^#	No. of Board meetings attended during the year 2016-17	Attendance at last AGM held on 12.08.2016
Shri Naresh Chandra (Chairman)	Independent, Non-Executive	10 (7)	10 (including 1 as Chairman)	4	Yes
Shri Vivek Saraogi (Managing Director)	Promoter, Executive	3	2	4	Yes
Shri R. N. Das	Independent, Non-Executive	2 (1)	4 (including 2 as Chairman)	4	Yes
Shri D. K. Mittal	Independent, Non-Executive	12 (6)	10 (including 1 as Chairman)	2	No

Name of the Directors	Category	No. of directorships*#@	No. of membership/ chairmanship on Board committees^#	No. of Board meetings attended during the year 2016-17	Attendance at last AGM held on 12.08.2016
Shri Krishnava Dutt	Independent, Non-Executive	10 (4)	8 (including 2 as Chairman)	1	Yes
Smt. Novel S Lavasa	Independent, Non-Executive	9(2)	2	4	Yes
Shri Sakti Prasad Ghosh	Independent, Non-Executive	5 (2)	5 (including 1 as Chairman)	4	Yes
Dr. Arvind Krishna Saxena (Whole-time Director)	Non-Promoter, Executive	1	0	1	No
Shri Sumit Mazumder (Appointed w.e.f. 21.05.2016)	Independent, Non-Executive	10 (1)	2	2	Yes
Shri Naresh Dayal (Appointed w.e.f. 15.11.2016)	Non- Independent, Non-Executive	2 (1)	1	2	N.A.
Smt. Meenakshi Saraogi (Ceased w.e.f. closure of business hours of 15.11.2016)	Promoter, Non-Executive	N.A.	N.A.	1	No

The Directorships/Committee Memberships are based on the latest disclosures received by the Company.

*In case of Independent Directors, figures in brackets represent the number of directorships, including Balrampur Chini Mills Limited, reckoned in terms of Regulation 25(1) of the Listing Regulations.

@Excludes memberships of the managing committee of various chambers/bodies, directorships in foreign companies and alternate directorships.

#Includes Balrampur Chini Mills Limited.

^Only membership/ chairmanship of the Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies have been considered.

The Company is in compliance with the provisions regarding Board, its composition and committees under the Listing Regulations. The Independent Directors of the Company have confirmed that they fulfil the criteria for "independence" and / or "eligibility" as prescribed under the Listing Regulations and Section 149 of the Companies Act, 2013 (as amended) (the "Act"). Except Shri Vivek Saraogi and Smt. Meenakshi Saraogi (ceased to be a director w.e.f. 15.11.2016), who are related to each other (Shri Vivek Saraogi is son of Smt. Meenakshi Saraogi), no director of the Company is related to any other director of the Company.

None of the directors on the Board is a member of more than 10 committees and / or Chairman of more than 5 committees, reckoned in terms of Regulation 26 of the Listing Regulations. The Independent Directors of the Company do not serve in more than the prescribed number of companies as independent directors in terms of the requirements of the Listing Regulations.

The Board has devised proper system to ensure compliance with the provisions of all applicable laws and periodically reviewed the compliance reports of all laws applicable to the Company and necessary steps were taken to ensure the compliance in letter and spirit.

The Board of Directors of the Company met 4 (four) times during the year 2016-17. Atleast one meeting of the Board was held in every quarter and the time gap between any two consecutive board meetings did not exceed 120 days during the year 2016-17. The details are as follows:

Sl. No.	Date of Board Meetings	Board Strength (No. of Directors)	No. of Directors Present	No. of Independent Directors Present
1.	20th May, 2016	9	8	5
2.	11th August, 2016	10	7	6
3.	15th November, 2016	11	7	5
4.	11th February, 2017	10	7	5

Disclosures regarding appointment / re-appointment of the directors have been furnished in the Notice convening the 41st Annual General Meeting, which forms part of the Annual Report.

Familiarisation Programme

In terms of Regulation 25 of the Listing Regulations, the Company is required to conduct various programmes for the Independent Directors of the Company to familiarise them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The details of such programmes for familiarisation of the Independent Directors are put on the website of the Company at the following web-link:

http://www.chini.com/policies/familiarisation_programme.pdf

Independent Directors' Separate Meeting

Schedule IV to the Act and the Listing Regulations mandates the Independent Directors of the Company to hold atleast one meeting in a year, without the attendance of non-independent directors and members of the management. During the year ended 31st March, 2017, the Independent Directors met on 11th February, 2017, inter alia, to review performance of Non-Independent Directors & the Board as a whole, to review performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

Code of Conduct

Regulation 17(5) of the Listing Regulations requires every listed company to have a Code of Conduct for its directors and senior management. Further, Schedule IV of the Act requires the appointment of Independent Director to be formalised through a letter of appointment, which shall set out the Code for Business Ethics that the Company expects its directors and employees to follow. The said schedule also requires the Independent Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

Accordingly, the Board adopted a revised and comprehensive Code of Conduct for all Directors, Senior Management Personnel and all other employees of the Company applicable w.e.f. 1st April, 2016 and the same is also available on the website of the Company at the following web-link:

http://www.chini.com/coc/Code_of_Conduct.pdf

All Directors and Senior Management Personnel have affirmed compliance with the revised Code for the financial year 2016-17. A declaration to this effect signed by the Managing Director is annexed to this Report.

Board Committees

The Board has constituted various committees consisting of Executive and Non-Executive Directors of the Company to meet various mandatory requirements of the Act and the Listing Regulations as well as to perform other critical functions. Currently, the Board has 6 (six) committees: Audit Committee, CSR Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Executive Committee and Share Transfer Committee. The composition of the said committees have been disclosed on the website of the Company. The Company Secretary acts as the Secretary to all the Committees of the Board.

Audit Committee

The Board of Directors of the Company has constituted a qualified and independent Audit Committee that acts as a link between the management, the Statutory and Internal Auditors and the Board.

Terms of Reference

The terms of reference of the Audit Committee are in conformity with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. Terms of reference of the Audit Committee includes overseeing the financial reporting process, review of financial statements, ensuring compliance with the regulatory guidelines, review of internal audit reports, recommending appointment and remuneration of auditors to the Board of Directors and to review adequacy of internal control systems and internal audit function and other matters specified for Audit Committee under the Listing Regulations and the Act. The Audit Committee also reviews information as per the requirement of Part C of Schedule II to the Listing Regulations.

Composition, Meetings and Attendance

The composition of the Audit Committee is in accordance with the provisions of the Act and Regulation 18 of the Listing Regulations.

As on 31st March, 2017, the Audit Committee comprised of 6 (six) directors, all of whom are Independent Directors, except Shri Vivek Saraogi who is an Executive & Promoter Director. All of them are financially literate with majority having accounting or related financial management expertise. The Chairman of the Committee is an Independent (Non-Executive) Director, nominated by the Board. The Committee meetings were attended by the Statutory Auditors and the Chief Financial Officer of the Company as invitees. The Committee also invited the representatives of Internal Auditors for obtaining valuable guidance from their expertise in best practices in Internal Audit. The Cost Auditors were also invited whenever the Cost Audit related matters were considered. The minutes of the Audit Committee meetings were circulated to the Board, discussed and taken note of. All recommendations made by the Audit Committee during the year were accepted by the Board.

Atleast one meeting of the Audit Committee was held in every quarter and the time gap between any two consecutive meetings of the Audit Committee did not exceed 120 days during the year 2016-17. During the year ended 31st March, 2017, 4 (four) Audit Committee meetings were held on 20th May, 2016, 11th August, 2016, 15th November, 2016 and 11th February, 2017. The composition and attendance of the members of the Audit Committee are as follows:

Sl. No.	Name of the Directors	Position	No. of meetings attended
1.	Shri R. N. Das	Chairman	4
2.	Shri Naresh Chandra	Member	4
3.	Shri Vivek Saraogi	Member	4
4.	Shri D. K. Mittal	Member	2
5.	Shri Krishnava Dutt	Member	1
6.	Shri Sakti Prasad Ghosh	Member	4

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the queries related to accounts to the satisfaction of the shareholders.

Nomination & Remuneration Committee

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee cover all the areas mentioned under Regulation 19 of the Listing Regulations and Section 178 of the Act. The broad terms of reference of the Committee includes:

(i) To formulate the criteria for determining qualifications, positive attributes and independence of a Director;

(ii) To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees of the Company;

(iii) To identify persons who are qualified to become directors and who may be appointed in senior management;

(iv) To evaluate the performance of all Directors.

The Nomination & Remuneration Committee also administers the Employee Stock Option Scheme, which was approved by the shareholders at the Extra-Ordinary General Meetings of the Company held on 8th September, 2005 and 25th May, 2009.

Composition, Meetings and Attendance

As on 31st March, 2017, the Nomination & Remuneration Committee comprised of 4 (four) directors, all of whom are Non-Executive, Independent Directors.

The details of the composition, meetings and attendance of the members of the Nomination & Remuneration Committee are as follows:

Sl. No.	Name of the Directors	Position	No. of meetings attended	Date of meetings
1.	Shri D. K. Mittal	Chairman	2	20th May, 2016 11th August, 2016 15th November, 2016 11th February, 2017
2.	Shri Naresh Chandra	Member	4	
3.	Shri R. N. Das	Member	4	
4.	Smt. Novel S Lavasa	Member	4	

The representative of the Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting of the Company to answer the queries of the shareholders.

Remuneration Policy

The Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity was revised during the year 2016-17, based on the recommendations of the Nomination & Remuneration Committee and was approved by the Board of Directors at their meeting held on 11th August, 2016 and is in effect from 1st September, 2016. The same is annexed to the Board's Report and is also available on the Company's website.

The Non-Executive Directors do not have any pecuniary relationship/ transaction with the Company in their personal capacity other than Commission (not exceeding the limits prescribed under the Companies Act, 2013) and Sitting Fees (paid @ ₹40,000/- for attending each meeting of the Board and ₹20,000/- for attending each meeting of the Committees thereof. The sitting fees for attending each meeting of Audit Committee were increased from ₹20,000/- to ₹40,000/- w.e.f. 1st September, 2016). The aggregate annual commission payable to the Non-Executive Directors is upto one percent of the net profit of the Company or ₹80 Lacs, plus applicable taxes, whichever is lower, in such proportion and manner as fixed by the Board of Directors.

The Commission payable to the Managing Director is at the rate of one percent of the net profit of the Company, subject to a ceiling of ₹150 Lacs p.a.

Details of remuneration paid / payable to the Directors for the year ended 31st March, 2017 and their shareholding as on that date is as under:

Name of the Directors	Salary (₹)	Perquisites / Benefits (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Total (₹)	Service Contract/ Notice period/ Severance Fees	Shareholding (Equity)
Shri Naresh Chandra	–	–	–	12,00,000	4,20,000	16,20,000	Appointed as Independent Director upto 31.03.2019	Nil
Shri Vivek Saraogi	150,00,000	41,36,733	–	1,50,00,000	-	3,41,36,733	Term of office valid upto 31.03.2022. No notice period and no severance fees	3,66,61,967
Shri R. N. Das	–	–	–	12,00,000	4,80,000	16,80,000	Appointed as Independent Director upto 31.03.2019	Nil
Shri D.K. Mittal	–	–	–	9,00,000	2,00,000	11,00,000	Appointed as Independent Director upto 31.03.2019	Nil
Shri Krishnava Dutt	–	–	–	9,00,000	60,000	9,60,000	Appointed as Independent Director upto 31.03.2019	Nil
Smt. Novel S Lavasa	–	–	–	9,00,000	3,00,000	12,00,000	Appointed as Independent Director upto 31.03.2019	Nil
Shri Sakti Prasad Ghosh	–	–	–	9,00,000	10,60,000	19,60,000	Appointed as Independent Director upto 30.09.2020	Nil
Dr. Arvind Krishna Saxena	17,00,000	6,26,763	–	–	–	23,26,763	Term of office valid upto 31.07.2022 subject to re-appointment after retirement by rotation. No notice period, no severance fees	16,855
Shri Sumit Mazumder	–	–	–	7,75,000	1,00,000	8,75,000	Appointed as Independent Director upto 30.04.2021	Nil
Shri Naresh Dayal	–	–	–	3,35,000	80,000	4,15,000	Appointed as Additional Non-Executive Director w.e.f. 15.11.2016	Nil
Smt. Meenakshi Saraogi	–	–	–	–	80,000	80,000	N.A. (Ceased w.e.f. closure of business hours of 15.11.2016)	

Note – Company's contributions to provident fund have been shown under head 'Benefits' in the above Table. Commission relates to the financial year 2016-17 and shall be paid after the 41st Annual General Meeting. Smt. Meenakshi Saraogi has waived off her entitlement to receive commission (payable to Non-Executive Directors). Sitting Fees and Commission are net off Service Tax, Swachh Bharat Cess (SBC) and Krishi Kalyan Cess (KKC). None of the Directors of the Company hold any convertible instruments of the Company.

Other terms and conditions of appointment of the Independent Directors have been disclosed on the website of the Company at the following web-link:

http://www.chini.com/directors/Terms_and_conditions_of_appointment_of_Non-Executive_Independent_Director.pdf

Performance Evaluation and Criteria

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the performance evaluation of its own performance and that of its Committees as well as evaluation of performance of the Directors individually. The performance evaluation of the Independent Directors was also carried out by the entire Board (excluding the director being evaluated).

The performance evaluation of the Board, its Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Nomination & Remuneration Committee also carried out evaluation of every director's performance. The evaluation for the year 2016 – 17 was carried out through structured questionnaires (based on various aspects of the Board's functioning, composition, its committees, culture, governance, execution and performance of statutory duties and obligations). The questionnaire covers all aspects prescribed by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017. The Directors expressed their satisfaction with the evaluation process and results thereof.

Executive Committee

The Executive Committee, constituted by the Board of Directors of the Company, met 11 (eleven) times during the year 2016-17. The terms of reference of the said Committee includes the following:

i. To approve and / or authorise opening of bank accounts, cash credit, current, dividend payment or otherwise and to give instructions relating to such banking accounts.

ii. To approve and / or authorise opening of Demat Accounts, Trading Accounts and to give instructions relating to such accounts.

iii. To borrow money/monies, from time to time, for the purpose of the Company, from banks / Financial Institutions.

iv. To authorise affixation of the Company's Common Seal.

v. To confer signing powers and authorities on such officers and employees of the Company as deemed fit for various operational and statutory matters.

vi. To perform such other function as may be delegated by the Board of Directors from time to time.

The details of the composition, meetings and attendance of the members of the Executive Committee are as follows:

Sl. No.	Name of the Directors	Position	No. of meetings attended	Date of meetings
1.	Shri S. P. Ghosh	Member*	10	■ 26th April, 2016 ■ 3rd June, 2016 ■ 21st June, 2016 ■ 19th July, 2016 ■ 30th August, 2016 ■ 27th September, 2016 ■ 20th December, 2016 ■ 2nd January, 2017 ■ 24th January, 2017 ■ 22nd February, 2017 ■ 20th March, 2017
2.	Shri Vivek Saraogi	Member	11	
3.	Dr. A. K. Saxena	Member	1	

(*the Committee doesn't have a Chairman, however, whenever Shri S. P. Ghosh was present, he was elected as the Chairman of the Committee for the meeting.)

CSR Committee

Pursuant to the provisions of the Act, the CSR Committee is required to recommend the amount of expenditure to be incurred for undertaking CSR activities by the Company in terms of the Corporate Social Responsibility Policy. It also monitors the CSR Policy of the Company from time to time. During the year ended 31st March, 2017, 2 (two) CSR Committee meetings were held on 20th May, 2016 and 11th February, 2017. The composition and attendance of the members of the CSR Committee are as follows:

Sl. No.	Name of the Directors	Position	Category	No. of meetings attended
1.	Shri Naresh Chandra	Chairman	Independent, Non-Executive	2
2.	Shri D. K. Mittal	Member	Independent, Non-Executive	1
3.	Shri Vivek Saraogi	Member	Promoter, Executive	2
4.	Smt. Novel S Lavasa	Member	Independent, Non-Executive	2

Shareholders' Committees

i) Stakeholders Relationship Committee

The Stakeholders Relationship Committee (SRC) considers and resolves grievances of the security holders of the Company. The SRC also oversees the redressal of shareholders' and investors' grievances in relation to the transfer of shares, non-receipt of annual report, non-receipt of declared dividend, among others. During the year ended 31st March, 2017, 2 (two) SRC meetings were held on 15th November, 2016 and 11th February, 2017. The composition and attendance of the members of the SRC are as follows:

Sl. No.	Name of the Directors	Position	Category	No. of meetings attended
1.	Shri R. N. Das	Chairman	Independent, Non-Executive	2
2.	Shri Krishnava Dutt	Member	Independent, Non-Executive	0
3.	Shri Vivek Saraogi	Member	Promoter, Executive	2

ii) Share Transfer Committee

The Share Transfer Committee of the Board deals with various matters/ requests relating to share transfer/transmission, allotment, issue of duplicate share certificates, demat/remat, split and consolidation requests and other matters relating to shares.

The composition and attendance of the members of the Share Transfer Committee are as follows:

Sl. No.	Name of the Directors	Position	Category	No. of meetings attended
1.	Shri S. P. Ghosh (Chairman w.e.f. 16th November, 2016)	Chairman	Independent, Non-Executive	28
2.	Shri R. N. Das	Member	Independent, Non-Executive	3
3.	Shri Vivek Saraogi	Member	Promoter, Executive	28
4.	Smt. Meenakshi Saraogi	Member (upto 15th November, 2016)	Independent, Non-Executive	2

During the year ended 31st March, 2017, 28 (twenty eight) meetings of the Share Transfer Committee were held on the following dates:

Month	Date of meetings	Month	Date of meetings
April, 2016	-	October, 2016	7th and 21st
May, 2016	13th and 20th	November, 2016	11th and 25th
June, 2016	3rd and 17th	December, 2016	16th and 26th
July, 2016	2nd and 15th	January, 2017	10th, 13th, 20th and 27th
August, 2016	5th and 23rd	February, 2017	3rd, 11th, 20th and 23rd
September, 2016	15th, 23rd and 29th	March, 2017	2nd, 10th and 20th

Compliance Officer

The Board has designated Shri Nitin Bagaria, Company Secretary as the Compliance Officer.

Details of Shareholders' complaints

A total of 166 (One hundred and sixty-six) complaints were received and replied to the satisfaction of the shareholders during the year ended 31st March, 2017. There were no outstanding complaints as on 31st March, 2017. No share was pending for transfer as on 31st March, 2017.

Nature of Complaints:

Description	Received and resolved during the Year
Non-receipt of securities	9
Non receipt of dividend (including warrants)	123
SEBI Complaints	4
Stock Exchange Complaints	1
Others – (e.g. Non-receipt of Annual reports, etc.,)	29
Total	**166**

The Company supports SCORES by using it as a platform for communication between SEBI and the Company.

General Body Meetings

Details of the last three Annual General Meetings are given below:

Accounting Year	Date	Location	Time	Special Resolution passed
2013-14	07.08.2014	'Vidya Mandir', 1, Moira Street, Kolkata – 700 017	10.30 A.M.	1. Re-appointment including payment of remuneration to Shri Vivek Saraogi as Managing Director. 2. Re-appointment including payment of remuneration to Smt. Meenakshi Saraogi as Jt. Managing Director. 3. Re-appointment including payment of remuneration to Dr. Arvind Krishna Saxena as Whole-time Director. 4. Authority to the Board to borrow money under Section 180(1)(c) of the Companies Act, 2013. 5. Authority to the Board to mortgage, hypothecate or in any other way charge in favour of lenders under Section 180(1)(a) of the Companies Act, 2013.
2014-15	12.08.2015	'Vidya Mandir', 1, Moira Street, Kolkata – 700 017	10.30 A.M.	1. Substitution of existing Articles of Association of the Company by a new set of Articles of Association as per Companies Act, 2013. 2. Approval for Payment of Commission to the Non-Executive Directors of the Company. 3. Approval for payment of existing remuneration to Shri Kishor Shah, Director cum Chief Financial Officer as minimum remuneration. 4. Approval for payment of existing remuneration to Dr. Arvind Krishna Saxena, Whole-time Director as minimum remuneration.
2015-16	12.08.2016	'Vidya Mandir', 1, Moira Street, Kolkata – 700 017	10.30 A.M.	1. Revision in the payment of the Commission to the Non-Executive Directors of the Company.

Details of Special Resolution passed through Postal Ballot

During the year ended 31st March, 2017, the Company has passed the following Special Business through Postal Ballot (including e-voting), conducted in accordance with the provisions of Sections 108 and 110 and other applicable provisions of the Act read together with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard 2 on General Meetings and the Listing Regulations:

Special Resolution to consider and approve Buyback of fully paid up Equity Shares not exceeding 1,00,00,000 (One Crore) Equity Shares of ₹1/- each at a price of ₹175/- (Rupees One Hundred Seventy Five Only) per Equity Share, for an aggregate amount of upto ₹175 Crores, being 14.72% of the total paid-up Equity Share Capital and Free Reserves of the Company as on 31st March, 2016, on a proportionate basis through the Tender Offer route using the stock exchange mechanism in accordance and consonance with the provisions contained in the SEBI (Buy Back of Securities) Regulations, 1998, the Companies Act, 2013, Rules made thereunder and other applicable circulars, clarifications and notifications.

Shri Vivek Saraogi, Managing Director and Shri Nitin Bagaria, Company Secretary of the Company, were authorised by the Board and were responsible for conducting the entire postal ballot and e-voting process under the provisions of the Act read together with the rules made thereunder and in terms of the Listing Regulations.

Notice of Postal Ballot were sent through permitted modes (email / speed post / courier) to all the members of the Company along with Postal Ballot Form and postage pre-paid self-addressed envelopes (in case of physical dispatches). The said dispatch was completed on 30th November, 2016.

The Board had appointed Ms. Amber Ahmad, Company Secretary in Practice (holding CP No. 8581) as the Scrutinizer, for scrutinizing the Postal Ballot process in a fair and transparent manner. On the basis of the Report of the Scrutinizer, Shri Vivek Saraogi, Managing Director, declared the results of the Postal Ballot on 2nd January, 2017. The details of the Voting are as follows:

Particulars	No. of votes						Percentage (%)
	E-voting		Postal Ballot Form		Total		
	No.	Votes	No.	Votes	No.	Votes	
Assent	484	173684657	26	530048	510	174214705	99.99
Dissent	31	9469	0	0	31	9469	0.01
Total	515	173694126	26	530048	541	174224174	100.00
Abstain/ invalid	1	47	2	1134	3	1181	-

On the basis of the above results, the Resolution was deemed to be passed with requisite majority on 30th December, 2016 (i.e. last date for receipt of Postal Ballot Forms) as per Clause 16.6.3 of Secretarial Standard- 2.

No special resolution was passed through ballot at the last AGM and no special resolution is proposed to be conducted through postal ballot at the forthcoming/ensuing AGM.

Means of Communication

The extracts of the quarterly and annual results were published in the leading English and Bengali newspapers such as Business Standard (All editions) and Arthik Lipi and the full format of the results were filed with the Stock Exchanges on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the Listing Centre) and were available on the Stock Exchange websites - www.nseindia.com and www.bseindia.com.

The financial results, official news releases, presentations made to Institutional Investors and Analysts, concall transcripts with Analysts / Investors are hosted on the Company's website www.chini.com.

Apart from electronic copies of the Annual Report and Notices of the Annual General Meeting / Postal Ballot, etc., the Company sends individual communication, atleast once every year, regarding its performance to those shareholders whose email addresses are registered with the Company / Depository Participant(s).

General Shareholders' Information

Annual General Meeting (AGM) and Book Closure Dates

The Day, Date, Time and Venue of the 41st Annual General Meeting and Book Closure Dates in relation thereto have been indicated in the Notice convening the AGM, which forms part of the Annual Report.

Financial Year

The financial year of the Company is from 1st April to 31st March every year.

Financial year calendar for 2017 – 18 (Tentative)

Results for the quarter ending 30th June, 2017 – 4th week of July, 2017
Results for the quarter ending 30th September, 2017 – 2nd week of November, 2017
Results for the quarter ending 31st December, 2017 – 2nd week of February, 2018
Results for the quarter ending/Annual 31st March, 2018 – 4th week of May, 2018

Details of Listing of Equity Shares and Stock Code

National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051.	**BSE Ltd. (BSE)** PJ Towers, Dalal Street, Fort, Mumbai 400 001.	**The Calcutta Stock Exchange Ltd.** 7, Lyons Range, Kolkata 700 001 [Application for delisting has been made].
BALRAMCHIN	500038	12012

Listing Fees

Listing fee for the year 2017–18 has been paid to each of the above named stock exchanges.

Depositories

National Securities Depository Ltd. Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 003.	Central Depository Services (India) Ltd. Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai 400 023.

ISIN

INE119A01028 (Equity Shares)

Reuters Code

NSE – BACH.NS and BSE – BACH.BO

Market Price and Volume Data (Face value of ₹1 each)

NSE		Months	BSE	
High (₹)	Low (₹)		High (₹)	Low (₹)
112.20	99.75	April, 2016	112.30	99.90
119.45	101.60	May, 2016	119.75	101.45
129.65	106.50	June, 2016	129.75	106.30
136.20	123.30	July, 2016	136.15	123.45
138.00	106.50	August, 2016	138.00	106.10
114.80	101.50	September, 2016	114.75	101.60
122.15	107.45	October, 2016	122.00	107.70
124.70	97.00	November, 2016	125.00	98.60
127.15	115.45	December, 2016	127.30	115.60
146.95	124.40	January, 2017	147.00	124.40
162.25	140.75	February, 2017	161.80	140.20
158.00	141.25	March, 2017	157.70	141.30

Stock Performance in comparison to broad based indices

Financial year	NSE CNX NIFTY		BSE SENSEX	
	Change in BCML share price	Change in Nifty	Change in BCML share price	Change in SENSEX
2016–17	+34.77%	+18.55%	+35.11%	+16.88%

Registrar and Share Transfer Agent

Karvy Computershare Private Limited
Apeejay House Block "B",
3rd Floor
15, Park Street,
Kolkata – 700016

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad-500032.

Tel. No. 040-67161500
Fax No. 040-23420814
Toll Free No.1800-345-4001
Email: einward.ris@karvy.com
Website: www.karvycomputershare.com

Share Transfer System

All valid share transfer requests / demat requests are processed and put into effect within a maximum period of 15 days from the date of receipt.

M/s. Karvy Computershare Pvt. Ltd. is acting as the Registrar and Share Transfer Agent of the Company with effect from 1st April, 2016, for servicing all matters relating to physical and demat shares such as transfer, transmission, dematerialisation, rematerialisation, dividend etc. Accordingly, members may please address all correspondence and requests relating to the Shares of the Company to M/s. Karvy Computershare Pvt. Ltd. at any of the above mentioned addresses.

Shareholding Pattern as on 31st March, 2017

Category	No. of Shares	% of Holding
Promoters' Holding (A)	9,62,20,796	40.94
Public Shareholding (B)		
Financial Institutions, Insurance Companies, Banks, NBFCs and Mutual Funds	3,98,74,493	16.97
Foreign Institutional Investors & Foreign Financial Institution/Banks	21,52,321	0.91
Corporate Bodies	1,07,83,640	4.59
NRIs	20,26,533	0.86
Trusts	1,33,091	0.06
Foreign Portfolio Investor (Corporate)	3,41,07,639	14.51
Indian Public (Including Unclaimed Suspense Shares)	4,92,73,663	20.97
Clearing Members	4,38,291	0.19
Total (A) + (B)	**23,50,10,467**	**100.00**

Distribution of Shareholding and Dematerialisation position as on 31st March, 2017

Shareholding Range	No. of Holders	% of total holders	No. of Shares Held	% of total shares
Up to 5000	77,787	98.03	1,91,30,774	8.14
5001 - 10,000	752	0.95	54,80,446	2.33
10,001 - 50,000	583	0.73	1,26,24,965	5.37
50,001 - 1,00,000	99	0.12	69,50,507	2.96
100,001 - 5,00,000	92	0.12	2,12,83,823	9.06
5,00,001 - 10,00,000	7	0.01	52,82,749	2.25
10,00,001 and above	32	0.04	16,42,57,203	69.89
Total	**79,352**	**100.00**	**23,50,10,467**	**100.00**

Dematerialisation of shares and Liquidity

Around 99.34% of the Share Capital is held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at 31st March, 2017.

Status of Unpaid Dividend

Dividend for the year	Amount of dividend (₹ in Lacs)	Amount of unpaid dividend as at 31.03.2017 (₹ in Lacs)	Due date of transfer to IEPF
2008-09#	1.32	0.72	1st October, 2017
2009-11*	1832.35	13.23	30th August, 2018
2012-13	4886.28	36.80	7th September, 2020
2016-17 (Interim)	8574.58	59.75	18th September, 2023

*18 months period.

Payment to shareholders of Indo Gulf Industries Ltd. pursuant to Rehabilitation Scheme approved by the Hon'ble BIFR vide order dated 24.06.2010.

The Company sends reminders to the shareholders for the unpaid dividend every year.

In terms of Section 125 of the Act, read with rules made thereunder, the Company is required to transfer the unpaid dividend amounts which remained unclaimed for 7 years from the date of transfer of such amounts to Unpaid Dividend A/C to Investor Education and Protection Fund. In compliance with the same, the Company has transferred Unpaid Dividend for the year 2008-09 amounting to ₹38,58,183.00 (Rupees Thirty Eight Lacs Fifty Eight Thousand One Hundred Eighty Three Only) to Investor Education and Protection Fund on 16th March, 2017.

Equity Shares in Demat Suspense Account

In terms of Regulation 34 read with Schedule V to the Listing Regulations, the Company reports the following details in respect of equity shares lying in the Demat Suspense Account of the Company:

Particulars	Number of Shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares lying in the Demat Suspense Account at the beginning of the year	4,891	2,71,581
Aggregate number of shareholders and the outstanding shares transferred to Suspense Account during the year	Nil	Nil
Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the year	5	5,652
Number of shareholders to whom shares were transferred from the Suspense Account during the year	5	5,652
Aggregate number of shareholders and the outstanding shares lying in the Suspense Account at the end of the year	4,886	2,65,929

The voting rights on the shares outstanding in the Suspense Account as at 31st March, 2017 shall remain frozen till the rightful owners of such shares claim their shares.

Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Suspense Account:

In terms of the provisions of the Section 124(6) of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) ("the Rules") and other applicable rules, notifications and circulars, if any, requiring every company to transfer the shares, in respect of which dividend remains unpaid / unclaimed for a period of seven (7) consecutive years to the Demat Account of the IEPF Authority ("the IEPF Demat Account"), the Company has given individual as well as newspaper notices to the shareholders holding shares relating to which they have not encashed their dividend since 2008-09 (i.e. none of the dividend(s) declared since 2008-09 were claimed/encashed), that such shares are liable to be transferred by the Company under the said Rules to the IEPF Demat Account. The Company has also uploaded the necessary details in this respect on its website at www.chini.com.

In order to comply with the Rules, the Company will proceed to transfer the equity shares to the IEPF Demat Account if no valid claim(s) is/are received by the Company/its Registrar and Share Transfer Agent.

Shareholders can claim both the unclaimed/ unpaid dividend and equity shares transferred to the IEPF Demat Account including benefits accruing on such equity shares, if any, from the IEPF Authority by making an online application in the prescribed Form IEPF-5 (available on the website www.iepf.gov.in) and sending a duly signed (as per the specimen signature recorded with the Company/Depository) physical copy of the same along with the requisite documents enumerated in Form IEPF-5 to the Company for verification of the claim.

Plant Locations

Unit 1 : Balrampur (Sugar, Co-generation and Distillery divisions), Dist. Balrampur, Uttar Pradesh.

Unit 2 : Babhnan (Sugar, Co-generation and Distillery divisions), Dist. Gonda, Uttar Pradesh.

Unit 3 : Tulsipur (Sugar division), Dist. Balrampur, Uttar Pradesh.

Unit 4 : Haidergarh (Sugar and Co-generation divisions), Dist. Barabanki, Uttar Pradesh.

Unit 5 : Akbarpur (Sugar and Co-generation divisions), Dist. Ambedkarnagar, Uttar Pradesh.

Unit 6 : Mankapur (Sugar, Co-generation and Distillery divisions) Dist. Gonda, Uttar Pradesh.

Unit 7 : Rauzagaon (Sugar and Co-generation divisions) Dist. Faizabad, Uttar Pradesh.

Unit 8 : Kumbhi (Sugar and Co-generation divisions), Dist. Lakhimpur-Kheri, Uttar Pradesh.

Unit 9 : Gularia (Sugar and Co-generation divisions), Dist. Lakhimpur–Kheri, Uttar Pradesh.

Unit 10 : Maizapur (Sugar division), Dist. Gonda, Uttar Pradesh.

Commodities form a major part of business of the Company and hence commodity price risk is one of the important risks for the Company. The Company has a robust mechanism in place to protect the Company's interest from risks arising out of market volatility. Further disclosures relating to risks and activities including commodity price risk, foreign exchange risk, etc., have been adequately covered under the Management Discussion and Analysis Report forming part of the Annual Report.

Investors' Correspondence

Shri Nitin Bagaria, Company Secretary
Balrampur Chini Mills Limited
FMC Fortuna, 2nd Floor
234/3A, A.J.C. Bose Road
Kolkata – 700 020
Phone : (033) 2287 4749

The Company has designated investorgrievances@bcml.in (email id) exclusively for the purpose of registering complaints by investors.

Other Disclosures

i) The Company does not have any materially significant related party transaction, which may have potential conflict with the interests of the Company at large. The transactions with related parties, in normal course of business, have been disclosed separately in the Notes to the Financial Statements. The Company has disclosed the policy on dealing with the related party transactions on its website at the following web-link:

   http://www.chini.com/policies/Policy_on_materiality_of_Related_Party_Transactions.pdf

ii) There were no instances of non-compliances related to capital markets during the year under review and no penalties/strictures were imposed against the Company during the last three years.

iii) Whistle Blower Policy framed by the Company to deal with unethical behavior, victimisation, fraud and other grievances or concerns, if any, is available on the Company's website at the following web-link:

   http://www.chini.com/policies/Vigil_Mechanism_Policy.pdf

   During the year 2016-17, no personnel has been denied access to the Audit Committee.

iv) All mandatory requirements relating to corporate governance under the Listing Regulations have been appropriately complied with and the status of non-mandatory (discretionary) requirements is given below:

   1. The Company doesn't bear any expenses of the Non-Executive Chairman's Office.
   2. The Financial Statements are free from any Audit Qualifications.
   3. The Company has appointed separate persons as its Chairman and Managing Director.
   4. The Internal Auditors of the Company report directly to the Audit Committee.

v) The Company doesn't have any unlisted subsidiary company as defined in the Listing Regulations and therefore corresponding disclosures have not been made.

vi) In terms of the Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Disclosures relating to risks including commodity price risk, foreign exchange risk, etc., have been adequately covered under the Management Discussion and Analysis Report.

vii) The CEO & CFO Certification for the year 2016-17 forms part of the Annual Report.

viii) In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016 with restatement of previous year figures presented in the Financial Statements. Accordingly, the Financial Statements, forming part of the Annual Report, have been prepared in accordance with Ind AS prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

   The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards).

ix) The Company has laid down Risk Assessment and Minimisation procedures and the same are periodically reviewed by the Board. The Company has a defined Risk Management Policy approved by the Board of Directors of the Company. Further, the Company has adequate internal control systems to identify risks at appropriate time and to ensure that the executive management controls the risk through properly defined framework.

x) Other items which are not applicable to the Company have not been separately commented upon.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Dr. Arvind Krishna Saxena	**Vivek Saraogi**
Place: Kolkata	*Whole-time Director*	*Managing Director*
Date: 27th May, 2017	DIN – 00846939	DIN – 00221419

Declaration regarding compliance with the Code of Conduct

This is to confirm that the Company has adopted the Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the website of the Company.

The Board of Directors and Senior Management Personnel of the Company have affirmed their compliance with the said Code. It is hereby declared that the Company has obtained from all the Board Members and Senior Management Personnel affirmation that they have complied with the said Code for the financial year 2016 -2017.

Sd/-
Vivek Saraogi
Managing Director

Place: Kolkata
Date: 27th May, 2017

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Balrampur Chini Mills Limited ("the Company") to the best of our knowledge and belief, hereby certify that:

A. We have reviewed the financial statements for the year ended 31st March, 2017 and that to the best of our knowledge and belief, we state that:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. We further state that to the best of our knowledge and belief, no transactions were entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such 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 have indicated to the Auditors and the Audit Committee

   1. there has been no significant change in internal control over financial reporting during the year;

   2. there has been no significant change in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. there has been no instance of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Sd/-
Vivek Saraogi
Managing Director

Sd/-
Pramod Patwari
Chief Financial Officer

Place: Kolkata
Date: 27th May, 2017

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The members of
Balrampur Chini Mills Limited

We have examined the compliance of the conditions of Corporate Governance by Balrampur Chini Mills Limited for the year ended 31st March, 2017, as stipulated in chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the 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 the above-mentioned Listing Regulations, as applicable.

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

For **G.P. Agrawal & Co.**
Chartered Accountants
F.R. No.302082E

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Place : Kolkata
Date : 27th May, 2017

Annexure IX
to the Board's Report

Business Responsibility Report

About Balrampur Chini Mills Limited:

Balrampur Chini Mills Limited ("the Company") is one of the largest integrated sugar manufacturing companies in India. The Company's 10 factories in Uttar Pradesh possess an aggregate cane crushing capacity of 76,500 tonnes per day while its distilleries possess an aggregate capacity of 360 kiloliters per day and cogeneration capacity of 247.05 megawatts (saleable 163.20 megawatts).

About this report:

Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations"), prescribe that the Top 500 companies based on market capitalization as on March 31st of every financial year, are required to have "Business Responsibility Report" as part of their Annual Report. Since the Company is one of the Top 500 companies based on market capitalization, following is the first Business Responsibility Report ("the Report") of the Company for the financial year 2016-17.

The Business Responsibility Policy of the Company is based on the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVGs) issued by the Ministry of Corporate Affairs, Government of India. The Report has been prepared in accordance with Regulation 34 of the Listing Regulations and provides the requisite information as prescribed by SEBI.

SECTION A: General information about the Company:

1.	Corporate Identity Number (CIN) of the Company:	L15421WB1975PLC030118	
2.	Name of the Company:	Balrampur Chini Mills Limited	
3.	Registered Address:	234/3A, A J C Bose Road, FMC Fortuna, 2nd Floor, Kolkata 700020	
4.	Website:	www.chini.com	
5.	Email ID:	bcml@bcml.in	
6.	Financial Year Reported:	2016-17	
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Manufacturing of Sugar	10721
		Production of Industrial Alcohol	1101
		Generation of Power	35106
8.	List three key products/services that the Company manufactures/provides (as in balance sheet):	1. Sugar 2. Industrial Alcohol 3. Power (Co-generation)	
9.	Total number of locations where business activity is undertaken by the Company:	1. Number of International Locations (Provide details of major 5) – Nil 2. Number of National Locations: The Company carries out its operations through its Registered Office in Kolkata (West Bengal), two offices in New Delhi and Lucknow and 10 Sugar Mills located across Eastern and Central Uttar Pradesh at Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur.	
10.	Markets served by the Company – Local/State/ National/International	Local	√
		State	√
		National	√
		International	X

SECTION B: Financial details of the Company:

1.	Paid up Capital (INR)	23,50,10,467
2.	Total Turnover (INR)	3,46,014 Lacs (net of excise duty)
3.	Total profit after taxes (INR)	59,229 Lacs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	3.49% of average net profit of last three financial years.
5.	List of activities in which expenditure in 4 above has been incurred:-	Please refer to Annexure VI to the Board's Report forming part of this Annual Report.

SECTION C: Other Details:

1. Does the Company have any Subsidiary Company/ Companies?
   Yes, the Company has 1 (one) subsidiary, as on 31st March, 2017, namely, Indo Gulf Industries Limited, which is a listed company in India.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
   During the year under report, the subsidiary company didn't have any business operations. Hence, it does not have any BR initiatives.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
   No.

SECTION D: BR Information:

1. Details of Director/Directors responsible for BR

a. Details of the Director/Director responsible for implementation of the BR policy/policies

   1. **DIN Number:** 00846939
   2. **Name:** Dr. Arvind Krishna Saxena
   3. **Designation:** Whole-time Director

b. Details of the BR head

Sl. No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Shri N. K. Khetan and Shri K. P. Singh
3.	Designation	Shri N. K. Khetan - Executive President & Group Commercial Advisor Shri K. P. Singh - Head of Centre of Business Excellence - Technical
4.	Telephone number	05263 – 232379 05244 – 246502
5.	e-mail id	nk.khetan@bcml.in kp.singh@bcml.in

2. Principle-wise (as per NVGs) BR Policy/policies:

a. Details of compliance:

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, the Policy is based on the "National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business" released by the Ministry of Corporate Affairs, Government of India. Apart from this, the policies on the principles are based on the generally accepted practices for the respective principles.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, the Board of Directors of the Company has approved the Policy at their meeting held on 15th November, 2016 and it has been signed by the Company Secretary, pursuant to the authorization by the Board.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://chini.com/BCML_BR_Policy.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policy has been posted on the Company's website for information of all stakeholders. For internal stakeholders, appropriate communication means are used.								
8.	Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The implementation of the Business Responsibility Policy was evaluated by the Internal Auditors of the Company, being an independent audit firm, who reports issues, if any, to the Board of Directors of the Company.								

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The financial year 2016-17 was the first year of applicability of BR. The Board of Directors has approved the BR Policy at their meeting held on 15th November, 2016 and thereafter reviewed its performance at their meeting held on 11th February, 2017.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has published its first Business Responsibility Report (on an annual basis) for the financial year 2016-17 which forms part of the Annual Report 2016-17. The same can be accessed at www.chini.com.

SECTION E: Principle-wise performance:

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company's policies on Ethics, Transparency and Accountability along with the Company's Code of Conduct and Business Ethics ("the Code") are applicable to all directors and employees of the Company. The directors and employees of the Company are expected to read and understand the Code, uphold the standards mentioned thereunder in their day-to-day activities and comply with all applicable laws, rules and regulations. The Company also has in place a Whistle Blower Policy.

There is no group structure or joint venture of the Company. During the year, 2016-17, the subsidiary of the Company had no operations. The Company is gradually encouraging parties associated with it like vendors, suppliers, contractors, etc., to follow the principles envisaged in the Policy.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	Complaints Received during FY 2016-17	Complaints Resolved during FY 2016-17	Complaints Resolved (%)
Investors' Complaints	166	166	100%
Customers' Complaints	3	3	100%
Total	169	169	100%

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is engaged in manufacturing of sugar, industrial alcohol and co-generation of power. All the products of the Company take care of the social / environment concerns and risks. The Company has bagasse-based power generation capacities which is a great opportunity to safeguard the environment. The Company has also invested in optimization of power and steam consumption which saves additional bagasse for power generation.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   The Company has progressively invested in optimum use of resources. The core cane crushing operation generates molasses (as by-product) and bagasse (as waste); molasses is utilized to manufacture ethanol while bagasse is utilized to generate power.

   Sugarcane process produces 45 - 50% water (450 - 500 litres / ton cane crush) on cane crushed in the form of vapour condensate of 70-80 degree centigrade out of which approximately 28 - 30% (280 – 300 litres / ton cane crush) evaporates through cooling towers while the remaining 17 - 20% (170 - 200 litres / ton cane crush) is captured within the system through recirculation.

   The steam consumption of our two old units (Balrampur and Babhnan) is being reduced to 38-40% from 52 - 54% of cane crushed following the implementation of the latest technologies, potentially saving almost 6% of bagasse (1,20,000 tonnes) per annum.

All our new sugar units are equipped with the latest effluent treatment plants (ETP) coupled with buffer storage reservoirs to avoid shock dosing of the ETP and with ponds for irrigation addressing pollution control norms.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The data regarding reduction during usage by consumers is not available with the Company.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company deploys sustainable procurement practice. All the plants of the Company are situated close to cane growing area. Entire raw material is procured sustainably. Since the inputs are procured from sources close to the mills, it also helps in minimizing transportation requirements. Cane is also supplied by small and medium farmers through bullock driven carts. This significantly reduces the environmental impact of transportation of raw materials.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company sources 100% of its raw materials (that is, sugarcane) from area near to the factories. It procures cane from the farmers (including small and medium farmers) based on the area allotted to the respective units by the Cane Commissioner. The Company works closely with cane growers of the allotted area to improve their productivity. In order to achieve this, the Company shares knowledge and expertise in sustainable agriculture practices with the farmers for cane cultivation which includes recommendation and arranging the right type of seeds at subsidized rates. Besides this, the farmers are also guided on use of right type of agri-inputs. These developmental activities help in improvement of quality and yield of cane thereby benefitting the Company as well as the farmers. The Company has been highly effective in encouraging farmers to grow more cane, providing continuous support and timely payments thereby helping growers to enhance asset utilization.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The core cane crushing operation generates molasses as a by-product which is utilized to manufacture ethanol. Waste generated from sugar crushing operation (bagasse) & distillery operation (spent wash) are used as fuel for generating clean energy. Further, Boiler Ash generated from Incineration Plants is rich in Potash and thereby serves as a vital soil nutrient.

Thus the by-products and waste generated out of manufacturing processes are mostly recycled.

Principle 3

		As on 31st March, 2017
1.	Please indicate the Total number of employees.	2979 (Not including Badli Workers, Seasonal, Retainers, Advisors, Trainees / Apprentices, etc.,)
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	Sugar Industry being a seasonal industry (October to September), the Company has different number of employees hired on seasonal basis during the season and off-season. In view of this, the number of employees hired on seasonal / temporary / contractual / casual basis as on 31st March, 2017 would not be meaningful and hence not provided.
3.	Please indicate the Number of permanent women employees.	10
4.	Please indicate the Number of permanent employees with disabilities.	2
5.	Do you have an employee association that is recognized by management.	Yes
6.	What percentage of your permanent employees is members of this recognized employee association?	The Company has 10 Sugar Mills located across Eastern and Central Uttar Pradesh. The factory-wise percentage varies from Nil to 70%.

7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
a.	Permanent Employees	70%
b.	Permanent Women Employees	80%
c.	Casual/Temporary/Contractual Employees	43%
d.	Employees with Disabilities	50%

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No

   Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

   The Company identifies marginal growers with very small land holdings around its business locations as disadvantaged, vulnerable & marginalized stakeholders. The Company continuously engages with majority of them for identifying their needs and priorities and provides need based resolution to their problems.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   Developmental activities are carried out by the Company by providing necessary guidance to the small and marginalized cane growers towards selection of right variety of seed, arranging agri-inputs, etc.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   The Company's policy on Respecting and Promoting Human Rights is applicable to all directors and employees of the Company. There is no group structure or joint venture of the Company. During the year, 2016-17, the subsidiary of the Company had no operations. The Company is gradually encouraging vendors, suppliers, contractors, etc., associated with it, to follow the principles envisaged in the Policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   No complaint was received pertaining to human rights violation during the past financial year.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

   The Company's policies on Respecting, Promoting and Restoring the Environment and in relation to Environment, Health & Safety (EHS) are applicable to all directors and employees of the Company. There is no group structure or joint venture of the Company. During the year 2016-17, the subsidiary of the Company had no operations. The Company is gradually encouraging vendors, suppliers, contractors, etc. associated with it to follow the principles envisaged in the Policy. The EHS Policy also covers the contractors engaged by the Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Global environment issues such as climate change, global warming, GHG emissions pose challenges to all. The Company is totally committed to reduce their impact. At the captive power plants, Bagasses (waste generated) is used as fuel for generating power. At the Distillery, Spent Wash (effluent generated) is mixed with Bagasse and used as fuel in boilers to generate clean energy with minimal carbon footprint by incineration process.

There is no usage of non-renewal resources except in case of power outages/emergency. The Company has installed ESP and wet scrubbers at the boilers to arrest / control air pollution.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes, the Company has undertaken several initiatives on clean technology, energy efficiency, renewable energy, etc. The Company has achieved spectacular result in utilization of hazardous and pollutant industrial waste namely Spent Wash. This waste is used as a fuel at the recently installed incineration boilers of the Company for generating clean energy.

   Further details relating to conservation of energy can be found in Annexure IV forming part of the Board's Report.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   All the emissions / waste generated by the Company during the financial year being reported are generally within the permissible limits given by CPSB / SPCB.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   No show cause/ legal notices from CPCB/SPCB are pending as on 31st March, 2017.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   The Company is member of various trade, industry and chamber associations like CII, FICCI, Indian Chamber of Commerce, Indian Sugar Mills Association, UP Sugar Mills Association and UP Sugar Mills Co Gen Association, etc.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   The Company prefers to be part of the broader policy development process taking into account the Company's as well as larger national and stakeholders' interest. However, it does not practice lobbying on any specific issue.

Principle 8

1. Does the company have specified programmes / initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

   CSR activities are carried on by the Company through :

   (i) Balrampur Institute of Vocational Aid ("BIVA"),

   (ii) Balrampur Foundation ("BF"),

   (iii) Other society, trust, hospital, fund or organisations engaged in CSR activities, as may be approved by the CSR Committee of the Board.

   The details of programmes/ initiatives/ projects in pursuit of the CSR policy are provided in the CSR Report forming part of the Board's Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

   The programmes/projects are undertaken through own foundation as well as through other external NGOs / organizations subject to approval of CSR Committee.

3. Have you done any impact assessment of your initiative?

   The Company assesses the impact of its CSR Projects and Programmes at Board and CSR Committee meetings. Updates on the utilization, certifications and details received from the implementing agencies are placed at the CSR Committee meetings for its review and assessment.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The Company has spent an amount of ₹44.23 Lacs in various CSR activities during 2016-17. The details of the amount incurred and areas covered are given in Annexure - VI (Annual Report on Corporate Social Responsibility Activities) forming part of the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Apart from various CSR projects and programs eligible as CSR spend under the prescribed law, various community development initiatives are also undertaken by the Company after identifying the needs of the communities requiring development. The Company also interacts with the stakeholders to ensure that its projects are being implemented effectively. Apart from this, the Company also procures details of utilization / certificates of utilization from the implementing agencies to which the Company has contributed for community development.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   The Company has successfully resolved 100% of the complaints received during the financial year ended 31st March, 2017 and no complaint relating to the current year or an earlier year is pending.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A./Remarks (additional information)

   Yes, the applicable product information, wherever it is sold in packed condition (i.e. Sugar), is displayed on the bags. Besides, the Company complies with the applicable regulations as provided in Legal Metrology Act, Bureau of Indian Standards Specifications, Food Safety and Standards Act and the relevant rules prescribed therein.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   The Company never indulges in any unfair trade practices, irresponsible advertising and/or anti-competitive behavior, however, based on a complaint, CCI has ordered investigation against the Oil Marketing Companies (OMCs), ISMA and various Sugar Mills (including the Company) for anti-completive behavior in the tender floated by OMCs in 2012-13 for procurement of Ethanol under the Ethanol Blending with Petrol programme of the Government of India. The said allegation has been contested by the Company. The DG shall submit his report, which was pending to be received at the end of the financial year under report. The matter is yet to be adjudicated by CCI.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   There is no formal customer survey carried out by the Company. However, the Company ensures customer satisfaction by obtaining informal feedback from the wholesellers / agents from the market.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Dr. Arvind Krishna Saxena	**Vivek Saraogi**
Place: Kolkata	*Whole-time Director*	*Managing Director*
Date: 27th May, 2017	DIN – 00846939	DIN – 00221419

Annexure X
to the Board's Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[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,
BALRAMPUR CHINI MILLS LIMITED
FMC Fortuna, 2nd Floor
234/3A, A. J. C. Bose Road
Kolkata – 700 020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BALRAMPUR CHINI MILLS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the Rules made thereunder as amended from time to time;

ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

  a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  d) The Securities & 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;

  e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

  g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

  h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, the following laws/acts are also, inter alia, applicable to the Company:

a) The Sugar Cess Act, 1982 and the Rules made thereunder;

b) The Sugar Development Fund Act, 1982 and the Rules made thereunder;

c) The Sugar (Control) Order, 1966;

d) The Levy Sugar Price Equalisation Fund Act, 1976 [as intimated by the Company not applicable during the year under audit]

e) The Food Safety & Standards Act, 2006 and the Rules & Regulations made thereunder;

f) The Agricultural and Processed Food Products Export Act, 1986 [as intimated by the Company not applicable during the year under audit];

g) The Export (Quality Control and Inspection) Act, 1963 [as intimated by the Company not applicable during the year under audit];

h) The Essential Commodities Act,1955;

i) The Legal Metrology Act, 2009

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India;

b) The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

a) 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.

b) 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.

