



21st December, 2017

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

Department of Corporate Services
BSE Limited
P. J. Towers,
Dalal Street,
Mumbai - 400001

NSE Symbol: RENUKA

BSE Scrip Code: 532670

Sub: Annual Report for the financial year 2016-17

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the financial year 2016-17 duly adopted and approved by the members of the Company at the 21st Annual General Meeting of the Company held today i.e. Thursday, 21st December, 2017.

You are requested to take the above on your records.

Thanking you,

Yours faithfully,

For Shree Renuka Sugars Limited

R. S. Saraiya

Rupesh Saraiya
Company Secretary

Encl: As above

Shree Renuka Sugars Limited

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W www.renukasugars.com • Corporate Identification No. : L01542KA1995PLC019046



DECISIVE

MOVES.



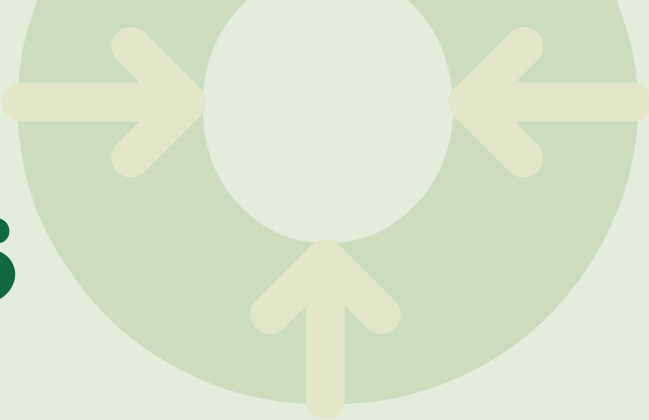
BRINGING BACK
SWEETNESS.



Shree
Renuka Sugars
Limited

Annual Report
2016-17

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DECISIVE

MOVES



ARE CRITICAL TO AN ORGANISATION'S EXISTENCE.

For the past few years of our existence, we were faced with the challenge of overburdened debt, which, despite healthy performance at operational levels, was dragging down our bottomline. Drought in our operating regions in the last two years further strained our financial condition. As a result, our net worth was eroding, shareholders' worth remained stagnant, and confidence in the Company was dwindling. Revival initiatives undertaken in the past was but bringing temporary relief.

It was time we start taking some decisive moves.

One that can reduce interest cost. That can reinforce our net worth and creditworthiness. That can make our business sustainable in the longer run. That can reward the shareholders.

One that can bring back the sweetness in our business.



DECISIVE

MOVES.

BRINGING BACK SWEETNESS.



#1

DECISIVE MOVE

Comprehensive debt re-structuring

We intend to infuse capital worth ₹ 34,318 million in the business, which shall facilitate in reducing debt. The various modes of capital infusion planned include:

- ₹ 7,840 million by Wilmar Sugar Holdings Pte. Ltd. (WSH) in the form of compulsorily convertible preference shares.
- ₹ 26,478 million by various financial institutions in the form of instruments like equity shares, redeemable preference shares, optionally convertible preference shares and non-convertible debentures.



#2 DECISIVE MOVE

Hiving-off loss-making Brazilian unit

We are currently engaged in hiving-off all our Brazilian assets. The proceeds from this auction shall be utilised for settling the debt of the concerned units as well as recover some of our investment.



#3 DECISIVE MOVE

Organisational restructuring

We shall focus on optimising manpower while sweating existing resources adequately to reduce costs. Increasing the capacity utilisation of our ethanol division shall be a top priority.

SHREE RENUKA AT A GLANCE



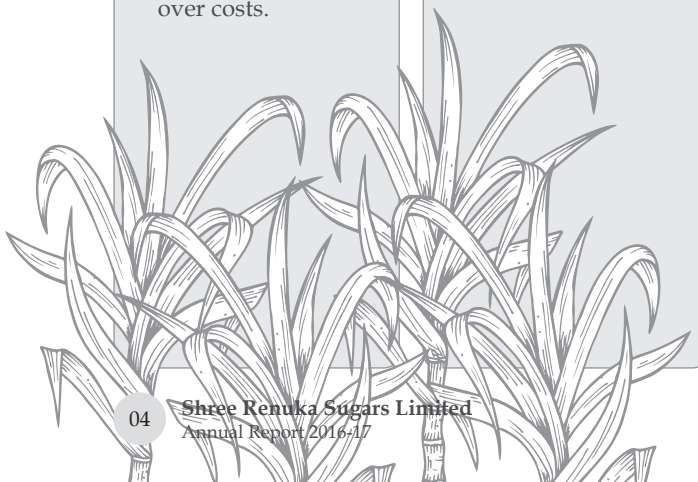
Business areas

SUGAR	ETHANOL	CO-GENERATION
Operation <ul style="list-style-type: none"> Engaged in cane crushing and raw sugar refining operations in India and Brazil, and marketing processed sugar globally. 	Operation <ul style="list-style-type: none"> Engaged in molasses-based ethyl alcohol production in India and sugarcane juice-based fuel grade ethanol production in Brazil. 	Operation <ul style="list-style-type: none"> Engaged in bagasse-based power production for captive consumption and sales.
Capacity <ul style="list-style-type: none"> 11 mills with 22 MTPA or 1,01,520 tonnes crushed per day (TCD) crushing