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that subject to our observation above 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.

We further report that during the audit period the Company has bought back its 1,00,00,000 (One Crore) Equity Shares of ₹1/- each for an aggregate amount of ₹175,00,00,000/- (Rupees One Hundred Seventy Five Crores only) constituting 14.72% of the total paid up Equity Share Capital and Free Reserves of the Company as on 31st March, 2016 and complied with the provisions of the Act and Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

This report is to be read with our letter of even date which is annexed as **Annexure – 1** which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries

Sd/-
Manoj Kumar Banthia
Partner
ACS no. 11470
COP no. 7596
FRN: P2010WB042700

Place: Kolkata
Date: 26th May, 2017

[Annexure 1]

To
The Members
Balrampur Chini Mills Ltd.
FMC Fortuna, 2nd Floor
234/3A, A. J. C. Bose Road
Kolkata – 700 020

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.

5. 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 **MKB & Associates**
Company Secretaries

Sd/-
Manoj Kumar Banthia
Partner
ACS no. 11470
COP no. 7596
FRN: P2010WB042700

Place: Kolkata
Date: 26th May, 2017

FINANCIAL STATEMENTS

STANDALONE FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To
The Members of
Balrampur Chini Mills Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **BALRAMPUR CHINI MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone 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 standalone 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 (financial position) of the Company as at 31st March, 2017 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

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 of India 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:
   i. 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.
   ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   iii. The Balance Sheet, the Statement of Profit and Loss, the Cash flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

iv. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

v. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of section 164 (2) of the Act.

vi. 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".

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

a. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note No. 40(1) to the standalone Ind AS financial statements.

b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

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

d. The Company has provided requisite disclosures in the standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account maintained by the Company– Refer Note No. 40(6) to the standalone Ind AS financial statements.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E
Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: 27th May, 2017

"Annexure A" to the Independent Auditor's Report

Statement referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Balrampur Chini Mills Limited on the Standalone Ind AS Financial Statements for the year ended 31st March, 2017.

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

b) The fixed assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.

(iii) The Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a), (b) and (c) of paragraph 3 of the said order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are no guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of section 186 of the Act in respect of loans granted and investments.

(v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. The directives issued by the Reserve Bank of India are not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where pursuant to the rules made by the Central Government, the maintenance of Cost records has been prescribed under section 148(1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We, however, as not required, have not made a detailed examination of such records.

(vii) (a) On the basis of our examination, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, with appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable.

(b) The disputed statutory dues aggregating to ₹111.70 lacs that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of the Statute	Nature of dues	Period to which pertain	Amount (₹ in lacs)	Forum where the dispute is pending
1	Central Sales Tax Act, 1956	Central Sales Tax	2009-10	1.08	Dy. Commissioner, (Appeal) – Balrampur
2	Central Excise Act, 1944	Cenvat Credit	2006-08	12.77	CESTAT - New Delhi
3	Central Excise Act, 1944	Cenvat Credit	2005-06	15.69	CESTAT - New Delhi
4	Central Excise Act, 1944	Excise Duty	2003-05	82.16	CESTAT - New Delhi
		Total		111.70	

(viii) The Company has not defaulted in repayment of loans or borrowings to financial institutions or banks or Government. The Company has not issued any debentures.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: 27th May, 2017

"Annexure B" to the Independent Auditor's 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 **BALRAMPUR CHINI MILLS LIMITED** ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone 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.

Auditor's 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 issued by the ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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, 2017, 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 ICAI.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: 27th May, 2017

Balance Sheet as at 31st March, 2017

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
I. ASSETS							
(1) Non - current assets							
(a) Property, plant and equipment	4	140949.76		133576.89		137185.14	
(b) Capital work-in-progress	4A	612.95		8647.05		756.30	
(c) Intangible assets	5	280.15		280.72		332.10	
(d) Financial assets							
(i) Non-current Investments	6	4502.39		4783.18		4602.48	
(ii) Trade and other receivables	7(i)	-		-		-	
(iii) Other financial assets	8(i)	142.93		1086.39		17774.83	
(e) Non-current tax assets (net)	9	101.50		1777.46		1888.17	
(f) Other non-current assets	10	954.17	147543.85	1478.81	151630.50	1210.12	163749.14
(2) Current assets							
(a) Inventories	11	231363.13		186489.19		166953.12	
(b) Biological assets	12	12.33		3.44		3.65	
(c) Financial assets							
(i) Trade and other receivables	7(ii)	16276.95		19928.12		15868.55	
(ii) Cash and cash equivalents	13	203.05		467.17		7701.18	
(iii) Bank balances other than cash and cash equivalents	14	245.51		188.76		516.52	
(iv) Loans	15	957.34		950.85		945.18	
(v) Other financial assets	8(ii)	310.34		5917.51		26618.49	
(d) Other current assets	16	2631.28		4092.93		2043.27	
(3) Assets classified as held for sale	17	-	251999.93	-	218037.97	-	220649.96
Total Assets			399543.78		369668.47		384399.10
II. EQUITY AND LIABILITIES							
(1) Equity							
(a) Share capital	18	2350.10		2449.50		2449.16	
(b) Other equity	19	151775.31	154125.41	120701.74	123151.24	110690.25	113139.41
Liabilities							
(2) Non - current liabilities							
(a) Financial liabilities							
(i) Borrowings	20(i)	12430.54		49644.06		42914.39	
(ii) Other financial liabilities	21(i)	459.28		563.57		609.69	
(b) Government grants	22	152.11		159.20		16.35	
(c) Provisions	23(i)	318.18		259.31		265.79	
(d) Deferred tax liabilities (net)	24	14339.88		15941.79		17453.26	
(e) Other non-current liabilities	25	27.59	27727.58	735.29	67303.22	626.67	61886.15
(3) Current liabilities							
(a) Financial liabilities							
(i) Borrowings	20(ii)	157743.71		99441.85		117408.76	
(ii) Trade and other payables	26	29537.67		42335.19		73674.33	
(iii) Other financial liabilities	21(ii)	14220.48		22095.21		10590.10	
(b) Government grants	22	7.09		975.86		1.09	
(c) Other current liabilities	27	15853.61		13810.12		7361.24	
(d) Provisions	23(ii)	328.23		303.93		338.02	
(e) Current tax liabilities (net)	28	-	217690.79	251.85	179214.01	-	209373.54
Total Equity and Liabilities			399543.78		369668.47		384399.10
Corporate information	1						
Significant accounting policies and estimates	2-3						
Other disclosures	40						
The accompanying notes 1 to 40 are an integral part of the standalone financial statements.							

As per our report of even date attached.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Sd/-
Nitin Bagaria
Company Secretary

Sd/-
Pramod Patwari
Chief Financial Officer

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Statement of Profit and Loss for the year ended 31st March, 2017

(₹ in Lacs)

Particulars		Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016
I.	**Revenue from operations**	29	364099.71	287406.77
II.	Other income	30	2494.23	4647.82
III.	**Total income (I+II)**		**366593.94**	**292054.59**
IV.	**Expenses:**			
	Cost of materials consumed	31	257684.56	211254.20
	Excise duty on sale of goods		18086.33	11740.75
	Changes in inventories of finished goods, by-products and work-in-progress	32	(41952.11)	(13623.47)
	Employee benefits expense	33	18091.13	15094.89
	Finance costs	34	5542.80	6654.53
	Depreciation and amortisation expense	35	10493.71	11010.52
	Other expenses	36	25232.71	21843.27
	Total expenses		**293179.13**	**263974.69**
V.	**Profit before exceptional items and tax (III-IV)**		**73414.81**	**28079.90**
VI.	Exceptional items	37	-	17310.41
VII.	**Profit before tax (V-VI)**		**73414.81**	**10769.49**
VIII.	**Tax expense**	38		
	Current tax		15788.07	2254.75
	Deferred tax		(1601.91)	(1511.47)
			14186.16	**743.28**
IX.	**Profit for the year (VII-VIII)**		**59228.65**	**10026.21**
X.	**Other comprehensive income**	39		
	(i) Items that will not be reclassified to profit or loss		(555.04)	(47.92)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		192.09	10.23
	Total other comprehensive income		**(362.95)**	**(37.69)**
XI.	**Total comprehensive income for the year (IX + X)**		**58865.70**	**9988.52**
	(Comprising of profit and other comprehensive income for the year)			
XII.	**Earnings per equity share** (Nominal value per share ₹1/-)			
	[Refer Note No. 40(8)]			
	- Basic (₹)		24.26	4.09
	- Diluted (₹)		24.25	4.09
	Number of shares used in computing earnings per share			
	- Basic		244167344	244922208
	- Diluted		244209069	244995809
	Corporate information	1		
	Significant accounting policies and estimates	2-3		
	Other disclosures	40		
	The accompanying notes 1 to 40 are an integral part of the standalone financial statements.			

As per our report of even date attached.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(CA. Sunita Kedia)	**Nitin Bagaria**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 60162			DIN - 00846939	DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Statement of changes in Equity for the year ended 31st March, 2017

(a) Equity share capital :

For the year ended 31st March, 2017 | For the year ended 31st March, 2016 (₹ in Lacs)

Balance as at 1st April, 2016	Changes in equity share capital during the year	Balance as at 31st March, 2017	Balance as at 1st April, 2015	Changes in equity share capital during the year	Balance as at 31st March, 2016
2449.50	(99.40)	2350.10	2449.16	0.34	2449.50

(b) Other equity (₹ in Lacs)

	Reserves and surplus							Other comprehensive income	Total other equity
	Capital reserves	Securities premium reserve	Capital redemption reserve	Share options outstanding account	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Balance as at 1st April, 2016	1075.58	51917.94	2654.10	53.12	114.30	64977.91	(91.21)	-	120701.74
Changes in equity during the year ended 31st March, 2017									
Profit for the year	-	-	-	-	-	-	59228.65	-	59228.65
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	(362.95)	(362.95)
Exercise of stock options	-	48.32	-	(21.62)	-	-	-	-	26.70
Forfeiture of stock options	-	-	-	(13.41)	-	-	-	-	(13.41)
Transfer on account of buy-back of equity shares	-	(100.00)	100.00	-	-	-	-	-	-
Utilized on account of buy-back of equity shares	-	(17400.00)	-	-	-	-	-	-	(17400.00)
Buy back expenses (net of tax, ₹ 46.94 lacs)	-	-	-	-	-	-	(88.70)	-	(88.70)
Storage fund for molasses created during the year	-	-	-	-	18.61	-	-	-	18.61
Storage fund for molasses utilized during the year	-	-	-	-	(15.16)	-	-	-	(15.16)
Transfer from/to other comprehensive income/ retained earnings	-	-	-	-	-	-	(362.95)	362.95	-
Interim dividend	-	-	-	-	-	-	(8574.59)	-	(8574.59)
Dividend distribution tax on interim dividend	-	-	-	-	-	-	(1745.58)	-	(1745.58)
Balance as at 31st March, 2017	1075.58	34466.26	2754.10	18.09	117.75	64977.91	48365.62	-	151775.31

Statement of changes in Equity for the year ended 31st March, 2017

(b) Other equity *(contd.)* (₹ in Lacs)

	Reserves and surplus							Other comprehensive income	Total other equity
	Capital reserves	Securities premium reserve	Capital redemption reserve	Share options outstanding account	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Balance as at 1st April, 2015	**1075.58**	**51891.16**	**2654.10**	**74.17**	**97.06**	**64977.91**	**(10079.73)**	**-**	**110690.25**
Changes in equity during the year ended 31st March, 2016									
Profit for the year	-	-	-	-	-	-	10026.21	-	10026.21
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	(37.69)	(37.69)
Exercise of stock options	-	26.78	-	(12.04)	-	-	-	-	14.74
Forfeiture of stock options	-	-	-	(9.01)	-	-	-	-	(9.01)
Storage fund for molasses created during the year	-	-	-	-	17.24	-	-	-	17.24
Transfer from/to other comprehensive income/ retained earnings	-	-	-	-		-	(37.69)	37.69	-
Balance as at 31st March, 2016	**1075.58**	**51917.94**	**2654.10**	**53.12**	**114.30**	**64977.91**	**(91.21)**	**-**	**120701.74**

The accompanying notes 1 to 40 are an integral part of the standalone financial statements.

As per our report of even date attached.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Sd/-
Nitin Bagaria
Company Secretary

Sd/-
Pramod Patwari
Chief Financial Officer

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Cash Flow Statement for the year ended 31st March, 2017

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit before exceptional items and tax		73414.81		28079.90
Adjustments to reconcile profit before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :				
Finance costs	5542.80		6654.53	
Depreciation and amortisation expense	10493.71		11010.52	
Loss on impairment of property, plant and equipment	-		148.79	
Loss on sale/discard of property, plant and equipment (net)	2925.76		324.70	
Sundry debit balances/advances written off	49.07		238.28	
Transfer to storage fund for molasses	18.61		17.24	
Allowance for doubtful loans and advances	8.27		1.09	
Loss on sale of non-current investment	458.95		-	
Cane commission subsidy receivable written off	2106.83		-	
Bad debts written off	24.86		95.17	
Fair value loss on financial instruments at fair value through profit or loss	8.82		874.79	
Interest income	(382.77)		(530.58)	
Cane commission no longer payable written back	-		(2752.55)	
Unspent liabilities/balances written back	(336.61)		(305.45)	
Government grants	(7.09)		(1.15)	
Allowance for bad and doubtful receivables and advances written back	-		(319.19)	
Provision for wealth tax written back	(7.87)		-	
Storage fund for molasses written back	(15.16)		-	
Expense on employee stock option scheme	(13.41)		(9.01)	
		20874.77		15447.18
Operating profit before working capital changes		**94289.58**		**43527.08**
Adjustments to reconcile operating profit to cash flow provided by changes in working capital :				
(Increase) in inventories	(44873.94)		(19536.07)	
(Increase)/decrease in biological assets	(8.89)		0.21	
Decrease/(increase) in trade and other receivables	3626.31		(4059.57)	
(Increase) in loans	(6.49)		(5.67)	
Decrease in other financial assets	3200.76		20510.14	
Decrease/(increase) in other non-current and other current assets	1928.95		(2333.70)	
(Decrease) in trade and other payables	(12460.91)		(28281.14)	
Increase in other non-current and other current financial liabilities	1498.25		917.29	
Increase in other non-current and other current liabilities	2043.49		6448.88	
(Decrease) in provision for employee benefits/wealth tax	(464.00)		(88.49)	
		(45516.47)		(26428.12)
Cash generated from operations		**48773.11**		**17098.96**
Tax expense (excluding wealth tax)		(14139.29)		(1987.62)
Cash flow before exceptional and extraordinary items		**34633.82**		**15111.34**
Exceptional item - Voluntary retirement scheme		-		(409.84)
Net cash generated from operating activities (A)		**34633.82**		**14701.50**
B CASH FLOW FROM INVESTING ACTIVITIES				
Additions to property, plant & equipment and intangible assets	(12955.94)		(15323.75)	
Sale of property, plant & equipment and intangible assets	728.30		105.49	
Purchase of shares of associate	(2228.63)		-	
Sale of debentures	2227.50		-	
Purchase of national savings certificates	(0.05)		(0.05)	
Proceeds from maturity of national savings certificates	1.16		2.08	
Fixed deposits placed with banks	(106.96)		(108.56)	
Fixed deposits redeemed from banks	94.33		415.91	
Interest received on debentures/inter corporate deposits/fixed deposits and NSC	716.35		247.38	
Net cash used in investing activities (B)		(11523.94)		(14661.50)

Cash Flow Statement for the year ended 31st March, 2017 *(contd.)*

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issuance of equity shares on exercise of employee stock option	27.30		15.08	
Payment towards buy-back of shares	(17500.00)		-	
Buy back expenses	(135.64)		-	
Capital subsidy received	-		150.00	
Proceeds from long-term borrowings	-		26054.00	
Repayment of long-term borrowings	(47185.19)		(7689.86)	
Proceeds/(repayment) of commercial paper (net)	95526.25		(31453.73)	
Proceeds/(repayment) of other short-term borrowings (net)	(37224.39)		13658.97	
Interest expense	(6391.93)		(7252.12)	
Payment on settlement of derivatives	(8.82)		(640.70)	
Other borrowing costs	(59.54)		(82.93)	
Interim dividend paid	(8574.59)		-	
Dividend distribution tax paid	(1745.58)		-	
Net cash (used in) financing activities (C)		(23272.13)		(7241.29)
Net decrease in cash and cash equivalents (A+B+C)		(162.25)		(7201.29)
Opening cash and cash equivalents		365.30		7566.59
Closing cash and cash equivalents for the purpose of Cash Flow Statement (Refer Note No. 13)		203.05		365.30

Notes:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS)-7 on Statement of Cash Flows.
2) Interest expense is inclusive of, and additions to property, plant & equipment and intangible assets are exclusive of, interest capitalised ₹530.03 lacs (31st March 2016: ₹454.32 lacs). Further, other borrowing costs is inclusive of, and additions to property, plant & equipment and intangible assets are exclusive of, other borrowing cost capitalised ₹ NIL (31st March 2016: ₹42.55 lacs).
3) Additions to property, plant & equipment and intangible assets include movement of Capital work-in-progress during the year.
4) Proceeds/(repayment) of/from Commercial paper and other Short-term borrowings qualify for disclosure on net basis.
5) Cash and cash equivalents do not include any amount which is not available to the Company for its use.
6) Cash and cash equivalents as at the Balance Sheet date consists of:

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016	
a) Balance with banks on current accounts		126.99		375.62
b) Cheques on hand		0.20		0.01
c) Cash on hand		75.86		91.54
Closing cash and cash equivalents (Refer Note No. 13)		**203.05**		**467.17**
d) Less: Book overdraft balances [Refer Note No. 21 (ii)]		-		101.87
Closing cash and cash equivalents for the purpose of Cash Flow Statement		**203.05**		**365.30**

7) Figure in brackets represent cash outflow from respective activities.
8) As breakup of Cash and cash equivalents is also available in Note No. 13, reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the respective items reported in the Balance Sheet is not required and hence not provided.

The accompanying notes 1 to 40 are an integral part of the standalone financial statements.

As per our report of even date attached.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Sd/-
Nitin Bagaria
Company Secretary

Sd/-
Pramod Patwari
Chief Financial Officer

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Notes forming part of the Standalone Financial Statements

Note No. : 1 Corporate information

1. Corporate information

Balrampur Chini Mills Limited ("BCML" or "the Company") is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at FMC Fortuna, 2nd floor, 234/3A, AJC Bose Road, Kolkata – 700020, West Bengal, India.

The Company's shares are listed on the BSE Ltd., National Stock Exchange of India Ltd. and The Calcutta Stock Exchange Ltd.

The Company is one of the largest integrated sugar manufacturing companies in India. The principal activity of the Company is manufacturing of sugar.

Its allied business consists of :

(a) Manufacturing and marketing of Ethyl Alcohol and Ethanol, and

(b) Generation and sale of power.

The financial statements for the year ended 31st March, 2017 was approved for issue by the Board of Directors of the Company on 27th May, 2017 and is subject to the adoption by the shareholders in the ensuing Annual General Meeting.

Note No. : 2 Significant accounting policies

2.1 Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) ("Previous GAAP").

These financial statements for the year ended 31st March, 2017 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2015. Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 40(23).

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

2.2 Basis of preparation

These financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following:

i) Certain financial assets and financial liabilities (including derivative instruments) - measured at fair value and

ii) Defined benefits plan – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

All assets and liabilities have been 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. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The financial statements including notes thereon are presented in Indian Rupees ("Rupees"or "Rs." or "₹"), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless stated otherwise.

Note No. : 2 Significant accounting policies

2.3 Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits would flow to the Company and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers.

Revenue is measured at the fair value of the consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

a) Sale of goods

Sale of goods is recognised at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration. It includes excise duty and cess and excludes sales tax/VAT, trade discounts and rebates.

b) Income from sale of Renewable Energy Certificates (RECs)

Income from sale of RECs is recognised on delivery of RECs to the customers' account.

c) Interest income

For all debt instruments measured at amortized cost, interest income is recognised using the effective interest rate (EIR). Interest income is included in "Other Income" in the Statement of Profit and Loss.

d) Dividend Income

Dividend income is recognised when the Company's right to receive the dividend is established i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

e) Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

f) All other income are accounted for on accrual basis.

2.4 Expenses

All expenses are accounted for on accrual basis.

2.5 Property, plant and equipment (PPE) and Capital work-in-progress (CWIP)

a) Transition to Ind AS

The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2015.

Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation and impairment) adjusted by revaluation of certain assets.

b) All Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision is met.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

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

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

c) Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated.

Lease-hold land are amortised over the lease term.

Depreciation on other items of PPE is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013, except for Power transmission lines and Mobile phones which are depreciated over a period of five years and three years respectively.

The estimated useful lives are determined based on assessment made by technical experts, in order to reflect the actual usage of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives considered are as follows:

Category	Useful life
Buildings	03 - 60 years
Roads	03 - 10 years
Plant and equipment	08 - 25 years
Furniture and fixtures	10 years
Vehicles	08 - 10 years
Office equipment	03 - 05 years
Computers	03 - 06 years
Electrical installation and equipment	05 - 10 years
Pipelines	15 years

Each item of PPE individually costing ₹ 5,000/- or less is depreciated over a period of one year from the date the said assets is available for use.

The residual value of an item of PPE is not more than 5% of the original cost of the respective asset.

The estimated useful lives, residual values and depreciation method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

d) Expenditure during construction period

Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under CWIP. CWIP is stated at the amount expended upto balance sheet date on assets or property, plant and equipment that are not yet ready for their intended use.

2.6 Intangible assets (Computer Software)

a) Transition to Ind AS:

The Company has elected to continue with carrying value of computer software under the previous GAAP, as deemed cost as at the transition date i.e. 1st April, 2015. Under the previous GAAP, computer software were stated at their original cost (net of accumulated amortization and accumulated impairment, if any).

Note No. : 2 Significant accounting policies *(contd.)*

b) Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset.

Acquired computer software is measured at original cost less accumulated amortisation and impairment losses, if any.

Cost, net of cenvat, includes acquisition price, licence fees and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.

c) Amortization methods, estimated useful lives and residual value

Computer Software are amortized on a straight-line basis over its estimated useful lives of five years.

The estimated useful lives, residual values and amortization method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

2.7 Inventories

a) Inventories (other than By-products and scraps) are valued at lower of cost and net realisable value after providing for obsolescence, if any.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

The cost of inventories is computed on weighted average basis. Inventories are written down on a case-by-case basis if the anticipated net realizable value declines below the carrying amount of the inventories. Such write downs are recognised in the Statement of Profit and Loss. When the reason for a write-down of the inventories ceases to exist, the write-down is reversed.

Net realisable value (NRV) 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.

b) By-products and scraps are valued at net realisable value.

2.8 Biological assets

Biological assets comprise Standing crops of sugarcane.

Biological assets are measured at fair value less estimated costs to sell. Changes in fair value are recognized in the Statement of Profit and Loss.

The fair value of these assets excludes the land upon which the crops are planted or the items of PPE utilised in the upkeep of planted areas.

The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date.

When harvested, cane is transferred to inventory at fair value less costs to sell.

2.9 Government grants

Government grants are recognised at fair value when there is reasonable assurance that the grant would be received and the Company would comply with all the conditions attached with them.

Government grants related to PPE are treated as deferred income (included under non-current liabilities with current portion considered under current liabilities) and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset and included under "Other Income".

Government grants related to revenue nature are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate and are adjusted with the related expenditure.

If not related to a specific expenditure, it is taken as income and presented under "Other Income".

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

2.10 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.11 Leases

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

For arrangements entered into prior to the transition date, i.e.1st April, 2015, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

a) When the Company is a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which substantially all the risks and rewards of ownership are transferred to the Company are classified as finance leases.

On initial recognition, the finance leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Payment made under operating leases are recognized as expense in the Statement of Profit and Loss on a straight line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

b) When the Company is a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the escalation of lease rentals is in line with the expected general inflation so as to compensate the lessor for expected inflationary cost, the increases in the rentals is not straight lined.

2.12 Provisions, contingent liabilities and contingent assets

a) A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the passage of time is recognized as finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss, net of any reimbursement.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

b) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

c) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable.

When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

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

2.13 Dividend payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognised directly in equity.

2.14 Foreign currency transactions and translations

a) Functional and presentation currency

The items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the function currency").

The financial statements are presented in Indian Rupee (INR), which is the Company's functional as well as presentation currency.

b) Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

2.15 Employee benefits

a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

b) Defined contribution plans

The Company pays provident and other fund contributions to publicly administered fund as per local regulations.

The Company has no further obligation, other than the contributions payable to the respective funds. The Company recognizes contribution payable to such funds as an expense, when an employee renders the related service.

c) Defined benefit plans

The Company operates a defined benefit gratuity plan, which requires contributions to be made to The Balrampur Sugar Company Limited Employees Gratuity Fund (the Trust). Trustees administer contributions made to the Trust and contributions are invested in schemes through insurance companies.

The liability or asset recognised in the Balance sheet in respect of gratuity is the present value of the defined benefit obligation

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by external actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows by reference to the market yields as at the balance sheet date on government bonds that have terms approximating to the terms of the related obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ("OCI") in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

i) The date of the plan amendment or curtailment, and

ii) The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, and

ii) Net interest expense or income.

d) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

e) Voluntary Retirement Scheme

Expenditure on voluntary retirement scheme is charged to the Statement of Profit and Loss in the year in which it is incurred.

2.16 Share based payments (Employee stock options)

The eligible employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to equity share capital (par value of the equity share) and securities premium reserve. The Company determines the compensation cost based on the intrinsic value method. The compensation cost is amortised on a straight line basis over the vesting period.

2.17 Financial instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

a) Financial assets

i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

ii) Subsequent measurement

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

1) At amortised cost,

2) At fair value through other comprehensive income (FVTOCI), and

3) At fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

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

1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and

2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiary carried at deemed cost and associate carried at cost. Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. 1st April, 2015.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price is deferred and after initial recognition deferred difference is recognised as gain or loss to the extent it arises from change in input to valuation technique.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

iii) De-recognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

b) Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments, etc.

(ii) Subsequent measurement

For the purpose of subsequent measurement, Financial liabilities are classified in two categories:

1) Financial liabilities at amortised cost, and

2) Derivative instruments at fair value through profit or loss (FVTPL).

Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

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

(iii) De-recognition

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

c) Derivative financial instruments

Initial recognition and subsequent measurement

A derivative financial instrument, such as forward currency contracts and interest rate swaps are used to hedge foreign currency risks and interest rate risks respectively and includes options. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price is deferred and after initial recognition deferred difference is recognised as gain or loss to the extent it arises from change in input to valuation technique.

d) Offsetting of financial instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance sheet, if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

e) Fair value measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement".

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the company being evaluated, the nature of industry in which it operates, the company's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Note No. : 2 Significant accounting policies *(contd.)*

f) Share capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

2.18 Impairment of Assets

a) Non-financial assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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

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

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

b) Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

ECL impairment loss allowance is measured at an amount equal to lifetime ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income or expense in the Statement of Profit and Loss. This amount is reflected under the head "Other expenses" in the profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance sheet. The allowance reduces the net carrying amount.

Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

2.19 Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in OCI.

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and in Equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws to the extent it is likely to give future economic benefits in the form of availability to set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliabily and it is probable that the future economic benefit associated with the asset will be realised.

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

2.20 Earnings per Share

a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.21 Non-current assets (or disposal groups) held for sale and discontinued operations

a) Non-current assets (or disposal groups) are classified as held for sale if their carrying amount would be recovered principally through a sale/distribution rather than through continuing use and a sale/distribution is considered highly probable.

Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/ distribution would be made or that the decision to sell/distribute would be withdrawn. Management must be committed to sale/distribution within one year from the date of classification.

b) Immediately before the initial classification of the assets (and disposal groups) as held for sale, the carrying amount of the assets (or all the assets and liabilities in the disposal groups) are measured in accordance with their applicable accounting policy.

Non-current assets (or disposal groups) held for sale/for distribution to owners are subsequently measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

Note No. : 2 Significant accounting policies *(contd.)*

c) Non-current assets including those that are part of a disposal group (PPE and intangible assets) once classified as held for sale/ distribution to owners are neither depreciated nor amortized. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

d) Non-current assets (including assets of a disposal group) classified as held for sale are presented separately from the other assets in the Balance sheet. The liabilities of a disposal group classified as held for sale/distribution are presented separately from other liabilities in the Balance sheet.

e) A disposal group qualifies as discontinued operation if it is a component of equity that has either being disposed of or is classified as held for sale, and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary exclusively with a view to resale.

   Discontinued operations are excluded from the results of continuing operations and are presented separately as a single amount as profit or loss after tax from discontinued operations in the Statement of Profit and Loss and Comparative information is restated accordingly.

f) All notes to the financial statements mainly include amounts for continuing operations, unless stated otherwise.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM).

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole. In addition, the following specific accounting policies have been followed for segment reporting:

a) Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment transfers.

   Inter segment transfers are accounted for based on the transaction price agreed to between the segments which is at cost in case of transfer of Company`s intermediate and final products and estimated realisable value in case of by-products.

b) Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on direct and/or on a reasonable basis, have been disclosed as "Unallocable".

2.23 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

2.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

2.25 Recent Accounting Pronouncements

Standards issued but not yet effective

During March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 - Statement of cash flows and Ind AS 102 - Share-based payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 - Statement of cash flows and IFRS 2 – Share based payment, respectively. The amendments are applicable to the Company from 1st April, 2017.

Amendment to Ind AS 7 - Statement of cash flows

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

Amendment to Ind AS 102 - Share based payment

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

Note No. : 3 Use of critical estimates, judgements and assumptions

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgement and make certain assumptions in applying the Company's accounting policies and preparation of financial statements.

The use of such estimates, judgements and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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

Note No. : 3 Use of critical estimates, judgements and assumptions *(contd.)*

i) **Estimated useful life of Property, plant and equipment**

PPE represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed periodically including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as change in technology.

ii) **Recognition of deferred tax assets for carried forward tax losses and unused tax credit**

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

iii) **Estimation of Defined benefit obligations**

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

iv) **Estimated fair value of unlisted securities**

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques including the discounted cash flow (DCF) model. The Group uses its judgement to select a variety of method / methods and make assumptions that are mainly based on market conditions existing at the end of each financial year.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v) **Insurance claims and liquidated damages**

Insurance claims are accounted as and when admitted/settled. Subsequent changes in value, if any, are provided for.

Notes forming part of the Standalone Financial Statements

Note No. : 4 Property, plant and equipment and Capital work-in-progress

(₹ in Lacs)

Particulars	Property, Plant and Equipment												Capital work-in-progress @
	Land (Free hold)	Land (Lease hold)	Buildings	Roads	Plant and equipment	Furniture & Fixtures	Vehicles	Office equipment	Computers	Electrical Installation and equipment	Pipelines	Total	
Gross block													
Gross carrying amount as at 1st April, 2016	6827.47	399.29	34435.84	1302.00	86635.52	554.05	947.59	127.50	376.80	7841.35	5169.51	**144616.92**	8647.05
Additions during the year	-	-	1228.11	136.19	15789.09	102.67	315.23	31.69	147.60	1768.26	1901.97	**21420.81**	11520.73
Reclassification made during the year	-	-	3.24	-	(3.24)	-	-	-	-	-	-	**-**	-
Disposals/deductions during the year	2.64	-	734.87	1.01	3355.21	8.04	117.13	3.13	12.12	71.54	66.64	**4372.33**	19554.83
Gross carrying amount as at 31st March, 2017	**6824.83**	**399.29**	**34932.32**	**1437.18**	**99066.16**	**648.68**	**1145.69**	**156.06**	**512.28**	**9538.07**	**7004.84**	**161665.40**	**612.95**
Depreciation /amortisation/ impairment													
Accumulated depreciation / amortisation / impairment as at 1st April, 2016	**-**	**6.40**	**1411.30**	**572.50**	**5006.07**	**134.49**	**138.06**	**25.63**	**95.96**	**2964.72**	**684.90**	**11040.03**	-
Depreciation/ amortisation for the year	-	6.40	1266.41	435.58	5434.55	107.83	155.48	27.74	106.30	2130.22	724.06	**10394.57**	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Reclassification made during the year	-	-	0.18	-	(0.18)	-	-	-	-	-	-	**-**	-
Disposals/deductions during the year	-	-	229.28	0.39	389.95	4.26	38.63	1.25	8.22	34.83	12.15	**718.96**	
Accumulated depreciation / amortisation / impairment as at 31st March, 2017	-	12.80	2448.61	1007.69	10050.49	238.06	254.91	52.12	194.04	5060.11	1396.81	**20715.64**	-
Net carrying amount as at 31st March, 2017	**6824.83**	**386.49**	**32483.71**	**429.49**	**89015.67**	**410.62**	**890.78**	**103.94**	**318.24**	**4477.96**	**5608.03**	**140949.76**	**612.95**
Gross block													
Gross carrying amount as at 1st April, 2015	**6808.17**	**399.29**	**33849.08**	**1302.00**	**80239.48**	**477.04**	**878.67**	**110.00**	**271.26**	**7648.47**	**5201.68**	**137185.14**	**756.30**
Additions during the year	47.48	-	595.08	-	6671.91	80.57	153.59	22.42	111.63	206.40	-	**7889.08**	18770.46
Reclassification made during the year	-	-	-	-	7.11	-	-	-	-	-	(7.11)	**-**	-
Disposals/deductions during the year	28.18	-	8.32	-	282.98	3.56	84.67	4.92	6.09	13.52	25.06	**457.30**	10879.71
Gross carrying amount as at 31st March, 2016	6827.47	399.29	34435.84	1302.00	86635.52	554.05	947.59	127.50	376.80	7841.35	5169.51	**144616.92**	8647.05
Depreciation /amortisation/ impairment													
Accumulated depreciation / amortisation as at 1st April, 2015	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Depreciation/ amortisation for the year	-	6.40	1262.56	572.50	5014.66	135.57	149.24	26.18	97.80	2967.48	685.96	**10918.35**	-
Impairment for the year	-	-	148.79	-	-	-	-	-	-	-	-	**148.79**	-
Reclassification made during the year	-	-	-	-	0.89	-	-	-	-	-	(0.89)	**-**	-
Disposals/deductions during the year	-	-	0.05	-	9.48	1.08	11.18	0.55	1.84	2.76	0.17	**27.11**	-
Accumulated depreciation / amortisation / impairment as at 31st March, 2016	**-**	**6.40**	**1411.30**	**572.50**	**5006.07**	**134.49**	**138.06**	**25.63**	**95.96**	**2964.72**	**684.90**	**11040.03**	**-**
Net carrying amount as at 31st March, 2016	**6827.47**	**392.89**	**33024.54**	**729.50**	**81629.45**	**419.56**	**809.53**	**101.87**	**280.84**	**4876.63**	**4484.61**	**133576.89**	**8647.05**
Net carrying amount as at 1st April, 2015	6808.17	399.29	33849.08	1302.00	80239.48	477.04	878.67	110.00	271.26	7648.47	5201.68	**137185.14**	756.30

@ Refer Note No. 4A.

Notes :

a) The finance costs on specific borrowings capitalised during the year amounted to ₹87.92 lacs (31st March, 2016 : ₹102.19 lacs) using the capitalization rate of 10.00% (31st March 2016: 10.10%) per annum which is the effective interest rate of the specific borrowings. Further, the Company has also capitalised borrowing costs on its general borrowings amounting to ₹442.11 lacs (31st March, 2016: ₹352.13 lacs) using the weighted average capitalisation rate of 8.03% (31st March, 2016: 8.83%) per annum.

b) The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer Note No. 20 for detailed security terms).

c) The Company has entered into various agreements in respect of land under finance lease arrangements. The lease agreements include renewal and escalation clause and do not provide the Company a right to sub-lease. For most of the lease agreements, original lease term is 30 years subject to maximum of 90 years from the date of inception. These leasehold land have been mortgaged in favour of banks and other entities for securing the borrowings.

d) During the previous year ended 31st March, 2016, the review of assets of Khalilabad unit upon its closure led to the recognition of an impairment loss of ₹148.79 lacs which has been recognised under "Other expenses" in the Statement of Profit and Loss.

Notes forming part of the Standalone Financial Statements

Note No. : 4A Capital work-in-progress

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016	
Plant and equipment / Civil work - in - progress				
Additions during the year		10517.68		18082.59
(A)		**10517.68**		**18082.59**
Preoperative expenses/ trial run expenses				
Additions during the year :				
Cost of materials consumed		249.10		235.17
Employee benefits expense				
Salaries and wages	57.95		55.52	
Contribution to provident and other funds	4.61		4.46	
Staff welfare expense	0.84	63.40	0.53	60.51
Finance costs				
Interest	530.03		454.32	
Other borrowing costs	-	530.03	42.55	496.87
Depreciation expense		0.14		1.57
Other expenses				
Consumption of stores and spare parts	20.76		2.27	
Power and fuel	80.30		3.23	
Insurance	0.55		3.63	
Professional expenses	76.60		1.47	
Rates and taxes (excluding taxes on income)	0.81		9.51	
Miscellaneous expenses	49.35	228.37	14.25	34.36
(B)		**1071.04**		**828.48**
Income during trial run :				
Inter division transfers				
Steam	15.91		87.95	
Power	52.08	67.99	52.66	140.61
(C)		67.99		140.61
Total additions during the year D= (A+B-C)		**11520.73**		**18770.46**
Balance brought forward				
Plant and equipment/ Civil work - in- progress (E)		8647.05		756.30
F = (D+E)		**20167.78**		**19526.76**
Capitalised during the year (G)		19554.83		10879.71
Capital work-in-progress at the end of the year H= (F-G)		**612.95**		**8647.05**

Notes forming part of the Standalone Financial Statements

Note No. : 5 Intangible assets

(₹ in Lacs)

Particulars	Intangible assets Computer Software (Acquired)
Gross block	
Gross carrying amount as at 1st April, 2016	374.46
Additions during the year	99.40
Disposals/deductions during the year	2.90
Gross carrying amount as at 31st March, 2017	**470.96**
Amortisation	
Accumulated amortisation as at 1st April, 2016	93.74
Amortisation for the year	99.28
Disposals/deductions during the year	2.21
Accumulated amortisation as at 31st March, 2017	**190.81**
Net carrying amount as at 31st March, 2017	**280.15**
Gross carrying amount as at 1st April, 2015	332.10
Additions during the year	42.36
Gross carrying amount as at 31st March, 2016	**374.46**
Amortisation	
Accumulated amortisation as at 1st April, 2015	-
Amortisation for the year	93.74
Accumulated amortisation as at 31st March, 2016	**93.74**
Net carrying amount as at 31st March, 2016	**280.72**
Net carrying amount as at 1st April, 2015	**332.10**

Note:

The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer Note No. 20 for detailed security terms).

Notes forming part of the Standalone Financial Statements

Note No. : 6 Non - current investments

Particulars	Face value	Number of Shares / Debentures	As at 31st March, 2017 (₹ in Lacs)	Number of Shares / Debentures	As at 31st March, 2016 (₹ in Lacs)	Number of Shares / Debentures	As at 1st April, 2015 (₹ in Lacs)
(i) **Equity instruments**							
(1) Carried at deemed cost							
Fully paid up :							
Quoted							
Subsidiary Company :							
Indo Gulf Industries Ltd. (IGIL)	₹1	-	-	5162470	- @	5162470	- @
(2) Carried at cost							
Fully paid up :							
Unquoted							
Associate Company (w.e.f. 24th January, 2017)							
Visual Percept Solar Projects Pvt. Ltd.	₹10	8914500	2228.63		-		-
[Refer Note No. 40(17)]							
Total (A)			**2228.63**		**-**		**-**
(3) Designated at fair value through other comprehensive income							
Fully paid up :							
Unquoted							
Asia Sugar Industries Pvt. Ltd.	₹10	250000	52.59	250000	53.37	250000	51.72
Fortuna Services Ltd.	₹1	70287	0.70	70287	0.70	70287	0.70
Total (B)			**53.29**		**54.07**		**52.42**
Total C = (A + B)			**2281.92**		**54.07**		**52.42**
(ii) **Debentures # (Measured at amortised cost)**							
Fully paid up :							
Associate Company (w.e.f. 24th January, 2017)							
Visual Percept Solar Projects Pvt. Ltd.	₹100	1822500	2212.48	4050000	4720.01	4050000	4538.93
Total (D)			**2212.48**		**4720.01**		**4538.93**
(iii) **Post Office National Saving Certificates (Measured at amortised cost)**							
Unquoted			7.99		9.10		11.13
(Deposited with government authorities)							
Total (E)			**7.99**		**9.10**		**11.13**
Total F = (C + D + E)			**4502.39**		**4783.18**		**4602.48**
Aggregate amount of quoted investments			-		- @		- @
Aggregate market value of quoted investments *			-		Not Available		Not Available
Aggregate amount of unquoted investments			4502.39		4783.18		4602.48
Aggregate amount of impairment in value of investments			-		-		-

Notes forming part of the Standalone Financial Statements

Note No. : 6 Non - current investments *(contd.)*

Particulars	Face value	Number of Shares / Debentures	As at 31st March, 2017 (₹ in Lacs)	Number of Shares / Debentures	As at 31st March, 2016 (₹ in Lacs)	Number of Shares / Debentures	As at 1st April, 2015 (₹ in Lacs)
Aggregate investment carried at deemed cost			-		- @		- @
Aggregate investment carried at cost			2228.63		-		-
Aggregate investment carried at amortized cost			2220.47		4729.11		4550.06
Aggregate investment designated at fair value through other comprehensive income			53.29		54.07		52.42

Unsecured non-convertible debentures carrying overall simple yield to maturity of 9.50% p.a. The coupon amount is payable annually @ 5% p.a. for the first six years and 14% p.a. for the next six years. The debentures are redeemable at par at the end of twelve years from the date of allotment.

* BSE Ltd. has revoked the suspension on trading of equity shares of IGIL w.e.f. 20th January, 2017, however, no trading took place in the equity shares post revocation of suspension.

@ ₹ 1/- shown as nil due to rounding off.

Note No. : 7 Trade and other receivables (carried at amortized cost)

(i) Non-current (Unsecured) (₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables			
Considered doubtful	-	-	95.17
Less : Allowance for bad and doubtful trade receivables	-	-	95.17
	-	-	-

(ii) Current (Unsecured, considered good) (₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables	16266.59	19863.28	15861.26
Other receivables	10.36	64.84	7.29
	16276.95	**19928.12**	**15868.55**

Notes forming part of the Standalone Financial Statements

Note No. : 8 Other financial assets

(i) Non-current (Unsecured, considered good) (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Security deposits		72.99		57.55		60.51
Claims receivable		-		226.77		17030.19
Fixed deposits with banks						
(Bank deposits with more than 12 months maturity)						
For Molasses storage fund (Earmarked)	34.57		48.18		28.40	
Pledged with excise authorities	25.01	59.58	35.02	83.20	45.02	73.42
Interest accrued but not due on						
Fixed deposits with banks	6.97		8.36		6.70	
National saving certificates	3.39	10.36	3.59	11.95	4.06	10.76
		142.93		379.47		17174.88
Carried at fair value through profit or loss						
Options		-		706.92		599.95
		142.93		**1086.39**		**17774.83**

(ii) Current (Unsecured, considered good) (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Advances to employees		68.16		76.37		48.32
Security deposits		2.00		13.93		17.00
Claims receivable		174.75		5290.32		25919.63
Interest accrued but not due on						
Debentures @	13.26		-		-	
Inter corporate deposits	-		525.90		418.26	
Fixed deposits with banks	11.03		9.41		16.44	
Others	1.69	25.98	1.58	536.89	1.26	435.96
Miscellaneous		39.45		-		-
		310.34		5917.51		26420.91
Carried at fair value through profit or loss						
Cross currency Interest rate swaps		-		-		197.58
		310.34		**5917.51**		**26618.49**
@ Due from an Associate Company (₹ in Lacs)						
[Refer Note No. 40(12)(b) (vii)]		**13.26**		-		-

Note No. : 9 Non-current tax assets (net) (Unsecured, considered good)

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Advance tax		18495.05		6025.26		6075.45
Less : Provision for taxation		18393.55		4247.80		4187.28
		101.50		**1777.46**		**1888.17**

Notes forming part of the Standalone Financial Statements

Note No. : 10 Other non-current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Capital advances		581.22		1096.74		816.02
Advances other than capital advances						
Other advances						
Advances to suppliers and others						
Considered doubtful	16.38		8.11		231.04	
Less: Allowance for bad and doubtful advances	16.38	-	8.11	-	231.04	-
Others						
Prepaid expenses	35.52		41.54		23.01	
Duties and taxes paid under protest	337.43	372.95	340.53	382.07	371.09	394.10
		954.17		**1478.81**		**1210.12**

Note No. : 11 Inventories (Valued at lower of cost and net realisable value, unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Raw materials	5563.85		4530.13		3791.60	
Add : Goods-in-transit	5.39	5569.24	3.65	4533.78	2.19	3793.79
Packing materials	86.40		118.07		356.70	
Add : Goods-in-transit	-	86.40	-	118.07	13.19	369.89
Work-in-progress						
Sugar	2368.26		1119.96		1942.25	
Molasses	223.97		101.37		214.62	
Organic manure	-	2592.23	-	1221.33	35.13	2192.00
Finished goods						
Sugar	204419.91		165311.32		147017.15	
Industrial alcohol	3443.52		2217.80		1732.61	
Banked power	77.47		113.42		88.52	
Organic manure	-		1.56		78.50	
	207940.90		167644.10		148916.78	
Add : Goods-in-transit	-	207940.90	168.81	167812.91	-	148916.78
Stores and spares	5476.06		4548.54		4651.65	
Add : Goods-in-transit	154.53	5630.59	47.46	4596.00	94.92	4746.57
Loose tools		0.19		0.19		0.19
By-products		9519.72		8189.27		6872.70
Scrap		23.86		17.64		61.20
		231363.13		**186489.19**		**166953.12**
Carrying amount of inventories pledged as security for borrowings (₹ in Lacs)		227895.75		184083.38		165045.68

Notes forming part of the Standalone Financial Statements

Note No. : 12 Biological assets

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Reconciliation of changes in book value of biological assets:			
Opening balance	3.44	3.65	-
Changes in fair value	50.40	40.68	-
Decrease due to harvested sugarcane transferred to inventory	41.51	40.89	-
Closing balance	**12.33**	**3.44**	**3.65**

Note No. : 13 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st 1st April, 2015
Balances with banks			
On current accounts	126.99	375.62	7528.65
Cheques on hand	0.20	0.01	1.66
Cash on hand	75.86	91.54	170.87
	203.05	**467.17**	**7701.18**

Note No. : 14 Bank balances other than cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Earmarked balances						
Fixed deposits for molasses storage fund						
Current portion of original maturity period more than 12 months	19.57		11.19		15.51	
Original maturity period up to 12 months	95.42	114.99	77.56	88.75	70.37	85.88
Unpaid dividend accounts		110.51		90.01		100.64
Fixed deposits pledged with excise authorities and bank						
Current portion of original maturity period more than 12 months	20.01		10.00		30.00	
Original maturity period up to 12 months *	-	20.01	-	10.00	300.00	330.00
		245.51		**188.76**		**516.52**
* Under lien with bank for swap contract (₹ in Lacs)		-		-		300.00

Notes forming part of the Standalone Financial Statements

Note No. : 15 Loans (carried at amortized cost)

Current (Unsecured, considered good) (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Other loans						
Inter-corporate deposits	920.00		920.00		920.00	
Loans to employees *	37.34	957.34	30.85	950.85	25.18	945.18
		957.34		**950.85**		**945.18**
* Includes loan to an officer of the Company (₹ in Lacs)		6.64		-		-

Note: Inter-corporate deposits are receivable on demand. The purpose of utilisation of loan by the loanee company is for general corporate purpose.

Note No. : 16 Other current assets (Unsecured, considered good)

Current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Advances other than capital advances						
Other advances						
Advances to suppliers and others	1017.49		1163.29		1151.95	
Cenvat, Vat and other taxes / duties	1100.56	2118.05	2477.38	3640.67	520.15	1672.10
Others						
Prepaid expenses	487.96		431.38		370.67	
Miscellaneous	25.27	513.23	20.88	452.26	0.50	371.17
		2631.28		**4092.93**		**2043.27**

Note No. : 17 Assets classified as held for sale

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Investment in equity instruments of a subsidiary						
[Refer Note No. 40(16)]		- @		-		-
		-		-		-
@ ₹1/- shown as nil due to rounding off.						

Notes forming part of the Standalone Financial Statements

Note No. : 18 Share capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)
(a) Authorised						
Equity shares of par value ₹1/- each	400000000	4000.00	400000000	4000.00	400000000	4000.00
Preference shares of par value ₹100/- each	2500000	2500.00	2500000	2500.00	2500000	2500.00
		6500.00		**6500.00**		**6500.00**
(b) Issued, subscribed and fully paid up						
Equity shares of par value ₹1/- each	235010467	2350.10	244949767	2449.50	244916267	2449.16
		2350.10		**2449.50**		**2449.16**

Issue of 17,270 (31st March, 2016 : 17,270 ; 1st April, 2015 : 17,270) equity shares on Right basis has been kept in abeyance in view of pending disputes.

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	(₹ in Lacs)	No. of shares held	(₹ in Lacs)
At the beginning of the year	244949767	2449.50	244916267	2449.16
Add:				
Shares issued on exercise of Employee Stock Options [Refer Note No. 40(2)]	60700	0.60	33500	0.34
Less:				
Buyback of shares [Refer Note No. 40(9)]	10000000	100.00	-	-
At the end of the year	**235010467**	**2350.10**	**244949767**	**2449.50**

(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 dividend 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) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Life Insurance Corporation of India	13852631	5.89	14183234	5.79	19341962	7.90
Government Pension Fund Global	6643106	2.83	12299993	5.02	13057899	5.33
Shri Vivek Saraogi	36661967	15.60	38082320	15.55	38082320	15.55
Shri Karan Saraogi	17519446	7.46	3946600	1.61	3946600	1.61
Smt. Meenakshi Saraogi	Nil	Nil	14244300	5.81	14244300	5.82

(g) The aggregate number of equity shares issued pursuant to contract without payment being received in cash in immediately preceding last five years ended 31st March, 2017 – 526894 equity shares (previous period of five years ended 31st March, 2016 - 526894 equity shares).

(h) The aggregate number of equity shares bought back in immediately preceding last five years ended 31st March, 2017 - 10000000 equity shares (previous period of five years ended 31st March, 2016 - 11960988 equity shares).

(i) The Company has reserved 68000 (31st March, 2016 158200) equity shares of par value ₹ 1/- each for issue at a premium of ₹ 44/- each to eligible employees of the Company under Employee Stock Option Scheme. All these shares are vested and are exercisable at any point of time. Refer Note No. 40(2) for terms of Employee Stock Option Scheme.

Notes forming part of the Standalone Financial Statements

Note No. : 19 Other equity

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
(a) Capital reserves						
Balance as per last account		1075.58		1075.58		1075.58
(b) Capital redemption reserve						
Balance as per last account	2654.10		2654.10			2654.10
Add: Transfer from securities premium on buyback of equity shares [Refer Note No. 40(9)]	100.00	2754.10	-	2654.10		
(c) Securities premium reserve						
Balance as per last account	51917.94		51891.16			51891.16
Add: On exercise of Employee Stock Options Scheme	48.32		26.78			
Less: Utilised on buy back of equity shares	17400.00		-			
Less: Transfer to capital redemption reserve on buy back of equity shares [Refer Note No. 40(9)]	100.00	34466.26	-	51917.94		
(d) Share options outstanding account						
Balance as per last account	53.12		74.17			74.17
Less: Options exercised	21.62		12.04			
Less: Options forfeited	13.41	18.09	9.01	53.12		
(e) General reserve						
Balance as per last account		64977.91		64977.91		64977.91
(f) Storage fund for molasses						
Balance as per last account	114.30		97.06			97.06
Add: Created during the year	18.61		17.24			
Less: Utilised during the year	15.16	117.75	-	114.30		
(g) Retained earnings						
Balance as per last account	(91.21)		(10079.73)			(10079.73)
Add: Net Profit for the year	59228.65		10026.21			
Add: Transfer from other comprehensive income	(362.95)		(37.69)			
Less: Buyback expenses, net of tax ₹ 46.94 lacs [Refer Note No. 40(9)]	88.70		-			
Amount available for appropriation	58685.79		(91.21)			
Less : Appropriations:						
Interim dividend	8574.59		-			
Tax on interim dividend	1745.58	48365.62	-	(91.21)		
(h) Other comprehensive income						
Balance as per last account	-		-			-
Add: Other comprehensive income for the year	(362.95)		(37.69)			
Less: Transfer to retained earnings	362.95	-	37.69	-		
		151775.31		**120701.74**		**110690.25**

Notes:

i) The share options outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in the share options outstanding account are transferred to securities premium reserve upon exercise of stock options by employees.

ii) General reserve is primarily created to comply with the requirements of section 123(1) 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.

iii) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974 and the said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹149.56 lacs (Previous year ₹136.93 lacs).

Notes forming part of the Standalone Financial Statements

Note No. : 20 Borrowings

(i) Non-current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Term loans						
From banks						
Secured						
Rupee loans:						
State Bank of India (SBI)	5833.60		23245.67		17696.07	
Punjab National Bank (PNB)	1546.73		8458.24		4921.38	
HDFC Bank Ltd. (HDFC)	3450.00	10830.33	8655.44	40359.35	3600.00	26217.45
FCNR - B Loan:						
State Bank of India (SBI)		-		7151.10		12239.60
From entities other than banks						
Secured						
Rupee loans:						
Government of India, Sugar Development Fund (SDF)		1600.21		2133.61		4457.34
		12430.54		**49644.06**		**42914.39**

a) **Nature of securities:**

i) Rupee Term Loan from SBI amounting to ₹11666.80 lacs (31st March, 2016: ₹17500.00 lacs and 1st April, 2015: ₹17500.00 lacs) under Scheme for Extending Financial Assistance to Sugar Undertakings, 2014, is secured by pari passu first charge, by way of hypothecation of all the movable and immovable fixed assets, both present and future, pertaining to all the ten sugar divisions of the Company viz; Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur.

ii) Rupee Term Loan from SBI amounting to Nil (31st March, 2016: ₹13638.00 lacs and 1st April, 2015: Nil) under the Soft Loan Scheme, was secured by pari passu first charge on all the movable and immovable fixed assets of ten sugar divisions of the Company viz; Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur. The said amount has been fully repaid during the year.

iii) Rupee/FCNR-B Term Loan from SBI amounting to Nil (31st March, 2016: ₹12636.95 lacs and 1st April, 2015: ₹15282.20 lacs) was secured by first charge, by way of hypothecation of movable fixed assets, both present and future, pertaining to Company's sugar and cogeneration divisions at Balrampur, Akbarpur and Mankapur and was further secured by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the sugar divisions of the Company. The hypothecation charge on the stocks as mentioned above ranked pari passu with PNB and HDFC for their Working capital loans. The said amount has been fully repaid during the year.

iv) Rupee Term Loan from PNB amounting to ₹3234.06 lacs (31st March, 2016: ₹4921.39 lacs and 1st April, 2015: ₹5062.00 lacs) under Scheme for Extending Financial Assistance to Sugar Undertakings, 2014, is secured by residual charge, by way of hypothecation of all the movable fixed assets, both present and future, pertaining to all the sugar divisions of the Company.

v) Rupee Term Loan from PNB amounting to Nil (31st March, 2016: ₹3250.00 lacs and 1st April, 2015: Nil) was secured by pari passu first charge, by way of hypothecation on the fixed assets of Mankapur distillery division of the Company. The said amount has been fully repaid during the year.

Notes forming part of the Standalone Financial Statements

Note No. : 20 Borrowings *(contd.)*

vi) Rupee Term Loan from PNB amounting to Nil (31st March, 2016: ₹3116.00 lacs and 1st April, 2015: Nil) under the Soft Loan Scheme, was secured by pari passu first charge on all the movable and immovable fixed assets of ten sugar divisions of the Company viz; Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur. The said amount has been fully repaid during the year.

vii) Rupee Term Loan from HDFC amounting to ₹3450.00 lacs (31st March, 2016: ₹3600.00 lacs and 1st April, 2015: ₹3600.00 lacs) is secured by first charge, by way of hypothecation of movable fixed assets, both present and future, pertaining to Company's distillery divisions at Babhnan and Mankapur.

viii) Rupee Term Loan from HDFC amounting to Nil (31st March, 2016: ₹2900.00 lacs and 1st April, 2015: Nil) was secured by pari passu first charge, by way of hypothecation of the movable fixed assets of Balrampur distillery division of the Company. The said amount has been fully repaid during the year.

ix) Rupee Term Loan from HDFC amounting to Nil (31st March, 2016: ₹3150.00 lacs and 1st April, 2015: Nil) under the Soft Loan Scheme, was secured by pari passu first charge on all the movable and immovable fixed assets of ten sugar divisions of the Company viz; Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur. The said amount has been fully repaid during the year.

x) Rupee Term Loans from SDF amounting to ₹2133.61 lacs (31st March, 2016: ₹2667.01 lacs and 1st April, 2015: ₹2667.01 lacs) is secured by an exclusive second charge by way of equitable mortgage on immovable properties and hypothecation of movable properties (excluding current assets and book debts), both present and future, pertaining to Company's sugar and cogeneration divisions at Rauzagaon.

xi) Release of securities in respect of a long - term loan fully repaid by the Company is in progress.

Notes forming part of the Standalone Financial Statements

Note No. : 20 Borrowings *(contd.)*

b) Terms of repayment :

Name of the banks / entities	Rate of Interest (ROI) (%)	Amount outstanding at at 31st March, 2017		Amount outstanding as at 31st March, 2016		Amount outstanding as at 1st April, 2015		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2017	Number of installments outstanding as at 31st March, 2017	Amount of each installment (₹ in Lacs)	Details of security offered	
		Current (₹ in Lacs)	Non current (₹ in Lacs)	Current (₹ in Lacs)	Non current (₹ in Lacs)	Current (₹ in Lacs)	Non current (₹ in Lacs)					
1 State Bank of India	* 12% p.a. (Fixed)	5833.20	5833.60	5833.20	11666.80	-	17500.00	2 years	8	∞ 1458.30	Refer note no. 20 (i) (a)	(i) above
	ROI - N.A. since repaid	-	-	1704.60	11269.19 †	-	-	-	-	-	Refer note no. 20 (i) (a)	(ii) above
	ROI - N.A. since repaid	-	-	5136.95	7460.78 ^	2782.20	12435.68 ^^	-	-	-	Refer note no. 20 (i) (a)	(iii) above
	Sub - Total	5833.20	5833.60	12674.75	30396.77	2782.20	29935.68					
2 Punjab National Bank	* 12% p.a. (Fixed)	1687.33	1546.73	1687.33	3234.06	140.62	4921.38	2 years	23	140.61	Refer note no. 20 (i) (a)	(iv) above
	ROI - N.A. since repaid	-	-	406.25	2843.75	-	-	-	-	-	Refer note no. 20 (i) (a)	(v) above
	ROI - N.A. since repaid	-	-	584.25	2380.43 ††	-	-	-	-	-	Refer note no. 20 (i) (a)	(vi) above
	Sub - Total	1687.33	1546.73	2677.83	8458.24	140.62	4921.38					
3 HDFC Bank Limited	HDFC Base Rate (+) 0.40%	-	3450.00	-	3600.00	-	3600.00	1 year 7 months 17 days	1	3450.00	Refer note no. 20 (i) (a)	(vii) above
	ROI - N.A. since repaid	-	-	644.44	2255.56	-	-	-	-	-	Refer note no. 20 (i) (a)	(viii) above
	ROI - N.A. since repaid	-	-	196.88	2799.88 †††	-	-	-	-	-	Refer note no. 20 (i) (a)	(ix) above
	Sub - Total	-	3450.00	841.32	8655.44	-	3600.00					
4 Government of India, Sugar Development Fund	# Bank Rate (-) 2% i.e. 4% p.a.	533.40	1600.21	533.40	2133.61	-	2667.01	3 years 5 months 15 days	4	533.40	Refer note no. 20 (i) (a)	(x) above
	ROI - N.A. since repaid	-	-	118.83	-	237.66	118.83	-	-	-		
	ROI - N.A. since repaid	-	-	171.49	-	342.98	171.49	-	-	-		
	ROI - N.A. since repaid	-	-	-	-	638.88	-	-	-	-		
	ROI - N.A. since repaid	-	-	-	-	300.00	1500.00	-	-	-		
	Sub - Total	533.40	1600.21	823.72	2133.61	1519.52	4457.33					
5 International Finance Corporation, Washington	ROI - N.A. since repaid	-	-	-	-	1923.60@	-					
	Sub - Total	-		-	-	1923.60	-					
	Grand-Total	8053.93	12430.54	17017.62	49644.06	6365.94	42914.39					

* Entitled for interest subvention from Sugar Development Fund up to 12.00% p.a.

∞ Except last four installments of ₹ 1458.40 lacs each.

Bank rate as prevailing on the date of disbursement.

@ Including ₹ 176.08 lacs on account of effective interest rate adjustment.

^ Including ₹ (39.22) lacs on account of effective interest rate adjustment.

^^ Including ₹ (64.32) lacs on account of effective interest rate adjustment.

† Including ₹ (664.21) lacs on account of effective interest rate adjustment in the nature of Government Grant.

†† Including ₹ (151.32) lacs on account of effective interest rate adjustment in the nature of Government Grant.

††† Including ₹ (153.24) lacs on account of effective interest rate adjustment in the nature of Government Grant.

Notes forming part of the Standalone Financial Statements

Note No. : 20 Borrowings *(contd.)*

(ii) Current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Loans repayable on demand						
Working capital loans						
From banks						
Secured						
State Bank of India (SBI)	19662.22		50800.49		52920.96	
Punjab National Bank (PNB)	20967.42		22507.08		17500.04	
HDFC Bank Ltd. (HDFC)	7587.82	48217.46	11134.28	84441.85	12861.88	83282.88
Unsecured						
HDFC Bank Ltd. (HDFC)		14000.00		15000.00		2500.00
Other loans and advances						
Working capital loans						
From banks						
Secured						
State Bank of India (SBI)		-		-		17205.24
Unsecured						
State Bank of India (SBI)		59284.12		-		-
HDFC Bank Ltd. (HDFC)		29818.09		-		14420.64
From entities other than banks						
Unsecured		6424.04		-		-
		157743.71		99441.85		117408.76
Summary of current borrowings						
Secured borrowings		48217.46		84441.85		100488.12
Unsecured borrowings		109526.25		15000.00		16920.64
		157743.71		99441.85		117408.76

Nature of securities :

a) Working capital loans from SBI are secured / to be secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar divisions of the Company on pari passu basis with PNB and HDFC.

ii) by way of exclusive hypothecation of entire current assets of all the Cogeneration divisions of the Company.

iii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar divisions of the Company on pari passu with PNB and HDFC.

b) Working capital loans from PNB are secured/to be secured :

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar divisions of the Company on pari passu basis with SBI and HDFC.

ii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar divisions of the Company on pari passu with SBI and HDFC.

c) Working capital loans from HDFC are secured / to be secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar divisions of the Company on pari passu basis with SBI and PNB.

ii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar divisions of the Company on pari passu with SBI and PNB.

Notes forming part of the Standalone Financial Statements

Note No. : 21 Other financial liabilities

(i) Non-current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Interest accrued but not due on borrowings		459.28		563.57		609.69
		459.28		**563.57**		**609.69**

(ii) Current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Current maturities of long - term debt *		8053.93		17017.62		6365.94
Interest accrued but not due on borrowings		361.11		688.65		711.88
Unpaid dividend @		110.51		90.01		100.64
Other payables						
Retention monies	1131.31		934.24		254.62	
Security deposits	297.71		283.59		286.91	
Book overdraft balances	-		101.87		134.59	
Accrued expenses	264.19		153.94		215.00	
Unpaid salaries and other payroll dues	3418.86		2120.41		1653.50	
Others	582.86	5694.93	604.37	4198.42	635.78	3180.40
		14220.48		**21994.70**		**10358.86**
Carried at fair value through profit or loss						
Foreign exchange forward contracts	-		100.51		149.45	
Cross currency Interest rate swaps	-	-	-	100.51	81.79	231.24
		14220.48		**22095.21**		**10590.10**

* Refer Note No. 20 (a) & (b) for nature of securities and terms of repayment respectively.

@ There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note No. : 22 Government grants

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Opening balance		1135.06		17.44		17.44
Add: Received during the year		-		2110.46		-
Less: Released to the Statement of Profit and Loss		975.86		992.84		-
Closing balance		**159.20**		**1135.06**		**17.44**
Current		7.09		975.86		1.09
Non - Current		152.11		159.20		16.35
[Refer Note No. 40(5) for other disclosures]						

Notes forming part of the Standalone Financial Statements

Note No. : 23 Provisions

(i) Non-Current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Provision for employee benefits - unavailed leave		318.18		259.31		265.79
[Refer Note No. 40(10)]						
		318.18		**259.31**		**265.79**

(ii) Current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Provision for employee benefits - unavailed leave		321.29		289.12		300.27
[Refer Note No. 40(10)]						
Other provisions						
Provision for wealth tax	45.34		73.68		73.68	
Less : Advance wealth tax	45.34		65.81		42.87	
	-		7.87		30.81	
Provision for contingencies [Refer Note No. 40(4)]	6.94	6.94	6.94	14.81	6.94	37.75
		328.23		**303.93**		**338.02**

Notes forming part of the Standalone Financial Statements

Note No. : 24 Deferred tax liabilities (net)

As at 31st March, 2017 (₹ in Lacs)

Particulars	Opening Balance	Recognized in profit or loss	Reclassified from equity to profit or loss	Recognized in other comprehen-sive income	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Depreciation	25773.33	(444.29)	-	-	25329.04
Investment	231.88	(96.91)	-	-	134.97
Others	13.57	(13.57)	-	-	-
	26018.78	**(554.77)**	**-**	**-**	**25464.01**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses / unabsorbed depreciation	149.81	-	-	-	149.81
Expenses allowable on payment basis	4169.27	497.97	-	-	4667.24
VRS expenses	113.47	(28.37)	-	-	85.10
MAT credit entitlement	5642.00	579.37	-	-	6221.37
Others	2.44	(1.83)			0.61
	10076.99	**1,047.14**	**-**	**-**	**11124.13**
Net deferred tax liabilities / expense	**15941.79**	**(1601.91)**	**-**	**-**	**14339.88**
As at 31st March, 2016					
Tax effect of items constituting deferred tax liabilities					
Depreciation	25645.15	128.18	-	-	25773.33
Investment	169.21	62.67	-	-	231.88
Others	25.45	(11.88)	-	-	13.57
	25839.81	**178.97**	**-**	**-**	**26018.78**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses / unabsorbed depreciation	181.06	(31.25)	-	-	149.81
Expenses allowable on payment basis	2539.63	1629.64	-	-	4169.27
VRS expenses	-	113.47	-	-	113.47
MAT credit entitlement	5642.00	-			5642.00
Others	23.86	(21.42)			2.44
	8386.55	**1690.44**	**-**	**-**	**10076.99**
Net deferred tax liabilities / expense	**17453.26**	**(1511.47)**	**-**	**-**	**15941.79**

In assessing the realisability of the deferred tax assets, management cosniders whether some portion or all of the deferred tax assets will not be realized.

The ultimate realisation of the deferred tax assets, carried forward losses and unused tax credits is dependent upon the generation of future taxable income during the periods in which the temporary difference become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and the planning strategies in making this assessment. Based on the historical taxable income and projection of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realise the benefits of those recognised deductible differences, carried forward losses and portion of unused tax credits.

Considering the probability of future taxable profits in the period in which MAT credit expire, deferred tax assets have not been recognized in respect of some portion of MAT credit carried forward by the Company.

Unused tax credit for which no deferred tax asset was recognised expire as follows:

Particulars	Amount (₹ in lacs)	Year of expiry *
As at 31st March, 2017	3890.99	Assessment Year (AY) 2024-25 to AY 2029-30
As at 31st March, 2016	7847.32	Assessment Year (AY) 2017-18 to AY 2024-25
As at 1st April, 2015	7847.32	Assessment Year (AY) 2017-18 to AY 2024-25

*Expiry date has been stated based on the last day of the financial year for which MAT Credit is available for use as per prevailing tax laws as at the reporting date.

Notes forming part of the Standalone Financial Statements

Note No. : 25 Other Non-current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred gain on changes in fair value of financial assets	27.59	735.29	626.67
	27.59	**735.29**	**626.67**

Note No. : 26 Trade and other payables

Current

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade payables			
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 40(3)]	44.76	34.84	46.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	29120.01	41759.65	73570.64
	29164.77	**41794.49**	**73616.75**
Other payables			
Payable to suppliers of capital goods			
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 40(3)]	144.32	158.41	0.46
Total outstanding dues of creditors other than micro enterprises and small enterprises	228.58	382.29	57.12
	372.90	**540.70**	**57.58**
	29537.67	**42335.19**	**73674.33**

Note No. : 27 Other Current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Other advances			
Advances from customers and others	1283.31	639.09	216.83
Others			
Statutory liabilities *	14570.30	13171.03	7144.41
	15853.61	**13810.12**	**7361.24**
* Includes excise duty on closing stock (₹ in Lacs)	13113.25	12084.61	6309.99

Note No. : 28 Current tax liabilities (net)

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for taxation	-	2289.66	-
Less: Advance tax	-	2037.81	-
	-	**251.85**	**-**

Notes forming part of the Standalone Financial Statements

Note No. : 29 Revenue from operations

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
(i) Sale of goods				
Sugar	301675.86		227300.24	
Industrial alcohol	32420.02		29396.11	
Power	24596.37		25350.39	
Organic manure	-		891.91	
Molasses	1518.14		1301.20	
Renewable energy certificates	2931.54		2623.42	
Others	957.78	364099.71	543.50	287406.77
(ii) Other operating revenue		-		-
Revenue from operations		**364099.71**		**287406.77**

Note No. : 30 Other income

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
Interest income on financial assets carried at amortized cost				
Non-current investments				
Debentures	363.43		383.58	
National saving certificates	0.60		0.85	
	364.03		384.43	
Deposit with banks and others	40.15	404.18	166.14	550.57
Interest income on income tax refund		271.51		11.55
Net gain on sale of highly liquid investments				
(treated as cash equivalent)		398.01		331.95
Government grant [Refer Note No. 40(5)]		187.58		1.15
Fair value gain on re-measurement of biological assets through profit or loss		50.40		40.68
Other non-operating income				
Allowance for bad and doubtful advances written back	-		224.02	
Less: Advances written off	-		223.60	
	-		0.42	
Insurance claims	84.94		87.35	
Cane commission liability no longer payable written back	-		2752.55	
Unspent liabilities/balances written back	336.61		305.45	
Refund of cane purchase tax	356.64		-	
Recovery towards balances written back earlier	0.83		213.39	
Storage fund for molasses written back	15.16		-	
Provision for wealth tax for earlier years written back	7.87		-	
Miscellaneous	380.50	1182.55	352.76	3711.92
		2494.23		**4647.82**

Notes forming part of the Standalone Financial Statements

Note No. : 31 Cost of materials consumed

(₹ in Lacs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Sugar cane	256229.79	209815.07
Molasses	1121.49	996.87
Bagasse	223.02	412.65
Pressmud	-	29.61
Others	110.26	-
	257684.56	**211254.20**

Note No. : 32 Changes in inventories of finished goods, by-products and work-in-progress

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Finished goods				
Opening stock				
Sugar	165311.32		147017.15	
Industrial alcohol	2386.61		1732.61	
Banked power	113.42		88.52	
Organic manure	1.56	167812.91	78.50	148916.78
Less : Closing stock				
Sugar	204419.91		165311.32	
Industrial alcohol	3443.52		2386.61	
Banked power	77.47		113.42	
Organic manure	-	207940.90	1.56	167812.91
Less: Power used during the trial run of capital projects		20.45		-
Total (A)		(40148.44)		(18896.13)
By-products				
Opening stock		8189.27		6872.70
Less : Closing stock		9519.72		8189.27
Less: Used during the trial run of capital projects		130.96		156.06
Total (B)		(1461.41)		(1472.63)
Work- in-progress				
Opening stock				
Sugar	1119.96		1942.25	
Molasses	101.37		214.62	
Organic manure	-	1221.33	35.13	2192.00
Less : Closing stock				
Sugar	2368.26		1119.96	
Molasses	223.97	2592.23	101.37	1221.33
Total (C)		(1370.90)		970.67
Total (A+B+C)		(42980.75)		(19398.09)
Less : Excise duty on stock *		(1028.64)		(5774.62)
		(41952.11)		(13623.47)

* The amount of excise duty on stock represents differential excise duty on opening and closing stock.

Notes forming part of the Standalone Financial Statements

Note No. : 33 Employee benefits expense

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
Salaries and wages		15952.34		13298.51
Contribution to provident and other funds		1798.78		1505.19
Employee stock option expense [Refer Note No. 40(2)]		(13.41)		(9.01)
Staff welfare expense		353.42		300.20
		18091.13		**15094.89**

Note No. : 34 Finance costs

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Interest expense				
On long term borrowings	766.21		1248.42	
On short term borrowings	4671.46		5233.34	
Others *	45.59	5483.26	132.39	6614.15
Other borrowing costs		59.54		40.38
		5542.80		**6654.53**
* Includes interest on late payment of statutory dues (₹ in Lacs)		0.38		0.02
* Includes interest on shortfall in payment of advance income-tax (₹ in Lacs)		13.98		89.66

Note No. : 35 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Depreciation and amortisation of property, plant and equipment		10394.43		10916.78
[Refer Note No. 4]				
Amortisation of intangible assets		99.28		93.74
[Refer Note No. 5]				
		10493.71		**11010.52**

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Consumption of stores and spare parts		2307.51		2263.04
Packing materials		2697.39		2543.56
Power and fuel @		524.48		574.05
Rent		68.80		62.50
Repairs				
Buildings	255.47		246.03	
Machinery	3472.63		3694.50	
Others	195.36	3923.46	185.44	4125.97
Insurance		509.36		490.60
Rates and taxes (excluding taxes on income)		584.88		256.70
Commission to Non-executive directors		71.81		20.60
Payments to auditor				
As auditor for statutory audit	38.06		37.69	
For taxation matters	10.15		10.05	
For other services (Limited reviews and certifications)	16.27		16.33	
For reimbursement of expenses	0.51	64.99	0.44	64.51
Cost audit fees		3.55		3.52
Net loss on foreign currency transactions and translations		1.60		116.95
Charity and donation		35.82		13.96
Corporate social responsibility expense [Refer Note No. 40(7)]		44.23		62.74
Directors' fees		28.05		20.25
Professional expenses [Refer Note No. 40(5)]		532.75		2799.50
Miscellaneous expenses		8201.71		7007.67
Loss on impairment of property, plant and equipment		-		148.79
Loss on sale/discard of property, plant and equipment (net)		2925.76		324.70
Cane commission subsidy no longer receivable written off		2106.83		-
Sundry debit balances/advances written off		49.07		14.68
Payment towards balances written back earlier		0.43		3.43
Cultivation expenses		30.72		32.43
Allowance for doubtful loans and advances		8.27		1.09
Loss on sale of non-current investment		458.95		-
Bad debts written off	24.86		95.17	
Less : Allowance for bad and doubtful trade receivables	-	24.86	95.17	-
Transfer to storage fund for molasses		18.61		17.24
Fair value loss on financial instruments at fair value through profit or loss		8.82		874.79
		25232.71		**21843.27**
@ Includes captive consumption of steam and power generated during trial run of capital projects (₹ in Lacs)		-		140.61

Notes forming part of the Standalone Financial Statements

Note No. : 37 Exceptional items

(₹ in Lacs)

Particulars	Year ended 31st March, 2017	Year ended 3 1st March, 2016
Claims receivable written off [Refer Note No. 40(15)]	-	16900.57
Voluntary retirement scheme expense	-	409.84
	-	**17310.41**

Note No. : 38 Tax expense

(₹ in Lacs)

Particulars		Year ended 31st March, 2017	Year ended 3 1st March, 2016
Current tax		15788.07	2254.75
Deferred tax [Refer Note No. 24]		(1601.91)	(1511.47)
		14186.16	**743.28**
Reconciliation of Tax Expense			
Profit before tax		73414.81	10769.49
Applicable tax rate		34.608%	34.608%
Computed tax expense	(A)	**25407.40**	**3727.11**
Adjustments for:			
Income exempt for tax purpose		(9.53)	(2.86)
Expenses not allowed for tax purpose		524.63	5868.70
Additional allowances for tax purpose		(1.96)	(133.68)
Effect of tax deductions		(7786.81)	(8552.06)
Utilization of unabsorbed depreciation		-	(1594.03)
Changes in recognized deductible temporary differences		38.74	1306.00
Effect of transition adjustment under MAT		(29.97)	-
Recognition of MAT credit		(3956.34)	-
Other temporary differences		-	124.10
Net adjustments	(B)	**(11221.24)**	**(2983.83)**
Tax Expense		**14186.16**	**743.28**

Note No. : 39 Other comprehensive income

(₹ in Lacs)

Particulars	Year ended 31st March, 2017	Year ended 3 1st March, 2016
Items that will not be reclassified to profit or loss		
Re-measurements of defined benefit plans	(555.04)	(47.92)
Less: Income tax relating to items that will not be reclassified to profit or loss	192.09	10.23
	(362.95)	**(37.69)**

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

a) Contingent liabilities : (₹ in Lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(i)	Claims against the Company not acknowledged as debts :			
a)	Excise duty demand - under appeal	277.62	278.00	307.84
b)	Sales tax demand- under appeal	10.43	11.30	11.10
c)	Others - under appeal/litigation	704.43	705.46	884.64
		992.48	**994.76**	**1203.58**
(ii)	Claims for acquisition of 1.99 acres of land for the Distillery unit at Balrampur and compensation there against is under dispute as the matter is subjudice	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

The amounts shown in (i) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals.

b) Commitments : (₹ in Lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	2874.15	6030.62	2521.09
ii)	Advance paid against above	581.22	1096.74	816.02

2. The Employee Stock Option Scheme 2005 (Scheme 2005) of the Company was formulated by the Committee of the Board of Directors of the Company and approved by the Board at its meeting held on 11th August, 2005, and 31st October, 2005 and by the shareholders at the Extraordinary General Meeting of the Company held on 8th September, 2005 and in accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 prescribed by the Securities and Exchange Board of India.

   Employees covered under the Employee stock option scheme are granted an option to purchase equity shares of the Company at the exercise price determined by the Remuneration Committee (presently re-named as "Nomination & Remuneration Committee") on the date the option is granted. It is based on the average daily closing market price of the equity shares of the Company during the preceding 26 weeks, prior to the date of grant.

   Under the said Scheme, Options granted have vesting period of one year and exercise period of maximum eight years.

   The shareholders of the Company at their Extra-Ordinary General Meeting held on 25th May, 2009 had accorded approval to re-price the exercise price of the options granted in the years 2005-06 (1st series), 2006-07 (2nd series), 2007-08 (3rd series), and 2008-09 (4th series), which have not been exercised, and also to the exercise price in respect of options to be granted for the year 2008-09 (5th series), at 20% discount to the average daily closing market price of the Company's share, on the stock exchange it is traded most, during the preceding 26 weeks prior to the date of the meeting Accordingly, the Remuneration Committee (presently re-named as "Nomination & Remuneration Committee") on 28th May, 2009 had re-priced the exercise price of the unexercised options for the years 2005-06 (1st series), 2006-07 (2nd series), 2007-08 (3rd series) and 2008-09 (4th series) and granted stock options for the year 2008-2009 (5th series) at an exercise price of ₹45/- per equity share.

   The maximum number of options granted till date stands at 5245500 and each option is equivalent to one equity share of par value of ₹1/- each of the Company.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

The details of Options granted, lapsed and exercised are as under :

Year of Issue	2006-07	2007-08	2008-09	2008-09	Total
Series	2nd	3rd	4th	5th	
Date of grant of Option	27/11/2006	27/11/2007	25/11/2008	28/05/2009	
Initial exercise price (₹)	104.10	72.20	74.20	45.00	
Revised exercise price (₹)	45.00	45.00	45.00	Not applicable	
Market price on the date of grant (₹)	87.65	90.75	35.40	82.35	
Excess of initial exercise price over revised exercise price (₹)	59.10	27.20	29.20	Not applicable	
Excess of market price over exercise price/ revised exercise price (₹)	42.65	45.75	-	37.35	
As at 31st March, 2017:					
Outstanding at the beginning of the year (Nos.)	-	31500	23000	103700	158200
Granted (Nos.)	-	-	-	-	-
Exercised (Nos.)		3000	3500	54200	60700
Forfeited and expired (Nos.)		28500	-	1000	29500
Outstanding at the end of the year (Nos.)	-	-	19500	48500	68000
Exercisable at the end of the year (Nos.)	-	-	19500	48500	68000
As at 31st March, 2016:					
Outstanding at the beginning of the year (Nos.)	18500	32500	24500	137700	213200
Granted (Nos.)	-	-	-	-	-
Exercised (Nos.)	-	1000	1500	31000	33500
Forfeited and expired (Nos.)	18500	-	-	3000	21500
Outstanding at the end of the year (Nos.)	-	31500	23000	103700	158200
Exercisable at the end of the year (Nos.)	-	31500	23000	103700	158200

Total Number of Options outstanding/exercisable as at 1st April, 2015 relating to 1st series is Nil. Therefore, details for the same has been excluded from above table.

The weighted average share price of options exercised during the year ended 31st March, 2017 was ₹45/- (31st March, 2016: ₹45/-) for each option.

There were no modifications to the terms of Scheme 2005 either in the current year or in the previous years other than the re-repricing as stated above.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

The following table summarizes information about outstanding stock options:

Series	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	Number of options	Weighted average remaining life (Years)	Weighted average exercise price (₹)	Number of options	Weighted average remaining life (Years)	Weighted average exercise price (₹)	Number of options	Weighted average remaining life (Years)	Weighted average exercise price (₹)
2nd	-	-	-	-	-	-	18500	0.66	45.00
3rd	-	-	-	31500	0.66	45.00	32500	1.66	45.00
4th	19500	0.65	45.00	23000	1.65	45.00	24500	2.65	45.00
5th	48500	1.16	45.00	103700	2.16	45.00	137700	3.16	45.00

Other information:

a) Options vested upto 31st March, 2017 : 4593000 (31st March, 2016 : 4593000 ; 1st April, 2015: 4593000)

b) Options exercised upto 31st March, 2017 : 4395000 (31st March, 2016 : 4334300 ; 1st April, 2015: 4300800)

c) Options exercised during the year ended 31st March, 2017 : 60700 (31st March, 2016 : 33500)

d) Total number of equity shares arising as a result of exercise of options as at 31st March, 2017 : 4395000 (31st March, 2016 : 4334300 ; 1st April, 2015: 4300800)

e) Options lapsed upto 31st March, 2017 : 782500 (31st March, 2016 : 753000 ; 1st April, 2015: 731500)

f) Options lapsed during the year ended 31st March, 2017 : 29500 (31st March, 2016 : 21500)

g) Money realised on exercise of options upto 31st March, 2017 : ₹2001.92 lacs (31st March, 2016 : ₹1974.60 lacs; 1st April, 2015: ₹1959.53 lacs)

h) Money realised on exercise of options during the year ended 31st March, 2017 : ₹27.32 lacs (31st March, 2016 : ₹15.07 lacs)

i) Total number of options in force as at 31st March, 2017 : 68000 (31st March, 2016 : 158200 ; 1st April, 2015: 213200)

j) Details of option granted to

(i) Senior Managerial Personnel: No Options have been granted either during the year ended 31st March, 2017 or during the year ended 31st March, 2016,

(ii) Any other employee who receives a grant in any one year of Options amounting to 5% or more of Options granted during year ended 31st March, 2017 - Nil (31st March, 2016 - Nil), and

(iii) Identified employees who were granted Options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant - Nil (31st March, 2016 - Nil).

Note No. : 40 Other disclosures *(contd.)*

3. Based on the information/documents available with the Company, detail as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

As at 31st March, 2017 (₹ in Lacs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
a)	The principal amount remaining unpaid to suppliers as at the end of accounting year*	42.73	142.33	185.06
b)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	0.63	1.43	2.06
c)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	3.28	-	3.28
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.40	0.56	1.96
e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year*	2.03	1.99	4.02
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 26.

As at 31st March, 2016 (₹ in Lacs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
a)	The principal amount remaining unpaid to suppliers as at the end of accounting year*	31.56	158.41	189.97
b)	The interest due thereon remaining unpaid to suppliers as at the end accounting year	1.69	-	1.69
c)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	8.68	-	8.68
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.59	-	1.59
e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year*	3.28	-	3.28
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 26.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

As at 1st April, 2015 (₹ in Lacs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
a)	The principal amount remaining unpaid to suppliers as at the beginning of accounting year*	37.43	0.46	37.89
b)	The amount of interest remaining unpaid at the beginning of the accounting year*	8.68	-	8.68
c)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 26.

4. Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets :

(i) Nature of provision

Provision for contingencies

Provision for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other litigation claims against the Company based on the Management's assessment.

(ii) Movement in provision:- (₹ in Lacs)

Particulars	Duties and taxes	Other litigation claims	Total
Balance as at 1st April, 2016	6.31	0.63	6.94
Provided during the year	-	-	-
Used during the year	-	-	-
Reversed during the year	-	-	-
Balance as at 31st March, 2017	**6.31**	**0.63**	**6.94**
Non-current	-	-	-
Current	6.31	0.63	6.94
Balance as at 1st April, 2015	**6.31**	**0.63**	**6.94**
Provided during the year	-	-	-
Used during the year	-	-	-
Reversed during the year	-	-	-
Balance as at 31st March, 2016	**6.31**	**0.63**	**6.94**
Non-current	-	-	-
Current	**6.31**	**0.63**	**6.94**

It is not possible to estimate the timing/uncertainities relating to utilisation /reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals.

The Company does not expect any reimbursement in respect of above provisions.

Note No. : 40 Other disclosures *(contd.)*

5 (i) The Company is eligible to receive various government grants by way of reimbursement of cane price, production subsidy, society commission and interest subvention on certain term loans. Accordingly, the Company has recognised these government grants in the following manner:

(₹ in Lacs)

Sl. No.	Particulars	Treatment in Accounts	2016-17	2015-16
	Revenue related Government Grants:			
i)	Cane price subsidy (Refer note (a) below)	Deducted from cost of materials consumed	-	1,238.75
ii)	Production subsidy (Refer note (b) below)	Deducted from cost of materials consumed	54.27	3,113.15
iii)	Society commission	Deducted from cost of materials consumed	-	2,186.13
iv)	Interest on term loans	Deducted from interest expense on long term borrowings	2,460.31	2,797.30
		Shown as separate line item "Government grant" under Other Income	180.49	-
	Deferred Government Grants:			
v)	Deferred income relating to interest on term loans	Deducted from interest expense on long term borrowings	968.77	991.69
vi)	Deferred income relating to property, plant and equipment	Shown as separate line item "Government grant" under Other Income	7.09	1.15
			3,670.93	**10,328.17**

Notes:

(a) Cane price subsidy of ₹28.60 per quintal of cane paid by the Government of Uttar Pradesh for the sugar season 2014-15.

(b) The Central Government vide its Notification No. 1(10)/2015-SP-I dated 18th September, 2015 announced Minimum Indicative Export Quota (MIEQ) under tradeable export scrip scheme in order to export surplus sugar inventory out of the country. Under the said scheme, the Company was allocated quota of 115642.40 MT for export in respect of its ten sugar units. Further, the Central Government vide its Notification No. 20(43)/2015-SP - I dated 2nd December, 2015 announced a scheme for extending production subsidy @ ₹4.50 per quintal of actual cane crushed during sugar season 2015-16 or the proportionate cane crushed for the average sugar production of the Company's each unit in last three sugar seasons, whichever is lower.

The expenses incurred by the Company towards fulfilment of export obligation amounting to ₹13.30 lacs (31st March, 2016: ₹2,620.41 lacs) has been included under line item "Professional expenses" under Note No. 36 - "Other expenses".

ii. During the year ended 31st March, 2016, society commission on cane for sugar season 2012-13 was reduced to ₹2.00 per quintal of cane by the state government. Accordingly, the Company had written back a sum of ₹2,752.55 lacs which has been disclosed under Note No. 30 - "Other Income".

iii. In addition to the above, the Company had received financial assistance of ₹Nil (31st March 2016: ₹150.00 lacs) from the Hon'ble Ministry of New and Renewable Energy, Government of India. The said amount has been received under scheme to support "Promotion of Grid Interactive Biomass Power and Bagasse Cogeneration in Sugar Mills" notified through circular no. F. No. 13/10/2013 – BM. The entire proceeds of this subsidy have been utilised for prepayment of term loan taken from a bank.

iv. The Company was eligible for government grant by way of reimbursement of Society Cane Commission @ ₹3.00 per quintal of cane for the sugar season 2015-16 in accordance with the notification issued by the Government of Uttar Pradesh and accordingly had accounted for cane commission receivable aggregating to ₹ Nil (31st March, 2016: ₹2106.83 lacs). However, during the year ended 31st March, 2017, the Company has written off the said amount in accordance with the notification dated 28th December, 2016 issued by the Government of Uttar Pradesh as the same is no more receivable.

The said write off of cane commission has been included under "Cane commission subsidy no longer receivable written off" under Note No. 36 - "Other expenses".

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

6. Details of Specified bank notes (SBNs) held and transacted during the period 8th November, 2016 to 30th December, 2016 are as follows:

(₹ in Lacs)

Particulars	Specified Bank notes (SBNs)	Other denomination notes #	Total
Closing cash in hand as at 8th November, 2016	**62.50**	**15.05**	**77.55**
Add: Permitted receipts *	-	240.90	240.90
Less: Permitted payments	-	204.65	204.65
Less: Amount deposited in banks	62.50	0.02	62.52
Closing cash in hand as at 30th December, 2016	-	**51.28**	**51.28**

includes coins

* includes amount withdrawn from banks

7. Expenditure on Corporate Social Responsibility (CSR) activities :

(I) Details of CSR Expenditure:

(₹ in Lacs)

Sl. No.	Particulars	2016-17	2015-16
a)	Gross amount required to be spent by the Company during the year	25.32	96.95
b)	Amount spent during the year :		
	i) Construction/acquisition of any asset		
	- in cash	-	-
	- yet to be paid in cash	-	-
	ii) On purposes other than (i) above		
	- in cash	44.23	62.74
	- yet to be paid in cash	-	-

(ii) The various heads under which the CSR expenditure were incurred in cash is detailed as follows:

(₹ in Lacs)

Sl. No.	Relevant clause of Schedule VII to the Act	Description of CSR activities	2016-17	2015-16
a)	Clause (i)	Promoting healthcare including preventive healthcare	4.69	6.49
b)	Clause (i)	Eradicating hunger, poverty and malnutrition, making available safe drinking water	7.87	1.62
c)	Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects	8.24	30.97
d)	Clause (iii)	Setting up homes and other facilities for orphans, senior citizens and for socially and economically backward groups	3.55	10.05
e)	Clause (iv)	Animal welfare	0.51	0.61
f)	Clause (vii)	Promoting rural sports and nationally recognised sports	19.07	11.53
g)	Clause (x)	Rural development projects	0.30	1.47
h)	Clause (xi)	Slum area development	-	-
i)		Expenditure on administrative overheads	-	-
			44.23	**62.74**

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

8. Earnings per share - The numerators and denominators used to calculate Basic / Diluted earnings per share :

Sl. No	Particulars		2016-17	2015-16
a)	Amount used as the numerator			
	Profit after Tax - (₹ in Lacs)	(A)	59228.65	10026.21
b)	Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share * -	(B)	244167344	244922208
	Add: Weighted average number of dilutive potential equity shares on account of Employees Stock Option Scheme		41725	73601
c)	Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share * -	(C)	244209069	244995809
d)	Nominal value of equity shares	(₹)	1.00	1.00
e)	Basic earnings per share	(₹) (A/B)	24.26	4.09
f)	Diluted earnings per share	(₹) (A/C)	24.25	4.09

* The weighted average number of shares takes into account the weighted average effect of changes in number of shares due to:

(i) buy back of shares and employee stock options during the year ended 31st March, 2017.

(ii) employee stock options during the year ended 31st March, 2016.

9. Pursuant to the approval of the Board of Directors on 15th November, 2016 and shareholders by way of Postal Ballot on 2nd January, 2017, the Company made a Public Announcement on 3rd January, 2017 for Buyback of upto 1,00,00,000 fully paid-up equity shares of face value of ₹1/- each from all the equity shareholders of the Company as at the Record Date, on a proportionate basis, through the Tender Offer route through Stock Exchange Mechanism, subject to compliance with the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 (as amended) ("the Act"), the Companies (Share Capital and Debentures) Rules, 2014 (as amended) to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended) (the "Buyback Regulations"), including any amendments, statutory modifications or re-enactments thereof for the time being in force, and applicable rules and regulations as specified by Reserve Bank of India ("RBI"), amongst others, at the buyback price of ₹175/- per equity share payable in cash, for an aggregate maximum amount of ₹17500.00 lacs representing 14.72% and 14.75% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone and consolidated audited accounts of the Company for the financial year ended on 31st March, 2016, (the last audited financial statements available as at the date of the meeting of Board of Directors approving the Buyback).

The Company has concluded the buy-back offer and in compliance with Regulation 12 of the Buyback Regulations has extinguished 1,00,00,000 equity shares of ₹1/- each from the paid up equity share capital on 2nd March, 2017.

This has resulted in total cash outflow of ₹17635.64 lacs including expenses relating to Buy-back aggregating to ₹135.64 lacs and accordingly ₹17400.00 lacs and ₹88.70 lacs (net of tax of ₹46.94 lacs) has been utilized from the securities premium account and retained earnings respectively pursuant to requirements of the Act. Further, capital redemption reserve of ₹100.00 lacs representing the nominal value of the equity shares bought back has been created out of the securities premium account. Consequent to such buyback, equity share capital has been reduced by ₹100.00 lacs.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

10. **Employee Benefits :**

As per Indian Accounting Standard - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined Contribution Plan :

Employee benefits in the form of Provident Fund, Employee State Insurance Corporation (ESIC) and Labour Welfare Fund are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under :

(₹ in Lacs)

Defined Contribution Plan	2016-17	2015-16
Employer's Contribution to Provident Fund	748.26	582.12
Employer's Contribution to Pension Scheme	608.28	556.01
Employer's Contribution to Labour Welfare Fund	0.01	0.01
Employer's Contribution to Employees' State Insurance Scheme	0.54	0.75

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for the administration investment of the plan assets. The Company contributes all ascertained liabilities towards gratuity to the trust.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the said plan:

a) Details of funded post retirement plans are as follows :

(₹ in Lacs)

	Particulars	2016-17	2015-16
I.	**Expenses recognised in the Statement of Profit and Loss:**		
1	Current service cost	319.29	264.00
2	Past service cost	-	-
3	Net interest on the net defined benefit liability/asset	(13.79)	(34.72)
4	Curtailment	-	-
5	Settlement	-	-
6	Expense recognised in the Statement of Profit and Loss	305.50	229.28
II.	**Other comprehensive income**		
1	Actuarial gain / (loss) arising from:		
	- change in demographic assumptions	-	-
	- change in financial assumptions	182.94	-
	- changes in experience adjustments	438.41	17.58
	- others	-	-
2	(Returns)/loss on plan assets excluding amounts included in interest income	(66.31)	30.34
3	Components of defined benefit costs recognised in Other comprehensive income	555.04	47.92
III.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	3327.08	3655.66
2	Acquisition adjustment	-	-
3	Interest expense	235.74	257.74
4	Past service cost	-	-
5	Current service cost	319.29	264.00
6	Employees' contributions	-	-
7	Benefits paid	367.76	867.90
8	Actuarial gain / (loss) arising from:		
	- change in financial assumptions	182.94	-
	- changes in experience adjustments	438.41	17.58
9	Present value of Defined Benefit Obligation at the end of the year	4135.70	3327.08
IV.	**Change in fair value of plan assets during the year :**		
1	Plan assets at the beginning of the year	3327.08	3655.66
2	Interest income	249.53	292.46
3	Employees' contributions	-	-
4	Employers' contributions	860.54	277.20
5	Benefits paid	367.76	867.90
6	Settlement		
7	Re-measurement (Returns on plan assets excluding amounts included in interest income)	(66.31)	30.34
8	Administration expenses	-	-
9	Fair Value of Plan Assets at the end of the year	4135.70	3327.08
V.	**Net Asset / (Liability) recognised in the Balance Sheet as at the year end:**		
1	Present value of Defined Benefit Obligation	4135.70	3327.08
2	Fair value of Plan Assets	4135.70	3327.08
3	Funded Status [Surplus/(Deficit)]	-	-
4	Net Asset / (Liability) recognised in Balance Sheet	-	-
	Current Liability (Short term)	-	-
	Non-Current Liability (Long term)	-	-

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

(₹ in Lacs)

	Particulars	2016-17	2015-16
VI.	**Actuarial Assumptions :**		
1	Discount Rate (per annum) %	7.50%	8.00%
2	Expected return on Plan Assets (per annum) %	7.50%	8.00%
3	Expected Rate of Salary increase %	5.50%	5.50%
4	Retirement/Superannuation Age (Year)	60	60
5	Mortality Rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VII.	**Major Category of Plan Assets as a % of the Total Plan Assets as at the year end :**		
1	Administered by Insurance Companies	99.95%	100.00%
2	Public Financial Institutions / Public Sector Companies bonds	-	-
3	Central / State Government Securities	-	-
4	Private sector bonds	-	-
5	Others (Cash and cash equivalents)	0.05%	-
VIII.	**Maturity Profile of Defined Benefit Obligation:**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	392.92	346.48
	Between 2 and 5 years	1093.33	952.46
	Between 5 and 10 years	1841.76	1513.95
	Beyond 10 years	5784.16	4979.92
	Total expected payments	**9112.17**	**7792.81**
	The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	16	15
IX.	**Sensitivity analysis on Present value of Defined Benefit Obligations:**		
	Discount rates		
	0.50% Increase	(-) 4.52%	(-) 4.57%
	0.50% Decrease	4.87%	4.51%
	Expected rates of salary increases		
	0.50% Increase	4.91%	4.57%
	0.50% Decrease	(-) 4.60%	(-) 4.66%
	Attrition Rate		
	0.50% Increase	0.15%	(-) 0.05%
	0.50% Decrease	(-) 0.15%	(-) 0.34%
	Mortality Rate		
	10% Increase	0.72%	0.53%
	10% Decrease	(-) 0.72%	(-) 0.91%

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

X. The history of experience adjustments for funded post retirement plans are as follows :

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013
Present value of Defined Benefit Obligation	4135.70	3327.08	3655.68	3220.20	2789.78
Fair value of Plan Assets	4135.70	3327.08	3655.68	3220.20	2789.78
(Deficit)/Surplus	-	-	-	-	-
Effects of Asset Ceiling, if any	-	-	-	-	-
Net Asset / (Liability)	-	-	-	-	-

Note No. : 40 Other disclosures *(contd.)*

b) Details of unfunded post retirement Defined Benefit Obligations are as follows:

(₹ in Lacs)

	Particulars	2016-17	2015-16
I.	**Components of employer expense :**		
1	Current service cost	21.67	76.49
2	Past service cost	-	-
3	Interest cost	19.40	21.10
4	Actuarial (gain) /loss recognised in the year	74.57	(39.34)
5	Expense recognised in the Statement of Profit and Loss	115.64	58.25
II.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	285.94	299.89
2	Interest cost	19.40	21.10
3	Past service cost	-	-
4	Current service cost	21.67	76.49
5	Benefits paid	54.50	72.20
6	Actuarial (gain) /loss recognised in the year	74.57	(39.34)
7	Present value of defined benefit obligation at the end of the year	347.08	285.94
III.	**Net Asset / (Liability) recognised in the Balance Sheet as at the year end:**		
1	Present value of defined benefit obligation	347.08	285.94
2	Fair value of plan assets	-	-
3	Funded status [Surplus/(Deficit)]	(347.08)	(285.94)
4	Net Asset / (Liability) recognised in Balance Sheet	(347.08)	(285.94)
IV.	**Actuarial Assumptions :**		
1	Discount Rate (per annum) %	7.50	8.00
2	Expected rate of Salary increase %	5.50	5.50
3	Retirement/Superannuation Age (Year)	60	60
4	Mortality Rates	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
V.	**Maturity Profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	29.96	27.68
	Between 2 and 5 years	75.99	65.48
	Between 5 and 10 years	127.73	102.89
	Beyond 10 years	624.25	564.79
	Total expected payments	**857.93**	**760.84**

c) Risks related to defined benefit plans:

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

i) Mortality risk: The assumptions adopted by the Company make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increases in the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.

ii) Market and liquidity risks: These are the risks that the investments do not meet the expected returns over the medium to long term. This also encompasses the mismatch between assets and liabilities. In order to minimise the risks, the structure of the portfolios is reviewed and asset-liability matching analysis are performed on a regular basis.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

d) **Asset - liability management and funding arrangements**

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

e) **Other disclosures :**

i) The following are the assumptions used to determine the benefit obligation:

a) Discount rate: The yield of government bonds are considered as the discount rate. The tenure has been considered taking into account the past long term trend of employees' average remaining service life which reflects the average estimated term of the post - employment benefit obligations.

b) Rate of escalation in salary : The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

c) Rate of return on plan assets: Rate of return for the year was the average yield of the portfolio in which Company's plan assets are invested over a tenure equivalent to the entire life of the related obligation.

d) Attrition rate : Attrition rate considered is the management's estimate based on the past long- term trend of employee turnover in the Company.

ii) The Gratuity and Provident Fund expenses have been recognised under " Contribution to Provident and Other Funds" and Leave Encashment under " Salaries and Wages" under Note No. 33.

Note No. : 40 Other disclosures *(contd.)*

11. Segment information

a) The Managing Director has been identified as the Company's chief operating decision-maker (CODM) as defined by Ind AS 108 –Operating Segments.

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by Business segments.

The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed.

b) **The following is an analysis of revenue and results from operations by reportable segments:**

(₹ in Lacs)

Particulars	Sugar	Co-generation	Distillery	Others	Unallocable	Adjustments and Elimination	Total
Revenue							
External Sales (Gross)	303870.98	27552.76	32675.97	-	-	-	364099.71
	(228990.17)	(27976.07)	(29548.62)	(891.91)	-	-	(287406.77)
Inter Segment Sales (Gross)	33087.88	16815.18	-	-	-	(49903.06)	-
	(26107.68)	(13177.18)	(0.52)	-	-	(-) (39285.38)	(-)
Revenue from operations (Gross)	336958.86	44367.94	32675.97	-	-	(49903.06)	364099.71
	(255097.85)	(41153.25)	(29549.14)	(891.91)	-	(-) (39285.38)	(287406.77)
Segment profit / (loss)	55766.95	15768.25	11793.00	(195.24)			83132.96
	(5484.60)	(17911.25)	(13459.76)	(285.13)			(37140.74)
Unallocable expenditure net of					4851.04		4851.04
unallocable income					(2968.43)		(2968.43)
Interest income							675.69
							(562.12)
Finance costs							5542.80
							(6654.53)
Profit before exceptional items and tax							73414.81
							(28079.90)
Exceptional Items							-
							(17310.41)
Profit before tax							73414.81
							(10769.49)
Current tax							15788.07
							(2254.75)
Deferred tax write back							(1601.91)
							(-)(1511.47)
Profit after tax							59228.65
							(10026.21)

Notes:

i) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at Company level. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at Company level. Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets.

ii) Transactions between segments are primarily for materials which are transferred at cost/market determined prices. Common costs are apportioned on a reasonable basis.

iii) Figures in brackets pertain to previous year.

Notes forming part of the Standalone Financial Statements

c) Other information

(₹ in Lacs)

Particulars	Period	Sugar	Co-generation	Distillery	Others	Unallocable	Adjustments and Elimination	Total
Segment assets	31st March, 2017	299263.47	69065.66	23729.73	-	7484.92	-	399543.78
	31st March, 2016	267404.21	69911.00	20525.84	921.39	10906.03	-	369668.47
	1st April, 2015	290833.03	56910.73	23546.69	993.31	12115.34	-	384399.10
Segment liabilities	31st March, 2017	47880.78	1977.83	1382.49	-	194177.27	-	245418.37
	31st March, 2016	57587.49	1482.77	1403.38	102.06	185941.53	-	246517.23
	1st April, 2015	83015.13	579.73	793.52	122.94	186748.37	-	271259.69
Capital expenditure*	31st March, 2017	1935.26	6923.10	4407.85	-	219.90	-	13486.11
	31st March, 2016	1721.01	10479.26	3363.49	0.08	258.35	-	15822.19
Depreciation and amortisation	31st March, 2017	5508.92	3704.22	1058.54	8.51	213.52	-	10493.71
	31st March, 2016	5979.70	3901.74	892.99	39.41	196.68	-	11010.52
Non cash expenses other than depreciation and amortisation	31st March, 2017	2976.11	356.35	1585.22	187.24	487.43	-	5592.35
	31st March, 2016	447.32	9.18	32.98	-	23.68	-	513.16

*Includes depreciation, interest and other borrowing costs capitalised.

d) Reconciliations of amounts reflected in the financial statements

i) Reconciliation of assets

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Segment operating assets	399543.78	369668.47	384399.10
Total assets	399543.78	369668.47	384399.10

ii) Reconciliation of liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Segment operating liabilities	245418.37	246517.23	271259.69
Total liabilities	**245418.37**	**246517.23**	**271259.69**

e) **Geographical information:**

The Company operated only in India during the year ended 31st March, 2017 and 31st March, 2016.

f) **Information about major customers:**

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2017 and 31st March, 2016.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

12. **Related party disclosures :**

a) **Name of the related parties and description of relationship :**

i)	Subsidiary Company : (Control exists)	Indo Gulf Industries Ltd. (IGIL) (upto 18th May, 2017)
ii)	**Associate Company :** (Significant influence can be exercised)	Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) (w.e.f. 24th January, 2017)
iii)	Key Managerial Personnel (KMP):	1. Shri Vivek Saraogi - Managing Director 2. Smt. Meenakshi Saraogi - Joint Managing Director (upto 31st May, 2015) 3. Shri Kishor Shah - Director cum Chief Financial Officer (upto 30th November, 2015) 4. Dr. Arvind Krishna Saxena - Whole-time Director
iv)	**Other related parties:** Close members of KMP : Shri Vivek Saraogi	 1. Shri K.N.Saraogi - Father 2. Smt. Meenakshi Saraogi - Mother 3. Smt. Sumedha Saraogi - Wife 4. Shri Karan Saraogi - Son 5. Miss Avantika Saraogi - Daughter 6. Smt. Stuti Dhanuka - Sister
	Significant influence entities:	1. Meenakshi Mercantiles Ltd. 2. Udaipur Cotton Mills Co. Ltd. 3. Novel Suppliers Pvt. Ltd. 4. Neoworth Commerical Pvt. Ltd. 5. Kamal Nayan Saraogi (HUF) 6. Vivek Saraogi (HUF) 7. The Balrampur Sugar Company Limited Employees Gratuity Fund 8. Balrampur Institute of Vocational Aid (upto 31st March, 2016) 9. Balrampur Foundation (upto 31st March, 2016) 10. Balrampur Trust (upto 31st March, 2016)

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

b) Transactions with Related parties :

(₹ in Lacs)

	Nature of transaction / Name of the related party	Subsidiary	Associate	Significant influence entities	Key Managerial Personnel (KMP)	Close members of KMP	Total
i)	**Compensation/Remuneration of KMP**						
	Smt. Meenakshi Saraogi	-	-	-	-	0.80	0.80
		(-)	(-)	(-)	(28.48) @	(1.00)	(29.48)
	Shri Vivek Saraogi	-	-	-	341.37	-	341.37
		(-)	(-)	(-)	(172.14)	(-)	(172.14)
	Shri Kishor Shah	-	-	-	-	-	-
		(-)	(-)	(-)	(48.68) *	(-)	(48.68)
	Dr. Arvind Krishna Saxena	-	-	-	23.27	-	23.27
		(-)	(-)	(-)	(21.86)	(-)	(21.86)
ii)	**Interim dividend paid to equity shareholders**						
	Smt. Meenakshi Saraogi	-	-	-	-	498.55	498.55
		(-)	(-)	(-)	(-)	(-)	(-)
	Shri Vivek Saraogi	-	-	-	1332.88	-	1332.88
		(-)	(-)	(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena	-	-	-	0.61	-	0.61
		(-)	(-)	(-)	(-)	(-)	(-)
	Smt. Sumedha Saraogi	-	-	-	-	342.97	342.97
		(-)	(-)	(-)	(-)	(-)	(-)
	Shri Karan Saraogi	-	-	-	-	138.13	138.13
		(-)	(-)	(-)	(-)	(-)	(-)
	Miss Avantika Saraogi	-	-	-	-	131.13	131.13
		(-)	(-)	(-)	(-)	(-)	(-)
	Smt. Stuti Dhanuka	-	-	-	-	175.42	175.42
		(-)	(-)	(-)	(-)	(-)	(-)
	Meenakshi Mercantiles Ltd.	-	-	261.66	-	-	261.66
		(-)	(-)	(-)	(-)	(-)	(-)
	Udaipur Cotton Mills Co. Ltd.	-	-	229.59	-	-	229.59
		(-)	(-)	(-)	(-)	(-)	(-)
	Novel Suppliers Pvt. Ltd.	-	-	108.54	-	-	108.54
		(-)	(-)	(-)	(-)	(-)	(-)
	Kamal Nayan Saraogi (HUF)	-	-	275.18	-	-	275.18
		(-)	(-)	(-)	(-)	(-)	(-)
	Vivek Saraogi (HUF)	-	-	5.95	-	-	5.95
		(-)	(-)	(-)	(-)	(-)	(-)

Note No. : 40 Other disclosures *(contd.)*

(₹ in Lacs)

Nature of transaction / Name of the related party			Subsidiary	Associate	Significant influence entities	Key Managerial Personnel (KMP)	Close members of KMP	Total
iii)	Amount paid upon buyback of equity shares							
	Shri Vivek Saraogi		-	-	-	2485.62	-	2485.62
			(-)	(-)	(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena		-	-	-	1.13	-	1.13
			(-)	(-)	(-)	(-)	(-)	(-)
	Smt. Sumedha Saraogi		-	-	-	-	658.65	658.65
			(-)	(-)	(-)	(-)	(-)	(-)
	Shri Karan Saraogi		-	-	-	-	1175.04	1175.04
			(-)	(-)	(-)	(-)	(-)	(-)
	Miss Avantika Saraogi		-	-	-	-	293.38	293.38
			(-)	(-)	(-)	(-)	(-)	(-)
	Smt. Stuti Dhanuka		-	-	-	-	375.11	375.11
			(-)	(-)	(-)	(-)	(-)	(-)
	Meenakshi Mercantiles Ltd.		-	-	482.92	-	-	482.92
			(-)	(-)	(-)	(-)	(-)	(-)
	Udaipur Cotton Mills Co. Ltd.		-	-	423.72	-	-	423.72
			(-)	(-)	(-)	(-)	(-)	(-)
	Novel Suppliers Pvt. Ltd.		-	-	200.32	-	-	200.32
			(-)	(-)	(-)	(-)	(-)	(-)
	Kamal Nayan Saraogi (HUF)		-	-	507.87	-	-	507.87
			(-)	(-)	(-)	(-)	(-)	(-)
	Vivek Saraogi (HUF)		-	-	10.98	-	-	10.98
			(-)	(-)	(-)	(-)	(-)	(-)
iv)	Corporate Social Responsibility Expenditure							
	Balrampur Institute of Vocational Aid		-	-	-	-	-	-
			(-)	(-)	(21.50)	(-)	(-)	(21.50)
	Balrampur Foundation		-	-	-	-	-	-
			(-)	(-)	(23.00)	(-)	(-)	(23.00)
v)	Contribution to employees defined benefit plans							
	The Balrampur Sugar Company Ltd		-	-	860.54	-	-	860.54
	Employees Gratuity Fund		(-)	(-)	(277.20)	(-)	(-)	(277.20)
vi)	Interest income (at amortized cost)							
	Visual Percept Solar Projects Pvt. Ltd.		-	28.94	-	-	-	28.94
			(-)	(-)	(-)	(-)	(-)	(-)
vii)	Balance Outstanding:							
	Investment in debentures (at amortized cost)	31st March, 2017	-	2212.48	-	-	-	2212.48
		31st March, 2016	(-)	(-)	(-)	(-)	(-)	(-)
		1st April, 2015	(-)	(-)	(-)	(-)	(-)	(-)
	Interest accrued but not due on debentures	31st March, 2017	-	13.26	-	-	-	13.26
		31st March, 2016	(-)	(-)	(-)	(-)	(-)	(-)
		1st April, 2015	(-)	(-)	(-)	(-)	(-)	(-)
	Remuneration Payable	31st March, 2017	-	-	-	150.00	-	150.00
		31st March, 2016	(-)	(-)	(-)	(-)	(-)	(-)
		1st April, 2015	(-)	(-)	(-)	(-)	(-)	(-)

@ Excluding gratuity payment amounting to ₹245.19 lacs pursuant to settlement which has been reimbursed by The Balrampur Sugar Co. Ltd. Employees Gratuity Fund.

* Excluding gratuity payment amounting to ₹50.77 lacs pursuant to settlement which has been reimbursed by The Balrampur Sugar Co. Ltd. Employees Gratuity Fund.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

c) Details of Remuneration paid/payable to KMP:

Year ended 31st March, 2017 (₹ in Lacs)

Particulars	Smt. Meenakshi Saraogi	Shri Vivek Saraogi	Shri Kishor Shah	Dr. Arvind Krishna Saxena	Total
Short-term employee benefits					
Salary	-	150.00	-	18.29	168.29
Commission	-	150.00	-	-	150.00
Perquisites	-	23.37	-	2.94	26.31
	-	323.37	-	21.23	344.60
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds *	-	18.00	-	2.04	20.04
	-	341.37	-	23.27	364.64

* The said amount does not includes amount in respect of gratuity and leave as the same are not ascertainable.

Year ended 31st March, 2016 (₹ in Lacs)

Particulars	Smt. Meenakshi Saraogi	Shri Vivek Saraogi	Shri Kishor Shah	Dr. Arvind Krishna Saxena	Total
Short-term employee benefits					
Salary	25.00	150.00	44.40	17.05	236.45
Commission	-	-	-	-	-
Perquisites	3.00	18.00	3.84	1.90	26.74
	28.00	**168.00**	**48.24**	**18.95**	**263.19**
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds *	0.48	4.14	0.44	2.91	7.97
	28.48	**172.14**	**48.68**	**21.86**	**271.16**

* The said amount does not includes amount in respect of gratuity and leave as the same is not ascertainable.

d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in current year and previous year for bad or doubtful debts in respect of the amounts owed by related parties.

f) The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

g) Figures in brackets pertain to previous year.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

13. **Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

    The Company has neither given any loan nor has advanced any amount either during the year ended 31st March, 2017 or year ended 31st March, 2016.

    Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

14. Details of Loans and Investments covered under section 186 (4) of the Companies Act, 2013 :

    Details of loans given and investments made are given in the respective note.

15. Under the New Sugar Industry Promotion Policy, 2004 of the Government of Uttar Pradesh, the Company had accounted for recoverable incentives aggregating to ₹16900.57 lacs and had availed remissions in respect of Entry Tax on Sugar, Administrative Charges on Molasses, Trade Tax on Molasses and Cane Purchase Tax. The above policy was terminated by the Government of Uttar Pradesh vide order dated 4th June, 2007.

    The Company's Writ Petition against withdrawal of the aforesaid policy which was admitted by the Lucknow Bench of the Hon'ble Allahabad High Court vide its order dated 9th May, 2008 is still pending. As an interim measure, the Order permits limited protection from remission of taxes. Therefore, the Company continues to avail remission of taxes, and accordingly, during the year, the Company has accounted for remission of taxes of ₹56.84 lacs (31st March, 2016: ₹61.43 lacs).

    However, in view of the long pendency of the said writ petition, it might take years for the Hon'ble High Court to decide the case and the aggrieved party would certainly approach the Hon'ble Supreme Court and due to high pendency of cases in the Hon'ble Supreme Court, it may take consideable time for the final decision in this case. Even thereafter, the actual realization of the claims from the Government of Uttar Pradesh may not be possible without repetitive intervention of the Apex Court.

    Hence, the Company had written off the recoverable incentives aggregating to ₹16900.57 lacs during the year ended 31st March, 2016. The same has been shown as "Claims receivable written off" under Note No. 37 - "Exceptional Items".

    In the assessment of Entry Tax on Sugar and Trade Tax on Molasses for the years 2008-09 to 2012-13, a sum of ₹3659.50 lacs and ₹883.59 lacs respectively aggregating to ₹4543.09 lacs has been determined by the assessing officer as the Company's liability for four of its units namely Akbarpur, Mankapur, Kumbhi and Gularia though these units are also eligible under the aforesaid incentive scheme. However, no demand has been raised on the Company by the assessing officer in view of the limited protection from remission of taxes granted by Hon'ble High Court as aforesaid. Based on the same, the Company neither considers the aforesaid amount of ₹4543.09 lacs as a liability nor a contingent liability.

16. The Company entered into a Share Purchase Agreement (SPA) on 27th January, 2017 inter-alia with Ganesh Explosives Pvt. Ltd. (GEPL) for sale of its entire shareholding of 53.96% in Indo Gulf Industries Ltd. (IGIL) consisting of 51,62,470 equity shares of ₹1/- each subject to compliance and completion of the formalities under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations, 2011") and the conditions precedent in terms of the SPA.

    Pursuant to the completion of the Open Offer formalities by the acquirer (GEPL), IGIL has ceased to be the Subsidiary of the Company w.e.f. 19th May, 2017.

17. **Exercise of Call Option**

    A Call Option Agreement dated 30th March, 2015 was entered by the Company with Talma Chemical Industries Pvt. Ltd. (Talma), a company having 100% interest in the Equity share capital of Visual Percept Solar Projects Pvt. Ltd. (VPSPPL - a non-listed private limited company based in India and engaged in the generation and sale of solar power) to acquire at a future date, 89,14,500 Equity shares of ₹10/- each fully paid up at a price of ₹25/- each.

    On 24th January, 2017, the Company has exercised the said Call Option and acquired 89,14,500 Equity shares of VPSPPL at ₹25/- per Equity share of ₹10/- each fully paid up, constituting 45% of the voting rights of VPSSPL pursuant to which, VPSPPL became an Associate of the Company.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

18. Under Section 139 of the Companies Act, 2013 and the rules made thereunder, it is mandatory for the Company to rotate the existing statutory auditors on completion of the maximum term permitted under the said Section. The Audit Committee of the Board at its meeting held on 27th May, 2017 proposed and the Board of Directors of the Company have recommended the appointment of M/s Lodha & Co., Chartered Accountants (Firm Registration No. 301051E), as the statutory auditors of the Company. M/s. Lodha & Co. will hold office for a period of 5 consecutive years from the conclusion of the 41st Annual General Meeting of the Company scheduled to be held in the year 2017 till the conclusion of the 46th Annual General Meeting of the Company, subject to approval of the shareholders of the Company. The first year of audit will be of the financial statements for the year ending on 31st March, 2018 which will include limited review of the quarterly financial statements for the year, excluding for period ending 30th June, 2017 of which limited review would be carried out by the existing auditors.

19. **Hedging activities and derivatives (Derivatives not designated as hedging instruments)**

    The Company had an External Commercial Borrowing (ECB) from International Finance Corporation, Washington (IFC) outstanding as at the transition date, at floating interest rate linked with LIBOR. In order to hedge the fair value risk associated with principal and interest payment on the floating rate, the Company at the inception of the loan concurrently entered into cross currency interest rate swap contract with a bank (receive floating, pay fixed, which had the same terms and payment dates as the debt). These derivative contracts are not designated in hedge relationship and are measured at fair value through profit or loss.

    The Company has also taken foreign currency denominated borrowings (viz. FCNR-B loan) to reduce finance costs. The Company uses foreign exchange forward contracts with the intention of reducing the foreign exchange risk of such loans and interest payable thereon. These foreign exchange forward contracts are also not designated in hedge relationship and are measured at fair value through profit or loss.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

20. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2017 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Cost	Deemed cost	Carrying Value			Total
						Amortized cost	FVTOCI	FVTPL	
(1)	**Financial assets**								
(a)	Investments	6	4,502.39	2,228.63	-	2,220.47	53.29	-	4,502.39
(b)	Trade and other receivables	7	16,276.95	-	-	16,276.95	-	-	16,276.95
(c)	Cash and cash equivalents	13	203.05	-	-	203.05	-	-	203.05
(d)	Bank balances other than cash and cash equivalents	14	245.51	-	-	245.51	-	-	245.51
(e)	Loans	15	957.34	-	-	957.34	-	-	957.34
(f)	Other financial assets	8	453.27	-	-	453.27	-	-	453.27
	Total		**22,638.51**	**2,228.63**	**-**	**20,356.59**	**53.29**	**-**	**22,638.51**
(2)	**Financial liabilities**								
(a)	Borrowings	20	1,70,174.25	-	-	1,70,174.25	-	-	1,70,174.25
(b)	Trade and other payables	26	29,537.67	-	-	29,537.67	-	-	29,537.67
(c)	Other financial liabilities	21	14,679.76	-	-	14,679.76	-	-	14,679.76
	Total		**2,14,391.68**	**-**	**-**	**2,14,391.68**	**-**	**-**	**2,14,391.68**

As at 31st March, 2016 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Cost	Deemed cost	Carrying Value			Total
						Amortized cost	FVTOCI	FVTPL	
(1)	**Financial assets**								
(a)	**Investments**	6	4,783.18	-	-@	4,729.11	54.07	-	4,783.18
(b)	Trade and other receivables	7	19,928.12	-	-	19,928.12	-	-	19,928.12
(c)	Cash and cash equivalents	13	467.17	-	-	467.17	-	-	467.17
(d)	Bank balances other than cash and cash equivalents	14	188.76	-	-	188.76	-	-	188.76
(e)	Loans	15	950.85	-	-	950.85	-	-	950.85
(f)	Other financial assets	8	7,003.90	-	-	6,296.98	-	706.92	7,003.90
	Total		**33,321.98**	**-**	**-**	**32,560.99**	**54.07**	**706.92**	**33,321.98**
(2)	**Financial liabilities**								
(a)	Borrowings	20	1,49,085.91	-	-	149085.91	-	-	1,49,085.91
(b)	Trade and other payables	26	42,335.19	-	-	42,335.19	-	-	42,335.19
(c)	Other financial liabilities	21	22,658.78	-	-	22,558.27	-	100.51	22,658.78
	Total		**2,14,079.88**	**-**	**-**	**2,13,979.37**	**-**	**100.51**	**2,14,079.88**

@ ₹ 1/- shown as nil due to rounding off.

As at 1st April, 2015 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Cost	Deemed cost	Carrying Value			Total
						Amortized cost	FVTOCI	FVTPL	
(1)	**Financial assets**								
(a)	Investments	6	4,602.48	-	-@	4,550.06	52.42	-	4,602.48
(b)	Trade and other receivables	7	15,868.55	-	-	15,868.55	-	-	15,868.55
(c)	Cash and cash equivalents	13	7,701.18	-	-	7,701.18	-	-	7,701.18
(d)	Bank balances other than cash and cash equivalents	14	516.52	-	-	516.52	-	-	516.52
(e)	Loans	15	945.18	-	-	945.18	-	-	945.18
(f)	Other financial assets	8	44,393.32	-	-	43,595.79	-	797.53	44,393.32
	Total		**74,027.23**	**-**	**-**	**73,177.28**	**52.42**	**797.53**	**74,027.23**
(2)	**Financial liabilities**								
(a)	Borrowings	20	1,60,323.15	-	-	1,60,323.15	-	-	1,60,323.15
(b)	Trade and other payables	26	73,674.33	-	-	73,674.33	-	-	73,674.33
(c)	Other financial liabilities	21	11,199.79	-	-	10,968.55	-	231.24	11,199.79
	Total		**2,45,197.27**	**-**	**-**	**2,44,966.03**	**-**	**231.24**	**2,45,197.27**

@ ₹ 1/- shown as nil due to rounding off.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

ii) The carrying value of debentures approximate their fair value as the instruments are at prevailing market rate.

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:

(i) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2017: (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	**Financial assets**					
(1)	**At FVTOCI**					
	Investments in equity instruments	6	-	-	53.29	53.29
	Total financial assets		**-**	**-**	**53.29**	**53.29**

(ii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2016: (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	**Financial assets**					
(1)	**At FVTOCI**					
	Investments in equity instruments	6	-	-	54.07	54.07
(2)	**At FVTPL**					
	Options	8	-	-	706.92	706.92
	Total financial assets		**-**	**-**	**760.99**	**760.99**
B.	**Financial liabilities (At FVTPL)**					
	Foreign exchange forward contracts	21	-	100.51	-	100.51
	Total financial liabilities		**-**	**100.51**	**-**	**100.51**

(iii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 1st April, 2015: (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	**Financial assets**					
(1)	**At FVTOCI**					
	Investments in equity instruments	6	-		52.42	52.42
(2)	**At FVTPL**					
(i)	Options	8	-	-	599.95	599.95
(ii)	Cross currency Interest rate swaps	8	-	197.58	-	197.58
	Total financial assets		**-**	**197.58**	**652.37**	**849.95**
B.	**Financial liabilities (At FVTPL)**					
(i)	Foreign exchange forward contracts	21	-	149.45	-	149.45
(ii)	Cross currency interest rate swaps	21	-	81.79	-	81.79
	Total financial liabilities		**-**	**231.24**	**-**	**231.24**

There have been no transfer between Level 1 and Level 2 either during the year ended 31st March 2017 or during the year ended 31st March 2016.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

Description of significant unobservable inputs to valuation:

The following table shows the valuation technique and inputs for financial instruments:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Derivative instruments	Options - Option pricing model Others - Quotes from banks		
Investments in unqoted equity shares	Adjusted net asset method		

Reconciliation of opening and closing balances for Level 3 fair value: (₹ in Lacs)

Particulars	Investments in unqoted equity shares	Options	Total
Balance as at 1st April, 2015	52.42	599.95	652.37
Net re-measurement gain recognised and deferred during the year	1.65	106.97	108.62
Balance as at 31st March, 2016	54.07	706.92	760.99
Net re-measurement gain recognised and deferred during the year	(0.78)	-	(0.78)
De-recognition during the year	-	706.92	706.92
Balance as at 31st March, 2017	**53.29**	**-**	**53.29**

21. Financial risk management objectives and policies

The Company's principal financial liabilities includes Borrowings, Trade payable and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Trade receivables, Cash and cash equivalents and Other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

It is the Company's policy that derivatives are used exclusively for hedging purposes and not for trading or speculative purposes.

The Board of Directors reviewed policies for managing each of these risks, which are summarized below :

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

(i) Interest rate risk

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

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings. This foreign currency risk is covered by using foreign exchange forward contracts and currency swap contracts.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

Foreign currency exposure as at 31st March, 2017:

Particulars	USD	JPY
Borrowings (in lacs)	-	-

Foreign currency exposure as at 31st March, 2016:

Particulars	USD	JPY
Borrowings (in lacs)	110.00	-

Foreign currency exposure as at 1st April, 2015:

Particulars	USD	JPY
Borrowings (in lacs)	270.88	13.68

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on Profit.

(iii) Regulatory risk

Sugar industry is regulated both by central government as well as state government. Central and state governments policies and regulations affects the Sugar industry and the Company's operations and profitability. Distillery business is also dependent on the Government policy.

However, with the removal of major regulatory control on sugar sales by the Central Government, the regulatory risk are moderated.

(iv) Commodity price risk

Sugar industry being cyclical in nature, realisations get adversly affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are mostly on cash. Power and ethanol are sold to state government entities, thereby the credit default risk is significantly mitigated.

The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss.

(i) Trade receivables

Trade receivables are non-interest bearing and are generally on credit terms of 3 to 60 days.

An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets disclosed under Note No. 7.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

The ageing analysis of the receivables has been considered from the date the invoice falls due: (₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Upto 6 months	16103.63	19835.10	15839.01
6 to 12 months	162.96	28.18	22.25
More than 12 months	-	-	95.17
	16266.59	**19863.28**	**15956.43**

(ii) The following table summarizes the change in the loss allowances measured using life time expected credit loss model :

Particulars	(₹ in Lacs)
Balance as at 1st April, 2015	**326.21**
Provided during the year	1.09
Reversed during the year	319.19
Balance as at 31st March, 2016	8.11
Provided during the year	8.27
Reversed during the year	-
Balance as at 31st March, 2017	**16.38**

(iii) Balances with banks

Credit risk from balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 is the carrying amounts as stated under Note No. 13 and 14.

(c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities, short term loans and commercial papers.

The table below summarises the maturity profile of the Company's financial liabilities : (₹ in Lacs)

Sl. No.	Particulars	Less than 1 year	1 to 5 years	>5 years	Total
A.	**As at 31st March, 2017**				
(i)	Borrowings	157743.71	12430.54	-	170174.25
(ii)	Other financial liabilities	14220.48	459.28	-	14679.76
(iii)	Trade and other payables	29537.67	-	-	29537.67
(iv)	Derivatives	-	-	-	-
	Total	**201501.86**	**12889.82**	**-**	**214391.68**
B.	As at 31st March, 2016				
(i)	Borrowings	99441.85	49644.06	-	149085.91
(ii)	Other financial liabilities	21994.70	563.57	-	22558.27
(iii)	Trade and other payables	42335.19	-	-	42335.19
(iv)	Derivatives	100.51	-	-	100.51
	Total	**163872.25**	**50207.63**	**-**	**214079.88**
C.	As at 1st April, 2015				
(i)	Borrowings	117408.76	42080.99	833.40	160323.15
(ii)	Other financial liabilities	10358.86	609.69	-	10968.55
(iii)	Trade and other payables	73674.33	-	-	73674.33
(iv)	Derivatives	231.24	-	-	231.24
	Total	**201673.19**	**42690.68**	**833.40**	**245197.27**

(d) Lien

The fair values of the fixed deposits under lien aggregated to ₹300.00 lacs as at 1st April, 2015 which was placed with bank as security for exposure under derivative contract. No fixed deposits were under lien as at 31st March, 2017 and 31st March, 2016.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

22. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2017 and 31st March, 2016.

b) Dividend (₹ in Lacs)

Particulars	2016-17	2015-16
Interim Dividend		
Interim dividend for the year ended 31st March, 2017 @ ₹3.50 (31st March, 2016: Nil) per equity share	8574.59	-
Dividend distribution tax on above	1745.58	-

Note No. : 40 Other disclosures *(contd.)*

23. Explanation of transition to Ind AS

These financial statements, for the year ended 31st March, 2017, are the first financial statements, the Company has prepared in accordance with Ind AS.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended 31st March, 2017, together with the comparative figures for the year ended 31st March, 2016, as described in the summary of significant accounting policies [Refer Note No.2].

In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015, i.e. the date of transition to Ind AS.

This note explains the principal adjustments made by the Company and an explanation on how the transition from the previous GAAP to Ind AS has affected its financial statements, including the Balance Sheet as at 1st April, 2015 and the financial statements for the year ended 31st March, 2016.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP to Ind AS:

(a) As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the transition date. If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations, and also applies Ind AS 110 Consolidated financial statements from that same date.

The Company has, however, elected to apply Ind AS 103 requirements prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. Therefore, use of this exemption requires that the previous GAAP carrying amounts of assets and liabilities, that are required to be recognized under Ind-AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with Ind-AS. Assets and liabilities that do not qualify for recognition under Ind-AS are excluded from the opening Ind-AS balance sheet.

(b) The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2015. Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation, amortization and impairment), if any, adjusted by revaluation of certain assets.

(c) The Company has elected to continue with the carrying value of Capital work in progress as recognized under the previous GAAP as deemed cost as at the transition date.

(d) The Company has elected to continue with the carrying value for intangible assets (computer softwares) as recognized under the previous GAAP as deemed cost as at the transition date. Under the previous GAAP, Computer Software was stated at its original cost, net of accumulated amortization.

(e) A first time adopter is encouraged, but not required, to apply Ind AS 102 - Share based payment to equity instruments that vested before the date of transition to Ind AS. The Company has granted equity settled stock options and has followed intrinsic value method of accounting. The Company has decided to apply Ind AS 102 prospectively.

(f) Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.

(g) The Company has elected to apply previous GAAP carrying amount of its investment in its subsidiary as deemed cost as at the date of transition.

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'FVTOCI' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed as at the date of transition to Ind AS.

However, since, the fair valuation has been done based on level 3 inputs, difference in fair value and cost as on the date of transition has been deferred and has been considered and shown as "Deferred gain on changes in fair value of financial assets" under Other Non-Current Liabilities.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

(h) The estimates as at 1st April, 2015 and as at 31st March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

(i) The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively.

Under the previous GAAP, there is no mandatory standard that deals with hedge accounting, which has resulted in the adoption of varying practices. The Company has not applied for hedge accounting on or after the transition date.

(j) Ind AS 101 requires the de-recognition requirements of Ind AS 109 to be applied prospectively to transactions occurring on or after the date of transition.

Therefore, the Company has not recognized financial assets and liabilities under Ind AS which were derecognized under the previous GAAP as a result of a transaction that occurred before the date of transition.

(k) The Company has applied the requirements in Ind AS 109 and Ind AS 20 prospectively to government loans existing as at the date of transition to Ind AS.

Notes forming part of the Standalone Financial Statements

24. Disclosures as required by Ind AS - 101 - First Time Adoption of Indian Accounting Standards - Reconciliation between Previous GAAP and Ind AS :

(a) Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS) : (₹ in Lacs)

	Particulars	Footnote	Previous GAAP		Adjustments		Ind AS	
I.	ASSETS							
(1)	Non - current assets							
	(a) Property, plant and equipment	A	137185.14		-		137185.14	
	(b) Capital work-in-progress	A	756.30		-		756.30	
	(c) Intangible assets	A	332.10		-		332.10	
	(d) Financial assets							
	(i) Non-current Investments	B	4086.83		515.65		4602.48	
	(ii) Trade and other receivables		-		-		-	
	(iii) Other financial assets	D	17174.88		599.95		17774.83	
	(e) Non-current tax assets (net)	I	1993.50		(105.33)		1888.17	
	(f) Other non-current assets	J	6852.11	168380.86	(5641.99)	(4631.72)	1210.12	163749.14
(2)	Current assets							
	(a) Inventories	C	166962.46		(9.34)		166953.12	
	(b) Biological assets	C	-		3.65		3.65	
	(c) Financial assets							
	(i) Trade and other receivables		15868.55		-		15868.55	
	(ii) Cash and cash equivalents		7701.18		-		7701.18	
	(iii) Bank balances other than cash and cash equivalents		516.52		-		516.52	
	(iv) Loans		945.18		-		945.18	
	(v) Other financial assets	G	26420.91		197.58		26618.49	
	(d) Other current assets		3456.35	221871.15	(1413.08)	(1221.19)	2043.27	220649.96
	Total Assets			390252.01		(5852.91)		384399.10
II.	EQUITY AND LIABILITIES							
(1)	Equity							
	(a) Share capital		2449.16		-		2449.16	
	(b) Other equity	E,K,O	110495.97	112945.13	194.28	194.28	110690.25	113139.41
	Liabilities							
(2)	Non - current liabilities							
	(a) Financial liabilities							
	(i) Borrowings	F	42978.71		(64.32)		42914.39	
	(ii) Other financial liabilities		609.69		-		609.69	
	(b) Government grants	E	-		16.35		16.35	
	(c) Provisions		265.79		-		265.79	
	(d) Deferred tax liabilities (net)	J	22924.46		(5471.20)		17453.26	
	(e) Other non-current liabilities	B,D	-	66778.65	626.67	(4892.50)	626.67	61886.15
(3)	Current liabilities							
	(a) Financial liabilities							
	(i) Borrowings	F	118282.88		(874.12)		117408.76	
	(ii) Trade and other payables		73674.33		-		73674.33	
	(iii) Other financial liabilities	G	10867.88		(277.78)		10590.10	
	(b) Government grants	E	-		1.09		1.09	
	(c) Other current liabilities		7361.24		-		7361.24	
	(d) Provisions	H	341.90	210528.23	(3.88)	(1154.69)	338.02	209373.54
	Total Equity and Liabilities			390252.01		(5852.91)		384399.10

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

(b) Reconciliation of equity as at 31st March, 2016 (₹ in Lacs)

	Particulars	Footnote	Previous GAAP		Adjustments		Ind AS	
I.	ASSETS							
(1)	Non - current assets							
	(a) Property, plant and equipment	A	133576.89		-		133576.89	
	(b) Capital work-in-progress	A	8647.05		-		8647.05	
	(c) Intangible assets	A	280.72		-		280.72	
	(d) Financial assets				-			
	(i) Non-current Investments	B	4084.80		698.38		4783.18	
	(ii) Trade and other receivables		-		-		-	
	(iii) Other financial assets	D	379.47		706.92		1086.39	
	(e) Non-current tax assets (net)	I	1927.31		(149.85)		1777.46	
	(f) Other non-current assets	J	7120.81	156017.05	(5642.00)	(4386.55)	1478.81	151630.50
(2)	Current assets							
	(a) Inventories	C	186492.63		(3.44)		186489.19	
	(b) Biological assets	C	-		3.44		3.44	
	(c) Financial assets						-	
	(i) Trade and other receivables		19928.12		-		19928.12	
	(ii) Cash and cash equivalents		467.17		-		467.17	
	(iii) Bank balances other than cash and cash equivalents		188.76		-		188.76	
	(iv) Loans		950.85		-		950.85	
	(v) Other financial assets	G	5917.51		-		5917.51	
	(d) Other current assets		4331.40	218276.44	(238.47)	(238.47)	4092.93	218037.97
	Total Assets			374293.49		(4625.02)		369668.47
II.	EQUITY AND LIABILITIES							
(1)	Equity							
	(a) Share capital		2449.50		-		2449.50	
	(b) Other equity	E,K,O,P	120610.67	123060.17	91.07	91.07	120701.74	123151.24
	Liabilities							
(2)	Non - current liabilities							
	(a) Financial liabilities							
	(i) Borrowings	F	50652.05		(1007.99)		49644.06	
	(ii) Other financial liabilities		563.57		-		563.57	
	(b) Government grants	E	-		159.20		159.20	
	(c) Provisions		259.31		-		259.31	
	(d) Deferred tax liabilities (net)	J	21288.89		(5347.10)		15941.79	
	(e) Other non-current liabilities	B,D	-	72763.82	735.29	(5460.60)	735.29	67303.22
(3)	Current liabilities							
	(a) Financial liabilities							
	(i) Borrowings		99441.85		-		99441.85	
	(ii) Trade and other payables		42335.19		-		42335.19	
	(iii) Other financial liabilities	G	22325.53		(230.32)		22095.21	
	(b) Government grants	E	-		975.86		975.86	
	(c) Other current liabilities		13810.12		-		13810.12	
	(d) Provisions	H	304.96		(1.03)		303.93	
	(e) Current tax liabilities (net)		251.85	178469.50	-	744.51	251.85	179214.01
	Total Equity and Liabilities			374293.49		(4625.02)		369668.47

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

(c) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016 (₹ in Lacs)

	Particulars	Footnote	Previous GAAP	Adjustments	Ind AS
I.	**Revenue from operations**	L	275666.73	11740.04	287406.77
II.	Other income	B,C,H,M	4455.39	192.43	4647.82
III.	**Total income (I+II)**		**280122.12**	**11932.47**	**292054.59**
IV.	Expenses:				
	Cost of materials consumed		211254.20	-	211254.20
	Excise duty on sale of goods	L	-	11740.75	11740.75
	Changes in inventories of finished goods, by-products and work-in-progress		(13623.47)	-	(13623.47)
	Employee benefits expense	K	15142.81	(47.92)	15094.89
	Finance costs	F,G,H	7559.66	(905.13)	6654.53
	Depreciation and amortisation expense		11010.52	-	11010.52
	Other expenses	G	20961.82	881.45	21843.27
	Total expenses (IV)		**252305.54**	**11669.15**	**263974.69**
V.	Profit before exceptional items and tax (III-IV)		27816.58	263.32	28079.90
VI.	Exceptional items		17310.41	-	17310.41
VII.	**Profit before tax (V-VI)**		**10506.17**	**263.32**	**10769.49**
VIII.	**Tax expense**				
	Current tax	I	2200.00	54.75	2254.75
	Deferred tax	J	(1635.56)	124.09	(1511.47)
			564.44	**178.84**	**743.28**
IX.	**Profit for the year (VII-VIII)**	P	**9941.73**	**84.48**	**10026.21**
X.	**Other comprehensive income**	K,P			
	(i) Items that will not be reclassified to profit or loss		-	(47.92)	(47.92)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			10.23	10.23
	Total other comprehensive income		**-**	**(37.69)**	**(37.69)**
XI.	Total comprehensive income for the year (IX + X) (Comprising of profit and other comprehensive income for the year)	P	**9941.73**	**46.79**	**9988.52**

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

(d) Footnotes to the reconciliation of equity as at 1st April, 2015 and 31st March, 2016 and Statement of Profit and Loss for the year ended 31st March, 2016 :

A) Property, plant and equipment

Under Ind AS, the Company has elected to opt for cost model with respect to property, plant and equipments, capital work in progress and computer software.

b) Investments

(i) Investments in equity instruments

Under the previous GAAP, investment in equity instruments were classified as long term investments or current investment based on the intended holding period and realisability. The Company accounted for long term investments in equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments, if any.

Under Ind AS, the Company has the option to designate such investments either as FVTOCI or FVTPL investments. Further, in case of a subsidiary, the Company has the option to account for investment in shares either at cost/deemed cost or FVTOCI or FVTPL as at the transition date.

As per the aforesaid alternatives, the Company has designated investment in the subsidiary (quoted investment) at deemed cost i.e. the previous GAAP carrying amount as at the date of transition.

In case of other long term investments in unquoted equity shares, the Company has designated investments as FVTOCI investments as at the date of transition. Ind AS requires FVTOCI investments to be measured at fair value. However, since, the fair valuation has been done based on level 3 inputs, difference in fair value of investments as per Ind AS and carrying value of investments as per previous GAAP aggregating to ₹26.72 lacs as at the date of transition and subsequent changes of ₹1.65 lacs for the year ended 31st March, 2016 has been deferred and has been shown as "Deferred gain on changes in fair value of financial assets" under Other Non-Current Liabilities.

(ii) Investments in debt instruments

The Company has invested ₹4050.00 lacs in debentures of Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) redeemable after 12 years from the date of allotment. As per terms, interest is receivable @ 5% for first 6 years and there after @14% for next 6 years.

Under the previous GAAP, interest income was accounted for on time proportionate basis at predetermined rate. Under Ind AS, investments in debt instruments can be measured either at amortized cost or FVTOCI or FVTPL.

As investment in debentures are held by the Company within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual term of the debentures give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, the Company has designated them at amortized cost.

The carrying amount of the debentures as per Ind AS is ₹4538.93 lacs as at transition date as against ₹4050.00 lacs under the previous GAAP and the difference of ₹488.93 lacs has been credited to retained earnings, net of tax and subsequent changes for the year ended 31st March, 2016 aggregating to ₹ 181.08 lacs has been credited to Statement of Profit and and Loss and has been shown under Other Income.

C) Biological assets

Under the previous GAAP, there was no standard dealing with biological assets. Ind AS requires biological assets and agricultural produce within its scope to be measured at fair value less cost to sell at each balance sheet date and to be presented as separate line item on the face of the balance sheet with corresponding gain or loss to be recognized in Statement of Profit and Loss.

D) Option Agreement

A Call Option Agreement dated 30th March, 2015 was entered by the Company with Talma Chemical Industries Private Limited (Talma), a company having 100% interest in the equity share capital of Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) to acquire at a future date, 89,14,500 equity shares of ₹10/- each fully paid at a mutually agreed price of ₹25/- per equity share of ₹10/- each of VPSPPL.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

Under the previous GAAP, call options were considered as off balance sheet items. Accordingly, no treatment was given in the financial statements for the year ended 31st March, 2015 and 31st March, 2016. Under Ind AS, such call options are required to be measured at FVTPL.

The Company has measured options at FVTPL. The difference between fair value of equity shares and present value of exercise price as at the date of transition aggregating to ₹599.95 lacs and for the year ended 31st March 2016 aggregating to ₹106.97 lacs has been considered as a financial asset.

However, since, the fair valuation has been done based on level 3 inputs, the gain on fair valuation has been deferred and has been shown as "Deferred gain on changes in fair value of financial assets" under Other Non-Current Liabilities.

E) Capital Reserve

Certain government grant were received by the Company in past years as grant in the nature of promoter's contribution and recognized under Capital reserve as required under the previous GAAP.

Ind AS does not permit recognition of government grant in the nature of promoter contribution to capital reserve.

Under Ind AS, such government grants are required to be treated as an asset related grant and to be presented in the balance sheet by setting up the grant as deferred income. The grant set up as deferred income is to be recognized in the Statement of Profit and Loss on a systematic basis over the useful life of the related asset. Accordingly, to comply with Ind AS 20 the Company has reclassified an appropriate amount (i.e. unamortized portion of grant) from capital reserve to the deferred income on account of government grant aggregating to ₹17.44 lacs and the differential impact aggregating to ₹63.21 lacs has been transferred from capital reserve to retained earnings as at the transition date.

F) Borrowings

Ind AS requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognized in profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Under the previous GAAP, transaction costs incurred in connection with borrowings were accounted upfront and charged to Statement of Profit and Loss for the period in which such transaction costs was incurred.

Accordingly, borrowings as at the transition date have been reduced by ₹64.32 lacs with a corresponding adjustment to retained earnings, net of tax.

G) Interest rate swaps and foreign exchange forward contracts

The Company had an ECB from IFC Washington outstanding as at the transition date, at floating interest rate linked with LIBOR. In order to hedge the fair value risk associated with interest payment on the floating rate, the Company at the inception of the loan concurrently entered into an interest rate swap with a bank (receive floating, pay fixed, which had the same terms and payment dates as the debt).

The Company entered into foreign exchange contracts with the intention of reducing the foreign exchange risk of FCNR - B loan and interest payable on such loan.

Under the previous GAAP, in case of monetary assets and liabilities which are covered by foreign exchange forward contracts, the difference between the year-end rate and the rate on the date the contract was entered into was recognised as exchange difference and the premium on foreign exchange forward contracts was recognized over the period of the respective contract.

Under Ind AS, the Company has the alternative to account for above stated derivatives as prescribed under hedge accounting. However, the Company has not designated the hedge relationships, but has, designated such interest rate swap and foreign exchange forward contracts at FVTPL and differential impact of carrying value as on the date of transition as per Ind AS and carrying value as per previous GAAP as at 31st March 2015 has been taken to Retained earnings (net of tax) and for the year ended 31st March, 2016 in profit or loss.

The Company has not applied hedge accounting for the above derivative instruments considering that the said instruments were repayable in full within six months from the date of transition to Ind AS.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

H) **Provision for mark to market loss on derivatives**

Under the previous GAAP, provision for mark to market losses on firm commitments was accounted for based on prudence.

However, under Ind AS, firm commitments needs to be accounted for based on Ind AS 109. Hence, provision created for mark to market losses on firm commitment under the previous GAAP has been de-recognized and accounted for separately as financial liability aggregating to ₹3.88 lacs under Ind AS with the corresponding impact given to Retained earnings (net of tax).

I) **Current tax**

Current tax liabilities have been accounted for on account of various transitional adjustments as stated above as at the date of transition with corresponding impact either to Retained earnings or Other Comprehensive Income in correlation to the underlying transaction.

Thus, current tax liabilities has increased by ₹105.33 lacs as at the date of transition and has further increased by ₹54.75 lacs with respect to profit or loss and decreased by ₹10.23 lacs on account of OCI for the year ended 31st March, 2016.

J) **Deferred tax**

Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the year. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under the previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as Other non-current non-financial assets.

In addition, the various transitional adjustments lead to temporary differences and consequently deferred tax adjustments have been recognized in correlation to the underlying transaction in retained earnings.

The net impact on deferred tax liabilities has increased by ₹170.80 lacs and ₹124.10 lacs as at the date of transition and for the year ended on 31st March 2016 respectively.

K) **Defined benefit liabilities**

As under the previous GAAP, under Ind AS also, the Company continues to recognize costs related to its post-employment defined benefit plan on an actuarial basis. The entire cost, including actuarial gains and losses, was charged to the Statement of Profit and Loss.

Under Ind AS, re-measurements of defined benefit plan are recognized in the Balance Sheet with a corresponding debit or credit to equity through Other Comprehensive Income (OCI). Thus, the employee benefit cost is reduced by ₹47.92 lacs and re-measurement losses on defined benefit plans has been recognized in the OCI, net of tax as at the transition date.

Under Ind AS, an entity is permitted to transfer amounts recognized in Other Comprehensive Income within equity. The Company has taken recourse of the said provision and has transferred as at the date of transition to Ind AS, all re-measurement costs relating to prior period to the transition date to Retained earnings.

L) **Revenue from sale of goods**

(i) **Excise duty**

Under the previous GAAP, revenue from sale of goods was presented as net of excise duty on sales. However, under Ind AS, revenue from sale of goods includes excise duty and such excise duty is separately presented as an expense on the face of the Statement of Profit and Loss. Thus, under Ind AS, sale of goods for the year ended 31st March, 2016 has increased by ₹11740.75 lacs with a corresponding increase in "Total expense".

(ii) **Cash discount**

In contrast to the previous GAAP requirements, Ind AS requires revenue to be measured at fair value of the consideration received or receivable and settlement discounts is required to be estimated at the time of sale and deducted from revenue.

Hence, cash discount paid/payable aggregating to ₹0.71 lacs which was considered as part of miscellaneous expenses under Other Expenses under the previous GAAP has been adjusted with Sale of goods under Ind AS for the year ended 31st March, 2016.

Notes forming part of the Standalone Financial Statements

Note No. : 40 Other disclosures *(contd.)*

M) **Interest Income**

The previous GAAP required the recognition of revenue from interest on time proportion basis. However, Ind AS requires interest on financial assets to be recognized using the effective interest rate method.

N) **Cash flow statement**

Under Ind AS, bank overdrafts forms an integral part of the cash management process and are included in cash and cash equivalents for the purpose of presentation of Cash Flow Statement.

Under the previous GAAP, bank overdrafts were considered as "Other payables" and movements in bank overdrafts were shown as part of operating activities. Consequently, Cash and cash equivalents have reduced by ₹101.87 lacs as at 31st March, 2016 (1st April, 2015: ₹134.59 lacs) and cash flows from operating activities for the year ended 31st March, 2016 have been increased by ₹23.91 lacs.

Apart from the above, the transition from the previous GAAP to Ind AS has not had a material impact on Cash Flow Statement.

O) **Retained earnings**

Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

P) **Total comprehensive income and other comprehensive income**

Under the previous GAAP, the Company did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

25. The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.

For and on behalf of the Board of Directors

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(CA. Sunita Kedia)	**Nitin Bagaria**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 60162			DIN - 00846939	DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Independent Auditor's Report

To

The Members of

Balrampur Chini Mills Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **BALRAMPUR CHINI MILLS LIMITED** (hereinafter referred to as "the Holding Company" or "the Parent") and its Subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and an associate, comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with relevant rules issued there under. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS 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 Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated 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 consolidated financial position of the Group and its associate, as at 31st March, 2017, and their consolidated financial performance (including other comprehensive income), their consolidated cash flows and the consolidated changes in equity for the year then ended.

Other Matters

We did not audit the financial statements of Indo Gulf Industries Ltd., a subsidiary, whose financial statements reflect total assets of ₹348.50 lacs as at 31st March, 2017, total revenues of ₹12.79 lacs and net cash out flows amounting to ₹197.33 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹98.03 lacs and total comprehensive income of ₹98.06 lacs for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose report has 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 the subsidiary and associate, 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 subsidiary and associate, is based solely on the report of the other auditors.

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

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

i. 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 Ind AS financial statements.

ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.

iii. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the consolidated Statement of Cash Flows and consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

iv. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued there under.

v. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company and associate company, none of the Directors of the Group companies and its associate company is disqualified as on 31st March, 2017 from being appointed as a Director in terms of section 164 (2) of the Act.

vi. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its Subsidiary Company and its Associate Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"

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

   a. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note No. 40 (i) to the consolidated Ind AS financial statements.

   b. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March, 2017.

   c. There has been no delay in transferring amounts, to the investor education and protection fund by the Holding Company during the year ended 31st March, 2017. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary and its associate company during the year ended 31st March, 2017.

   d. Based on our audit procedures and the report of the statutory auditors of subsidiary company and associate company, the Group has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with books of account maintained by the Holding Company, its subsidiary company and associate company– Refer Note No. 40 (6) to the consolidated Ind AS financial statements.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: 27th May, 2017

"Annexure A" to the Independent Auditor's Report

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of Balrampur Chini Mills Limited ("the Holding Company"), its subsidiary company and associate company as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company, its subsidiary company and associate company, which are incorporated in India, are 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.

Auditor's 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 issued by the ICAI. 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 consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, 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 Holding Company, its subsidiary company and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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 ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary company and the associate company, which are companies incorporated in India, is based on the corresponding report of the auditors of such companies.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: 27th May, 2017

Consolidated Balance Sheet as at 31st March, 2017

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
I. ASSETS							
(1) Non - current assets							
(a) Property, plant and equipment	4	140949.76		133724.78		137342.22	
(b) Capital work-in progress	4A	612.95		8647.05		756.30	
(c) Intangible assets	5	280.15		280.72		332.10	
(d) Investment in an associate	6	5097.61		-		-	
(e) Financial assets							
(i) Non-current Investments	7	2261.19		4770.61		4589.91	
(ii) Trade and other receivables	8(i)	-		-		-	
(iii) Other financial assets	9(i)	142.93		1086.39		17774.83	
(f) Non-current tax assets (net)	10	101.50		1777.46		1888.17	
(g) Other non-current assets	11	954.17	150400.26	1478.81	151765.82	1210.12	163893.65
(2) Current assets							
(a) Inventories	12	231363.13		186489.19		166953.12	
(b) Biological assets	13	12.33		3.44		3.65	
(c) Financial assets							
(i) Trade and other receivables	8(ii)	16276.95		19928.12		15868.55	
(ii) Cash and cash equivalents	14	203.05		718.02		7703.97	
(iii) Bank balances other than cash and cash equivalents	15	245.51		188.76		516.52	
(iv) Loans	16	957.34		950.85		945.18	
(v) Other financial assets	9(ii)	310.34		5917.55		26618.53	
(d) Other current assets	17	2631.28		4093.77		2043.27	
(3) Assets classified as held for sale	40(16)	348.52	252348.45	-	218289.70	-	220652.79
Total Assets			402748.71		370055.52		384546.44
II. EQUITY AND LIABILITIES							
(1) Equity							
(a) Share capital	18	2350.10		2449.50		2449.16	
(b) Other equity	19	153710.08		120456.81		110451.74	
Equity attributable to equity shareholders of the parent		156060.18		122906.31		112900.90	
Non-controlling interests		(28.83)	156031.35	(5.47)	122900.84	-	112900.90
Liabilities							
(2) Non - current liabilities							
(a) Financial liabilities							
(i) Borrowings	20(i)	12430.54		50202.44		43222.77	
(ii) Other financial liabilities	21(i)	459.28		563.57		609.69	
(b) Government grants	22	152.11		159.20		16.35	
(c) Provisions	23(i)	318.18		259.31		265.79	
(d) Deferred tax liabilities (net)	24	15001.79		15941.79		17453.26	
(e) Other non-current liabilities	25	27.59	28389.49	735.29	67861.60	626.67	62194.53
(3) Current liabilities							
(a) Financial liabilities							
(i) Borrowings	20(ii)	157743.71		99441.85		117408.76	
(ii) Trade and other payables	26	29537.67		42335.19		73674.33	
(iii) Other financial liabilities	21(ii)	14220.48		22130.72		10624.10	
(b) Government grants	22	7.09		975.86		1.09	
(c) Other current liabilities	27	15853.61		13810.23		7361.26	
(d) Provisions	23(ii)	328.23		347.38		381.47	
(e) Current tax liabilities (net)	28	-		251.85		-	
(4) Liabilities associated with assets classified as held for sale	40(16)	637.08	218327.87	-	179293.08	-	209451.01
Total Equity and Liabilities			402748.71		370055.52		384546.44
Corporate information	1						
Significant accounting policies and estimates	2-3						
Other disclosures	40						
The accompanying notes 1 to 40 are an integral part of the consolidated financial statements.							

As per our report of even date attached.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(CA. Sunita Kedia)	Nitin Bagaria	Pramod Patwari	Dr. Arvind Krishna Saxena	Vivek Saraogi
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 60162			DIN - 00846939	DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Consolidated Statement of Profit and Loss for the year ended 31st March, 2017

(₹ in Lacs)

	Particulars	Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016
I.	Revenue from operations	29	364099.71	287406.77
II.	Other income	30	2507.02	4651.12
III.	Total income (I+II)		366606.73	292057.89
IV.	Expenses:			
	Cost of materials consumed	31	257684.56	211254.20
	Excise duty on sale of goods		18086.33	11740.75
	Changes in inventories of finished goods, by-products and work-in-progress	32	(41952.11)	(13623.47)
	Employee benefits expense	33	18099.46	15094.92
	Finance costs	34	5542.80	6654.53
	Depreciation and amortisation expense	35	10502.84	11019.71
	Other expenses	36	25278.76	21849.24
	Total expenses		293242.64	263989.88
V.	Profit before share of profit of an associate, exceptional items and tax (III-IV)		73364.09	28068.01
VI.	Share of profit of an associate		127.43	-
VII.	Profit before exceptional items and tax (V+VI)		73491.52	28068.01
VIII.	Exceptional items	37	-	17310.41
IX.	Profit before tax (VII-VIII)		73491.52	10757.60
X.	Tax expense	38		
	Current tax		15788.07	2254.75
	Deferred tax		(1572.51)	(1511.47)
			14215.56	743.28
XI.	Profit for the year (IX-X)		59275.96	10014.32
XII.	Other comprehensive income	39		
	(i) Items that will not be reclassified to profit or loss		(555.00)	(47.92)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		192.08	10.23
	Total other comprehensive income		(362.92)	(37.69)
XIII.	Total comprehensive income for the year (XI + XII)		58913.04	9976.63
	(Comprising of profit and other comprehensive income for the year)			
	Profit for the year attributable to :-			
	a) Owners of the parent		59299.32	10019.79
	b) Non-controlling interests		(23.36)	(5.47)
			59275.96	10014.32
	Other comprehensive income attributable to :-			
	a) Owners of the parent		(362.92)	(37.69)
	b) Non-controlling interests		-	-
			(362.92)	(37.69)
	Total comprehensive income attributable to :-			
	a) Owners of the parent		58936.40	9982.10
	b) Non-controlling interests		(23.36)	(5.47)
			58913.04	9976.63
XIV.	Earnings per equity share (Nominal value per share ₹1/-) [Refer Note No. 40(8)]			
	- Basic (₹)		24.29	4.09
	- Diluted (₹)		24.28	4.09
	Number of shares used in computing earnings per share			
	- Basic		244167344	244922208
	- Diluted		244209069	244995809
	Corporate information	1		
	Significant accounting policies and estimates	2-3		
	Other disclosures	40		
	The accompanying notes 1 to 40 are an integral part of the consolidated financial statements.			

As per our report of even date attached.

For and on behalf of the Board of Directors

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Sd/-
Nitin Bagaria
Company Secretary

Sd/-
Pramod Patwari
Chief Financial Officer

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Consolidated Statement of changes in Equity for the year ended 31st March, 2017

(a) Equity share capital

(₹ in Lacs)

For the year ended 31st March, 2017			For the year ended 31st March, 2016		
Balance as at 1st April, 2016	Changes in equity share capital during the year	Balance as at 31st March, 2017	Balance as at 1st April, 2015	Changes in equity share capital during the year	Balance as at 31st March, 2016
2449.50	(99.40)	2350.10	2449.16	0.34	2449.50

(b) Other equity

(₹ in Lacs)

	Attributable to the equity share holders of the parent Reserves and surplus							Other comprehensive income	Total	Non-controlling interests	Total other equity
	Capital reserves	Securities premium reserve	Capital redemption reserve	Share options outstanding account	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan			
Balance as at 1st April, 2016	1075.58	51917.94	2654.10	53.12	114.30	64974.04	(332.27)	-	120456.81	(5.47)	120451.34
Changes in equity during the year ended 31st March, 2017											
Profit for the year	-	-	-	-	-	-	59299.32	-	59299.32	(23.36)	59275.96
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	(362.92)	(362.92)	-	(362.92)
Consolidation adjustments (net of tax ₹632.52 lacs)	2109.00	-	-	-	-	-	-	-	2109.00	-	2109.00
Exercise of stock options	-	48.32	-	(21.62)	-	-	-	-	26.70	-	26.70
Forfeiture of stock options	-	-	-	(13.41)	-	-	-	-	(13.41)	-	(13.41)
Transfer on account of buy-back of equity shares	-	(100.00)	100.00	-	-	-	-	-	-	-	-
Utilized on account of buy-back of equity shares	-	(17400.00)	-	-	-	-	-	-	(17400.00)	-	(17400.00)
Buy back expenses (net of tax ₹46.94 lacs)	-	-	-	-	-	-	(88.70)	-	(88.70)	-	(88.70)
Storage fund for molasses created during the year	-	-	-	-	18.61	-	-	-	18.61	-	18.61
Storage fund for molasses utilized during the year	-	-	-	-	(15.16)	-	-	-	(15.16)	-	(15.16)
Transfer from/to other comprehensive income/retained earnings	-	-	-	-	-	-	(362.92)	362.92	-	-	-
Interim dividend	-	-	-	-	-	-	(8574.59)	-	(8574.59)	-	(8574.59)
Dividend distribution tax on interim dividend	-	-	-	-	-	-	(1745.58)	-	(1745.58)	-	(1745.58)
Balance as at 31st March, 2017	3184.58	34466.26	2754.10	18.09	117.75	64974.04	48195.26	-	153710.08	(28.83)	153681.25

Consolidated Statement of changes in Equity for the year ended 31st March, 2017

(b) Other equity *(contd.)*

(₹ in Lacs)

	Attributable to the equity share holders of the parent							Other comprehensive income	Total	Non-controlling interests	Total other equity
	Reserves and surplus										
	Capital reserves	Securities premium reserve	Capital redemption reserve	Share options outstanding account	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan			
Balance as at 1st April, 2015	1075.58	51891.16	2654.10	74.17	97.06	64974.04	(10314.37)	-	110451.74	-	110451.74
Changes in equity during the year ended 31st March, 2016	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	10019.79	-	10019.79	(5.47)	10014.32
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	-	(37.69)	(37.69)	-	(37.69)
Exercise of stock options	-	26.78	-	(12.04)	-	-	-	-	14.74	-	14.74
Forfeiture of stock options	-	-	-	(9.01)	-	-	-	-	(9.01)	-	(9.01)
Storage fund for molasses created during the year	-	-	-	-	17.24	-	-	-	17.24	-	17.24
Transfer from/to other comprehensive income/retained earnings	-	-	-	-	-	-	(37.69)	37.69	-	-	-
Balance as at 31st March, 2016	1075.58	51917.94	2654.10	53.12	114.30	64974.04	(332.27)	-	120456.81	(5.47)	120451.34

The accompanying notes 1 to 40 are an integral part of the consolidated financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Sd/-
Nitin Bagaria
Company Secretary

Sd/-
Pramod Patwari
Chief Financial Officer

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Consolidated Cash Flow Statement for the year ended 31st March, 2017

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit before share of profit of an associate exceptional items and tax		**73364.09**		**28068.01**
Adjustments to reconcile profit before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :				
Finance costs	5542.80		6654.53	
Depreciation and amortisation expense	10502.84		11019.71	
Loss on impairment of property, plant and equipment	-		148.79	
Loss on sale/discard of property, plant and equipment (net)	2925.77		324.70	
Sundry debit balances/advances written off	49.07		238.28	
Transfer to storage fund for molasses	18.61		17.24	
Allowance for doubtful loans and advances	8.27		1.09	
Loss on sale of non-current investment	458.95		-	
Cane commission subsidy receivable written off	2106.83		-	
Bad debts written off	24.86		95.17	
Fair value loss on financial instruments at fair value through profit or loss	8.82		874.79	
Interest income	(395.57)		(530.58)	
Cane commission no longer payable written back	-		(2752.55)	
Unspent liabilities/balances written back	(336.61)		(305.45)	
Government grants	(7.09)		(1.15)	
Allowance for bad and doubtful receivables and advances written back	-		(319.19)	
Provision for wealth tax written back	(7.87)		-	
Storage fund for molasses written back	(15.16)		-	
Expense on employee stock option scheme	(13.41)		(9.01)	
Employee benefit expense	0.13		-	
		20871.24		**15456.37**
Operating profit before working capital changes		**94235.33**		**43524.38**
Adjustments to reconcile operating profit to cash flow provided by changes in working capital :				
(Increase) in inventories	(44873.94)		(19536.07)	
(Increase)/decrease in biological assets	(8.89)		0.21	
Decrease/(increase) in trade and other receivables	3626.31		(4059.57)	
(Increase) in loans	(7.85)		(5.67)	
Decrease in other financial assets	3200.76		20510.14	
Decrease/(increase) in other non-current and other current assets	1916.49		(2334.55)	
(Decrease) in trade and other payables	(12460.91)		(28281.14)	
Increase in other non-current and other current financial liabilities	1497.72		918.80	
Increase in other non-current and other current liabilities	2043.65		6448.97	
(Decrease) in provision for employee benefits/wealth tax	(464.00)		(88.49)	
		(45530.66)		(26427.37)
Cash generated from operations		48704.67		17097.01
Tax expense (excluding wealth tax)		(14140.21)		(1987.62)
Cash flow before exceptional and extraordinary items		**34564.46**		**15109.39**
Exceptional item - Voluntary retirement scheme		-		(409.84)
Net cash generated from operating activities (A)		**34564.46**		**14699.55**
B CASH FLOW FROM INVESTING ACTIVITIES				
Additions to property, plant and equipment and intangible assets	(12955.94)		(15323.76)	
Sale of property, plant and equipment and intangible assets	728.30		105.50	
Purchase of shares of associate	(2228.63)		-	
Sale of debentures	2227.50		-	
Purchase of national savings certificates	(0.05)		(0.05)	
Proceeds from maturity of national savings certificates	1.16		2.08	
Fixed deposits placed with banks	(362.41)		(108.56)	
Fixed deposits redeemed from banks	210.07		415.91	
Interest received on debentures/inter corporate deposits/fixed deposits and NSC	728.08		247.38	
Net cash used in investing activities (B)		(11651.92)		(14661.50)

Consolidated Cash Flow Statement (contd.) for the year ended 31st March, 2017

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issuance of equity shares on exercise of employee stock option	27.30		15.08	
Payment towards buy-back of shares	(17500.00)		-	
Buy back expenses	(135.64)		-	
Capital subsidy received	-		150.00	
Proceeds from long-term borrowings	-		26304.00	
Repayment of long-term borrowings	(47185.19)		(7689.85)	
Proceeds/(repayment) of commercial paper (net)	95526.25		(31453.73)	
Proceeds/(repayment) of other short-term borrowings (net)	(37224.39)		13658.97	
Interest expense	(6391.92)		(7252.12)	
Payment on settlement of derivatives	(8.82)		(640.70)	
Other borrowing costs	(59.54)		(82.93)	
Interim dividend paid	(8574.59)		-	
Dividend distribution tax paid	(1745.58)		-	
Net cash (used in) financing activities (C)		**(23272.12)**		**(6991.28)**
Net decrease in cash and cash equivalents (A+B+C)		**(359.58)**		**(6953.23)**
Opening cash and cash equivalents		616.15		7569.38
Elimination of cash and cash equivalents owing to transfer to asset held for sale		(53.52)		-
Closing cash and cash equivalents for the purpose of Consolidated Cash Flow Statement (Refer Note No 14)		**203.05**		**616.15**

Notes:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) -7 on Statement of Cash Flows.
2) Interest expense is inclusive of, and additions to property, plant & equipment and intangible assets are exclusive of, interest capitalised ₹530.03 lacs (31st March, 2016: ₹454.32 lacs). Further, other borrowing costs is inclusive of, and additions to property, plant & equipment and intangible assets are exclusive of, other borrowing cost capitalised ₹ NIL (31st March, 2016: ₹42.55 lacs).
3) Additions to property, plant & equipment and intangible assets include movement of Capital work-in-progress during the year.
4) Proceeds/(repayment) of/from Commercial paper and other Short-term borrowings qualify for disclosure on net basis.
5) Cash and cash equivalents do not include any amount which is not available to the Group for its use.
6) Cash and cash equivalents as at the Balance Sheet date consists of:

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016	
a) Balance with banks on current accounts		126.99		626.40
b) Cheques on hand		0.20		0.01
c) Cash on hand		75.86		91.61
Closing cash and cash equivalents (Refer Note No. 14)		**203.05**		**718.02**
d) Less: Book overdraft balances [Refer Note No. 21 (ii)]		-		101.87
Closing cash and cash equivalents for the purpose of Consolidated Cash Flow Statement		**203.05**		**616.15**

7) Figure in brackets represent cash outflow from respective activities.
8) As breakup of Cash and cash equivalents is also available in Note No. 14, reconciliation of items of Cash and cash equivalents as per Consolidated Cash Flow Statement with the respective items reported in the Consolidated Balance Sheet is not required and hence not provided.

The accompanying notes 1 to 40 are an integral part of the consolidated financial statements.

As per our report of even date attached.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Sd/-
Nitin Bagaria
Company Secretary

Sd/-
Pramod Patwari
Chief Financial Officer

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Notes forming part of the consolidated financial statements

Note No. : 1 Consolidated Corporate Information

1. Corporate information

The consolidated financial statements comprise financial statements of Balrampur Chini Mills Limited ("BCML" or "the Company" or "the Parent") and its Subsidiary Company, Indo Gulf Industries Limited ("IGIL" or "the Subsidiary Company") (collectively referred to as "the Group") for the year ended 31st March, 2017.

The Company is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at FMC Fortuna, 2nd Floor, 234/3A, AJC Bose Road, Kolkata – 700020, West Bengal, India.

The Company's shares are listed on the BSE Ltd., National Stock Exchange of India Ltd. and The Calcutta Stock Exchange Ltd.

The Company is one of the largest integrated sugar manufacturing companies in India. The principal activities of the Company is manufacturing of sugar.

Its allied busi ness consists of :

(a) Manufacturing and marketing of Ethyl Alcohol and Ethanol, and

(b) Generation and sale of power.

The consolidated financial statements for the year ended 31st March, 2017 was approved for issue by the Board of Directors of the Company on 27th May, 2017 and is subject to the adoption by the shareholders in the ensuing Annual General Meeting.

Note No. : 2 Consolidated Significant accounting policies

2.1 Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016 with restatement of previous year figures presented in this consolidated financial statements. Accordingly, the consolidated financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Group has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) ("Previous GAAP").

These consolidated financial statements for the year ended 31st March, 2017 are the first consolidated financial statements of the Group prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2015. Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 40(26).

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the consolidated financial statements are approved for issue by the Board of Directors has been considered in preparing these consolidated financial statements.

2.2 Basis of preparation and consolidation

a) Basis of preparation

These consolidated financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following:

i) Certain financial assets and financial liabilities (including derivative instruments) – measured at fair value and

ii) Defined benefits plan – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The consolidated financial statements including notes thereon are presented in Indian Rupees ("Rupees"or "Rs." or "₹"), which is the Group's functional and presentation currency. All amounts disclosed in the consolidated financial statements including notes thereon have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless stated otherwise.

b) Basis of consolidation

The Company consolidates entities which it owns or controls.

The consolidated financial statements comprise the financial statements of the Company and its Subsidiary as at 31st March, 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),

(ii) Exposure, or rights, to variable returns from its involvement with the investee, and

(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee;

(ii) Rights arising from other contractual arrangements;

(iii) The Group's voting rights and potential voting rights; or

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March.

Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its Subsidiary. For this purpose, income and expenses of the Subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date,

(ii) Offset (eliminate) the carrying amount of the Parent's investment in Subsidiary and the Parent's portion of equity of Subsidiary,

(iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets are eliminated in full) and

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

(iv) Profit or loss and component of other comprehensive income (OCI) are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

c) Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control over those policies.

The considerations made in determining whether significant influence exist, is similar to those necessary to determine control over the subsidiary.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. If the Group's share of the net fair value of the investee's identifiable assets and liabilities exceeds the cost of the investment, any excess is recognised directly in Equity as capital reserve in the period in which the investment is acquired. Goodwill, if any, relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the associate. Any change in OCI of investee is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If the Group's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the Consolidated Statement of Profit and Loss.

The financial statements of the associate are prepared for the same reporting period as the Group.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each balance sheet date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit/loss of an associate' in the Consolidated Statement of Profit and Loss.

2.3 Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits would flow to the Group and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers.

Revenue is measured at the fair value of the consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

a) Sale of goods

Sale of goods is recognised at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration. It includes excise duty and cess and excludes sales tax/VAT, trade discounts and rebates.

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

b) Income from sale of Renewable Energy Certificates (RECs)

Income from sale of RECs is recognised on delivery of RECs to the customers' account.

c) Interest income

For all debt instruments measured at amortized cost, interest income is recognised using the effective interest rate (EIR). Interest income is included in "Other Income" in the Consolidated Statement of Profit and Loss.

d) Dividend Income

Dividend income is recognised when the Group's right to receive the dividend is established i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

e) Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

f) All other income are accounted for on accrual basis.

2.4 Expenses

All expenses are accounted for on accrual basis.

2.5 Property, plant and equipment (PPE) and Capital work-in-progress (CWIP)

a) Transition to Ind AS

The Group has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2015.

Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation and impairment) adjusted by revaluation of certain assets.

b) All Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Consolidated Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision is met.

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

The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Consolidated Statement of Profit and Loss.

c) Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated.

Lease-hold land are amortised over the lease term.

Depreciation on other items of PPE is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013, except for Power transmission lines and Mobile phones which are depreciated over a period of five years and three years respectively.

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

The estimated useful lives are determined based on assessment made by technical experts, in order to reflect the actual usage of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives considered are as follows:

Category	Useful life
Buildings	03 - 60 years
Roads	03 - 10 years
Plant and equipment	08 - 25 years
Furniture and fixtures	10 years
Vehicles	08 - 10 years
Office equipment	03 - 05 years
Computers	03 - 06 years
Electrical installation and equipment	05 - 10 years
Pipelines	15 years

Each item of PPE individually costing ₹ 5,000/- or less is depreciated over a period of one year from the date the said assets is available for use.

The residual value of an item of PPE is not more than 5% of the original cost of the respective asset.

The estimated useful lives, residual values and depreciation method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

d) **Expenditure during construction period**

Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under CWIP. CWIP is stated at the amount expended upto balance sheet date on assets or property, plant and equipment that are not yet ready for their intended use.

2.6 Intangible assets (Computer Software)

a) **Transition to Ind AS:**

The Group has elected to continue with carrying value of computer software under the previous GAAP, as deemed cost as at the transition date i.e. 1st April, 2015. Under the previous GAAP, computer software were stated at their original cost (net of accumulated amortization and accumulated impairment, if any).

b) **Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset.**

Acquired computer software are measured at original cost less accumulated amortisation and impairment losses, if any.

Cost, net of cenvat, includes acquisition price, licence fees and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.

c) **Amortization methods, estimated useful lives and residual value**

Computer Software are amortized on a straight-line basis over its estimated useful lives of five years.

The estimated useful lives, residual values and amortization method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

2.7 Inventories

a) Inventories (other than By-products and scraps) are valued at lower of cost and net realisable value after providing for obsolescence, if any.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in value of inventories.

The cost of inventories is computed on weighted average basis. Inventories are written down on a case-by-case basis if the anticipated net realizable value declines below the carrying amount of the inventories. Such write downs are recognised in the Consolidated Statement of Profit and Loss. When the reason for a write-down of the inventories ceases to exist, the write-down is reversed.

Net realisable value (NRV) 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.

b) By-products and scraps are valued at net realisable value.

2.8 Biological assets

Biological assets comprise Standing crops of sugarcane.

Biological assets are measured at fair value less estimated costs to sell. Changes in fair value are recognized in the Consolidated Statement of Profit and Loss.

The fair value of these assets excludes the land upon which the crops are planted or the items of PPE utilised in the upkeep of planted areas.

The biological process starts with preparation of land for planting seedlings and ends with the harvesting of crops.

For biological assets, where little biological transformation has taken place since the initial cost was incurred (e.g. planted immediately before the balance sheet date), such are measured at cost i.e. total expenses incurred on such plantation upto the balance sheet date.

When harvested, cane is transferred to inventory at fair value less costs to sell.

2.9 Government grants

Government grants are recognised at fair value when there is reasonable assurance that the grant would be received and the Group would comply with all the conditions attached with them.

Government grants related to PPE are treated as deferred income (included under non-current liabilities with current portion considered under current liabilities) and are recognized and credited in the Consolidated Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset and included under "Other Income".

Government grants related to revenue nature are recognized on a systematic basis in the Consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate and are adjusted with the related expenditure.

If not related to a specific expenditure, it is taken as income and presented under "Other Income".

2.10 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Consolidated Statement of Profit and Loss in the period in which they are incurred.

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

2.11 Leases

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

For arrangements entered into prior to the transition date, i.e. 1st April, 2015, the Group has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

a) When the Group is a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which substantially all the risks and rewards of ownership are transferred to the Group are classified as finance leases.

On initial recognition, the finance leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Payment made under operating leases are recognized as expense in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

b) When the Group is a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the escalation of lease rentals is in line with the expected general inflation so as to compensate the lessor for expected inflationary cost, the increases in the rentals is not straight lined.

2.12 Provisions, contingent liabilities and contingent assets

a) A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the passage of time is recognized as finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Consolidated Statement of Profit and Loss, net of any reimbursement.

b) A contingent liability is not recognised in the consolidated financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the consolidated financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

c) A contingent asset is not recognised in the consolidated financial statements, however, is disclosed, where an inflow of economic benefits is probable.

When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

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

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

2.13 Dividend payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognised directly in equity.

2.14 Foreign currency transactions and translations

a) Functional and presentation currency

The items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ("the function currency").

The consolidated financial statements are presented in Indian Rupee (INR), which is the Group's functional as well as presentation currency.

b) Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

2.15 Employee benefits

a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss for the year in which the related service is rendered.

b) Defined contribution plans

The Group pays provident and other fund contributions to publicly administered fund as per local regulations.

The Group has no further obligation, other than the contributions payable to the respective funds. The Group recognizes contribution payable to such funds as an expense, when an employee renders the related service.

c) Defined benefit plans

The Company operates a defined benefit gratuity plan, which requires contributions to be made to The Balrampur Sugar Company Limited Employees Gratuity Fund (the Trust). Trustees administer contributions made to the Trust and contributions are invested in schemes through insurance companies.

The liability or asset recognised in the Balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by external actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows by reference to the market yields as at the balance sheet date on government bonds that have terms approximating to the terms of the related obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ("OCI") in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

Past service costs are recognised in profit or loss on the earlier of:

i) The date of the plan amendment or curtailment, and

ii) The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Consolidated Statement of Profit and Loss:

i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, and

ii) Net interest expense or income.

d) Compensated absences

The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

e) Voluntary Retirement Scheme

Expenditure on voluntary retirement scheme is charged to the Consolidated Statement of Profit and Loss in the year in which it is incurred.

2.16 Share based payments (Employee stock options)

The eligible employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to equity share capital (par value of the equity share) and securities premium reserve. The Company determines the compensation cost based on the intrinsic value method. The compensation cost is amortised on a straight line basis over the vesting period.

2.17 Financial instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Group becomes a party to the contractual provisions of the instrument. The Group determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

a) Financial assets

i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

ii) Subsequent measurement

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

1) At amortised cost,

2) At fair value through other comprehensive income (FVTOCI), and

3) At fair value through profit or loss (FVTPL).

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

Debt instruments at amortised cost

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

1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and

2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in associate carried at cost.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Group may make an irrevocable election to present in OCI subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price is deferred and after initial recognition deferred difference is recognised as gain or loss to the extent it arises from change in input to valuation technique.

If the Group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

iii) De-recognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

b) Financial liabilities

i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments, etc.

ii) Subsequent measurement

For the purpose of subsequent measurement, Financial liabilities are classified in two categories:

1) Financial liabilities at amortised cost, and

2) Derivative instruments at fair value through profit or loss (FVTPL).

Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

iii) De-recognition

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

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

c) Derivative financial instruments

Initial recognition and subsequent measurement

A derivative financial instrument, such as forward currency contracts and interest rate swaps are used to hedge foreign currency risks and interest rate risks respectively and includes options. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price is deferred and after initial recognition deferred difference is recognised as gain or loss to the extent it arises from change in input to valuation technique.

d) Offsetting of financial instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

e) Fair value measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the Group being evaluated, the nature of industry in which it operates, the Group's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

f) Share capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

2.18 Impairment of Assets

a) Non-financial assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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

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

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

b) Financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

ECL impairment loss allowance is measured at an amount equal to lifetime ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income or expense in the Consolidated Statement of Profit and Loss. This amount is reflected under the head "Other expenses" in the profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Consolidated Balance sheet. The allowance reduces the net carrying amount.

Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

2.19 Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in Consolidated OCI.

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and in Equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in consolidated financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

In respect of taxable temporary differences associated with investments in subsidiary and associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future, deferred tax liabilities are not recognised.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws to the extent it is likely to give future economic benefits in the form of availability to set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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

2.20 Earnings per Share

a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

2.21 Non-current assets (or disposal groups) held for sale and discontinued operations

a) Non-current assets (or disposal groups) are classified as held for sale if their carrying amount would be recovered principally through a sale/distribution rather than through continuing use and a sale/distribution is considered highly probable.

Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/distribution would be made or that the decision to sell/distribute would be withdrawn. Management must be committed to sale/distribution expected within one year from the date of classification.

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

b) Immediately before the initial classification of the assets (and disposal groups) as held for sale, the carrying amount of the assets (or all the assets and liabilities in the disposal groups) are measured in accordance with their applicable accounting policy.

Non-current assets (or disposal groups) held for sale/for distribution to owners are subsequently measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

c) Non-current assets including those that are part of a disposal group (PPE and intangible assets) once classified as held for sale/ distribution to owners are neither depreciated nor amortized. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

d) Non-current assets (including assets of a disposal group) classified as held for sale are presented separately from the other assets in the Balance sheet. The liabilities of a disposal group classified as held for sale/distribution are presented separately from other liabilities in the Balance sheet.

e) A disposal group qualifies as discontinued operation if it is a component of equity that has either being disposed of or is classified as held for sale, and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented separately as a single amount as profit or loss after tax from discontinued operations in the Consolidated Statement of Profit and Loss and Comparative information is restated accordingly.

f) All notes to the consolidated financial statements mainly include amounts for continuing operations, unless stated otherwise.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM).

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole. In addition, the following specific accounting policies have been followed for segment reporting:

a) Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment transfers.

Inter segment transfers are accounted for based on the transaction price agreed to between the segments which is at cost in case of transfer of Group`s intermediate and final products and estimated realisable value in case of by-products.

b) Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on direct and/or on a reasonable basis, have been disclosed as "Unallocable".

2.23 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Group's cash management.

Notes forming part of the consolidated financial statements

Note No. : 2 Consolidated Significant accounting policies *(contd.)*

2.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.25 Recent Accounting Pronouncements

Standards issued but not yet effective

During March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 - Statement of cash flows and Ind AS 102 - Share-based payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 - Statement of cash flows and IFRS 2 – Share based payment, respectively. The amendments are applicable to the Company from 1st April, 2017.

Amendment to Ind AS 7 - Statement of cash flows

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

Amendment to Ind AS 102 - Share based payment

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

Note No. : 3 Use of critical estimates, judgements and assumptions

The preparation of the consolidated financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgement and make certain assumptions in applying the Group's accounting policies and preparation of consolidated financial statements.

The use of such estimates, judgements and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Note No. : 3 Use of critical estimates, judgements and assumptions *(contd.)*

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

(i) Estimated useful life of Property, plant and equipment

PPE represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed periodically including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as change in technology.

(ii) Recognition of deferred tax assets for carried forward tax losses and unused tax credit

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iii) Estimation of Defined benefit obligations

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(iv) Estimated fair value of unlisted securities

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques including the discounted cash flow (DCF) model. The Group uses its judgement to select a variety of method / methods and make assumptions that are mainly based on market conditions existing at the end of each financial year.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Insurance claims and liquidated damages

Insurance claims are accounted as and when admitted/settled. Subsequent changes in value, if any, are provided for.

Notes forming part of the consolidated financial statements

Note No. : 4 Property, plant and equipment and Capital work-in-progress

(₹ in Lacs)

Particulars	Property, Plant and Equipment												Capital work-in-progress @
	Land (Free hold)	Land (Lease hold)	Buildings	Roads	Plant and equipment	Furniture & Fixtures	Vehicles	Office equipment	Computers	Electrical Installation and equipment	Pipelines	Total	
Gross block													
Gross carrying amount as at 1st April, 2016	6844.03	430.74	34528.38	1302.00	86652.04	554.05	947.59	127.50	376.82	7841.35	5169.51	144774.01	8647.05
Additions during the year	-	-	1228.11	136.19	15789.09	102.67	315.23	31.69	147.60	1768.26	1901.97	21420.81	11520.73
Reclassification made during the year	-	-	3.24	-	(3.24)	-	-	-	-	-	-	-	-
Transfer to assets classified as s held for sale	16.56	31.45	92.54	-	16.51	-	-	-	0.01	-	-	157.07	-
Disposals/deductions during the year	2.64	-	734.87	1.01	3355.22	8.04	117.13	3.13	12.13	71.54	66.64	4372.35	19554.83
Gross carrying amount as at 31st March, 2017	6824.83	399.29	34932.32	1437.18	99066.16	648.68	1145.69	156.06	512.28	9538.07	7004.84	161665.40	612.95
Depreciation /amortisation/ impairment													
Accumulated depreciation / amortisation / impairment as at 1st April, 2016	-	6.40	1420.49	572.50	5006.07	134.49	138.06	25.63	95.97	2964.72	684.90	11049.23	-
Depreciation/ amortisation for the year	-	6.40	1275.54	435.58	5434.55	107.83	155.48	27.74	106.30	2130.22	724.06	10403.70	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification made during the year	-	-	0.18	-	(0.18)	-	-	-	-	-	-	-	-
Transfer to assets classified as s held for sale	-	-	18.32	-	-	-	-	-	-	-	-	18.32	
Disposals/deductions during the year	-	-	229.28	0.39	389.95	4.26	38.63	1.25	8.23	34.83	12.15	718.97	
Accumulated depreciation / amortisation / impairment as at 31st March, 2017	-	12.80	2448.61	1007.69	10050.49	238.06	254.91	52.12	194.04	5060.11	1396.81	20715.64	-
Net carrying amount as at 31st March, 2017	6824.83	386.49	32483.71	429.49	89015.67	410.62	890.78	103.94	318.24	4477.96	5608.03	140949.76	612.95
Gross block													
Gross carrying amount as at 1st April, 2015	6824.73	430.74	33941.62	1302.00	80256.00	477.04	878.67	110.00	271.27	7648.47	5201.68	137342.22	756.30
Additions during the year	47.48	-	595.08	-	6671.91	80.57	153.59	22.42	111.63	206.40	-	7889.08	18765.90
Reclassification made during the year	-	-	-	-	7.11	-	-	-	-	-	(7.11)	-	-
Disposals/deductions during the year	28.18	-	8.32	-	282.98	3.56	84.67	4.92	6.08	13.52	25.06	457.29	10875.15
Gross carrying amount as at 31st March, 2016	6844.03	430.74	34528.38	1302.00	86652.04	554.05	947.59	127.50	376.82	7841.35	5169.51	144774.01	8647.05
Depreciation /amortisation/ impairment													
Accumulated depreciation / amortisation / impairment as at 1st April, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation/ amortisation for the year	-	6.40	1271.75	572.50	5014.66	135.57	149.24	26.18	97.80	2967.48	685.96	10927.54	-
Impairment for the year	-	-	148.79	-	-	-	-	-	-	-	-	148.79	-
Reclassification made during the year	-	-	-	-	0.89	-	-	-	-	-	(0.89)	-	-
Disposals/deductions during the year	-	-	0.05	-	9.48	1.08	11.18	0.55	1.83	2.76	0.17	27.10	-
Accumulated depreciation / amortisation / impairment as at 31st March, 2016	-	6.40	1420.49	572.50	5006.07	134.49	138.06	25.63	95.97	2964.72	684.90	11049.23	-
Net carrying amount as at 31st March, 2016	6,844.03	424.34	33107.89	729.50	81645.97	419.56	809.53	101.87	280.85	4876.63	4484.61	133724.78	8647.05
Net carrying amount as at 1st April, 2015	6,824.73	430.74	33941.62	1302.00	80256.00	477.04	878.67	110.00	271.27	7648.47	5201.68	137342.22	756.30

@ Refer Note No. 4A.

Notes :

a) The finance costs on specific finance capitalised during the year amounted to ₹87.92 Lacs (31st March 2016: ₹102.19 Lacs) using the capitalization rate of 10% (31st March, 2016: 10.10%) per annum which is the effective interest rate of the specific borrowings. Further, the Company has also capitalised borrowing costs on its general borrowings amounting to ₹442.11 Lacs (31st March, 2016 : ₹352.13 Lacs) using the weighted average capitalisation rate of 8.03% (31st March, 2016: 8.83%) per annum.

b) The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer Note No 20 for detailed security terms).

c) The Company has entered into various agreements in respect of land under finance lease arrangements. The lease agreements include renewal and escalation clause and do not provide the Company a right to sub-lease. For most of the lease agreements, original lease term is 30 years subject to maximum of 90 years from the date of inception. These leasehold land have been mortgaged in favour of banks and other entities for securing the borrowings.

d) During the year ended 31st March, 2016, the review of assets of Khalilabad unit upon its closure led to the recognition of an impairment loss of ₹148.79 Lacs which was recognised under "Other expenses" in the Consolidated Statement of Profit and Loss.

Notes forming part of the consolidated financial statements

Note No. : 4A Capital work-in-progress

(₹ in Lacs)

Particulars		As at 31st March, 2017		As at 31st March, 2016	
Plant and equipment / Civil work - in - progress					
Additions during the year			10,517.68		18,082.59
	(A)		**10517.68**		**18,082.59**
Preoperative expenses/ trial run expenses					
Additions during the year :					
Cost of materials consumed			249.10		235.17
Employee benefits expense					
Salaries and wages		57.95		55.52	
Contribution to provident and other funds		4.61		4.46	
Staff welfare expense		0.84	63.40	0.53	60.51
Finance costs					
Interest		530.03		454.32	
Other borrowing costs		-	530.03	42.55	496.87
Depreciation expense			0.14		1.57
Other expenses					
Consumption of stores and spare parts		20.76		2.27	
Power and fuel		80.30		3.23	
Insurance		0.55		3.63	
Professional expenses		76.60		1.47	
Rates and taxes (excluding taxes on income)		0.81		9.51	
Miscellaneous expenses		49.35	228.37	14.25	34.36
	(B)		1071.04		828.48
Income during trial run :					
Inter division transfers					
Steam		15.91		87.95	
Power		52.08	67.99	52.66	140.61
	(C)		67.99		140.61
Total additions during the year	D= (A+B-C)		**11520.73**		**18770.46**
Balance brought forward					
Plant and equipment/ Civil work - in- progress	(E)		8647.05		756.30
	F = (D+E)		**20167.78**		**19526.76**
Capitalised during the year	(G)		19554.83		10879.71
Capital work-in-progress at the end of the year	H= (F-G)		**612.95**		**8647.05**

Notes forming part of the consolidated financial statements

Note No. : 5 Intangible assets

(₹ in Lacs)

Particulars	Intangible assets Computer Software (Acquired)
Gross block	
Gross carrying amount as at 1st April, 2016	374.46
Additions during the year	99.40
Disposals/deductions during the year	2.90
Gross carrying amount as at 31st March, 2017	**470.96**
Amortisation	
Accumulated amortisation as at 1st April, 2016	93.74
Amortisation for the year	99.28
Disposals/deductions during the year	2.21
Accumulated amortisation as at 31st March, 2017	**190.81**
Net carrying amount as at 31st March, 2017	**280.15**
Gross carrying amount as at 1st April, 2015	332.10
Additions during the year	42.36
Disposals/deductions during the year	-
Gross carrying amount as at 31st March, 2016	**374.46**
Amortisation	
Accumulated amortisation as at 1st April, 2015	-
Amortisation for the year	93.74
Disposals/deductions during the year	-
Accumulated amortisation as at 31st March, 2016	**93.74**
Net carrying amount as at 31st March, 2016	**280.72**
Net carrying amount as at 1st April, 2015	**332.10**

Note: The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer Note No. 20 for detailed security terms).

Note No. : 6 Investment in an associate

(a) Break-up of investment in an associate accounted for using the equity method (₹ in Lacs)

Particulars	Face value	Number of Shares	As at 31st March, 2017	Number of Shares	As at 31st March, 2016	Number of Shares	As at 1st April, 2015
Equity instruments							
Fully paid up :							
Unquoted							
Associate Company (w.e.f. 24th January, 2017)							
Visual Percept Solar Projects Pvt. Ltd.	₹10	8914500	5097.61	-	-	-	-
Total (A)			**5097.61**		-		-

(b) Details of associate

During the year, the Company has acquired 45% interest in Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) a Private Limited Company, which is involved in generation and sale of power in India [Refer Note No. 40(17)]. The Group's interest in VPSPPL is accounted for using the equity method in the consolidated financial statements.

Note No. : 6 Investment in an associate *(contd.)*

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/voting rights held by the Group		
			As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Visual Percept Solar Projects Pvt. Ltd.	Generation and sale of power	Mumbai, Surendranagar (Gujrat).	45%	Not applicable	Not applicable

The following table summarizes the financial information of the financial statements of VPSPPL prepared in accordance with Ind AS.

(₹ in Lacs)

Particulars	As at 31st March, 2017	
Non-current assets	24536.84	
Current assets	1495.91	26032.75
Non-current liabilities	12245.03	
Current liabiities	2459.70	14704.73
Equity		**11328.02**

(₹ in Lacs)

Particulars	Year ended 31st March, 2017
Revenue	5888.87
Other Income	270.03
Purchases of traded goods	189.62
Employee benefits expense	133.81
Finance costs	1091.61
Depreciation and amortisation expense	1752.96
Other expenses	704.98
Profit before tax	**2285.92**
Tax expenses	743.25
Net Profit after tax for the year	**1542.67**
Add:- Other comprehensive income, net of tax for the year	0.48
Total comprehensive income for the year	**1543.15**
Group's proportionate share of profit before tax	127.43
Less: Deferred tax	29.40
Group's proportionate share of profit after tax	**98.03**
Group's proportionate share of other comprehensive income	0.04
Less: Deferred tax	0.01
Group's proportionate share of other comprehensive income after tax	0.03
Group's proportionate share of total comprehensive income after tax	**98.06**

Reconciliation of the above summarised financial information to the carrying amount of the interest in VPSPPL recognized in the consolidated financial statements:

(₹ in Lacs)

Particulars	As at 31st March, 2017
Net assets of the associate	11328.02
Proportion of the Group's ownership interest	45%
Group's share of net assets	**5097.61**

Notes forming part of the consolidated financial statements

Note No. : 7 Non-current Investments

Particulars		Face value	Number of Shares / Debentures	As at 31st March, 2017 (₹ in Lacs)	Number of Shares / Debentures	As at 31st March, 2016 (₹ in Lacs)	Number of Shares / Debentures	As at 1st April, 2015 (₹ in Lacs)
(i)	**Equity instruments**							
	Designated at fair value through other comprehensive income							
	Fully paid up :							
	Unquoted							
	Asia Sugar Industries Pvt. Ltd.	₹10	250000	40.02	2,50,000	40.80	250000	39.15
	Fortuna Services Ltd.	₹1	70287	0.70	70,287	0.70	70287	0.70
	Total (A)			40.72		41.50		39.85
(ii)	**Debentures # (Measured at amortised cost)**							
	Fully paid up :							
	Associate Company (w.e.f. 24th January, 2017)							
	Visual Percept Solar Projects Pvt. Ltd.	₹100	1822500	2212.48	40,50,000	4720.01	4050000	4538.93
	Total (B)			**2212.48**		**4720.01**		**4538.93**
(iii)	**Post Office National Saving Certificates (Measured at amortised cost)**							
	Unquoted			7.99		9.10		11.13
	(Deposited with government authorities)							
	Total (C)			**7.99**		**9.10**		**11.13**
	Total D = (A + B + C)			**2261.19**		**4770.61**		**4589.91**
	Aggregate amount of unquoted investments (including investment in an associate)			7358.80		4770.61		4589.91
	Aggregate amount of impairment in value of investments (including investment in an associate)			-		-		-
	Aggregate amount of investment carried at amortized cost			2220.47		4729.11		4550.06
	Aggregate amount of investments designated at fair value through other comprehensive income			40.72		41.50		39.85

Unsecured non-convertible debentures carry overall simple yield to maturity of 9.50% p.a. The coupon amount is payable annually @ 5% p.a. for the first six years and 14% p.a. for the next six years. The debentures are redeemable at par at the end of twelve years from the date of allotment.

Notes forming part of the consolidated financial statements

Note No. : 8 Trade and other receivables (carried at amortized cost)

(i) Non-current (Unsecured) (₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables			
Considered doubtful	-	-	95.17
Less : Allowance for bad and doubtful trade receivables	-	-	95.17
	-	-	-

(ii) Current (Unsecured, considered good) (₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables	16266.59	19863.28	15861.26
Other receivables	10.36	64.84	7.29
	16276.95	**19928.12**	**15868.55**

Note No. : 9 Other financial assets

(i) Non-current (Unsecured, considered good) (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Security deposits		72.99		57.55		60.51
Claims receivable		-		226.77		17030.19
Fixed deposits with banks						
(Bank deposits with more than 12 months maturity)						
For Molasses storage fund (Earmarked)	34.57		48.18		28.40	
Pledged with excise authorities	25.01	59.58	35.02	83.20	45.02	73.42
Interest accrued but not due on						
Fixed deposits with banks	6.97		8.36		6.70	
National saving certificates	3.39	10.36	3.59	11.95	4.06	10.76
		142.93		379.47		17174.88
Carried at fair value through profit or loss						
Options		-		706.92		599.95
		142.93		**1086.39**		**17774.83**

(ii) Current (Unsecured, considered good) (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Advances to employees		68.16		76.37		48.32
Security deposits		2.00		13.97		17.04
Claims receivable		174.75		5290.32		25919.63
Interest accrued but not due on						
Debentures @	13.26		-		-	
Inter corporate deposits	-		525.90		418.26	
Fixed deposits with banks	11.03		9.41		16.44	
Others	1.69	25.98	1.58	536.89	1.26	435.96
Miscellaneous		39.45		-		-
		310.34		**5917.55**		**26420.95**
Carried at fair value through profit or loss						
Cross currency Interest rate swaps		-		-		197.58
		310.34		**5917.55**		**26618.53**
@ Due from an Associate Company (₹ in Lacs) [Refer Note No. 40(12) (b) (vii)]		13.26		-		-

Notes forming part of the consolidated financial statements

Note No. : 10 Non-current tax assets (net) (Unsecured, considered good)

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Advance tax		18495.05		6025.26		6075.45
Less : Provision for taxation		18393.55		4247.80		4187.28
		101.50		**1777.46**		**1888.17**

Note No. : 11 Other non-current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Capital advances		581.22		1096.74		816.02
Advances other than capital advances						
Other advances						
Advances to suppliers and others						
Considered doubtful	16.38		8.11		231.04	
Less: Allowance for bad and doubtful advances	16.38	-	8.11	-	231.04	-
Others						
Prepaid expenses	35.52		41.54		23.01	
Duties and taxes paid under protest	337.43	372.95	340.53	382.07	371.09	394.10
		954.17		**1478.81**		**1210.12**

Note No. : 12 Inventories (Valued at lower of cost and net realisable value, unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Raw materials	5563.85		4530.13		3791.60	
Add : Goods-in-transit	5.39	5569.24	3.65	4533.78	2.19	3793.79
Packing materials	86.40		118.07		356.70	
Add : Goods-in-transit	-	86.40	-	118.07	13.19	369.89
Work-in-progress						
Sugar	2368.26		1119.96		1942.25	
Molasses	223.97		101.37		214.62	
Organic manure	-	2592.23	-	1221.33	35.13	2192.00
Finished goods						
Sugar	204419.91		165311.32		147017.15	
Industrial alcohol	3443.52		2217.80		1732.61	
Banked power	77.47		113.42		88.52	
Organic manure	-		1.56		78.50	
	207940.90		167644.10		148916.78	
Add : Goods-in-transit	-	207940.90	168.81	167812.91	-	148916.78
Stores and spares	5476.06		4548.54		4651.65	
Add : Goods-in-transit	154.53	5630.59	47.46	4596.00	94.92	4746.57
Loose tools		0.19		0.19		0.19
By-products		9519.72		8189.27		6872.70
Scrap		23.86		17.64		61.20
		231363.13		**186489.19**		**166953.12**
Carrying amount of inventories pledged as security for borrowings (₹ in Lacs)		227895.75		184083.38		165045.68

Notes forming part of the consolidated financial statements

Note No. : 13 Biological assets

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Reconciliation of changes in book value of biological assets:						
Opening balance		3.44		3.65		-
Changes in fair value		50.40		40.68		-
Decrease due to harvested sugarcane transferred to inventory		41.51		40.89		-
Closing balance		12.33		3.44		3.65

Note No. : 14 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Balances with banks						
On current accounts		126.99		626.40		7531.44
Cheques on hand		0.20		0.01		1.66
Cash on hand		75.86		91.61		170.87
		203.05		718.02		7703.97

Note No. : 15 Bank balances other than cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Earmarked balances						
Fixed deposits for molasses storage fund						
Current portion of original maturity period more than 12 months	19.57		11.19		15.51	
Original maturity period up to 12 months	95.42	114.99	77.56	88.75	70.37	85.88
Unpaid dividend accounts		110.51		90.01		100.64
Fixed deposits pledged with excise authorities and bank						
Current portion of original maturity period more than 12 months	20.01		10.00		30.00	
Original maturity period up to 12 months *	-	20.01	-	10.00	300.00	330.00
		245.51		188.76		516.52
* Under lien with bank for swap contract (₹ in Lacs)		-		-		300.00

Notes forming part of the consolidated financial statements

Note No. : 16 Loans (carried at amortized cost)

Current (Unsecured, considered good) (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Other loans						
Inter-corporate deposits	920.00		920.00		920.00	
Loans to employees *	37.34	957.34	30.85	950.85	25.18	945.18
		957.34		**950.85**		**945.18**
*Includes loan to an officer of the Company (₹in Lacs)		6.64		-		-

Inter-corporate deposits are receivable on demand. The purpose of utilization of loan by the loanee company is for general corporate purpose.

Note No. : 17 Other current assets (Unsecured, considered good)

Current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Advances other than capital advances						
Other advances						
Advances to suppliers and others	1017.49		1163.74		1151.95	
Cenvat, Vat and other taxes / duties	1100.56	2118.05	2477.38	3641.12	520.15	1672.10
Others						
Prepaid expenses	487.96		431.44		370.67	
Miscellaneous	25.27	513.23	21.21	452.65	0.50	371.17
		2631.28		**4093.77**		**2043.27**

Notes forming part of the consolidated financial statements

Note No. : 18 Share capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)
(a) Authorised						
Equity shares of par value ₹1/- each	400000000	4000.00	400000000	4000.00	400000000	4000.00
Preference share of par value ₹100/- each	2500000	2500.00	2500000	2500.00	2500000	2500.00
		6500.00		**6500.00**		**6500.00**
(b) Issued, subscribed and fully paid up						
Equity shares of par value ₹1/- each	235010467	2350.10	244949767	2449.50	244916267	2449.16
		2350.10		**2449.50**		**2449.16**

Issue of 17,270 (31st March, 2016 : 17,270 ; 1st April, 2015 : 17,270) equity shares on Right basis has been kept in abeyance in view of pending disputes.

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	(₹ in Lacs)	No. of shares held	(₹ in Lacs)
At the beginning of the year	244949767	2449.50	244916267	2449.16
Add:				
Shares issued on exercise of Employee Stock Options [Refer Note No. 40(2)]	60700	0.60	33500	0.34
Less:				
Buyback of shares [Refer Note No. 40(9)]	10000000	100.00	-	-
At the end of the year	**235010467**	**2350.10**	**244949767**	**2449.50**

(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 dividend 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) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Life Insurance Corporation of India	13852631	5.89	14183234	5.79	19341962	7.90
Government Pension Fund Global	6643106	2.83	12299993	5.02	13057899	5.33
Shri Vivek Saraogi	36661967	15.60	38082320	15.55	38082320	15.55
Shri Karan Saraogi	17519446	7.46	3946600	1.61	3946600	1.61
Smt. Meenakshi Saraogi	Nil	Nil	14244300	5.81	14244300	5.82

(g) The aggregate number of equity shares issued pursuant to contract without payment being received in cash in immediately preceding last five years ended 31st March, 2017–526894 equity shares (previous period of five years ended 31st March, 2016-526894 equity shares).

(h) The aggregate number of equity shares bought back in immediately preceding last five years ended 31st March, 2017 - 10000000 equity shares (previous period of five years ended on 31st March, 2016 - 11960988 equity shares).

(i) The Company has reserved 68000 (31st March, 2016: 158200) equity shares of par value ₹ 1/- each for issue at a premium of ₹44/- each to eligible employees of the Company under Employee Stock Option Scheme. All these shares are vested and are exercisable at any point of time. Refer Note No. 40 (2) for terms of Employee Stock Option Scheme.

Notes forming part of the consolidated financial statements

Note No. : 19 Other equity

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
(a) Capital reserves						
Balance as per last account	1075.58		1075.58			1075.58
Add: Consolidation adjustments (net of tax ₹632.52 Lacs)	2109.00	3184.58	-	1075.58		
(b) Capital redemption reserve						
Balance as per last account	2654.10		2654.10			2654.10
Add: Transfer from securities premium on buy back of equity shares [Refer Note No. 40(9)]	100.00	2754.10	-	2654.10		
(c) Securities premium reserve						
Balance as per last account	51917.94		51891.16			51891.16
Add: On exercise of employee stock options	48.32		26.78			
Less: Utilised on buy back of equity shares	17400.00		-			
Less: Transfer to capital redemption reserve on buy back of equity shares [Refer Note No. 40(9)]	100.00	34466.26	-	51917.94		
(d) Share options outstanding account						
Balance as per last account	53.12		74.17			74.17
Less: Options exercised	21.62		12.04			
Less: Options forfeited	13.41	18.09	9.01	53.12		
(e) General reserve						
Balance as per last account		64974.04		64974.04		64974.04
(f) Storage fund for molasses						
Balance as per last account	114.30		97.06			97.06
Add: Created during the year	18.61		17.24			
Less: Utilised during the year	15.16	117.75	-	114.30		
(g) Retained earnings						
Balance as per last account	(332.27)		(10314.37)			(10314.37)
Add: Net Profit for the year	59299.32		10019.79			
Add: Transfer from other comprehensive income	(362.92)		(37.69)			
Less: Buyback expenses, net of tax ₹ 46.94 lacs [Refer Note No. 40(9)]	88.70		-			
Amount available for appropriation	58515.43		(332.27)			
Less : Appropriations:						
Interim dividend	8574.59		-			
Tax on interim dividend	1745.58	48195.26	-	(332.27)		
(h) Other comprehensive income						
Balance as per last account	-		-			-
Add: Other comprehensive income for the year	(362.92)		(37.69)			
Less: Transfer to retained earnings	362.92	-	37.69	-		
		153710.08		**120456.81**		**110451.74**

Notes:

i) The share options outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in the share options outstanding account reserve are transferred to securities premium reserve upon exercise of stock options by employees.

ii) General reserve is primarily created to comply with the requirements of section 123(1) 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.

iii) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974 and the said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹149.56 Lacs (Previous year ₹136.93 Lacs).

Notes forming part of the consolidated financial statements

Note No. : 20 Borrowings

(i) Non-current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Term loans						
From banks						
Secured						
Rupee loans:						
State Bank of India (SBI)	5833.60		23245.67		17696.07	
Punjab National Bank (PNB)	1546.73		8458.24		4921.38	
HDFC Bank Ltd. (HDFC)	3450.00	10830.33	8655.44	40359.35	3600.00	26217.45
FCNR - B Loan:						
State Bank of India (SBI)		-		7151.10		12239.60
From entities other than banks						
Secured						
Rupee loans:						
Government of India, Sugar Development Fund (SDF)		1600.21		2133.61		4457.34
Deferred payment liabilities						
Unsecured						
Deferred sales tax loan		-		308.38		308.38
Preference Share Capital						
Unsecured						
0.001% Non Convertible, Non-Cumulative, Redeemable						
Preference shares of par value ₹100/- each		-		250.00		-
		12430.54		**50202.44**		**43222.77**

a) **Nature of securities:**

i) Rupee Term Loan from SBI amounting to ₹11666.80 lacs (31st March, 2016: ₹17500.00 lacs and 1st April, 2015: ₹17500.00 lacs) under Scheme for Extending Financial Assistance to Sugar Undertakings, 2014, is secured by pari passu first charge, by way of hypothecation of all the movable and immovable fixed assets, both present and future, pertaining to all the ten sugar divisions of the Company viz; Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur.

ii) Rupee Term Loan from SBI amounting to Nil (31st March, 2016: ₹13638.00 lacs and 1st April, 2015: Nil) under the Soft Loan Scheme, was secured by pari passu first charge on all the movable and immovable fixed assets of ten sugar divisions of the Company viz; Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur. The said amount has been fully repaid during the year.

iii) Rupee/FCNR-B Term Loan from SBI amounting to Nil (31st March, 2016: ₹12636.95 lacs and 1st April, 2015: ₹15282.20 lacs) was secured by first charge, by way of hypothecation of movable fixed assets, both present and future, pertaining to Company's sugar and cogeneration divisions at Balrampur, Akbarpur and Mankapur and was further secured by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the sugar divisions of the Company. The hypothecation charge on the stocks as mentioned above ranked pari passu with PNB and HDFC for their Working capital loans. The said amount has been fully repaid during the year.

Notes forming part of the consolidated financial statements

Note No. : 20 Borrowings *(contd.)*

iv) Rupee Term Loan from PNB amounting to ₹3234.06 lacs (31st March, 2016: ₹4921.39 lacs and 1st April, 2015: ₹5062.00 lacs) under Scheme for Extending Financial Assistance to Sugar Undertakings, 2014, is secured by residual charge, by way of hypothecation of all the movable fixed assets, both present and future, pertaining to all the sugar divisions of the Company.

v) Rupee Term Loan from PNB amounting to Nil (31st March, 2016: ₹3250.00 lacs and 1st April, 2015: Nil) was secured by pari passu first charge, by way of hypothecation on the fixed assets of Mankapur distillery division of the Company. The said amount has been fully repaid during the year.

vi) Rupee Term Loan from PNB amounting to Nil (31st March, 2016: ₹3116.00 lacs and 1st April, 2015: Nil) under the Soft Loan Scheme, was secured by pari passu first charge on all the movable and immovable fixed assets of ten sugar divisions of the Company viz; Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur. The said amount has been fully repaid during the year.

vii) Rupee Term Loan from HDFC amounting to ₹3450.00 lacs (31st March, 2016: ₹3600.00 lacs and 1st April, 2015: ₹3600.00 lacs) is secured by first charge, by way of hypothecation of movable fixed assets, both present and future, pertaining to Company's distillery divisions at Babhnan and Mankapur.

viii) Rupee Term Loan from HDFC amounting to Nil (31st March, 2016: ₹2900.00 lacs and 1st April, 2015: Nil) was secured by pari passu first charge, by way of hypothecation of the movable fixed assets of Balrampur distillery division of the Company. The said amount has been fully repaid during the year.

ix) Rupee Term Loan from HDFC amounting to Nil (31st March, 2016: ₹3150.00 lacs and 1st April, 2015: Nil) under the Soft Loan Scheme, was secured by pari passu first charge on all the movable and immovable fixed assets of ten sugar divisions of the Company viz; Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur. The said amount has been fully repaid during the year.

x) Rupee Term Loans from SDF amounting to ₹2133.61 lacs (31st March, 2016: ₹2667.01 lacs and 1st April, 2015: ₹2667.01 lacs) is secured by an exclusive second charge by way of equitable mortgage on immovable properties and hypothecation of movable properties (excluding current assets and book debts), both present and future, pertaining to Company's sugar and cogeneration divisions at Rauzagaon.

xi) Release of securities in respect of a long - term loan fully repaid by the Company is in progress.

Notes forming part of the consolidated financial statements

Note No. : 20 Borrowings *(contd.)*

b) Terms of repayment :

Name of the banks / entities	Rate of Interest (ROI) (%)	Amount outstanding at at 31st March, 2017		Amount outstanding as at 31st March, 2016		Amount outstanding as at 1st April, 2015		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2017	Number of installments outstanding as at 31st March, 2017	Amount of each installment (₹ in Lacs)	Details of security offered	
		Current (₹ in Lacs)	Non current (₹ in Lacs)	Current (₹ in Lacs)	Non current (₹ in Lacs)	Current (₹ in Lacs)	Non current (₹ in Lacs)					
1 State Bank of India	* 12% p.a. (Fixed)	5833.20	5833.60	5833.20	11666.80	-	17500.00	2 years	8	∞ 1458.30	Refer note no. 20 (i) (a)	(i) above
	ROI - N.A. since repaid	-	-	1704.60	11269.19 †	-	-	-	-	-	Refer note no. 20 (i) (a)	(ii) above
	ROI - N.A. since repaid	-	-	5136.95	7460.78 ^	2782.20	12435.68 ^^	-	-	-	Refer note no. 20 (i) (a)	(iii) above
	Sub - Total	5833.20	5833.60	12674.75	30396.77	2782.20	29935.68					
2 Punjab National Bank	* 12% p.a. (Fixed)	1687.33	1546.73	1687.33	3234.06	140.62	4921.38	2 years	23	140.61	Refer note no. 20 (i) (a)	(iv) above
	ROI - N.A. since repaid	-	-	406.25	2843.75	-	-	-	-	-	Refer note no. 20 (i) (a)	(v) above
	ROI - N.A. since repaid	-	-	584.25	2380.43 ††	-	-	-	-	-	Refer note no. 20 (i) (a)	(vi) above
	Sub - Total	1687.33	1546.73	2677.83	8458.24	140.62	4921.38					
3 HDFC Bank Limited	HDFC Base Rate (+) 0.40%	-	3450.00	-	3600.00	-	3600.00	1 year 7 months 17 days	1	3450.00	Refer note no. 20 (i) (a)	(vii) above
	ROI - N.A. since repaid	-	-	644.44	2255.56	-	-	-	-	-	Refer note no. 20 (i) (a)	(viii) above
	ROI - N.A. since repaid	-	-	196.88	2799.88 †††	-	-	-	-	-	Refer note no. 20 (i) (a)	(ix) above
	Sub - Total	-	3450.00	841.32	8655.44	-	3600.00					
4 Government of India, Sugar Development Fund	# Bank Rate (-) 2% i.e. 4% p.a.	533.40	1600.21	533.40	2133.61	-	2667.01	3 years 5 months 15 days	4	533.40	Refer note no. 20 (i) (a)	(x) above
	ROI - N.A. since repaid	-	-	118.83	-	237.66	118.83	-	-	-		
	ROI - N.A. since repaid	-	-	171.49	-	342.98	171.49	-	-	-		
	ROI - N.A. since repaid	-	-	-	-	638.88	-	-	-	-		
	ROI - N.A. since repaid	-	-	-	-	300.00	1500.00	-	-	-		
	Sub - Total	533.40	1600.21	823.72	2133.61	1519.52	4457.33					
5 International Finance Corporation, Washington	ROI - N.A. since repaid	-	-	-	-	1923.60@	-					
	Sub - Total	-		-	-	1923.60	-					
6 Deferred Sales Tax Loan	##	-	-	-	308.38	-	308.38	-				
	Sub - Total	-		-	308.38	-	308.38					
7 Preference Share Capital	$	-	-	-	250.00	-	-					
	Sub - Total	-		-	250.00	-	-					
	Grand-Total	8053.93	12430.54	17017.62	50202.44	6365.94	43222.77					

* Entitled for interest subvention from Sugar Development Fund up to 12.00% p.a.

∞ Except last four installments of ₹ 1458.40 lacs each.

\# Bank rate as prevailing on the date of disbursement.

\## Pursuant to sanction of the Rehabitation Scheme by the Hon'ble Board of Industrial and Financial Reconstruction (BIFR), the aforesaid loan is interest free and repayable in 5 yearly installments after the restart of the explosive unit of the Subsidiary Company.

$ The preference share shall be redeemed at par, at the option of the Subsidiary Company at any time within a period not exceeding 20 years from the date of allotment i.e. 28th March, 2016 in accordance with the provisions of the Companies Act, 2013 or any such other applicable law, rules, regaulations as may be applicable.

@ Including ₹ 176.08 lacs on account of effective interest rate adjustment.

^ Including ₹ (39.22) lacs on account of effective interest rate adjustment.

^^ Including ₹ (64.32) lacs on account of effective interest rate adjustment.

† Including ₹ (664.21) lacs on account of effective interest rate adjustment in the nature of Government Grant.

†† Including ₹ (151.32) lacs on account of effective interest rate adjustment in the nature of Government Grant.

††† Including ₹ (153.24) lacs on account of effective interest rate adjustment in the nature of Government Grant.

Notes forming part of the consolidated financial statements

Note No. : 20 Borrowings *(contd.)*

(ii) Current (₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Loans repayable on demand						
Working capital loans						
From banks						
Secured						
State Bank of India (SBI)	19662.22		50800.49		52920.96	
Punjab National Bank (PNB)	20967.42		22507.08		17500.04	
HDFC Bank Ltd. (HDFC)	7587.82	48217.46	11134.28	84441.85	12861.88	83282.88
Unsecured						
HDFC Bank Ltd. (HDFC)		14,000.00		15000.00		2500.00
Other loans and advances						
Working capital loans						
From banks						
Secured						
State Bank of India (SBI)		-		-		17205.24
Unsecured						
State Bank of India (SBI)		59284.12		-		-
HDFC Bank Ltd. (HDFC)		29818.09		-		14420.64
From entities other than banks						
Unsecured		6424.04		-		-
		157743.71		99441.85		117408.76
Summary of current borrowings						
Secured borrowings		48217.46		84441.85		100488.12
Unsecured borrowings		109526.25		15000.00		16920.64
		157743.71		99441.85		117408.76

Nature of securities :

a) Working capital loans from SBI are secured / to be secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar divisions of the Company on pari passu basis with PNB and HDFC.

ii) by way of exclusive hypothecation of entire current assets of all the Cogeneration units of the Company.

iii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar divisions of the Company on pari passu with PNB and HDFC.

b) Working capital loans from PNB are secured/to be secured :

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar divisions of the Company on pari passu basis with SBI and HDFC.

ii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar divisions of the Company on pari passu with SBI and HDFC.

c) Working capital loans from HDFC are secured / to be secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar divisions of the Company on pari passu basis with SBI and PNB.

ii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar divisions of the Company on pari passu with SBI and PNB.

Notes forming part of the consolidated financial statements

Note No. : 21 Other financial liabilities

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Interest accrued but not due on borrowings		459.28		563.57		609.69
		459.28		563.57		609.69

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Carried at amortized cost						
Current maturities of long - term debt *		8053.93		17017.62		6365.94
Interest accrued but not due on borrowings		361.11		688.65		711.88
Unpaid dividend @		110.51		90.01		100.64
Other payables						
Retention monies	1131.31		934.24		254.62	
Security deposits	297.71		283.59		286.91	
Book overdraft balances	-		101.87		134.59	
Accrued expenses	264.19		155.88		215.44	
Unpaid salaries and other payroll dues	3418.86		2120.42		1653.50	
Others	582.86	5694.93	637.93	4233.93	669.34	3214.40
		14220.48		22030.21		10392.86
Carried at fair value through profit or loss						
Foreign exchange forward contracts	-		100.51		149.45	
Cross currency Interest rate swaps	-	-	-	100.51	81.79	231.24
		14220.48		22130.72		10624.10

* Refer note no. 20 for nature of securities and terms of repayment respectively.

@ There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note No. : 22 Government grants

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Opening balance		1135.06		17.44		17.44
Add: Received during the year		-		2110.46		-
Less: Released to the Consolidated Statement of Profit and Loss		975.86		992.84		-
Closing balance		159.20		1135.06		17.44
Current		7.09		975.86		1.09
Non - Current		152.11		159.20		16.35
[Refer Note No. 40(5) for other disclosures]						

Notes forming part of the consolidated financial statements

Note No. : 23 Provisions

(i) Non-Current

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Provision for employee benefits - unavailed leave		318.18		259.31		265.79
[Refer Note No. 40(10)]						
		318.18		**259.31**		**265.79**

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Provision for employee benefits - unavailed leave		321.29		289.12		300.27
[Refer Note No. 40(10)]						
Other provisions						
Provision for wealth tax	45.34		73.68		73.68	
Less : Advance wealth tax	45.34		65.81		42.87	
	-		7.87		30.81	
Provision for contingencies [Refer Note No. 40(4)]	6.94	6.94	50.39	58.26	50.39	81.20
		328.23		**347.38**		**381.47**

Notes forming part of the consolidated financial statements

Note No. : 24 Deferred tax liabilities (net)

As at 31st March, 2017 (₹ in Lacs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other equity	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Depreciation	25773.33	(444.29)	-	-	25329.04
Investment	231.88	(67.51)	632.50	0.01	796.88
Others	13.57	(13.57)	-		-
	26018.78	(525.37)	632.50	0.01	26125.92
Tax effect of items constituting deferred tax assets					
Carried forward tax losses / unabsorbed depreciation	149.81	-	-	-	149.81
Expenses allowable on payment basis	4169.27	497.97	-	-	4667.24
VRS expenses	113.47	(28.37)	-	-	85.10
MAT credit entitlement	5642.00	579.37	-	-	6221.37
Others	2.44	(1.83)	-	-	0.61
	10076.99	**1,047.14**	**-**	**-**	**11124.13**
Net deferred tax liabilities / expense	**15941.79**	**(1572.51)**	**632.50**	**0.01**	**15001.79**

As at 31st March, 2016 (₹ in Lacs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other equity	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Depreciation	25645.15	128.18	-	-	25773.33
Investment	169.21	62.67	-	-	231.88
Others	25.45	(11.88)	-	-	13.57
	25839.81	178.97	-	-	26018.78
Tax effect of items constituting deferred tax assets					
Carried forward tax losses / unabsorbed depreciation	181.06	(31.25)	-	-	149.81
Expenses allowable on payment basis	2539.63	1629.64	-	-	4169.27
VRS expenses	-	113.47	-	-	113.47
MAT credit entitlement	5642.00	-			5642.00
Others	23.86	(21.42)			2.44
	8386.55	1690.44	-	-	10076.99
Net deferred tax liabilities / expense	**17453.26**	**(1511.47)**	**-**	**-**	**15941.79**

In assessing the realisability of the deferred tax assets, management cosniders whether some portion or all of the deferred tax assets will not be realized.

The ultimate realisation of the deferred tax assets, carried forward losses and unused tax credits is dependent upon the generation of future taxable income during the periods in which the temporary difference become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and the planning strategies in making this assessment. Based on the historical taxable income and projection of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realise the benefits of those recognised deductible differences, carried forward losses and portion of unused tax credits.

The Group has ₹286.03 lacs (31st March 2016: ₹283.07 lacs) of tax losses carried forward. These losses relate to the Subsidiary Company that have a history of losses and may not be used to offset taxable income elsewhere in the Group. The subsidiary does not have any taxable temporary differences that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward relating to the Subsidiary Company.

Considering the probability of future taxable profits in the period in which MAT credit expire, deferred tax assets have not been recognized in respect of some portion of MAT credit carried forward by the Company.

Unused tax credit for which no deferred tax asset was recognised expire as follows:

Particulars	Amount (₹ in lacs)	Year of expiry *
As at 31st March, 2017	3890.99	Assessment Year (AY) 2024-25 to AY 2029-30
As at 31st March, 2016	7847.32	Assessment Year (AY) 2017-18 to AY 2024-25
As at 1st April, 2015	7847.32	Assessment Year (AY) 2017-18 to AY 2024-25

* Expiry date has been stated based on the last day of the financial year for which MAT Credit is available for use as per prevailing tax laws as at the reporting date.

Notes forming part of the consolidated financial statements

Note No. : 25 Other Non-current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred gain on changes in fair value of financial assets	27.59	735.29	626.67
	27.59	735.29	626.67

Note No. : 26 Trade and other payables

Current

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade payables			
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 40(3)]	44.76	34.84	46.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	29120.01	41759.65	73570.64
	29164.77	41794.49	73616.75
Other payables			
Payable to suppliers of capital goods			
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 40(3)]	144.32	158.41	0.46
Total outstanding dues of creditors other than micro enterprises and small enterprises	228.58	382.29	57.12
	372.90	540.70	57.58
	29537.67	42335.19	73674.33

Note No. : 27 Other Current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Other advances			
Advances from customers and others	1283.31	639.09	216.83
Others			
Statutory liabilities *	14570.30	13171.14	7144.43
	15853.61	13810.23	7361.26
*Includes excise duty on closing stock (₹ in Lacs)	13113.25	12084.61	6309.99

Note No. : 28 Current tax liabilities (net)

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for taxation	-	2289.66	-
Less: Advance tax	-	2037.81	-
	-	251.85	-

Notes forming part of the consolidated financial statements

Note No. : 29 Revenue from operations

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
(i) Sale of goods				
Sugar	301675.86		227300.24	
Industrial alcohol	32420.02		29396.11	
Power	24596.37		25350.39	
Organic manure	-		891.91	
Molasses	1518.14		1301.20	
Renewable energy certificates	2931.54		2623.42	
Others	957.78	364099.71	543.50	287406.77
(ii) Other operating revenue		-		-
Revenue from operations		364099.71		287406.77

Note No. : 30 Other income

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Interest income on financial assets carried at amortized cost				
Non-current investments				
Debentures	363.43		383.58	
National saving certificates	0.60		0.85	
	364.03		384.43	
Deposit with banks and others	52.93	416.96	166.14	550.57
Interest income on income tax refund		271.52		11.55
Net gain on sale of highly liquid investments				
(treated as cash equivalent)		398.01		331.95
Government grant [Refer Note No. 40(5)]		187.58		1.15
Fair value gain on re-measurement of biological assets through profit or loss		50.40		40.68
Other non-operating income				
Allowance for bad and doubtful advances written back	-		224.02	
Less: Advances written off	-		223.60	
	-		0.42	
Insurance claims	84.94		87.35	
Cane comission liability no longer payable written back	-		2752.55	
Unspent liabilities/balances written back	336.61		305.45	
Refund of cane purchase tax	356.64		-	
Recovery towards balances written back earlier	0.83		213.39	
Storage fund for molasses written back	15.16		-	
Provision for wealth tax for earlier years written back	7.87		-	
Miscellaneous	380.50	1182.55	356.06	3715.22
		2507.02		4651.12

Notes forming part of the consolidated financial statements

Note No. : 31 Cost of materials consumed

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Sugar cane		256229.79		209815.07
Molasses		1121.49		996.87
Bagasse		223.02		412.65
Pressmud		-		29.61
Others		110.26		-
		257684.56		**211254.20**

Note No. : 32 Changes in inventories of finished goods, by-products and work-in-progress

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Finished goods				
Opening stock				
Sugar	165311.32		147017.15	
Industrial alcohol	2386.61		1732.61	
Banked power	113.42		88.52	
Organic manure	1.56	167812.91	78.50	148916.78
Less : Closing stock				
Sugar	204419.91		165311.32	
Industrial alcohol	3443.52		2386.61	
Banked power	77.47		113.42	
Organic manure	-	207940.90	1.56	167812.91
Less: Power used during the trial run of capital projects		20.45		-
Total (A)		**(40148.44)**		**(18896.13)**
By-products				
Opening stock		8189.27		6872.70
Less : Closing stock		9519.72		8189.27
Less: Used during the trial run of capital projects		130.96		156.06
Total (B)		**(1461.41)**		**(1472.63)**
Work- in-progress				
Opening stock				
Sugar	1119.96		1942.25	
Molasses	101.37		214.62	
Organic manure	-	1221.33	35.13	2192.00
Less : Closing stock				
Sugar	2368.26		1119.96	
Molasses	223.97	2592.23	101.37	1221.33
Total (C)		**(1370.90)**		**970.67**
Total (A+B+C)		**(42980.75)**		**(19398.09)**
Less : Excise duty on stock *		(1028.64)		(5774.62)
		(41952.11)		**(13623.47)**

* The amount of excise duty on stock represents differential excise duty on opening and closing stock.

Note No. : 33 Employee benefits expense

(₹ in Lacs)

Particulars		Year ended 31st March, 2017		Year ended 3 1st March, 2016
Salaries and wages		15959.88		13298.52
Contribution to provident and other funds		1799.44		1505.21
Employee stock option expense [Refer Note No. 40(2)]		(13.41)		(9.01)
Staff welfare expense		353.55		300.20
		18099.46		**15094.92**

Note No. : 34 Finance costs

(₹ in Lacs)

Particulars		Year ended 31st March, 2017		Year ended 3 1st March, 2016
Interest expense				
On long term borrowings	766.21		1248.42	
On short term borrowings	4671.46		5233.34	
Others *	45.59	5483.26	132.39	6614.15
Other borrowing costs		59.54		40.38
		5542.80		**6654.53**
* Includes interest on late payment of statutory dues (₹ in Lacs)		0.38		0.02
* Includes interest on shortfall in payment of advance income-tax (₹ in Lacs)		13.98		89.66

Note No. : 35 Depreciation and amortisation expense

(₹ in Lacs)

Particulars		Year ended 31st March, 2017		Year ended 3 1st March, 2016
Depreciation and amortisation of property, plant and equipment		10403.56		10925.97
[Refer Note No. 4]				
Amortisation of intangible assets		99.28		93.74
[Refer Note No. 5]				
		10502.84		**11019.71**

Notes forming part of the consolidated financial statements

Note No. : 36 Other expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Consumption of stores and spare parts		2307.51		2263.04
Packing materials		2697.39		2543.56
Power and fuel @		524.48		574.05
Rent		69.40		63.04
Repairs				
Buildings	255.47		246.03	
Machinery	3472.63		3694.50	
Others	195.41	3923.51	185.52	4126.05
Insurance		509.36		490.60
Rates and taxes (excluding taxes on income)		586.43		256.80
Commission to Non-executive directors		71.81		20.60
Payments to auditor				
As auditor for statutory audit	38.72		38.34	
For taxation matters	10.15		10.05	
For other services (Limited reviews and certifications)	16.56		16.55	
For reimbursement of expenses	0.51	65.94	0.44	65.38
Cost audit fees		3.55		3.52
Net loss on foreign currency transactions and translations		1.60		116.95
Charity and donation		35.82		13.96
Corporate social responsibility expense [Refer Note No. 40(7)]		44.23		62.74
Directors' fees		28.05		20.25
Professional expenses [Refer Note No. 40(5)]		543.28		2800.12
Miscellaneous expenses		8234.07		7011.43
Loss on impairment of property, plant and equipment		-		148.79
Loss on sale/discard of property, plant and equipment (net)		2925.77		324.70
Cane commission subsidy no longer receivable written off		2106.83		-
Sundry debit balances/advances written off		49.07		14.68
Payment towards balances written back earlier		0.43		3.43
Cultivation expenses		30.72		32.43
Allowance for doubtful receivables, loans and advances		8.27		1.09
Loss on sale of non-current investment		458.95		-
Bad debts written off	24.86		95.17	
Less : Allowance for bad and doubtful trade receivables	-	24.86	95.17	-
Transfer to storage fund for molasses		18.61		17.24
Fair value loss on financial instruments at fair value through profit or loss		8.82		874.79
		25278.76		**21849.24**
@ Includes captive consumption of steam and power generated during trial run of capital projects (₹ in Lacs)		-		140.61

Note No. : 37 Exceptional items

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Claims receivable written off [Refer Note No. 40(15)]		-		16900.57
Voluntary retirement scheme expense		-		409.84
		-		**17310.41**

Notes forming part of the consolidated financial statements

Note No. : 38 Tax expense

(₹ in Lacs)

Particulars	Year ended 31st March, 2017	Year ended 3 1st March, 2016
Current tax	15788.07	2254.75
Deferred tax [Refer Note No. 24]	(1572.51)	(1511.47)
	14215.56	**743.28**
Reconciliation of Tax Expense		
Profit before tax	73491.52	10757.60
Applicable tax rate	34.608%	34.608%
Computed tax expense (A)	**25433.95**	**3722.99**
Adjustments for:		
Income exempt for tax purpose	(9.53)	(2.86)
Expenses not allowed for tax purpose	524.63	5868.70
Additional allowances for tax purpose	(1.96)	(133.68)
Effect of tax deductions	(7786.81)	(8552.06)
Utilization of unabsorbed depreciation	-	(1594.03)
Changes in recognized deductible temporary differences	38.74	1306.00
Effect of transition adjustment under MAT	(29.97)	-
Recognition of MAT credit	(3956.34)	-
Other temporary differences	-	124.10
Loss of subsidiary	17.55	4.12
Share of profit in an associate	(14.70)	-
Net adjustments (B)	**(11218.39)**	**(2979.71)**
Tax Expense (A-B)	**14215.56**	**743.28**

Note No. : 39 Other comprehensive income

(₹ in Lacs)

Particulars	Year ended 31st March, 2017		Year ended 3 1st March, 2016	
Items that will not be reclassified to profit or loss				
Re-measurements of defined benefit plans	(555.04)		(47.92)	
Share of Other Comprehensive Income in Associate, to the extent not to be classified into profit or loss	0.04	(555.00)	-	(47.92)
Less: Income tax relating to items that will not be reclassified to profit or loss		192.08		10.23
		(362.92)		**(37.69)**

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

a) Contingent liabilities :

(₹ in Lacs)

Particulars	As at 31st March, 2017*	As at 31st March, 2016	As at 1st April, 2015
(i) Claims against the Group not acknowledged as debts :			
a) Excise duty demand - under appeal	277.62	278.00	307.84
b) Sales tax demand- under appeal	10.43	11.30	11.10
c) Others - under appeal/litigation	704.43	705.46	884.64
	992.48	**994.76**	**1203.58**
(ii) Claims for acquisition of 1.99 acres of land for the Distillery unit at Balrampur and compensation there against is under dispute as the matter is subjudice	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

*Claims against the Subsidiary Company has not been included as the same has been classified as held for sale [Refer Note 40(16)]

The amounts shown in (i) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals.

b) Commitments :

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	2874.15	6030.62	2521.09
ii) Advance paid against above	581.22	1096.74	816.02

2. The Employee Stock Option Scheme 2005 (Scheme 2005) of the Company was formulated by the Committee of the Board of Directors of the Company and approved by the Board at its meeting held on 11th August, 2005, and 31st October, 2005 and by the shareholders at the Extraordinary General Meeting of the Company held on 8th September, 2005 and in accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 prescribed by the Securities and Exchange Board of India.

   Employees covered under the Employee stock option scheme are granted an option to purchase equity shares of the Company at the exercise price determined by the Remuneration Committee (presently re-named as "Nomination & Remuneration Committee") on the date the option is granted. It is based on the average daily closing market price of the equity shares of the Company during the preceding 26 weeks, prior to the date of grant.

   Under the said Scheme, Options granted vesting period of one year and exercise period of maximum eight years.

   The shareholders of the Company at their Extra-Ordinary General Meeting held on 25th May, 2009 had accorded approval to re-price the exercise price of the options granted in the years 2005-06 (1st series), 2006-07 (2nd series), 2007-08 (3rd series), and 2008-09 (4th series), which have not been exercised, and also to the exercise price in respect of options to be granted for the year 2008-09 (5th series), at 20% discount to the average daily closing market price of the Company's share, on the stock exchange it is traded most, during the preceding 26 weeks prior to the date of the meeting Accordingly, the Remuneration Committee (presently re-named as "Nomination & Remuneration Committee") on 28th May, 2009 had re-priced the exercise price of the unexercised options for the years 2005-06 (1st series), 2006-07 (2nd series), 2007-08 (3rd series) and 2008-09 (4th series) and granted stock options for the year 2008-2009 (5th series) at an exercise price of ₹45/- per equity share.

   The maximum number of options granted till date stands at 52,45,500 and each option is equivalent to one equity share of par value of ₹1/- each of the Company.

Note No. : 40 Other disclosures *(contd.)*

The details of Options granted, lapsed and exercised are as under :

Year of Issue	2006-07	2007-08	2008-09	2008-09	Total
Series	2nd	3rd	4th	5th	
Date of grant of Option	27/11/2006	27/11/2007	25/11/2008	28/05/2009	
Initial exercise price (₹)	104.10	72.20	74.20	45.00	
Revised exercise price (₹)	45.00	45.00	45.00	Not applicable	
Market price on the date of grant (₹)	87.65	90.75	35.40	82.35	
Excess of initial exercise price over revised exercise price (₹)	59.10	27.20	29.20	Not applicable	
Excess of market price over exercise price/ revised exercise price (₹)	42.65	45.75	-	37.35	
As at 31st March, 2017:					
Outstanding at the beginning of the year (Nos.)	-	31500	23000	103700	158200
Granted (Nos.)	-	-	-	-	-
Exercised (Nos.)		3000	3500	54200	60700
Forfeited and expired (Nos.)		28500	-	1000	29500
Outstanding at the end of the year (Nos.)	-	-	19500	48500	68000
Exercisable at the end of the year (Nos.)	-	-	19500	48500	68000
As at 31st March, 2016:					
Outstanding at the beginning of the year (Nos.)	18500	32500	24500	137700	213200
Granted (Nos.)	-	-	-	-	-
Exercised (Nos.)	-	1000	1,500	31000	33500
Forfeited and expired (Nos.)	18500	-	-	3000	21500
Outstanding at the end of the year (Nos.)	-	31500	23000	103700	158200
Exercisable at the end of the year (Nos.)	-	31500	23000	103700	158200

Total Number of Options outstanding/exercisable as at 1st April, 2015 relating to 1st series is Nil. Therefore, details for the same has been excluded from above table.

The weighted average share price of options exercised during the year ended 31st March, 2017 was ₹45/- (31st March, 2016: ₹45/-) for each option.

There were no modifications to the terms of Scheme 2005 either in the current year or in the previous years other than the re-repricing as stated above.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

The following table summarizes information about outstanding stock options:

Series	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	Number of options	Weighted average remaining life (Years)	Weighted average exercise price (₹)	Number of options	Weighted average remaining life (Years)	Weighted average exercise price (₹)	Number of options	Weighted average remaining life (Years)	Weighted average exercise price (₹)
2nd	-	-	-	-	-	-	18500	0.66	45.00
3rd	-	-	-	31500	0.66	45.00	32500	1.66	45.00
4th	19500	0.65	45.00	23000	1.65	45.00	24500	2.65	45.00
5th	48500	1.16	45.00	103700	2.16	45.00	137700	3.16	45.00

Other information:

a) Options vested upto 31st March, 2017 : 4593000 (31st March, 2016 : 4593000 ; 1st April, 2015: 4593000)

b) Options exercised upto 31st March, 2017 : 4395000 (31st March, 2016 : 4334300 ; 1st April, 2015: 4300800)

c) Options exercised during the year ended 31st March, 2017 : 60700 (31st March, 2016 : 33500)

d) Total number of equity shares arising as a result of exercise of options as at 31st March, 2017 : 4395000 (31st March, 2016 : 4334300 ; 1st April, 2015: 4300800)

e) Options lapsed upto 31st March, 2017 : 782500 (31st March, 2016 : 753000 ; 1st April, 2015: 731500)

f) Options lapsed during the year ended 31st March, 2017 : 29500 (31st March, 2016 : 21500)

g) Money realised on exercise of options upto 31st March, 2017 : ₹2001.92 lacs (31st March, 2016 : ₹1974.60 lacs; 1st April, 2015: ₹1959.53 lacs)

h) Money realised on exercise of options during the year ended 31st March, 2017 : ₹27.32 lacs (31st March, 2016 : ₹15.07 lacs)

i) Total number of options in force as at 31st March, 2017 : 68000 (31st March, 2016 : 158200 ; 1st April, 2015: 213200)

j) Details of option granted to

(i) Senior Managerial Personnel: No Options have been granted either during the year ended 31st March, 2017 or during the year ended 31st March, 2016,

(ii) Any other employee who receives a grant in any one year of Options amounting to 5% or more of Options granted during year ended 31st March, 2017 - Nil (31st March, 2016 - Nil), and

(iii) Identified employees who were granted Options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant - Nil (31st March, 2016 - Nil).

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

3. Based on the information/documents available with the Group, detail as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

As at 31st March, 2017 (₹ in Lacs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
a)	The principal amount remaining unpaid to suppliers as at the end of accounting year*	42.73	142.33	185.06
b)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	0.63	1.43	2.06
c)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	3.28	-	3.28
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.40	0.56	1.96
e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year*	2.03	1.99	4.02
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 26.

As at 31st March, 2016 (₹ in Lacs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
a)	The principal amount remaining unpaid to suppliers as at the end of accounting year*	31.56	158.41	189.97
b)	The interest due thereon remaining unpaid to suppliers as at the end accounting year	1.69	-	1.69
c)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	8.68	-	8.68
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.59	-	1.59
e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year*	3.28	-	3.28
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 26.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

As at 1st April, 2015 (₹ in Lacs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
a)	The principal amount remaining unpaid to suppliers as at the beginning of accounting year*	37.43	0.46	37.89
b)	The amount of interest remaining unpaid at the beginning of the accounting year*	8.68	-	8.68
c)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 26.

4. **Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets :**

(i) **Nature of provision**

Provision for contingencies

Provision for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other litigation claims against the Company based on the Management's assessment.

(ii) **Movements in Provisions:**

(₹ in Lacs)

Particulars	Duties and taxes	Other litigation claims	Total
Balance as at 1st April, 2016	49.76	0.63	50.39
Provided during the year	-	-	-
Used during the year	-	-	-
Transferred to liabilities associated with assets classified as held for sale	43.45	-	43.45
Reversed during the year	-	-	-
Balance as at 31st March, 2017	**6.31**	**0.63**	**6.94**
Non-current	-	-	-
Current	6.31	0.63	6.94
Balance as at 1st April, 2015	49.76	0.63	50.39
Provided during the year	-	-	-
Used during the year	-	-	-
Reversed during the year	-	-	-
Balance as at 31st March, 2016	49.76	0.63	50.39
Non-current	-	-	-
Current	49.76	0.63	50.39

It is not possible to estimate the timing/uncertainities relating to utilisation /reversal from the provision for contingencies.. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals.

The Group does not expect any reimbursement in respect of above provisions.

Note No. : 40 Other disclosures *(contd.)*

5 (i) The Company is eligible to receive various government grants by way of reimbursement of cane price, production subsidy, society commission and interest subvention on certain term loans. Accordingly, the Company has recognised these government grants in the following manner:

(₹ in Lacs)

Sl. No.	Particulars	Treatment in Accounts	2016-17	2015-16
	Revenue related to Government Grants:-			
i)	Cane price subsidy (Refer note (a) below)	Deducted from cost of materials consumed	-	1,238.75
ii)	Production subsidy (Refer note (b) below)	Deducted from cost of materials consumed	54.27	3,113.15
iii)	Society commission	Deducted from cost of materials consumed	-	2,186.13
iv)	Interest on term loans	Deducted from interest expense on long term borrowings	2,460.31	2,797.30
		Shown as separate line item "Government grant" under Other Income	180.49	-
	Deferred Government Grants:-			
v)	Deferred income relating to interest on term loans	Deducted from interest expense on long term borrowings	968.77	991.69
vi)	Deferred income relating to property, plant and equipment	Shown as separate line item "Government grant" under Other Income	7.09	1.15
			3,670.93	**10,328.17**

Notes:

(a) Cane price subsidy of ₹28.60 per quintal of cane paid by the Government of Uttar Pradesh for the sugar season 2014-15.

(b) The Central Government vide its Notification No. 1(10)/2015-SP-I dated 18th September, 2015 announced Minimum Indicative Export Quota (MIEQ) under tradeable export scrip scheme in order to export surplus sugar inventory out of the country. Under the said scheme, the Company was allocated quota of 115642.40 MT for export in respect of its ten sugar units. Further, the Central Government vide its Notification No. 20(43)/2015-SP - I dated 2nd December, 2015 announced a scheme for extending production subsidy @ ₹4.50 per quintal of actual cane crushed during sugar season 2015-16 or the proportionate cane crushed for the average sugar production of the Company's each unit in last three sugar seasons, whichever is lower.

The expenses incurred by the Company towards fulfilment of export obligation amounting to ₹13.30 lacs (31st March, 2016: ₹2,620.41 lacs) has been included under line item "Professional expenses" under Note No. 36 - "Other expenses".

(ii) During the year ended 31st March, 2016, society commission on cane for sugar season 2012-13 was reduced to ₹2.00 per quintal of cane by the state government. Accordingly, the Company had written back a sum of ₹2,752.55 lacs which has been disclosed under Note No. 30 - "Other Income".

(iii) In addition to the above, the Company had received financial assistance of ₹Nil (31st March, 2016: ₹150.00 lacs) from the Hon'ble Ministry of New and Renewable Energy, Government of India. The said amount has been received under scheme to support "Promotion of Grid Interactive Biomass Power and Bagasse Cogeneration in Sugar Mills" notified through circular no. F. No. 13/10/2013 – BM. The entire proceeds of this subsidy have been utilised for prepayment of term loan taken from a bank.

(iv) The Company was eligible for government grant by way of reimbursement of Society Cane Commission @ ₹3.00 per quintal of cane for the sugar season 2015-16 in accordance with the notification issued by the Government of Uttar Pradesh and accordingly had accounted for cane commission receivable aggregating to ₹Nil (31st March, 2016: ₹2106.83 lacs). However, during the year ended 31st March, 2017, the Company has written off the said amount in accordance with the notification dated 28th December, 2016 issued by the Government of Uttar Pradesh as the same is no more receivable.

The said write off of cane commission has been included under "Cane commission subsidy no longer receivable written off" under Note No. 36 - "Other expenses".

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

6. Details of Specified bank notes (SBNs) held and transacted during the period 8th November, 2016 to 30th December, 2016 are as follows:

(₹ in Lacs)

Particulars	Specified Bank notes (SBNs)	Other denominations Notes #	Total
Closing cash in hand as at 8th November, 2016	62.57	15.05	77.62
Add: Permitted receipts *	-	240.97	240.97
Less: Permitted payments	-	204.70	204.70
Less: Amount deposited in banks	62.57	0.02	62.59
Closing cash in hand as at 30th December, 2016	-	51.30	51.30

includes coins

* includes amount withdrawn from banks

7. **Expenditure on Corporate Social Responsibility (CSR) activities :**

(i) Details of CSR expenditure:

(₹ in Lacs)

Sl. No.	Particulars	2016-17	2015-16
a)	Gross amount required to be spent by the Company during the year	25.32	96.95
b)	Amount spent during the year :		
	i) Construction/acquisition of any asset		
	- in cash	-	-
	- yet to be paid in cash	-	-
	ii) On purposes other than (i) above		
	- in cash	44.23	62.74
	- yet to be paid in cash	-	-

(ii) The various heads under which the CSR expenditure were incurred in cash is detailed as follows:

(₹ in Lacs)

Sl. No.	Relevant clause of Schedule VII to the Act	Description of CSR activities	2016-17	2015-16
a)	Clause (i)	Promoting healthcare including preventive healthcare	4.69	6.49
b)	Clause (i)	Eradicating hunger, poverty and malnutrition, making available safe drinking water	7.87	1.62
c)	Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects	8.24	30.97
d)	Clause (iii)	Setting up homes and other facilities for orphans, senior citizens and for socially and economically backward groups	3.55	10.05
e)	Clause (iv)	Animal welfare	0.51	0.61
f)	Clause (vii)	Promoting rural sports and nationally recognised sports	19.07	11.53
g)	Clause (x)	Rural development projects	0.30	1.47
h)	Clause (xi)	Slum area development	-	-
i)		Expenditure on administrative overheads	-	-
			44.23	**62.74**

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

8. Earnings per share - The numerators and denominators used to calculate Basic / Diluted earnings per share :

Sl. No.	Particulars		2016-17	2015-16
a)	Amount used as the numerator			
	Profit after Tax - (₹ in lacs)	(A)	59299.32	10019.79
b)	Weighted average number of equity shares outstanding used as the denominator for computing Basic			
	Earnings per share * -	(B)	244167344	244922208
	Add: Weighted average number of dilutive potential equity shares on account of Employees Stock Option Scheme		41725	73601
c)	Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share * -	(C)	244209069	244995809
d)	Nominal value of equity shares	(₹)	1.00	1.00
e)	Basic earnings per share	(₹) (A/B)	24.29	4.09
f)	Diluted earnings per share	(₹) (A/C)	24.28	4.09

* The weighted average number of shares takes into account the weighted average effect of changes in number of shares due to:

(i) buy back of shares and employee stock options during the year ended 31st March, 2017.

(ii) employee stock options during the year ended 31st March, 2016.

9. Pursuant to the approval of the Board of Directors on 15th November, 2016 and shareholders by way of Postal Ballot on 2nd January, 2017, the Company made a Public Announcement on 3rd January, 2017 for Buyback of upto 10000000 fully paid-up equity shares of face value of ₹1/- each from all the equity shareholders of the Company as at the Record Date, on a proportionate basis, through the Tender Offer route through Stock Exchange Mechanism, subject to compliance with the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 (as amended) ("the Act"), the Companies (Share Capital and Debentures) Rules, 2014 (as amended) to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended) (the "Buyback Regulations"), including any amendments, statutory modifications or re-enactments thereof for the time being in force, and applicable rules and regulations as specified by Reserve Bank of India ("RBI"), amongst others, at the buyback price of ₹175/- per equity share payable in cash, for an aggregate maximum amount of ₹17500.00 lacs representing 14.72% and 14.75% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone and consolidated audited accounts of the Company for the financial year ended on 31st March, 2016, (the last audited financial statements available as at the date of the meeting of Board of Directors approving the Buyback).

   The Company has concluded the buy-back offer and in compliance with Regulation 12 of the Buyback Regulations has extinguished 1,00,00,000 equity shares of ₹1/- each from the paid up equity share capital on 2nd March, 2017.

   This has resulted in total cash outflow of ₹17635.64 lacs including expenses relating to Buy-back aggregating to ₹135.64 lacs and accordingly ₹17400.00 lacs and ₹88.70 lacs (net of tax of ₹46.94 lacs) has been utilized from the securities premium account and retained earnings respectively pursuant to requirements of the Act.

   Further, capital redemption reserve of ₹100.00 lacs representing the nominal value of the equity shares bought back has been created out of the securities premium account. Consequent to such buyback, equity share capital has been reduced by ₹100.00 lacs.

10. Employee Benefits :

    As per Indian Accounting Standard - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

    Defined Contribution Plan :

    Employee benefits in the form of Provident Fund, Employee State Insurance Corporation (ESIC) and Labour Welfare Fund are considered as defined contribution plan.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Consolidated Statement of Profit and Loss are as under :

(₹ in Lacs

Defined Contribution Plan	2016-17	2015-16
Employer's Contribution to Provident Fund	748.67	582.12
Employer's Contribution to Pension Scheme	608.44	556.01
Employer's Contribution to Labour Welfare Fund	0.01	0.01
Employer's Contribution to Employees' State Insurance Scheme	0.54	0.75

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for the administration investments of the plan assets. The Company contributes all ascertained liabilities towards gratuity to the trust.

The following tables summarise the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and the funded status and amounts recognised in the Consolidated Balance Sheet for the said plan:

a) Details of funded post retirement plans are as follows :

(₹ in Lacs)

Particulars		2016-17	2015-16
I.	**Expenses recognised in the Consolidated Statement of Profit and Loss:**		
1	Current service cost	319.29	264.00
2	Past service cost	-	-
3	Net interest on the net defined benefit liability/asset	(13.79)	(34.72)
4	Curtailment	-	-
5	Settlement	-	-
6	Expense recognised in the Consolidated Statement of Profit and Loss	305.50	229.28
II.	**Other comprehensive income**		
1	Actuarial gain / (loss) arising from:		
	- change in demographic assumptions	-	-
	- change in financial assumptions	182.94	-
	- changes in experience adjustments	438.41	17.58
	- others	-	-
2	(Returns)/loss on plan assets excluding amounts included in interest income	(66.31)	30.34
3	Components of defined benefit costs recognised in Other comprehensive income	555.04	47.92
III.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	3327.08	3655.66
2	Acquisition adjustment	-	-
3	Interest expense	235.74	257.74
4	Past service cost	-	-
5	Current service cost	319.29	264.00
6	Employees' contributions	-	-
7	Benefits paid	367.76	867.90
8	Actuarial gain / (loss) arising from:		
	- change in financial assumptions	182.94	-
	- changes in experience adjustments	438.41	17.58
9	Present value of Defined Benefit Obligation at the end of the year	4135.70	3327.08

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

(₹ in Lacs)

	Particulars	2016-17	2015-16
IV.	**Change in fair value of plan assets during the year :**		
1	Plan assets at the beginning of the year	3327.08	3655.66
2	Interest income	249.53	292.46
3	Employees' contributions	-	-
4	Employers' contributions	860.54	277.20
5	Benefits paid	367.76	867.90
6	Settlement	-	-
7	Re-measurement (Returns on plan assets excluding amounts included in interest income)	(66.31)	30.34
8	Administration expenses	-	-
9	Fair Value of Plan Assets at the end of the year	4135.70	3327.08
V.	**Net Asset / (Liability) recognised in the Consolidated Balance Sheet as at the year end:**		
1	Present value of Defined Benefit Obligation	4135.70	3327.08
2	Fair value of Plan Assets	4135.70	3327.08
3	Funded Status [Surplus/(Deficit)]	-	-
4	Net Asset / (Liability) recognised in Consolidated Balance Sheet	-	-
	Current Liability (Short term)	-	-
	Non-Current Liability (Long term)	-	-
VI.	**Actuarial Assumptions :**		
1	Discount Rate (per annum) %	7.50%	8.00%
2	Expected return on Plan Assets (per annum) %	7.50%	8.00%
3	Expected Rate of Salary increase %	5.50%	5.50%
4	Retirement/Superannuation Age (Year)	60	60
5	Mortality Rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VII.	**Major Category of Plan Assets as a % of the Total Plan Assets as at the year end :**		
1	Administered by Insurance Companies	99.95%	100.00%
2	Public Financial Institutions / Public Sector Companies bonds	-	-
3	Central / State Government Securities	-	-
4	Private sector bonds	-	-
5	Others (Cash and cash equivalents)	0.05%	-
VIII.	**Maturity Profile of Defined Benefit Obligation**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	392.92	346.48
	Between 2 and 5 years	1093.33	952.46
	Between 5 and 10 years	1841.76	1513.95
	Beyond 10 years	5784.16	4979.92
	Total expected payments	**9112.17**	**7792.81**
	The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	16	15
IX.	**Sensitivity analysis on Present value of Defined Benefit Obligations:**		
	Discount rates		
	0.50% Increase	(-) 4.52%	(-) 4.57%
	0.50% Decrease	4.87%	4.51%
	Expected rates of salary increases		
	0.50% Increase	4.91%	4.57%
	0.50% Decrease	(-) 4.60%	(-) 4.66%
	Attrition Rate		
	0.50% Increase	0.15%	(-) 0.05%
	0.50% Decrease	(-) 0.15%	(-) 0.34%
	Mortality Rate		
	10% Increase	0.72%	0.53%
	10% Decrease	(-) 0.72%	(-) 0.91%

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

X. The history of experience adjustments for funded post retirement plans are as follows : (₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013
Present value of Defined Benefit Obligation	4135.70	3327.08	3655.68	3220.20	2789.78
Fair value of Plan Assets	4135.70	3327.08	3655.68	3220.20	2789.78
(Deficit)/Surplus	-	-	-	-	-
Effects of Asset Ceiling, if any	-	-	-	-	-
Net Asset / (Liability)	-	-	-	-	-

b) Details of unfunded post retirement Defined Benefit Obligations are as follows: (₹ in Lacs)

	Particulars	Leave Encashment (Unfunded)	
		2016-17	2015-16
I.	**Components of employer expense :**		
1	Current service cost	21.67	76.49
2	Past service cost	-	-
3	Interest cost	19.40	21.10
4	Actuarial (gain) /loss recognised in the year	74.57	(39.34)
5	Expense recognised in the Statement of Profit and Loss	115.64	58.25
II.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	285.94	299.89
2	Interest cost	19.40	21.10
3	Past service cost	-	-
4	Current service cost	21.67	76.49
5	Benefits paid	54.50	72.20
6	Actuarial (gain) /loss recognised in the year	74.57	(39.34)
7	Present value of defined benefit obligation at the end of the year	347.08	285.94
III.	**Net Asset / (Liability) recognised in the Balance Sheet as at the year end:**		
1	Present value of defined benefit obligation	347.08	285.94
2	Fair value of plan assets	-	-
3	Funded status [Surplus/(Deficit)]	(347.08)	(285.94)
4	Net Asset / (Liability) recognised in Balance Sheet	(347.08)	(285.94)
IV.	**Actuarial Assumptions :**		
1	Discount Rate (per annum) %	7.50	8.00
2	Expected rate of Salary increase %	5.50	5.50
3	Retirement/Superannuation Age (Year)	60	60
4	Mortality Rates	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
V.	**Maturity Profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	29.96	27.68
	Between 2 and 5 years	75.99	65.48
	Between 5 and 10 years	127.73	102.89
	Beyond 10 years	624.25	564.79
	Total expected payments	857.93	760.84

c) **Risks related to defined benefit plans:**

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

i) Mortality risk: The assumptions adopted by the Company make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increases in the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.

ii) Market and liquidity risks: These are the risks that the investments do not meet the expected returns over the medium to long term. This also encompasses the mismatch between assets and liabilities. In order to minimise the risks, the structure of the portfolios is reviewed and asset-liability matching analysis are performed on a regular basis.

Note No. : 40 Other disclosures *(contd.)*

d) **Asset - liability management and funding arrangements**

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

e) **Other disclosures :**

i) **The following are the assumptions used to determine the benefit obligation:**

a) Discount rate: The yield of government bonds are considered as the discount rate. The tenure has been considered taking into account the past long term trend of employees' average remaining service life which reflects the average estimated term of the post - employment benefit obligations.

b) Rate of escalation in salary : The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

c) Rate of return on plan assets: Rate of return for the year was the average yield of the portfolio in which Company's plan assets are invested over a tenure equivalent to the entire life of the related obligation.

d) Attrition rate : Attrition rate considered is the management's estimate based on the past long- term trend of employee turnover in the Company.

ii) The Gratuity and Provident Fund expenses have been recognised under " Contribution to Provident and Other Funds" and Leave Encashment under " Salaries and Wages" under Note No. 33.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

11. Segment information

a) The Managing Director has been identified as the Company's chief operating decision-maker (CODM) as defined by Ind AS 108 –Operating Segments.

The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by Business segments.

The CODM of the Group evaluates the segments based on their revenue growth, operating income and return on capital employed.

b) **The following is an analysis of revenue and results from operations by reportable segments:** (₹ in Lacs)

Particulars	Sugar	Co-generation	Distillery	Others	Unallocable	Adjustments and Elimination	Total
Revenue							
External Sales (Gross)	**303870.98**	**27552.76**	**32675.97**	-	-	-	**364099.71**
	(228990.17)	(27976.07)	(29548.62)	(891.91)	-	-	(287406.77)
Inter Segment Sales (Gross)	**33087.88**	**16815.18**	-	-	-	**(49903.06)**	-
	(26107.68)	(13177.18)	(0.52)	-	-	(-)(39285.38)	(-)
Revenue from operations (Gross)	**336958.86**	**44367.94**	**32675.97**	-	-	**(49903.06)**	**364099.71**
	(255097.85)	(41153.25)	(29549.14)	(891.91)	-	(-)(39285.38)	(287406.77)
Segment profit / (loss)	**55766.95**	**15768.25**	**11793.00**	**(195.24)**			**83132.96**
	(5484.60)	(17911.25)	(13459.76)	(273.24)			**(37128.85)**
Unallocable expenditure net of					**4914.55**		**4914.55**
unallocable income					(2968.43)		(2968.43)
Interest income							**688.48**
							(562.12)
Finance costs							**5542.80**
							(6654.53)
Profit before non-controlling interests/ net							**73364.09**
profit of an associate, exceptional items and tax							(28068.01)
Share of profit of an associate							**127.43**
							(-)
Profit before exceptional items and tax							**73491.52**
							(28068.01)
Exceptional Items							-
							(17310.41)
Profit before tax							**73491.52**
							(10757.60)
Current tax							**15788.07**
							(2254.75)
Deferred tax write back							**(1572.51)**
							(-)(1511.47)
Profit after tax							**59275.96**
							(10014.32)

Notes:

i) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at the Group level. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at the Group Level. Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets.

ii) Transactions between segments are primarily for materials which are transferred at cost/market determined prices. Common costs are apportioned on a reasonable basis.

iii) Figures in brackets pertain to previous year.

Note No. : 40 Other disclosures *(contd.)*

c) Other information (₹ in Lacs)

Particulars		Sugar	Co-generation	Distillery	Others	Unallocable	Adjustments and Elimination	Total
Segment assets	31st March, 2017	**299263.47**	**69065.66**	**23729.73**	-	**10689.85**		**402748.71**
	31st March, 2016	267404.21	69911.00	20525.84	1321.01	10893.46		370055.52
	1st April, 2015	290833.03	56910.73	23546.69	1153.22	12102.77		384546.44
Segment liabilities	31st March, 2017	**47880.78**	**1977.83**	**1382.49**	-	**195476.26**		**246717.36**
	31st March, 2016	57587.49	1482.77	1403.38	181.13	186499.91		247154.68
	1st April, 2015	83015.13	579.73	793.52	200.41	187056.75		271645.54
Capital expenditure*	31st March, 2017	**1935.26**	**6923.10**	**4407.85**	-	**219.90**		**13486.11**
	31st March, 2016	1721.01	10479.26	3363.49	0.08	258.35		15822.19
Depreciation and amortisation	31st March, 2017	**5508.92**	**3704.22**	**1058.54**	**8.51**	**222.65**		**10502.84**
	31st March, 2016	5979.70	3901.74	892.99	48.60	196.68		11019.71
Non cash expenses other than depreciation and amortisation	31st March, 2017	**2976.11**	**356.35**	**1585.22**	**187.24**	**487.44**		**5592.36**
	31st March, 2016	447.32	9.18	32.98	-	23.68		513.16
Investment in an Associate	31st March, 2017	-	-	-	-	**5097.61**		**5,097.61**
	31st March, 2016	-	-	-	-	-		-
	1st April, 2015	-	-	-	-	-		-
Share of profit of an Associate (including OCI)	31st March, 2017	-	-	-	-	**98.06**		**98.06**
	31st March, 2016	-	-	-	-	-		-

*Includes depreciation, interest and other borrowings costs capitalised.

d) Reconciliations of amounts reflected in the consolidated financial statements

i) Reconciliation of assets (₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Segment operating assets	402748.71	370055.52	384546.44
Total assets	**402748.71**	**370055.52**	**384546.44**

ii) Reconciliation of liabilities (₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Segment operating liabilities	246717.36	247154.68	271645.54
Total liabilities	**246717.36**	**247154.68**	**271645.54**

e) **Geographical information:**

The Group operated only in India during the year ended 31st March, 2017 and 31st March, 2016.

f) **Information about major customers:**

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2017 and 31st March, 2016.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

12. Related party disclosures :

a) Name of the related parties and description of relationship :

i) Associate Company : (Significant influence can be exercised)	Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) (w.e.f. 24th January, 2017)
ii) Key Managerial Personnel (KMP):	1. Shri Vivek Saraogi - Managing Director 2. Smt. Meenakshi Saraogi - Joint Managing Director (upto 31st May, 2015) 3. Shri Kishor Shah - Director cum Chief Financial Officer (upto 30th November, 2015) 4. Dr. Arvind Krishna Saxena - Whole-time Director
iii) Other related parties: Close members of KMP : Shri Vivek Saraogi	1. Shri K.N.Saraogi - Father 2. Smt. Meenakshi Saraogi - Mother 3. Smt. Sumedha Saraogi - Wife 4. Shri Karan Saraogi - Son 5. Miss Avantika Saraogi - Daughter 6. Smt. Stuti Dhanuka - Sister
Significant influence entities:	1. Meenakshi Mercantiles Ltd. 2. Udaipur Cotton Mills Co. Ltd. 3. Novel Suppliers Pvt. Ltd. 4. Neoworth Commerical Pvt. Ltd. 5. Kamal Nayan Saraogi (HUF) 6. Vivek Saraogi (HUF) 7. The Balrampur Sugar Company Limited Employees Gratuity Fund 8. Balrampur Institute of Vocational Aid (upto 31st March, 2016) 9. Balrampur Foundation (upto 31st March, 2016) 10. Balrampur Trust (upto 31st March, 2016)

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

b) Transactions with Related parties : (₹ in Lacs)

	Nature of transaction / Name of the related party	Associate	Significant influence entities	Key Managerial Personnel (KMP)	Close members of KMP	Total
i)	**Compensation/Remuneration of KMP**					
	Smt. Meenakshi Saraogi	-	-	-	0.80	0.80
		(-)	(-)	(28.48) @	(1.00)	(29.48)
	Shri Vivek Saraogi	-	-	341.37	-	341.37
		(-)	(-)	(172.14)	(-)	(172.14)
	Shri Kishor Shah	-	-	-	-	-
		(-)	(-)	(48.68) *	(-)	(48.68)
	Dr. Arvind Krishna Saxena	-	-	23.27	-	23.27
		(-)	(-)	(21.86)	(-)	(21.86)
ii)	**Interim dividend paid to equity shareholders**					
	Smt. Meenakshi Saraogi	-	-	-	498.55	498.55
		(-)	(-)	(-)	(-)	(-)
	Shri Vivek Saraogi	-	-	1332.88	-	1332.88
		(-)	(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena	-	-	0.61	-	0.61
		(-)	(-)	(-)	(-)	(-)
	Smt. Sumedha Saraogi	-	-	-	342.97	342.97
		(-)	(-)	(-)	(-)	(-)
	Shri Karan Saraogi	-	-	-	138.13	138.13
		(-)	(-)	(-)	(-)	(-)
	Miss Avantika Saraogi	-	-	-	131.13	131.13
		(-)	(-)	(-)	(-)	(-)
	Smt. Stuti Dhanuka	-	-	-	175.42	175.42
		(-)	(-)	(-)	(-)	(-)
	Meenakshi Mercantiles Ltd.	-	261.66	-	-	261.66
		(-)	(-)	(-)	(-)	(-)
	Udaipur Cotton Mills Co. Ltd.	-	229.59	-	-	229.59
		(-)	(-)	(-)	(-)	(-)
	Novel Suppliers Pvt. Ltd.	-	108.54	-	-	108.54
		(-)	(-)	(-)	(-)	(-)
	Kamal Nayan Saraogi (HUF)	-	275.18	-	-	275.18
		(-)	(-)	(-)	(-)	(-)
	Vivek Saraogi (HUF)	-	5.95	-	-	5.95
		(-)	(-)	(-)	(-)	(-)

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

(₹ in Lacs)

Nature of transaction / Name of the related party			Associate	Significant influence entities	Key Managerial Personnel (KMP)	Close members of KMP	Total
iii)	**Amount paid upon buyback of equity shares**						
	Shri Vivek Saraogi		-	-	2,485.62	-	2485.62
			(-)	(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena		-	-	1.13	-	1.13
			(-)	(-)	(-)	(-)	(-)
	Smt. Sumedha Saraogi		-	-	-	658.65	658.65
			(-)	(-)	(-)	(-)	(-)
	Shri Karan Saraogi		-	-	-	1,175.04	1175.04
			(-)	(-)	(-)	(-)	(-)
	Miss Avantika Saraogi		-	-	-	293.38	293.38
			(-)	(-)	(-)	(-)	(-)
	Smt. Stuti Dhanuka		-	-	-	375.11	375.11
			(-)	(-)	(-)	(-)	(-)
	Meenakshi Mercantiles Ltd.		-	482.92	-	-	482.92
			(-)	(-)	(-)	(-)	(-)
	Udaipur Cotton Mills Co. Ltd.		-	423.72	-	-	423.72
			(-)	(-)	(-)	(-)	(-)
	Novel Suppliers Pvt. Ltd.		-	200.32	-	-	200.32
			(-)	(-)	(-)	(-)	(-)
	Kamal Nayan Saraogi (HUF)		-	507.87	-	-	507.87
			(-)	(-)	(-)	(-)	(-)
	Vivek Saraogi (HUF)		-	10.98	-	-	10.98
			(-)	(-)	(-)	(-)	(-)
iv)	**Corporate Social Responsibility Expenditure**						
	Balrampur Institute of Vocational Aid		-	-	-	-	-
			(-)	(21.50)	(-)	(-)	(21.50)
	Balrampur Foundation		-	-	-	-	-
			(-)	(23.00)	(-)	(-)	(23.00)
v)	**Contribution to employees defined** benefit plans						
	The Balrampur Sugar Company Limited Employees Gratuity Fund		-	860.54	-	-	860.54
			(-)	(277.20)	(-)	(-)	(277.20)
vi)	**Interest income (at amortized cost)**						
	Visual Percept Solar Projects Pvt. Ltd.		28.94	-	-	-	28.94
			(-)	(-)	(-)	(-)	(-)
vii)	**Balance Outstanding:**						
	Investment in debentures (at amortized cost)	31st March, 2017	2212.48	-	-	-	2212.48
		31st March, 2016	(-)	(-)	(-)	(-)	(-)
		1st April, 2015	(-)	(-)	(-)	(-)	(-)
	Interest accrued but not due on debentures	31st March, 2017	13.26	-	-	-	13.26
		31st March, 2016	(-)	(-)	(-)	(-)	(-)
		1st April, 2015	(-)	(-)	(-)	(-)	(-)
	Remuneration Payable	31st March, 2017	-	-	150.00	-	150.00
		31st March, 2016	(-)	(-)	(-)	(-)	(-)
		1st April, 2015	(-)	(-)	(-)	(-)	(-)

@ Excluding gratuity payment amounting to ₹245.19 lacs pursuant to settlement which has been reimbursed by The Balrampur Sugar Co. Ltd. Employees Gratuity Fund.

* Excluding gratuity payment amounting to ₹50.77 lacs pursuant to settlement which has been reimbursed by The Balrampur Sugar Co. Ltd. Employees Gratuity Fund.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

c) Details of Remuneration paid/payable to KMP:

Year ended 31st March, 2017 (₹ in Lacs)

Particulars	Smt. Meenakshi Saraogi	Shri Vivek Saraogi	Shri Kishor Shah	Dr. Arvind Krishna Saxena	Total
Short-term employee benefits					
Salary	-	150.00	-	18.29	168.29
Commission	-	150.00	-	-	150.00
Perquisites	-	23.37	-	2.94	26.31
	-	323.37	-	21.23	344.60
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds *	-	18.00	-	2.04	20.04
	-	**341.37**	-	**23.27**	**364.64**

* The said amount does not includes amount in respect of gratuity and leave as the same are not ascertainable.

Year ended 31st March, 2016 (₹ in Lacs)

Particulars	Smt. Meenakshi Saraogi	Shri Vivek Saraogi	Shri Kishor Shah	Dr. Arvind Krishna Saxena	Total
Short-term employee benefits					
Salary	25.00	150.00	44.40	17.05	236.45
Commission	-	-	-	-	-
Perquisites	3.00	18.00	3.84	1.90	26.74
	28.00	**168.00**	**48.24**	**18.95**	**263.19**
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds *	0.48	4.14	0.44	2.91	7.97
	28.48	**172.14**	**48.68**	**21.86**	**271.16**

* The said amount does not includes amount in respect of gratuity and leave as the same are not ascertainable.

d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in current year and previous year for bad or doubtful debts in respect of the amounts owed by related parties.

f) The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

g) Figures in brackets pertain to previous year.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

13. **Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

    The Company has neither given any loan nor has advanced any amount either during the year ended 31st March, 2017 or year ended 31st March, 2016.

    Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

14. **Details of Loans and Investments covered under section 186 (4) of the Companies Act, 2013 :**

    Details of loans given and investments made are given in the respective note.

15. Under the New Sugar Industry Promotion Policy, 2004 of the Government of Uttar Pradesh, the Company had accounted for recoverable incentives aggregating to ₹16900.57 lacs and had availed remissions in respect of Entry Tax on Sugar, Administrative Charges on Molasses, Trade Tax on Molasses and Cane Purchase Tax. The above policy was terminated by the Government of Uttar Pradesh vide order dated 4th June, 2007.

    The Company's Writ Petition against withdrawal of the aforesaid policy which was admitted by the Lucknow Bench of the Hon'ble Allahabad High Court vide its order dated 9th May, 2008 is still pending. As an interim measure, the Order permits limited protection from remission of taxes. Therefore, the Company continues to avail remission of taxes, and accordingly, during the year, the Company has accounted for remission of taxes of ₹56.84 lacs (31st March, 2016: ₹ 61.43 lacs).

    However, in view of the long pendency of the said writ petition, it might take years for the Hon'ble High Court to decide the case and the aggrieved party would certainly approach the Hon'ble Supreme Court and due to high pendency of cases in the Hon'ble Supreme Court, it may take consideable time for the final decision in this case. Even thereafter, the actual realization of the claims from the Government of Uttar Pradesh may not be possible without repetitive intervention of the Apex Court.

    Hence, the Company had written off the recoverable incentives aggregating to ₹16900.57 lacs during the year ended 31st March, 2016. The same has been shown as "Claims receivable written off" under Note No. 37 - "Exceptional Items".

    In the assessment of Entry Tax on Sugar and Trade Tax on Molasses for the years 2008-09 to 2012-13, a sum of ₹3659.50 lacs and ₹883.59 lacs respectively aggregating to ₹4543.09 lacs has been determined by the assessing officer as the Company's liability for four of its units namely Akbarpur, Mankapur, Kumbhi and Gularia though these units are also eligible under the aforesaid incentive scheme. However, no demand has been raised on the Company by the assessing officer in view of the limited protection from remission of taxes granted by Hon'ble High Court as aforesaid. Based on the same, the Company neither considers the aforesaid amount of ₹4543.09 lacs as a liability nor a contingent liability.

16. The Company entered into a Share Purchase Agreement (SPA) on 27th January, 2017 inter-alia with Ganesh Explosives Pvt. Ltd. (GEPL) for sale of its entire shareholding of 53.96% in Indo Gulf Industries Ltd. (IGIL) consisting of 51,62,470 equity shares of ₹1/- each subject to compliance and completion of the formalities under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations, 2011") and the conditions precedent in terms of the SPA.

    Pursuant to the completion of the Open Offer formalities by the acquirer (GEPL), IGIL has ceased to be the Subsidiary of the Company w.e.f. 19th May, 2017.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

The results of IGIL for the year ended 31st March, 2017 and 31st March, 2016 are as follows: (₹ in Lacs)

Particulars	2016-17	2015-16
Total income	12.79	3.30
Total expense	63.51	15.19
(Loss) before tax	(50.72)	(11.89)
Tax expense	-	-
(Loss) for the year	(50.72)	(11.89)

Assets and liabilities of IGIL classified as held for sale as at 31st March, 2017 are detailed as follows: (₹ in Lacs)

Particulars	31st March, 2017
Assets	
Property, plant and equipment	138.73
Cash and cash equivalents	53.52
Bank balances other than cash and cash equivalents	139.71
Loans	1.36
Other financial assets	0.97
Other current assets	14.23
Assets classified as held for sale	**348.52**
Liabilities	
Borrowings	558.38
Other financial liabilities	34.98
Other current liabilities	0.27
Provisions	43.45
Liabilities associated with assets classified as held for sale	**637.08**
Net assets classified as held for sale	**(288.56)**

The net cash flows incurred by IGIL are as follows: (₹ in Lacs)

Particulars	2016-17	2015-16
Operating activities	(69.34)	(1.94)
Investing activities	(127.99)	-
Financing activities	-	250.00
	(197.33)	**248.06**

Earnings per share (₹ in Lacs)

Particulars	2016-17	2015-16
Basic earnings per share (₹)	(0.53)	(0.12)
Diluted earnings per share (₹)	(0.53)	(0.12)

Contingent liabilities and commitments (to the extent not provided for) by IGIL (₹ in Lacs)

Sl. No.	Particulars	As at 31st March, 2017
(i)	Claims against IGIL not acknowledged as debts :	
a)	Excise duty demand - under appeal	20.70
b)	Sales tax demand- under appeal	261.61
c)	Others - under appeal/litigation	183.04
		465.35
(ii)	Commitments :	
	Estimated amount of contracts remaining to be executed on capital account and not provided for	-

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

17. Exercise of Call Option

A Call Option Agreement dated 30th March, 2015 was entered by the Company with Talma Chemical Industries Pvt. Ltd. (Talma), a company having 100% interest in the Equity share capital of Visual Percept Solar Projects Pvt. Ltd. (VPSPPL - a non-listed private limited company based in India and engaged in the generation and sale of solar power) to acquire at a future date, 89,14,500 Equity shares of ₹10/- each fully paid up at a price of ₹25/- each.

On 24th January, 2017, the Company has exercised the said Call Option and acquired 89,14,500 Equity shares of VPSPPL at ₹25/- per Equity share of ₹10/- each fully paid up, constituting 45% of the voting rights shares of VPSSPL pursuant to which, VPSPPL became an Associate of the Company.

18. Under Section 139 of the Companies Act, 2013 and the rules made thereunder, it is mandatory for the Company to rotate the current statutory auditors on completion of the maximum term permitted under the said Section. The Audit Committee of the Board at its meeting held on 27th May, 2017 proposed and the Board of Directors of the Company have recommended, the appointment of M/s Lodha & Co., Chartered Accountants (Firm Registration No. 301051E), as the statutory auditors of the Company. M/s Lodha & Co. will hold office for a period of 5 consecutive years from the conclusion of the 41st Annual General Meeting of the Company scheduled to be held in the year 2017 till the conclusion of the 46th Annual General Meeting of the Company, subject to approval of the shareholders of the Company. The first year of audit will be of the financial statements for the year ending on 31st March, 2018 which will include limited review of the quarterly financial statements for the year, excluding for period ending 30th June, 2017 of which limited review would be carried out by the existing auditors.

19. Other notes in respect of the Subsidiary Company (Indo Gulf Industries Ltd. - IGIL):

a) The Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) at its hearing held on 14th June, 2016 has, inter-alia, discharged IGIL from the purview of The Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), since the networth of IGIL turned positive.

Accordingly, IGIL ceases to be a Sick Company.

b) The Government of Uttar Pradesh has initiated recovery proceedings for recovery of Sales Tax dues related to Explosive Unit at Jhansi, pursuant to which the factory at Jhansi has been seized by the Government authorities. All the assets located at the said factory including records thereat remain seized till the year end. Out of the above assets, certain assets pertaining to the said unit have been auctioned by the Office of the Labour Commissioner, Jhansi, against which a sum of ₹8.03 lacs (31st March, 2016: ₹8.03 lacs) is lying with them. No adjustment in this respect has been carried out in these accounts.

c) During the previous year ended 31st March, 2016, IGIL had offered, issued and alloted 2,50,000 fully paid up 0.001% Non Convertible, Non-Cumulative, Redeemable Preference shares of face value ₹100/- each aggregating to ₹250.00 lacs on private placement basis for cash, at par.

Details of utilisation of the amount raised through private placement is as under:

Particulars	Amount (₹in lacs)
Balance as at 1st April, 2015	-
Add: Fund received during year ended 31st March, 2016	250.00
Balance as at 31st March, 2016 *	250.00
Add: Interest Income on fixed deposits	10.45
Less: Utilisation of funds towards expenses	68.64
Balance as at 31st March, 2017 *	**191.81**
* unutilised amount lying in current accounts/fixed deposit accounts	

d) There has been no change during the year in the status of pending demands raised in earlier years which were uncertain and therefore required no provisions/disclosure. The said demand pertains to certain notices and orders received in earlier years from statutory authorities viz. Sales tax, Labour Commissioner etc.

e) Due to seizure of Subsidiary Company's explosive plant at Jhansi, the condition of the plant and machineries and other fixed assets thereat and the impairment loss, if any, in respect thereof could not be determined, pending which no provision for impairment, if any, could be made in these accounts.

Note No. : 40 Other disclosures *(contd.)*

20. Additional Information as required under Schedule III to the Companies Act, 2013 :

As at 31st March, 2017

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)	As % of consolidated other comprehensive income	Amount (₹ in Lacs)	As % of consolidated total comprehensive income	Amount (₹ in Lacs)
Parent								
Balrampur Chini Mills Ltd.	96.94	151251.13	99.87	59201.29	100.01	(362.95)	99.87	58838.34
Subsidiary - Indian								
Indo Gulf Industries Ltd.	(0.18)	(288.56)	-	-	-	-	-	-
Non-controlling interest in subsdiary	(0.02)	(28.83)	(0.04)	(23.36)	-	-	(0.04)	(23.36)
Associate - (Investment as per equity method)								
Visual Percept Solar								
Projects Pvt. Ltd.	3.26	5097.61	0.17	98.03	(0.01)	0.03	0.17	98.06
	100.00	**156031.35**	**100.00**	**59275.96**	**100.00**	**(362.92)**	**100.00**	**58913.04**

As at 31st March, 2016

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)	As % of consolidated other comprehensive income	Amount (₹ in Lacs)	As % of consolidated total comprehensive income	Amount (₹ in Lacs)
Parent								
Balrampur Chini Mills Ltd.	100.20	1,23,144.17	100.05	10,019.79	100.00	(37.69)	100.05	9,982.10
Subsidiary - Indian								
Indo Gulf Industries Ltd.	(0.19)	(237.86)	-	-	-	-	-	-
Non-controlling interest in subsdiary	(0.01)	(5.47)	(0.05)	(5.47)	-	-	(0.05)	(5.47)
Associate - (Investment as per equity method)	-	-	-	-	-	-	-	-
	100.00	**122900.84**	**100.00**	**10014.32**	**100.00**	**(37.69)**	**100.00**	**9976.63**

21. **Hedging activities and derivatives (Derivatives not designated as hedging instruments)**

The Company had an External Commercial Borrowing (ECB) from International Finance Corporation, Washington (IFC) outstanding as at the transition date, at floating interest rate linked with LIBOR. In order to hedge the fair value risk associated with principal and interest payment on the floating rate, the Company at the inception of the loan concurrently entered into cross currency interest rate swap contract with a bank (receive floating, pay fixed, which had the same terms and payment dates as the debt). These derivative contracts are not designated in hedge relationship and are measured at fair value through profit or loss.

The Company has also taken foreign currency denominated borrowings (viz. FCNR-B loan) to reduce finance costs. The Company uses foreign exchange forward contracts with the intention of reducing the foreign exchange risk of such loans and interest payable thereon. These foreign exchange forward contracts are also not designated in hedge relationship and are measured at fair value through profit or loss.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

22. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2017 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying Value			Total
				Amortized cost	FVTOCI	FVTPL	
(1)	**Financial assets**						
(a)	Investments	7	2261.19	2220.47	40.72	-	2261.19
(b)	Trade and other receivables	8	16276.95	16276.95	-	-	16276.95
(c)	Cash and cash equivalents	14	203.05	203.05	-	-	203.05
(d)	Bank balances other than cash and cash equivalents	15	245.51	245.51	-	-	245.51
(e)	Loans	16	957.34	957.34	-	-	957.34
(f)	Other financial assets	9	453.27	453.27	-	-	453.27
	Total		**20397.31**	**20356.59**	**40.72**	**-**	**20397.31**
(2)	**Financial liabilities**						
(a)	Borrowings	20	170174.25	170174.25	-	-	170174.25
(b)	Trade and other payables	26	29537.67	29537.67	-	-	29537.67
(c)	Other financial liabilities	21	14679.76	14679.76	-	-	14679.76
	Total		**214391.68**	**214391.68**	**-**	**-**	**214391.68**

As at 31st March, 2016 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying Value			Total
				Amortized cost	FVTOCI	FVTPL	
(1)	**Financial assets**						
(a)	Investments	7	4770.61	4729.11	41.50		4770.61
(b)	Trade and other receivables	8	19928.12	19928.12			19928.12
(c)	Cash and cash equivalents	14	718.02	718.02			718.02
(d)	Bank balances other than cash and cash equivalents	15	188.76	188.76			188.76
(e)	Loans	16	950.85	950.85			950.85
(f)	Other financial assets	9	7003.94	6297.02		706.92	7003.94
	Total		**33560.30**	**32811.88**	**41.50**	**706.92**	**33560.30**
(2)	**Financial liabilities**						
(a)	Borrowings	20	149644.29	149644.29			149644.29
(b)	Trade and other payables	26	42335.19	42335.19			42335.19
(c)	Other financial liabilities	21	22694.29	22593.78		100.51	22694.29
	Total		**214673.77**	**214573.26**	**-**	**100.51**	**214673.77**

As at 1st April, 2015 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying Value			Total
				Amortized cost	FVTOCI	FVTPL	
(1)	**Financial assets**						
(a)	Investments	7	4589.91	4550.06	39.85		4589.91
(b)	Trade and other receivables	8	15868.55	15868.55			15868.55
(c)	Cash and cash equivalents	14	7703.97	7703.97			7703.97
(d)	Bank balances other than cash and cash equivalents	15	516.52	516.52			516.52
(e)	Loans	16	945.18	945.18			945.18
(f)	Other financial assets	9	44393.36	43,595.83		797.53	44393.36
	Total		**74017.49**	**73180.11**	**39.85**	**797.53**	**74017.49**
(2)	**Financial liabilities**						
(a)	Borrowings	20	160631.53	160631.53			160631.53
(b)	Trade and other payables	26	73674.33	73674.33			73674.33
(c)	Other financial liabilities	21	11233.79	11002.55		231.24	11233.79
	Total		**245539.65**	**245308.41**	**-**	**231.24**	**245539.65**

Note No. : 40 Other disclosures *(contd.)*

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

i) Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

ii) The carrying value of debentures approximate their fair value as the instruments are at prevailing market rate.

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:

(i) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2017:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
(1)	At FVTOCI					
	Investments in equity instruments	7			40.72	40.72
	Total financial assets		-	-	**40.72**	**40.72**

(ii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2016:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
(1)	At FVTOCI					
	Investments in equity instruments	7			41.50	41.50
(2)	At FVTPL					
(i)	Options	9			706.92	706.92
	Total financial assets		-	-	**748.42**	**748.42**
B.	Financial liabilities (At FVTPL)					
(i)	Foreign exchange forward contracts	21		100.51		100.51
	Total financial liabilities		-	**100.51**	-	**100.51**

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

(iii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 1st April, 2015:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
(1)	At FVTOCI					
	Investments in equity instruments	7			39.85	39.85
(2)	At FVTPL					
(i)	Options	9			599.95	599.95
(ii)	Cross currency Interest rate swaps	9		197.58		197.58
	Total financial assets		-	**197.58**	**639.80**	**837.38**
B.	Financial liabilities (At FVTPL)					
(i)	Foreign exchange forward contracts	21		149.45		149.45
(ii)	Cross currency Interest rate swaps	21		81.79		81.79
	Total financial liabilities		-	**231.24**	-	**231.24**

There have been no transfers between Level 1 and Level 2 either during the year ended 31st March, 2017 or during the year ended 31st March, 2016.

Description of significant unobservable inputs to valuation:

The following table shows the valuation technique and inputs for financial instruments:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Derivative instruments		Options - Option pricing model Others - Quotes from banks	
Investments in unqoted equity shares		Adjusted net asset method	

Reconciliation of opening and closing balances for Level 3 fair value: (₹ in Lacs)

Particulars	Investments in unqoted equity shares	Options	Total
Balance as at 1st April, 2015	39.85	599.95	639.80
Net re-measurement gain recognised and deferred during the year	1.65	106.97	108.62
Balance as at 31st March, 2016	41.50	706.92	748.42
Net re-measurement gain recognised and deferred during the year	(0.78)	-	(0.78)
De-recognition during the year	-	706.92	706.92
Balance as at 31st March, 2017	40.72	-	40.72

23. Financial risk management objectives and policies

The Group's principal financial liabilities includes Borrowings, Trade payable and Other financial liabiltiies. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include Trade receivables, Cash and cash equivalents and Other financial assets that derive directly from its operations.

The Group is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Group. The senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

It is the Group's policy that derivatives are used exclusively for hedging purposes and not for trading or speculative purposes.

The Board of Directors reviewed policies for managing each of these risks, which are summarized below :

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

Note No. : 40 Other disclosures *(contd.)*

(i) Interest rate risk

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

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings. This foreign currency risk is covered by using foreign exchange forward contracts and currency swap contracts.

Foreign currency exposure as at 31st March, 2017

Particulars	USD	JPY
Borrowings (in lacs)	-	-

Foreign currency exposure as at 31st March, 2016

Particulars	USD	JPY
Borrowings (in lacs)	110.00	-

Foreign currency exposure as at 1st April, 2015

Particulars	USD	JPY
Borrowings (in lacs)	270.88	13.68

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on Profit.

(iii) Regulatory risk

Sugar industry is regulated both by central government as well as state government. Central and State Governments policies and regulations affects the Sugar industry and the Company's operations and profitability. Distillery business is also dependent on the Government policy.

However, with the removal of major regulatory control on sugar sales by the Central Government, the regulatory risk are moderated.

(iv) Commodity price risk

Sugar industry being cyclical in nature, realisations get adversly affected during downturn. Higher cane price or higher production than the demand ulimately affect profitability. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are mostly on cash. Power and ethanol are sold to state government entities, thereby the credit default risk is significantly mitigated.

The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Consolidated Statement of Profit and Loss.

(i) Trade receivables

Trade receivables of the Company are non-interest bearing and are generally on credit terms of 3 to 60 days.

An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets disclosed under Note No. 8.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

The ageing analysis of the receivables has been considered from the date the invoice falls due:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Upto 6 months	16103.63	19835.10	15839.01
6 to 12 months	162.96	28.18	22.25
More than 12 months	-	-	95.17
	16266.59	19863.28	15956.43

(ii) The following table summarises the change in the loss allowances measured using life time expected credit loss model :

Particulars	(₹ in Lacs)
Balance as at 1st April, 2015	326.21
Provided during the year	1.09
Reversed during the year	319.19
Balance as at 31st March, 2016	**8.11**
Provided during the year	8.27
Reversed during the year	-
Balance as at 31st March, 2017	**16.38**

No significant changes in estimation were made during the reported period.

(iii) Balances with banks

Credit risk from balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 is the carrying amounts as stated under Note No. 14 and 15.

(c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities, short term loans and commercial papers.

The table below summarises the maturity profile of the Group's financial liabilities :

(₹ in Lacs)

Sl. No.	Particulars	Less than 1 year	1 to 5 years	>5 years	Total
A.	As at 31st March, 2017				
(i)	Borrowings	157743.71	12430.54	-	170174.25
(ii)	Other financial liabilities	14220.48	459.28	-	14679.76
(iii)	Trade and other payables	29537.67	-	-	29537.67
(iv)	Derivatives	-	-	-	-
	Total	**201501.86**	**12889.82**	**-**	**214391.68**
B.	As at 31st March, 2016				
(i)	Borrowings	99441.85	49890.76	311.68	149644.29
(ii)	Other financial liabilities	22030.21	563.57	-	22593.78
(iii)	Trade and other payables	42335.19	-	-	42335.19
(iv)	Derivatives	100.51	-	-	100.51
	Total	**163907.76**	**50454.33**	**311.68**	**214673.77**
C.	As at 1st April, 2015				
(i)	Borrowings	117408.76	42327.69	895.08	160631.53
(ii)	Other financial liabilities	10392.86	609.69	-	11002.55
(iii)	Trade and other payables	73674.33		-	73674.33
(iv)	Derivatives	231.24		-	231.24
	Total	**201707.19**	**42937.38**	**895.08**	**245539.65**

Note No. : 40 Other disclosures *(contd.)*

(d) Lien

The fair values of the fixed deposits under lien aggregated to ₹300.00 lacs as at 1st April, 2015 which was placed with bank as security for exposure under derivative contract. No fixed deposits were under lien as at 31st March, 2017 and 31st March, 2016.

24. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2017 and 31st March, 2016.

(b) Dividend

(₹ in Lacs)

Particulars	2016-17	2015-16
Interim dividend		
Interim dividend for the year ended 31st March, 2017 @ ₹3.50 (31st March 2016,: Nil) per equity share	8574.59	-
Dividend distribution tax on above	1745.58	-

25. Explanation of transition to Ind AS

These consolidated financial statements, for the year ended on 31st March, 2017, are the first financial statements, the Company has prepared in accordance with Ind AS.

Accordingly, the Group has prepared consolidated financial statements which comply with Ind AS applicable for year ended 31st March, 2017, together with the comparative figures for the year ended 31st March, 2016, as described in the summary of significant accounting policies [Refer Note No.2].

In preparing these consolidated financial statements, the Group's opening balance sheet was prepared as at 1st April, 2015, i.e. the date of transition to Ind AS.

This note explains the principal adjustments made by the Group and an explanation on how the transition from the previous GAAP to Ind AS has affected its consolidated financial statements, including the Balance Sheet as at 1st April, 2015 and the consolidated financial statements for the year ended 31st March, 2016.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP to Ind AS:

(a) As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the transition date. If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations, and also applies Ind AS 110 Consolidated financial statements from that same date.

The Group has, however, elected to apply Ind AS 103 requirements prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. Therefore, use of this exemption requires that the previous GAAP carrying amounts of assets and liabilities, that are required to be recognized under Ind-AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with Ind-AS. Assets and liabilities that do not qualify for recognition under Ind-AS are excluded from the opening Ind-AS Balance Sheet.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

(b) The Group has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2015. Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation, amortization and impairment), if any, adjusted by revaluation of certain assets.

c) The Group has elected to continue with the carrying value of Capital work in progress as recognized under the previous GAAP as deemed cost as at the transition date.

(d) The Group has elected to continue with the carrying value for intangible assets (computer softwares) as recognized under the previous GAAP as deemed cost as at the transition date. Under the previous GAAP, Computer Software was stated at its original cost, net of accumulated amortization.

(e) A first time adopter is encouraged, but not required, to apply Ind AS 102 - Share based payment to equity instruments that vested before the date of transition to Ind AS. The Company has granted equity settled stock options and has followed intrinsic value method of accounting. The Company has decided to apply Ind AS 102 prospectively.

(f) Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.

(g) Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'FVTOCI' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Group has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed as at the date of transition to Ind AS.

However, since, the fair valuation has been done based on level 3 inputs, difference in fair value and cost as on the date of transition has been deferred and has been considered and shown as "Deferred gain on changes in fair value of financial assets" under Other Non-Current Liabilities.

(h) The estimates as at 1st April, 2015 and as at 31st March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

(i) The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively.

Under previous GAAP, there is no mandatory standard that deals with hedge accounting, which has resulted in the adoption of varying practices. The Company has not applied for hedge accounting on or after the transition date.

(j) Ind AS 101 requires the de-recognition requirements of Ind AS 109 to be applied prospectively to transactions occurring on or after the date of transition. Therefore, the Group has not recognized financial assets and liabilities under Ind AS which were derecognized under the previous GAAP as a result of a transaction that occurred before the date of transition.

(k) The following requirements of Ind AS 110 are applied prospectively from the date of transition to Ind AS:

(i) To attribute total comprehensive income to non-controlling interests irrespective of whether this results in a deficit balance

(ii) To treat changes in a parents ownership interest as equity transactions

(l) The Group has applied the requirements in Ind AS 109 and Ind AS 20 prospectively to government loans existing as at the date of transition to Ind AS.

Note No. : 40 Other disclosures *(contd.)*

26. Disclosures as required by Ind AS - 101 - First Time Adoption of Indian Accounting Standards - Reconciliation between Previous GAAP and Ind AS :

(a) Reconciliation of equity as at 1st April, 2015 (date of transition to Ind AS) : (₹ in Lacs)

	Particulars	Footnote	Previous GAAP		Adjustments		Ind AS	
I.	ASSETS							
(1)	Non - current assets							
	(a) Property, plant and equipment	A	137342.22		-		137342.22	
	(b) Capital work-in-progress	A	756.30		-		756.30	
	(c) Intangible assets	A	332.10		-		332.10	
	(d) Financial assets				-			
	(i) Non-current Investments	B	4074.26		515.65		4589.91	
	(ii) Trade and other receivables		-		-		-	
	(iii) Other financial assets	D	17174.88		599.95		17774.83	
	(e) Non-current tax assets (net)	I	1993.50		(105.33)		1888.17	
	(f) Other non-current assets	J	6852.11	168525.37	(5641.99)	(4631.72)	1210.12	163893.65
(2)	Current assets							
	(a) Inventories	C	166962.46		(9.34)		166953.12	
	(b) Biological assets	C	-		3.65		3.65	
	(c) Financial assets							
	(i) Trade and other receivables		15868.55		-		15868.55	
	(ii) Cash and cash equivalents		7703.97		-		7703.97	
	(iii) Bank balances other than cash and cash equivalents		516.52		-		516.52	
	(iv) Loans		945.18		-		945.18	
	(v) Other financial assets	G	26420.95		197.58		26618.53	
	(d) Other current assets		3456.35	221873.98	(1413.08)	(1221.19)	2043.27	220652.79
	Total Assets			**390399.35**		**(5852.91)**		**384546.44**
II.	EQUITY AND LIABILITIES							
(1)	Equity							
	(a) Share capital		2449.16		-		2449.16	
	(b) Other equity	E,K,O	110257.48		194.26		110451.74	
	Equity attributable to equity shareholders of the parent		112706.64		194.26		112900.90	
	Non-controlling interests		-		-		-	
				112706.64		194.26		112900.90
	Liabilities							
(2)	Non - current liabilities							
	(a) Financial liabilities							
	(i) Borrowings	F	43287.09		(64.32)		43222.77	
	(ii) Other financial liabilities		609.69		-		609.69	
	(b) Government grants	E	-		16.35		16.35	
	(c) Provisions		265.79		-		265.79	
	(d) Deferred tax liabilities (net)	J	22924.46		(5471.20)		17453.26	
	(e) Other non-current liabilities	B,D	-	67087.03	626.67	(4892.50)	626.67	62194.53
(3)	Current liabilities							
	(a) Financial liabilities							
	(i) Borrowings	F	118282.88		(874.12)		117408.76	
	(ii) Trade and other payables		73674.33		-		73674.33	
	(iii) Other financial liabilities	G	10901.86		(277.76)		10624.10	
	(b) Government grants	E	-		1.09		1.09	
	(c) Other current liabilities		7361.26		-		7361.26	
	(d) Provisions	H	385.35		(3.88)		381.47	
	(e) Current tax liabilities (net)		-	210605.68	-	(1154.67)	-	209451.01
	Total Equity and Liabilities			**390399.35**	-	**(5852.91)**		**384546.44**

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

(b) Reconciliation of equity as at 31st March, 2016 (₹ in Lacs)

	Particulars	Footnote	Previous GAAP		Adjustments		Ind AS	
I.	**ASSETS**							
(1)	**Non - current assets**							
	(a) Property, plant and equipment	A	133724.78		-		133724.78	
	(b) Capital work-in-progress	A	8647.05		-		8647.05	
	(c) Intangible assets	A	280.72		-		280.72	
	(d) Financial assets				-			
	(i) Non-current Investments	B	4072.23		698.38		4770.61	
	(ii) Trade and other receivables				-			
	(iii) Other financial assets	D	379.47		706.92		1086.39	
	(e) Non-current tax assets (net)	I	1927.31		(149.85)		1777.46	
	(f) Other non-current assets	J	7120.81	156152.37	(5642.00)	(4386.55)	1478.81	151765.82
(2)	**Current assets**							
	(a) Inventories	C	186492.63		(3.44)		186489.19	
	(b) Biological assets	C	-		3.44		3.44	
	(c) Financial assets							
	(i) Trade and other receivables		19928.12		-		19928.12	
	(ii) Cash and cash equivalents		718.02		-		718.02	
	(iii) Bank balances other than cash and cash equivalents		188.76		-		188.76	
	(iv) Loans		950.85		-		950.85	
	(v) Other financial assets	G	5917.55		-		5917.55	
	(d) Other current assets		4332.26	218528.19	(238.49)	(238.49)	4093.77	218289.70
	Total Assets			**374680.56**		**(4625.04)**		**370055.52**
II.	**EQUITY AND LIABILITIES**							
(1)	**Equity**							
	(a) Share capital		2449.50		-		2449.50	
	(b) Other equity	E,K,O	120360.29		96.52		120456.81	
	Equity attributable to equity shareholders of the parent		122809.79		96.52		122906.31	
	Non-controlling interests	Q	250.00		(255.47)		(5.47)	
				123059.79		(158.95)		122900.84
	Liabilities							
(2)	**Non - current liabilities**							
	(a) Financial liabilities							
	(i) Borrowings	F	50960.43		(757.99)		50202.44	
	(ii) Other financial liabilities		563.57		-		563.57	
	(b) Government grants	E			159.20		159.20	
	(c) Provisions		259.31		-		259.31	
	(d) Deferred tax liabilities (net)	J	21288.89		(5347.10)		15941.79	
	(e) Other non-current liabilities	B,D	-	73072.20	735.29	(5210.60)	735.29	67861.60
(3)	**Current liabilities**							
	(a) Financial liabilities							
	(i) Borrowings		99441.85		-		99441.85	
	(ii) Trade and other payables		42335.19		-		42335.19	
	(iii) Other financial liabilities	G	22361.04		(230.32)		22130.72	
	(b) Government grants	E	-		975.86		975.86	
	(c) Other current liabilities		13810.23		-		13810.23	
	(d) Provisions	H	348.41		(1.03)		347.38	
	(e) Current tax liabilities (net)		251.85	178548.57	-	744.51	251.85	179293.08
	Total Equity and Liabilities			**374680.56**		**(4625.04)**		**370055.52**

Note No. : 40 Other disclosures *(contd.)*

(c) Reconciliation of Consolidated Statement of Profit and Loss for the year ended 31st March, 2016 (₹ in Lacs)

	Particulars	Footnote	Previous GAAP	Adjustments	Ind AS
I.	**Revenue from operations**	L	275666.73	11740.04	287406.77
II.	Other income	B,C,H,M	4458.69	192.43	4651.12
III.	**Total income (I+II)**		**280125.42**	**11932.47**	**292057.89**
IV.	**Expenses:**				
	Cost of materials consumed		211254.20	-	211254.20
	Excise duty on sale of goods	L	-	11740.75	11740.75
	Changes in inventories of finished goods, by-products and work-in-progress		(13623.47)	-	(13623.47)
	Employee benefits expense	K	15142.84	(47.92)	15094.92
	Finance costs	F,G,H	7559.66	(905.13)	6654.53
	Depreciation and amortisation expense		11019.71	-	11019.71
	Other expenses	G	20967.79	881.45	21849.24
	Total expenses (IV)		**252320.73**	**11669.15**	**263989.88**
V.	**Profit before share of profit of an associate, exceptional items and tax (III-IV)**		27804.69	263.32	28068.01
VI.	Share of profit of an associate		-	-	-
VII.	**Profit before exceptional items and tax (V+VI)**		**27804.69**	**263.32**	**28068.01**
VIII.	Exceptional items		17310.41	-	17310.41
IX.	**Profit before tax (VII-VIII)**		**10494.28**	**263.32**	**10757.60**
X.	**Tax expense**				
	Current tax	I	2200.00	54.75	2254.75
	Deferred tax	J	(1635.56)	124.09	(1511.47)
			564.44	**178.84**	**743.28**
XI.	**Profit for the year (IX - X)**	P	**9929.84**	**84.48**	**10014.32**
XII.	**Other comprehensive income**	P			
	(i) Items that will not be reclassified to profit or loss		-	(47.92)	(47.92)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	10.23	10.23
	Total other comprehensive income		**-**	**(37.69)**	**(37.69)**
XIII.	Total comprehensive income for the year (XI + XII) (Comprising of profit and other comprehensive income for the year)	P	9929.84	46.79	9976.63
	Profit for the year attributable to :-				
	a) Owners of the parent	Q	9929.84	89.95	10019.79
	b) Non-controlling interest	Q	-	(5.47)	(5.47)
			9929.84	**84.48**	**10014.32**
	Other comprehensive income attributable to :-				
	a) Owners of the parent	Q	-	(37.69)	(37.69)
	b) Non-controlling interest	Q	-	-	-
			-	**(37.69)**	**(37.69)**
	Total comprehensive income attributable to :-				
	a) Owners of the parent	Q	9929.84	52.26	9982.10
	b) Non-controlling interest	Q	-	(5.47)	(5.47)
			9929.84	**46.79**	**9976.63**

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

(d) Footnotes to the reconciliation of equity as at 1st April, 2015 and 31st March, 2016 and Statement of Profit and Loss for the year ended 31st March, 2016 :

A) Property, plant and equipment

Under Ind AS, the Company has elected to opt for cost model with respect to property, plant and equipments, capital work in progress and computer software.

B) Investments

(i) Investments in equity instruments

Under the previous GAAP, investment in equity instruments were classified as long term investments or current investment based on the intended holding period and realisability. The Company accounted for long term investments in equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments, if any.

Under Ind AS, the Company has the option to designate such investments either as FVTOCI or FVTPL investments.

In case of other long term investments in unquoted equity shares, the Company has designated investments as FVTOCI investments as at the date of transition. Ind AS requires FVTOCI investments to be measured at fair value. However, since, the fair valuation has been done based on level 3 inputs, difference in fair value of investments as per Ind AS and carrying value of investments as per previous GAAP aggregating to ₹26.72 lacs as at the date of transition and subsequent changes of ₹1.65 lacs for the year ended 31st March, 2016 has been deferred and has been shown as "Deferred gain on changes in fair value of financial assets" under Other Non-Current Liabilities.

(ii) Investments in debt instruments

The Company has invested ₹4050.00 lacs in debentures of Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) redeemable after 12 years from the date of allotment. As per terms, interest is receivable @ 5% for first 6 years and there after @14% for next 6 years.

Under the previous GAAP, interest income was accounted for on time proportionate basis at predetermined rate.

Under Ind AS, investments in debt instruments can be measured either at amortized cost or FVTOCI or FVTPL

As investment in debentures are held by the Company within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual term of the debentures give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, the Company has designated them at amortized cost.

The carrying amount of the debentures as per Ind AS is ₹4538.93 lacs as at transition date as against ₹4050.00 lacs under the previous GAAP and the difference of ₹488.93 lacs has been credited to retained earnings, net of tax and subsequent changes for the year ended 31st March, 2016 aggregating to ₹181.08 lacs has been credited to Consolidated Statement of Profit and and Loss and has been shown under Other Income.

C) Biological assets

Under the previous GAAP, there was no standard dealing with biological assets. Ind AS requires biological assets and agricultural produce within its scope to be measured at fair value less cost to sell at each balance sheet date and to be presented as separate line item on the face of the balance sheet with corresponding gain or loss to be recognized in Consolidated Statement of Profit and Loss.

D) Option Agreement

A Call Option Agreement dated 30th March, 2015 was entered by the Company with Talma Chemical Industries Private Limited (Talma), a company having 100% interest in the equity share capital of Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) to acquire at a future date, 89,14,500 equity shares of ₹10/- each fully paid at a mutually agreed price of ₹25/- per equity share of ₹10/- each of VPSPPL.

Under the previous GAAP, call options were considered as off balance sheet items. Accordingly, no treatment was given in the consolidated financial statements for year ended 31st March, 2015 and 31st March, 2016.

Under Ind AS, such call options are required to be measured at FVTPL.

Note No. : 40 Other disclosures *(contd.)*

The Company has measured options at FVTPL. The difference between fair value of equity shares and present value of exercise price as at the date of transition

aggregating to ₹599.95 lacs and for the year ended 31st March 2016 aggregating to ₹106.97 lacs has been considered as a financial asset. However, since, the fair valuation has been done based on level 3 inputs, the gain on fair valuation has been deferred and has been shown as "Deferred gain on changes in fair value of financial assets" under Other Non-Current Liabilities.

E) Capital Reserve

Certain government grant were received by the Company in past years as grant in the nature of promoter's contribution and recognized under Capital reserve as required under the previous GAAP.

Ind AS does not permit recognition of government grant in the nature of promoter contribution to capital reserve.

Under Ind AS, such government grants are required to be treated as an asset related grant and to be presented in the Consolidated balance sheet by setting up the grant as deferred income. The grant set up as deferred income is to be recognized in the Consolidated Statement of Profit and Loss on a systematic basis over the useful life of the related asset. Accordingly, to comply with Ind AS 20 the Company has reclassified an appropriate amount (i.e. unamortized portion of grant) from capital reserve to the deferred income on account of government grant aggregating to ₹17.44 lacs and the differential impact aggregating to ₹63.21 lacs has been transferred from capital reserve to retained earnings as at the transition date.

F) Borrowings

Ind AS requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognized in profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Under previous GAAP, transaction costs incurred in connection with borrowings are accounted upfront and charged to Consolidated Statement of Profit and Loss for the period in which such transaction costs is incurred.

Accordingly, borrowings as at the transition date aggregating to ₹64.32 lacs have been reduced with a corresponding adjustment to retained earnings, net of tax.

G) Interest rate swaps and foreign exchange forward contracts

The Company had an ECB from IFC Washington outstanding as at the transition date, at floating interest rate linked with LIBOR. In order to hedge the fair value risk associated with interest payment on the floating rate, the Company at the inception of the loan concurrently entered into an interest rate swap with a bank (receive floating, pay fixed, which had the same terms and payment dates as the debt).

The Company entered into foreign exchange contracts with the intention of reducing the foreign exchange risk of FCNR - B loan and interest payable on such loan.

Under the previous GAAP, in case of monetary assets and liabilities which are covered by foreign exchange forward contracts, the difference between the year-end rate and the rate on the date the contract was entered into was recognised as exchange difference and the premium on foreign exchange forward contracts was recognized over the period of the respective contract.

Under Ind AS, the Company has the alternative to account for above stated derivatives as prescribed under hedge accounting. However, the Company has not designated the hedge relationships, but has, designated such interest rate swap and foreign exchange forward contracts at FVTPL and differential impact of carrying value as on the date of transition as per Ind AS and carrying value as per previous GAAP as at 1st April, 2015 has been taken to Retained earnings (net of tax) and for the year ended 31st March, 2016 in profit or loss

The Company has not applied hedge accounting for the above derivative instruments considering that the said instruments were repayable in full within six months from the date of transition to Ind AS.

H) Provision for mark to market loss on derivatives

Under the previous GAAP, provision for mark to market losses on firm commitment was accounted for based on prudence.
However, under Ind AS, firm commitment needs to be accounted for based on Ind AS 109. Hence, provision created for mark to market losses on firm commitment under the previous GAAP has been de-recognized and accounted for separately as financial liability aggregating to ₹3.88 lacs under Ind AS with the corresponding impact given to Retained earnings (net of tax).

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

I) Current tax

Current tax liabilities have been accounted for on account of various transitional adjustments as stated above as at the date of transition with corresponding impact either to Retained earnings or Other Comprehensive Income in correlation to the underlying transaction.

Thus, current tax liabilities has increased by ₹105.33 lacs as at the date of transition and has further increased by ₹54.75 lacs with respect to profit or loss and decreased by ₹10.23 lacs on account of OCI for the year ended 31st March 2016.

J) Deferred tax

Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the year. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under the previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as Other non-current non-financial assets.

In addition, the various transitional adjustments lead to temporary differences and consequently deferred tax adjustments have been recognized in correlation to the underlying transaction in retained earnings.

The net impact on deferred tax liabilities has increased by ₹170.80 lacs and ₹124.10 lacs as at the date of transition and for the year ended on 31st March, 2016 respectively.

K) Defined benefit liabilities

As under the previous GAAP, under Ind AS, also the Company continues to recognize costs related to its post-employment defined benefit plan on an actuarial basis. The entire cost, including actuarial gains and losses, was charged to the Consolidated Statement of Profit and Loss.

Under Ind AS, re-measurements of defined benefit plan are recognized in the Consolidated Balance Sheet with a corresponding debit or credit to equity through Other Comprehensive Income (OCI). Thus, the employee benefit cost is reduced by ₹47.92 lacs and re-measurement losses on defined benefit plans has been recognized in the OCI, net of tax as at the transition date.

Under Ind AS, an entity is permitted to transfer amounts recognized in Other Comprehensive Income within equity. The Company has taken recourse of the said provision and has transferred as at the date of transition to Ind AS, all re-measurement costs relating to prior period to the transition date to Retained earnings.

L) Revenue from sale of goods

(i) Excise duty

Under the previous GAAP, revenue from sale of goods was presented as net of excise duty on sales. However, under Ind AS, revenue from sale of goods includes excise duty and such excise duty is separately presented as an expense on the face of the Statement of Profit and Loss. Thus, under Ind AS, sale of goods for the year ended 31st March, 2016 has increased by ₹11740.75 lacs with a corresponding increase in "Total expense".

(ii) Cash discount

In contrast to the previous GAAP requirements, Ind AS requires revenue to be measured at fair value of the consideration received or receivable and settlement discounts is required to be estimated at the time of sale and deducted from revenue.

Hence, cash discount paid/payable aggregating to ₹0.71 lacs which was considered as part of miscellaneous expenses under Other Expenses under the previous GAAP has been adjusted with Sale of goods under Ind AS for the year ended 31st March, 2016.

M) Interest Income

The previous GAAP required the recognition of revenue from interest on time proportion basis. However, Ind AS requires interest on financial assets to be recognized using the effective interest rate method.

Notes forming part of the consolidated financial statements

Note No. : 40 Other disclosures *(contd.)*

N) Cash flow statement

Under Ind AS, bank overdrafts forms an integral part of the cash management process and are included in cash and cash equivalents for the purpose of presentation of Consolidated Cash Flow Statement.

Under the previous GAAP, bank overdrafts were considered as "Other payables" and movements in bank overdrafts were shown as part of operating activities.

Consequently, Cash and cash equivalents have reduced by ₹101.87 lacs as at 31st March, 2016 (1st April, 2015: ₹134.59 lacs) and cash flows from operating activities for the year ended 31st March, 2016 have been increased by ₹23.91 lacs.

Apart from the above, the transition from the previous GAAP to Ind AS has not had a material impact on Cash Flow Statement.

O) Retained earnings

Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

P) Total comprehensive income and other comprehensive income

Under the previous GAAP, the Group did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

Q) Non-controlling interests

Under the Previous GAAP, redeemable preference shares relating to Subsidiary Company were considered as part of Non-controlling interests to the tune of ₹250.00 lacs. However, under Ind AS, redeemable preference shares are required to be considered as borrowings.

Further, under the Previous GAAP, the losses applicable to the non-controlling interest (minority interest) are adjusted against the Parent's interest (majority interest) except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority have recovered.

However, under Ind AS, an entity is required to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Therefore, excess losses upto the date of IGIL becoming subsidiary and subsequent thereto upto the date of transition to Ind AS have been adjusted with the share of Owner's of the Parent and thereafter profit or loss and each component of other comprehensive income has been allocated to the owners of the Parent and to the non-controlling interests.

27. The previous year's including figures as at the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year consolidated financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(CA. Sunita Kedia)	**Nitin Bagaria**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 60162			DIN - 00846939	DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Form AOC-I

(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)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as at 31st March, 2017:

Part "A": Subsidiaries

Sl. No.	Particulars	Detailed Information	
		As at 31st March, 2017	As at 31st March, 2016
1.	Name of the subsidiary *	Indo Gulf Industries Ltd.	Indo Gulf Industries Ltd.
2.	The date since when subsidiary was acquired	30/08/07	30/08/07
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable
5.	Share capital (₹ in lacs)	95.67	95.67
6.	Reserves and surplus (₹ in lacs)	(384.23)	(333.52)
7.	Total assets (₹ in lacs)	348.52	399.59
8.	Total liabilities (₹ in lacs)#	637.08	637.45
9.	Investments (₹ in lacs)	Nil	Nil
10.	Turnover (₹ in lacs)	12.79	3.30
11.	(Loss) before taxation (₹ in lacs)	(50.72)	(11.89)
12.	Provision for taxation (₹ in lacs)	Nil	Nil
13.	(Loss) after taxation (₹ in lacs)	(50.72)	(11.89)
14.	Proposed Dividend (₹ in lacs)	Nil	Nil
15.	Extent of shareholding (in %)	53.96	53.96

* There is/was no other subsidiary of the Company during the year/previous year.

\# includes preference share capital aggregating to ₹250.00 lacs (31st March 2016: ₹250.00 lacs), considered as non-current borrowings in the Ind AS financial statements of the Subsidiary Company.

Notes:

(i)	Names of subsidiaries which are yet to commence operations	Not applicable	Not applicable
(ii)	Names of subsidiaries which have been liquidated or sold during the year	Not applicable	Not applicable

Form AOC-I (contd.)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Sl. No.	Particulars	Detailed Information	
		As at 31st March, 2017	As at 31st March, 2016
1.	Name of Associate *	Visual Percept Solar Projects Pvt. Ltd.	Not applicable
2.	Latest audited Balance Sheet Date	31/03/17	Not applicable
3.	Date on which the Associate was associated or acquired	24/01/17	Not applicable
4.	Shares of Associate held by the company on the year end		
	- Number	89,14,500	Not applicable
	- Amount of Investment in Associates (₹in lacs)	2228.63	Not applicable
	- Extent of shareholding (in %)	45%	Not applicable
5.	Description of how there is significant influence	By virtue of voting power	Not applicable
6.	Reason why the associate is not consolidated	Not applicable	Not applicable
7.	Networth attributable to shareholding as per latest audited Balance Sheet (₹ in lacs)	5097.61	Not applicable
8.	Profit for the year #		
	i. Considered in Consolidation (₹ in lacs) @	694.42	Not applicable
	ii. Not considered in Consolidation (₹ in lacs)	848.73	Not applicable

* There is/was no other associate of the Company during the year/previous year.

\# includes Other comprehensive income for the year, net of tax.

@ propotionate share pertaining to pre-acquisition period considered in capital reserve and post-acquisition period considered in profit for the year.

Notes:

(i)	Names of associates which are yet to commence operations	Not applicable	Not applicable
(ii)	Names of associates which have been liquidated or sold during the year	Not applicable	Not applicable
(iii)	The Company does not have a joint venture, hence, the requirements under this Part is not applicable to the Company and no information is required to be disclosed.		

As per our report of even date attached.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

For and on behalf of the Board of Directors

Sd/-
(CA. Sunita Kedia)
Partner
Membership No. 60162

Sd/-
Nitin Bagaria
Company Secretary

Sd/-
Pramod Patwari
Chief Financial Officer

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

Sd/-
Vivek Saraogi
Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 27th May, 2017

Notes

Corporate Information

Chairman Emeritus
Kamal Nayan Saraogi

Chief Mentor
Meenakshi Saraogi (Smt.)

Board of Directors
Vivek Saraogi,
Managing Director

R. N. Das (IAS Retd.),
Independent Director

D. K. Mittal (IAS Retd.),
Independent Director

Naresh Dayal (IAS Retd.),
Non-Executive Director (Additional)

Krishnava Dutt,
Independent Director

Novel S. Lavasa (Smt.),
Independent Director

Sakti Prasad Ghosh,
Independent Director

Sumit Mazumder,
Independent Director

Dr. Arvind Krishna Saxena,
Whole-time Director

(Owing to the sad demise of Shri Naresh Chandra on 9th July, 2017, he ceased to be an Independent Director and Chairman of the Company)

Chief Financial Officer
Pramod Patwari

Company Secretary
Nitin Bagaria

Corporate Identification Number
L15421WB1975PLC030118

Registered Office
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road,
Kolkata 700 020

Website
www.chini.com

Bankers
State Bank of India
HDFC Bank
Punjab National Bank

Statutory Auditors
M/s G.P. Agrawal & Co.
Chartered Accountants

Registrar and Share Transfer Agent
Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B,
Plot No. 31-32, Gachibowli,
Financial District,
Nanakramguda,
Hyderabad- 500032

Sugar Factories

Unit 1: Balrampur
(Including Distillery and Co-generation units)
Dist: Balrampur, Uttar Pradesh

Unit 2: Babhnan
(Including Distillery and Co-generation units)
Dist: Gonda, Uttar Pradesh

Unit 3: Tulsipur
Dist: Balrampur, Uttar Pradesh

Unit 4: Haidergarh
(Including Co-generation unit)
Dist: Barabanki, Uttar Pradesh

Unit 5: Akbarpur
(Including Co-generation unit)
Dist: Ambedkarnagar, Uttar Pradesh

Unit 6: Rauzagaon
(Including Co-generation unit)
Dist: Faizabad, Uttar Pradesh

Unit 7: Mankapur
(Including Distillery and Co-generation units)
Dist: Gonda, Uttar Pradesh

Unit 8: Kumbhi
(Including Co-generation unit)
Dist: Lakhimpur Kheri, Uttar Pradesh

Unit 9: Gularia
(Including Co-generation unit)
Dist: Lakhimpur Kheri, Uttar Pradesh

Unit 10: Maizapur
Dist: Gonda, Uttar Pradesh

Balrampur Chini Mills Limited
CIN: L15421WB1975PLC030118
Registered Office:
FMC Fortuna, 2nd Floor,
234/3A AJC Bose Road,
Kolkata 700020, India
P: (033) 22874749
F: (033) 22873083
E: bcml@bcml.in
W: www.chini.com

Balrampur Chini Mills Limited
CIN: L15421WB1975PLC030118
Registered Office: FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata – 700 020
Tel: +91 33 2287 4749 Fax: +91 33 2287 3083
Email: bcml@bcml.in, Website: www.chini.com

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the Members of Balrampur Chini Mills Limited will be held on Wednesday, the 30th day of August, 2017 at 11.00 A.M. at 'Vidya Mandir', 1, Moira Street, Kolkata – 700017 to transact the following businesses:

<u>ORDINARY BUSINESS:</u>

1. To receive, consider and adopt:
    a. the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2017 including the Audited Balance Sheet as at 31st March, 2017 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
    b. the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2017 including the Consolidated Audited Balance Sheet as at 31st March, 2017 and Statement of Profit & Loss for the year ended on that date and the Report of the Auditors thereon.
2. To approve and confirm the interim dividend of Rs. 3.50 per Equity Share of the Company paid during the year as final dividend for the year ended 31st March, 2017.
3. To appoint a director in place of Dr. Arvind Krishna Saxena (DIN: 00846939) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint the Statutory Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

    "**RESOLVED THAT** pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Lodha & Co., Chartered Accountants (ICAI Registration No.: 301051E), be and is hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 46th Annual General Meeting, subject to ratification of their appointment at every Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company, based on the recommendations of the Audit Committee, plus taxes, as applicable and reimbursement of out-of-pocket expenses."

<u>SPECIAL BUSINESS:</u>

5. To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

    "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the Rules made thereunder read with Schedule V thereof, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, the recommendations and / or approvals of the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to the approval of the Central Government or such other approval(s) as may be required, approval of the Members of the Company be and is hereby accorded to the re-appointment of Shri Vivek Saraogi (DIN: 00221419) as the Managing Director of the Company for a further term of 5 years with effect from 1st April, 2017 to 31st March, 2022 whose office shall not be liable to retire by rotation, on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice.

    RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the term of office of Shri Vivek Saraogi as the Managing Director, the Company will pay to Shri Vivek Saraogi in respect of such financial year(s) in which such inadequacy or loss arises or a period of three years, whichever is lower, the remuneration as set out in the Explanatory Statement by way of consolidated salary, perquisites and allowances as minimum remuneration, in accordance with the provisions of Section 197 and / or Schedule V to the Act or such higher limit as may be approved by the Central Government or other appropriate authority, if any, required in this regard.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions, as it may in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate, to the extent permitted by law, any of the powers herein conferred to any committee of directors or to any other director(s) or to any other Key Managerial Personnel of the Company."

6. To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the Rules made thereunder read with Schedule V thereof, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, the recommendations and / or approvals of the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to the approval of the Central Government or such other approval(s) as may be required, approval of the Members of the Company be and is hereby accorded to the re-appointment of Dr. Arvind Krishna Saxena (DIN: 00846939) as a Whole-time Director of the Company for a further term of 5 years with effect from 1st August, 2017 to 31st July, 2022 whose office shall be liable to retire by rotation, on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the term of office of Dr. Arvind Krishna Saxena, as a Whole-time Director, the Company will pay to Dr. Arvind Krishna Saxena in respect of such financial year(s) in which such inadequacy or loss arises or a period of three years, whichever is lower, the remuneration as set out in the Explanatory Statement by way of consolidated salary, perquisites and allowances as minimum remuneration, in accordance with the provisions of Section 197 and / or Schedule V to the Act or such higher limit as may be approved by the Central Government or other appropriate authority, if any, required in this regard.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions, as it may in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate, to the extent permitted by law, any of the powers herein conferred to any committee of directors or to any other director(s) or to any Key Managerial Personnel of the Company."

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Naresh Dayal (DIN: 03059141), who was appointed by the Board of Directors as a Non - Executive, Non - Independent, Additional Director of the Company with effect from 15th November, 2016, in terms of Section 161(1) of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting 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 of the Company, be and is hereby appointed as a Non - Executive, Non - Independent Director of the Company, whose office shall be liable to retire by rotation, on such terms and conditions including remuneration as may be applicable from time to time to the Non - Executive Directors of the Company within the overall limits as prescribed under the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions, as it may in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate, to the extent permitted by law, any of the powers herein conferred to any committee of directors or to any other director(s) or to any Key Managerial Personnel of the Company."

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of M/s. N. Radhakrishnan & Co., Cost Accountants (Firm Registration No.: 000056), appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2018 at a remuneration of Rs. 3,50,000 plus taxes, as applicable and reimbursement of out-of-pocket expenses, be and is hereby ratified.

RESOLVED FURTHER THAT each of the Directors and the Company Secretary of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid Resolution."

By order of the Board
For **Balrampur Chini Mills Limited**

Place: Kolkata
Date: 27th May, 2017

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

Sd/-
Nitin Bagaria
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 41ST ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting. A proxy form is attached herewith.**

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

2. The proxy holder shall prove his / her identity at the time of attending the Meeting.

3. When a member appoints a proxy and both the member and proxy attend the Meeting, the proxy stands automatically revoked.

4. Corporate members are required to send to the Company a certified copy of the Board Resolution (together with the respective specimen signature), pursuant to Section 113 of the Companies Act, 2013 (as amended) (the "Act"), authorising their representative to attend and vote on their behalf at the Meeting.

5. In case of joint members attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

6. A Statement pursuant to Section 102 of the Act and Secretarial Standard on General Meetings (SS-2), relating to the Special Businesses to be transacted at the Meeting is annexed hereto. Information on all the Directors proposed to be appointed / re-appointed at the Meeting as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and SS-2 are provided in the Annexure to this Notice.

7. The Register of Members and Share Transfer Books of the Company will remain closed from (Thursday) 24th August, 2017 to (Wednesday) 30th August, 2017 (both days inclusive).

8. The Board of Directors, has declared interim dividend @ 350% i.e. Rs. 3.50 per equity share of Re. 1 each at its Meeting held on 11th August, 2016 which was paid to the equity shareholders whose names appeared on the Company's Register of Members or in the records of the depositories as beneficial owners on 24th August, 2016. The interim dividend so declared by the Board of Directors is being proposed to be confirmed as final dividend for the financial year ended 31st March, 2017 at the Meeting.

9. Members holding shares in electronic form may note that the Company or its Registrar and Share Transfer Agent (Karvy Computershare Private Limited, hereinafter referred to as "Karvy") cannot act on any request received directly from the members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address and / or bank mandates immediately to Karvy.

10. In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the due date for transferring the unclaimed final dividend for the financial year 2009-11 to the Investor Education and Protection Fund established by the Central Government is 30th August, 2018. Shareholders who have not yet encashed their final dividend warrants for the financial year 2009-11 or any subsequent financial year(s) are requested to claim the same by sending a duly signed letter (along with a copy of cancelled cheque) to Karvy immediately. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 12th August, 2016 (date of last AGM) on the website of the Company (www.chini.com) and also on the website of the Ministry of Corporate Affairs. No claim shall lie against the Company in respect of individual amount(s) so credited to the Investor Education and Protection Fund.

11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website (www.chini.com) under the section "Investor Corner".

12. 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 their PAN details to the Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Karvy.

13. Since securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, members holding shares in physical form are requested to get their shares dematerialized at the earliest.

14. In accordance with the provisions of Section 108 and other applicable provisions, if any, of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and Regulation

44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has engaged the services of Karvy to provide remote e-voting facility to all the Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting. The instructions for remote e-voting are annexed separately and forms part of this Notice. Members who would have cast their vote by remote e-voting may attend the Meeting, but shall not be able to vote at the Meeting. Such a member will also not be allowed to change or cast vote again. The facility of voting through electronic means ("Insta Poll") will also be available at the Meeting. Members attending the Meeting who would have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting. (Members may note that in case of any technical failure or any other eventuality resulting into non-functionality of Insta Poll at the Meeting, the Members would be provided the facility for voting through Ballot Paper for casting their votes at the Meeting). **The Members, whose names appear in the Register of Members / list of Beneficial Owners as on (Wednesday) 23rd August, 2017, being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice. A person who is not a member as on the cut-off date, (Wednesday) 23rd August, 2017 should treat this Notice for information purpose only.**

15. Electronic copy of the Notice of the Meeting, inter alia, indicating the process and manner of voting through electronic means along with Attendance Slip, Proxy Form and the Annual Report 2016-17 is being sent to all the Members (except those who have requested for a physical copy of the same) whose email addresses are registered with the Company's Registrar and Share Transfer Agent/Depository Participants. However, any member may request for a physical copy of the Notice of the Meeting, Attendance Slip, Proxy Form and the Annual Report 2016-17 which will be sent by the Company to the said member free of cost. Physical copies of the Notice of the Meeting, inter alia, indicating the process and manner of voting through electronic means along with Attendance Slip, Proxy Form and the Annual Report 2016-17 is being sent (through a permitted mode) to all those members of the Company who have not registered their email addresses or have requested for a physical copy. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests its Members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, etc. from the Company electronically.

16. A route map and prominent landmark for easy location of the venue of the Meeting is enclosed with this Notice. Members may also note that the Notice of the Meeting along with the route map and the Annual Report 2016-17 will also be available on the website of the Company (www.chini.com) for download.

17. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of Attendance Slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, fill up and sign the same at the place provided and hand it over at the entrance of the venue of the Meeting.

18. The Board of Directors has appointed CS Amber Ahmad, Company Secretary in Practice (ACS : 23152 / CP No.: 8581), failing her, CS Saloni Nagpal, Practising Company Secretary (ACS : 36995 / CP No.: 14706) as the Scrutinizer for scrutinizing the process of remote e-voting and e-voting at the Meeting venue (or poll as the case may be) in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-voting in presence of atleast two witnesses not in 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 48 hours after the conclusion of the Meeting. Thereafter, the Results of remote e-voting and voting at the Meeting venue shall be declared by the Chairman or by any other director duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.chini.com) and also be displayed on the Notice Board of the Company at its Registered Office and on the website of Karvy (www.karvy.com) immediately after the results are declared and simultaneously communicated to the Stock Exchanges.

19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act read with Rules made thereunder will be available for inspection by the Members at the Meeting.

20. Relevant documents referred to in this Notice / Explanatory Statement will be open for inspection by the Members at the Meeting and such documents will also be available for inspection in physical or in electronic form at the Registered Office of the Company on all working days, except Saturdays, from 11:00 A.M. to 1:00 P.M. upto and including the date of the Meeting and also at the Meeting.

By order of the Board
For **Balrampur Chini Mills Limited**

Place: Kolkata
Date: 27th May, 2017

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

Sd/-
Nitin Bagaria
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013 (as amended) the following Explanatory Statement sets out all material facts relating to the Special Businesses set out from Item No. 5 to Item No. 8 of the accompanying Notice dated 27th May, 2017.

Item No. 5

Based on the recommendations of the Nomination & Remuneration Committee, the Board of Directors (the "Board") at its meeting held on 11th February, 2017, subject to approval of the members of the Company, re-appointed Shri Vivek Saraogi as the Managing Director of the Company for a further period of 5 years with effect from 1st April, 2017 till 31st March, 2022 on the following terms and conditions including remuneration:

General Terms & Conditions

(i) Subject to the supervision and control of the Board, Shri Vivek Saraogi shall be overall in-charge of Management/ administration of the affairs of the Company. He will look after day to day affairs of the Company including general administration, banking, finance, sales, purchase and accounts.

(ii) Without prejudice to the powers contained in the previous clause, the Board may from time to time entrust to Shri Vivek Saraogi such of the powers exercisable by the Board as deemed fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restriction as the Board may think expedient.

(iii) He shall be entitled to engage and dismiss staff and shall manage the business of the Company with full powers to do all acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company.

(iv) He shall not be paid any sitting fees for attending the meetings of the Board or its Committees.

(v) Shri Vivek Saraogi shall also visit such places from time to time, which may be necessary for the purpose of the business of the Company. Shri Vivek Saraogi shall be entitled to reimbursement of all the travelling, boarding, lodging and incidental expenses (along with one person for assistance), which he may incur for performing his duties outside Kolkata.

(vi) Shri Vivek Saraogi shall not be reckoned as a Director for the purpose of determining the retirement of Directors by rotation or in fixing the number of Directors to retire but he shall immediately cease to be the Managing Director if he ceases to hold the office of Director for any reason.

(vii) Shri Vivek Saraogi may with the sanction of the Board delegate any of his powers to such Directors, Secretary or other persons, as he may deem fit, and shall have power to grant to such Directors, Secretary or other delegates such Power of Attorney as Shri Saraogi may, subject to the approval of the Board, deem expedient and shall have power to revoke the same.

(viii) There would neither be any notice period nor any severance fees.

Remuneration

(a) Salary	Rs. 20,00,000 per month.
(b) Commission	1% of the net profit of the Company, subject to a ceiling of Rs. 360 Lacs per annum.
(c) Perquisites/Amenities:	
Medical Reimbursement	Payment / Reimbursement of actual medical expenses in India and / or abroad including hospitalization, nursing home and surgical charges for himself and family.
Leave Travel Concession	Payment / Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of himself and family to any destination in India or abroad.
Leave	Consolidated leave not exceeding one month in a financial year. Encashment/ accumulation of leave will be permissible in accordance with the rules specified by the Company.
Personal Accident Insurance	Premium upto Rs. 1,00,000/- per annum.

Medical Insurance	As per rules of the Company.
Club Fees	Payment / Reimbursement of membership / subscription fee of clubs in India and abroad, including admission and life membership fees. Payment/ Reimbursement of food and entertainment expenses incurred at clubs.
Provident Fund	As per rules of the Company.
Gratuity	1/ 2 month's salary for each completed year of service.
Car	Company's Car with driver for official use.
Telephone	Payment/ Reimbursement of telephone expenses and provision of telephone(s) at residence.

Where in any financial year(s) during the currency of the tenure of Shri Vivek Saraogi as the Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Shri Vivek Saraogi in respect of such financial year(s) in which such inadequacy or loss arises or a period of three years, whichever is lower, the remuneration as set out above by way of consolidated salary, perquisites and allowances as minimum remuneration, in accordance with the provisions of Section 197 and / or Schedule V to the Companies Act, 2013 (as amended) (the "Act") or such higher limit as may be approved by the Central Government or other appropriate authority, if any, required in this regard.

Pursuant to the provisions of Schedule V to the Act, the following information is being provided to the Members. The Board will provide other information (which is not available as on the date of this Notice) in the year in which Schedule V will be applicable due to having inadequate profit or loss in the Company.

I. General Information

i. Nature of industry

Manufacturing of Sugar, Industrial Alcohol and Co-generation of Power.

ii. Date of commencement of commercial production

Existing Company, already in operation since 1975.

iii. Financial performance based on given indicators (Rs. in Lacs)

Particulars	For the year ended 31st March, 2014 (Audited) @	For the year ended 31st March, 2015 (Audited) @	For the year ended 31st March, 2016 (Audited) @	For the year ended 31st March, 2017 (Audited) #
Revenue from Operations (Net)	2,66,494.43	2,98,697.79	2,75,666.73	3,46,013.38
Other Income	2,594.47	1,504.16	4,455.39	2,494.23
Total Income	**2,69,088.90**	**3,00,201.95**	**2,80,122.12**	**3,48,507.61**
Total Expense ^	2,45,092.21	2,86,048.70	2,33,735.36	2,59,056.29
Interest	11,784.26	10,209.23	7,559.66	5,542.80
Depreciation and Amortisation	10,945.04	11,560.32	11,010.52	10,493.71
Exceptional Items	-	-	17,310.41	-
Profit Before Tax	**1,267.39**	**(7,616.30)**	**10,506.17**	**73,414.81**
Provision for Tax (including Deferred Tax)	903.31	(1,842.86)	564.44	14,186.16
Profit After Tax	**364.08**	**(5,773.44)**	**9,941.73**	**59,228.65**

@ figures are based on Indian GAAP

figures are based on IND AS

^includes Stock Adjustment

iv. Foreign investments or collaborations, if any

None.

II. Information about Shri Vivek Saraogi

(1) Background details

Shri Vivek Saraogi (age 51 years) is a Commerce Graduate having 29 years of experience in Sugar Industry. He is also a past President of Indian Sugar Mills Association. He was a committee member of FICCI and Indian Chambers of Commerce, Kolkata. He is also a Director in Neoworth Commercial Pvt. Ltd. and VM Vinimay Pvt. Ltd.

(2) Past remuneration - Remuneration paid during the 2016-17 and 2015-16 are given below

(Rs.)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Salary and Allowances	1,50,00,000	1,50,00,000
Variable Compensation Pay / Commission	1,50,00,000	Nil
Perquisites / Other benefits including Contribution to Provident and Other Funds	41,36,733	22,14,496
Stock Option	None	None
Total	**3,41,36,733**	**1,72,14,496**

(3) Recognition or awards

- In 1994, he was inducted to the Board of the Pradeshiya Industrial & Investment Corporation of U.P. Ltd. by the Govt. of U.P.;
- He was President of Indian Sugar Mills Association for the year 1995-96 and 2009-10;
- He was a member of the High Level Task Force constituted in May 2001 by Govt. of U.P.;
- He was nominated as a member of the Eastern Regional Committee of IDBI;
- He was elected as a Committee Member of the Indian Chamber of Commerce, Kolkata in the year 2006;
- He was the Chairman of Indian Sugar Exim Corporation Ltd. in 2009-10.

(4) Job profile and his suitability

Subject to the supervision and control of the Board of Directors, Shri Vivek Saraogi shall be overall in-charge of running the affairs of the Company.

He is a dynamic industrialist. As the Managing Director, he has played a key role in making the Company one of the most efficient sugar producers in the Country. Incorporated in 1975, with a single sugar unit at Balrampur, today the Company has 10 sugar units, 8 co-generation power plants and 3 distillery units. Under his leadership, the Company has made tremendous growth.

There is a constant need to formulate business strategies and review them continuously for successful implementation in order to provide an impetus to the growth prospects of the Company. This enduring process necessitates his continuous focus and higher involvement in managing the overall affairs of the Company.

(5) Remuneration proposed

As detailed in the Explanatory Statement.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

Due to the unstinted efforts and contributions of Shri Vivek Saraogi, Managing Director, the Company has been able to reach a prominent position in the Sugar Industry. His unflinching contributions has ensured the long term survival and sustainability of the Company. The proposed remuneration is also based on benchmarking standards with respect to size of the operations of the Company and the profile of the position. The Nomination & Remuneration Committee and the Board therefore considers that the proposed remuneration is justified.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel

Shri Vivek Saraogi holds 3,66,61,967 equity shares in the Company as on the date of this Notice. Apart from receiving remuneration as stated above and dividend as a Member of the Company in respect of his shareholding, Shri Saraogi does not have any other pecuniary relationship with the Company or with any managerial personnel of the Company.

III. Other information

(1) Reasons for loss or inadequate profits

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

(2) Steps taken or proposed to be taken for improvement

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

(3) Expected increase in productivity and profits in measurable terms

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

IV. Disclosures

Disclosures pursuant to Schedule V to the Act are given in the Explanatory Statement hereinbefore and in the Corporate Governance Report which is annexed to the Board's Report.

Other disclosures required under the Act, Secretarial Standard 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) have been provided as an Annexure to this Notice.

The Board, therefore, recommends the Special Resolution as set out at Item no. 5 of this Notice for approval by the Members.

Shri Vivek Saraogi is concerned or interested in the Resolution as it relates to his re-appointment and/or remuneration payable to him. None of the other Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the Resolution.

Item No. 6

Based on the recommendations of the Nomination & Remuneration Committee, the Board of Directors (the "Board") at its meeting held on 27th May, 2017, subject to approval of the members of the Company, re-appointed Dr. Arvind Krishna Saxena as a Whole-time Director of the Company for a further period of 5 years with effect from 1st August, 2017 till 31st July, 2022 on the following terms and conditions including remuneration:

General Terms & Conditions

(i) Dr. Arvind Krishna Saxena shall perform such functions and duties as may be assigned to him, from time to time, by the Board/Management.

(ii) Dr. Saxena shall not be paid any sitting fees for attending the meetings of the Board or its Committees.

(iii) Dr. Saxena shall also visit such places from time to time, which may be necessary for the purpose of the business of the Company. Dr. Saxena shall be entitled to reimbursement of all the travelling, boarding, lodging and incidental expenses, which he may incur for performing his duties in or outside Uttar Pradesh.

(iv) Dr. Saxena shall be liable to retire by rotation and shall be reckoned as a Director for the purpose of determining the retirement of Directors by rotation or in fixing the number of Directors to retire but he shall immediately cease to be a Whole-time Director if he ceases to hold the office of Director for any reason.

(v) There would neither be any notice period nor any severance fees.

Remuneration

a)	**Basic Salary :**	Rs. 1,57,000 per month w.e.f. 1st August, 2017. Rs. 1,70,000 per month w.e.f. 1st August, 2018. Rs. 1,85,000 per month w.e.f. 1st August, 2019. Rs. 2,00,000 per month w.e.f. 1st August, 2020. Rs. 2,15,000 per month w.e.f. 1st August, 2021.
b)	**Perquisites**	
	i) Housing :	Rent free accommodation (Furnished) for self and family, subject to such conditions as may be imposed by the Board.
	ii) Medical Reimbursement :	For self and his family subject to a ceiling of 6% of basic salary in a year, subject to such conditions as may be imposed by the Board.
	iii) Electricity and water :	The Company shall pay / reimburse the electricity charges as per the Company's policies.
	iv) Special Allowance :	Rs. 13,000 per month w.e.f. 1st August, 2017. Rs. 14,000 per month w.e.f. 1st August, 2018. Rs. 15,500 per month w.e.f. 1st August, 2019. Rs. 16,750 per month w.e.f. 1st August, 2020. Rs. 18,000 per month w.e.f. 1st August, 2021.
	v) Provident Fund /National Pension Scheme :	As per Rules of the Company.
	vi) Gratuity :	1/2 month's basic salary for each completed year of service.
	vii) Telephone :	Provision of free telephone facilities at residence or payment / reimbursement of telephone expenses (including personal calls) as per the Company's policies.
	viii) Leave :	Consolidated privilege leave on full pay and allowance, not exceeding 30 days in a financial year. Encashment/ accumulation of leave will be permissible in accordance with the rules specified by the Company.
	ix) Car :	The Company shall provide a car with driver for use on Company's business. The same can also be used for personal work, subject to such conditions as may be imposed by the Board.

Where in any financial year(s) during the currency of the tenure of Dr. Arvind Krishna Saxena as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay to Dr. Arvind Krishna Saxena in respect of such financial year(s) in which such inadequacy or loss arises or a period of three years, whichever is lower, the remuneration as set out above by way of consolidated salary, perquisites and allowances as minimum remuneration, in accordance with the provisions of Section 197 and / or Schedule V to the Companies Act, 2013 (as amended) (the "Act") or such higher limit as may be approved by the Central Government or other appropriate authority, if any, required in this regard.

Pursuant to the provisions of Schedule V to the Act, the following information is being provided to the Members. The Board will provide other information (which is not available as on the date of this Notice) in the year in which Schedule V will be applicable due to having inadequate profit or loss in the Company.

I. General Information

The information under this head is same as provided under the same heading of Item No. 5 of this Notice (Explanatory Statement).

II. Information about Dr. Arvind Krishna Saxena

(1) Background details

Dr. Arvind Krishna Saxena (age 65 years) is M.Sc. and Ph.D. (Botany) by qualification and has specialization in Industrial Mycology, Bio-composting, Mushroom Production and Processing from Horst, Holland. He has vast experience of 43 years and is associated with the Company since 2002. Prior to this, he has held various positions in other organisations and was also associated with scientific and research activities.

(2) Past remuneration - Remuneration paid during the 2016-17 and 2015-16 are given below

(Rs.)

Particulars	**For the year ended 31.03.2017**	**For the year ended 31.03.2016**
Salary	17,00,000	15,80,000
Variable Compensation Pay / Commission	Nil	Nil
Perquisites / Other benefits including Contribution to Provident and Other Funds	6,26,763	6,05,919
Stock Option	None	None
Total	**23,26,763**	**21,85,919**

(3) Recognition or awards

None.

(4) Job Profile and his suitability

Dr. A. K. Saxena is engaged in various activities related to the operations of the Company. He is also designated as Occupier under labour laws. As a Whole-time Director, his dedication and holistic involvement for the operations of the Company is necessitated. The said remuneration to Dr. Saxena is justified having regard to the responsibilities, which he is called upon to bear as a Whole-time Director of the Company.

(5) Remuneration proposed

As detailed in the Explanatory Statement.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

The terms and conditions (including remuneration) of re-appointment of Dr. Arvind Krishna Saxena as a Whole-time Director have been considered and recommended by the Nomination & Remuneration Committee and thereafter approved by the Board at their meeting held on 27th May, 2017. The proposed remuneration is based on benchmarking standards with respect to size of the operations of the Company and the profile of the position.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel

Dr. Arvind Krishna Saxena holds 16,855 equity shares in the Company as on the date of this Notice. Apart from receiving remuneration as stated above and dividend as a Member of the Company in respect of his shareholding, Dr. Saxena does not have any other pecuniary relationship with the Company or with any managerial personnel of the Company.

III. Other information

(1) Reasons for loss or inadequate profits

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

(2) Steps taken or proposed to be taken for improvement

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

(3) Expected increase in productivity and profits in measurable terms

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

IV. Disclosures

Disclosures pursuant to Schedule V to the Act are given in the Explanatory Statement hereinbefore and in the Corporate Governance Report which is annexed to the Board's Report.

Further, Section 196(3) read with Part I of Schedule V to the Act, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole-time Director or Manager unless it is approved by the members by passing a special resolution.

Keeping in view that Dr. Arvind Krishna Saxena has rich and varied experience in the Sugar Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Dr. Arvind Krishna Saxena as a Whole-time Director of the Company beyond the age of 70 years.

Other disclosures required under the Act, Secretarial Standard 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) have been provided as an Annexure to this Notice.

The Board, therefore, recommends the Special Resolution as set out at Item no. 6 of this Notice for approval by the Members.

Dr. Arvind Krishna Saxena is concerned or interested in the Resolution as it relates to his re-appointment and/or remuneration payable to him. None of the other Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the Resolution.

Item No. 7

Pursuant to Section 161 of the Companies Act, 2013 (as amended) (the "Act"), Shri Naresh Dayal was appointed as an Additional (Non-Executive, Non-Independent) Director of the Company w.e.f. 15th November, 2016 to hold such office till the conclusion of the ensuing Annual General Meeting of the Company. A notice under Section 160 of the Act along with requisite deposit has been received by the Company from a member proposing the candidature of Shri Dayal as a Director of the Company.

Based on the recommendation received from the Nomination & Remuneration Committee and his consent to act as a Director of the Company and other statutory disclosures, it is proposed to appoint Shri Dayal as a Director of the Company whose office shall be liable to retire by rotation. Further as per the declarations received by the Company, Shri Dayal is not disqualified under Section 164 of the Act. The directorships held by Shri Dayal are within the limits prescribed under the Act.

Brief resume of Shri Naresh Dayal, 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, etc., are provided as Annexure to this Notice.

Keeping in view his vast expertise and knowledge, the Board considers that his association would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the appointment of Shri Dayal as a Director, for the approval by the Members of the Company.

Except Shri Naresh Dayal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

This Explanatory Statement may also be regarded as a disclosure under Secretarial Standard 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No. 8

The Board, on recommendation of the Audit Committee, approved the appointment of M/s. N. Radhakrishnan & Co., Cost Accountants (Firm Registration No.: 000056) as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company relating to Sugar (including Industrial Alcohol) and Electricity for the financial year ending 31st March, 2018 at a remuneration of Rs. 3,50,000 plus taxes, as applicable and reimbursement of out of pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013 (as amended) read with the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution. The Board recommends the Ordinary Resolution as set out in Item No. 8 for approval by the Shareholders.

By order of the Board
For **Balrampur Chini Mills Limited**

Place: Kolkata
Date: 27th May, 2017

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

Sd/-
Nitin Bagaria
Company Secretary

Annexure to the Notice

As per the requirements of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard - 2 as issued by the Institute of Company Secretaries of India, a statement containing the requisite details of the concerned Directors is given below:

Name	**Shri Vivek Saraogi**	**Dr. A. K. Saxena**	**Shri Naresh Dayal**
DIN	00221419	00846939	03059141
Date of Birth	05.02.1966	26.08.1951	14.09.1949
Age	51 years	65 years	67 years
Profile	Shri Vivek Saraogi is the past President of the Indian Sugar Mills Association. He was a committee member of FICCI and Indian Chamber of Commerce in Kolkata. Shri Saraogi is a graduate in commerce. Under his stewardship, the Company has grown rapidly through organic and inorganic means which has helped to make Balrampur Chini Mills Ltd, a leader in the Indian sugar industry.	Dr. A. K. Saxena is M.Sc., Ph.D. (Botany) and having specialization in Industrial Mycology, Bio-composting, Mushroom Production and Processing from Horst, Holland. He has wide experience of more than 43 years and is associated with the Company since 2002. He held previously prestigious position in various organizations and was also associated with Scientific and research activities.	Shri Naresh Dayal is a Retd. IAS and has worked with the Government of India for 37 years in various positions at the state and national levels. As Secretary, the Hon'ble Ministry of Health and Family Welfare, Shri Dayal was responsible, among other things, for all policies and programs in Public Health, supervising National Health Authorities, assessing and devising the policies for the Country's manpower requirements in health.
Qualification	B. Com	M.Sc. & Ph.D. (Botany)	M.A. from University of Delhi and Masters in Professional Studies, Agriculture, from University of Cornell, USA.
Experience and Expertise in specific functional area	Refer Item no. 5 of the Notice & Explanatory Statement	Refer Item no. 6 of the Notice & Explanatory Statement	Business and General Administration
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid.			Appointed w.e.f. 15th November, 2016 as an Additional (Non-Executive, Non-Independent) Director, to hold office upto the date of AGM. He is entitled to receive commission and sitting fees as per the provisions of the Companies Act, 2013.
Remuneration last drawn by such person, if applicable	Refer Annexure VII to the Board's Report	Refer Annexure VII to the Board's Report	Refer Annexure VII to the Board's Report
Date of first appointment on the Board	3rd July, 1987	31st July, 2008	15th November, 2016
Membership/Chairmanship of Committees of the Board of Directors of the Company	Refer Annexure VIII to the Board's Report	Refer Annexure VIII to the Board's Report	Refer Annexure VIII to the Board's Report

Other Directorships and Membership/ Chairmanship of Committees of other Boards	**Unlisted Companies** - VM Vinimay Private Limited - Neoworth Commercial Pvt. Ltd.	None	**Listed Companies** - Glaxosmithkline Consumer Healthcare Limited (Member of Stakeholders Relationship Committee) **Unlisted Companies** - Biotechnology Industry Research Assistance Council
Number of shares held in the Company	3,66,61,967 equity shares	16,855 equity shares	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None
Number of Meetings of the Board attended during the year	Refer Annexure VIII to the Board's Report	Refer Annexure VIII to the Board's Report	Refer Annexure VIII to the Board's Report

By order of the Board
For **Balrampur Chini Mills Limited**

Place: Kolkata
Date: 27th May, 2017

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

Sd/-
Nitin Bagaria
Company Secretary

ATTENDANCE SLIP

Balrampur Chini Mills Limited

CIN: L15421WB1975PLC030118
Registered Office: FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata – 700 020,
Phone: (033) 22874749, Fax: (033) 22873083,
Email: investorgrievances@bcml.in, Website:www.chini.com

Name of the Member / Proxy:

Address:

Email-Id:

Folio No./Client ID: DP ID:

No(s). of Shares held:

I/ We hereby record my/our presence at the **41st Annual General Meeting** of the Company held on Wednesday, the 30th day of August, 2017 at 11.00 A.M. at 'Vidya Mandir', 1, Moira Street, Kolkata – 700017.

Signature of Member / Proxy

NOTE: PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING & HANDOVER AT THE ENTRANCE DULY FILLED & SIGNED. MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF ANNUAL REPORT TO THE MEETING. MEMBERS WHO HOLD SHARES IN DEMATERIALISED FORM ARE REQUESTED TO FURNISH THEIR CLIENT ID AND DP ID FOR EASY IDENTIFICATION OF ATTENDANCE AT THE MEETING. PROXIES ARE REQUESTED TO BRING THEIR IDENTITY PROOF FOR VERIFICATION AT THE ENTRANCE OF THE MEETING.

(P.T.O.)

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Balrampur Chini Mills Limited

CIN: L15421WB1975PLC030118
Registered Office: FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata – 700 020,
Phone: (033) 22874749, Fax: (033) 22873083,
Email: investorgrievances@bcml.in, Website:www.chini.com

Name of the Member(s):

Registered address:

E-mail Id:

Folio No. / Client Id:

DP ID:

I/We, being the member(s) of ……………………..……. shares of the above named company, hereby appoint

1. Name:………………………………………………………...............Address:…………………………………………………………………

   E-mail Id:…………………………………………..……………..................Signature:……..…………………………………….…, or failing him;

2. Name:………………………………………………………...............Address:…………………………………………………………………

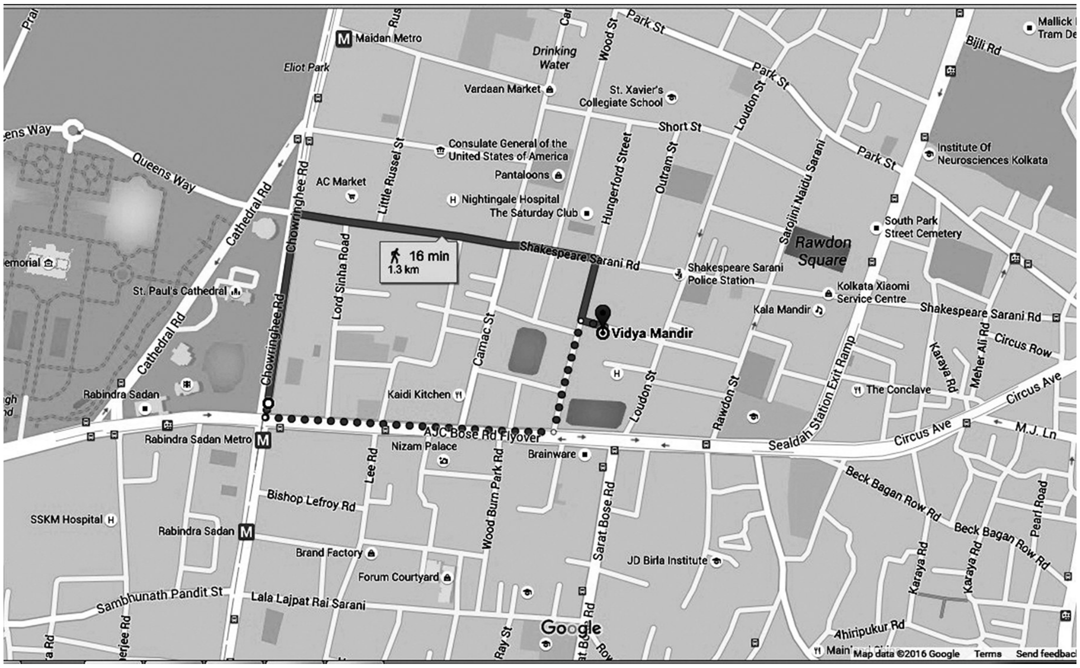
   E-mail Id:…………………………………………..……………..................Signature:……..…………………………………….…, or failing him;

3. Name:………………………………………………………...............Address:…………………………………………………………………

   E-mail Id:…………………………………………..……………..................Signature:……..………………………………………........................

(P.T.O.)

ROUTE MAP TO THE VENUE OF THE 41ST ANNUAL GENERAL MEETING OF THE COMPANY, TO BE HELD ON WEDNESDAY, THE 30TH DAY OF AUGUST, 2017



Prominent Landmark: Rabindra Sadan Metro Station
Venue of the Meeting: 'Vidya Mandir', 1, Moira Street, Kolkata – 700017

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as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **41st Annual General Meeting** of the Company, to be held on Wednesday, the 30th day of August, 2017 at 11.00 A.M. at 'Vidya Mandir', 1, Moira Street, Kolkata – 700017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.	Ordinary Business:	For	Against
1.	Adoption of the Audited Financial Statements for the year ended 31st March, 2017 along with the Reports of the Board of Directors and the Auditors thereon.		
2.	Approval and confirmation of the interim dividend of Rs. 3.50 per Equity Share of the Company paid during the year as the final dividend for the year ended 31st March, 2017		
3.	Appointment of Dr. Arvind Krishna Saxena, who retires by rotation.		
4.	Appointment of M/s. Lodha & Co., Chartered Accountants, as Statutory Auditors and fix their remuneration.		
	Special Business:		
5.	Re-appointment of Shri Vivek Saraogi as the Managing Director.		
6.	Re-appointment of Dr. Arvind Krishna Saxena as a Whole-time Director.		
7.	Appointment of Shri Naresh Dayal as a Non-Executive, Non-Independent Director.		
8.	Ratification of remuneration payable to the Cost Auditors.		

Signed this……….day of………………………., 2017

Signature of Shareholder

Affix Revenue Stamp here

Signature of Proxy holder(s)

Notes:

1. **For the Resolutions, Explanatory Statements and Notes, please refer the Notice of 41st Annual General Meeting.**
2. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
3. **If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked "For". If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked "Against". If no direction is given, your Proxy may vote or abstain as he/ she thinks fit.**

Balrampur Chini Mills Limited
CIN: L15421WB1975PLC030118
Registered Office: FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata – 700 020,
Phone: (033) 22874749, Fax: (033) 22873083,
Email: investorgrievances@bcml.in, Website:www.chini.com

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

Number of Shares held :

Name &Address :

Dear Member,

Sub: **Voting through electronic means**

In compliance with the provisions of Section 108 of the Companies Act, 2013 (as amended) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the Company is pleased to provide to the members facility of voting by electronic means through remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) in respect of businesses to be transacted at the 41st Annual General Meeting (AGM) of the Company scheduled to be held on 30th August, 2017 (Wednesday) at 11.00 A.M. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating voting by electronic means and the businesses may be transacted through e-voting service provided by Karvy. The remote e-voting particulars are set out below:

E-Voting Event Number (EVEN)	User ID	Password

The remote e-voting facility is available during the following period:

Commencement of remote e-voting : 27th August, 2017 (Sunday) at 10.00 A.M.

End of remote e-voting : 29th August, 2017 (Tuesday) at 5.00 P.M.

The cut-off date for the purpose of remote e-voting and voting at the AGM is 23rd August, 2017 (Wednesday).

E-voting facility is available at the website – https://evoting.karvy.com. Please read the instructions printed overleaf before exercising remote e-voting. The Notice of the AGM dated 27th May, 2017 (the "Notice") is enclosed herewith and can also be downloaded from the Karvy website and the Company website – www.chini.com

By order of the Board
For **Balrampur Chini Mills Limited**

Place: Kolkata
Date: 27th May, 2017

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

Sd/-
Nitin Bagaria
Company Secretary

INSTRUCTIONS FOR E-VOTING AND GENERAL INFORMATION

Shareholders are requested to read the instructions / steps detailed below before exercising / casting their vote:

The Company has entered into an arrangement with Karvy Computershare Private Limited (Karvy) for facilitating e-voting for AGM. The instructions for e-voting are as under:

1. Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
2. Enter the login credentials (i.e. User ID & password) as mentioned overleaf or as mentioned in the email (in case you receive an email from Karvy on your registered email address) :

User ID	Folio Number registered with the Company / DP ID – Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for login.
Password	Your Unique password is printed overleaf.
Captcha	Enter the Verification code for security reasons i.e., please enter the alphabets and numbers in the exact way as they are displayed.

3. After entering these details appropriately, click on "LOGIN"
4. You will now reach Password Change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with atleast one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
5. You need to login again with the new credentials.
6. On successful login, the system will prompt you to select the e- voting "EVEN".
7. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
8. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
9. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
10. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify.
11. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ID:bcmlagm2017@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Balrampur Chini Mills Limited_Annual General Meeting".
12. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.
13. In case of any query, you may refer Help & Frequently Asked Questions (FAQs) section of https://evoting.karvy.com (Karvy Website) or call Karvy on 040-67161500 & Toll Free No. 1800 3454 001.

General Information:

i. Shareholders of the Company, as on the cut-off date, may cast their vote electronically. The voting rights of the shareholders shall be ONE VOTE PER EQUITY SHARE registered in the name of the shareholder **as on the cut-off date i.e. 23rd August, 2017 (Wednesday).**

ii. Any person who becomes a member of the Company after the dispatch of the Notice of the AGM and holds shares as on the cut-off date may obtain Password by contacting Karvy Computershare Private Ltd.

iii. The Remote E- voting period commences on **27th August, 2017 (Sunday) at 10.00 A.M. and ends on 29th August, 2017 (Tuesday) at 5.00 P.M.** During this period, Shareholders of the Company may cast their votes electronically. The E-voting module shall be disabled by Karvy for voting thereafter.

iv. Shareholders who have not cast their votes electronically, may only cast their vote at the AGM.

v. The Board of Directors has appointed CS Amber Ahmad, Company Secretary in Practice (ACS :23152 /CP No.: 8581), failing her, CS Saloni Nagpal, Practicing Company Secretary (ACS : 36995 /CP No.: 14706), as the Scrutinizer for scrutinizing the process of remote e-voting in a fair and transparent manner.

vi. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any duly authorized Director and who shall declare the result of the voting forthwith. Resolution(s) shall be deemed to the passed on the date of AGM subject to receipt of requisite number of votes in favour of Resolution(s).

vii. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.chini.com) and also be displayed on the Notice Board of the Company at its Registered Office and on the website of Karvy (https://evoting.karvy.com/) immediately after the results are declared and simultaneously communicated to the Stock Exchanges.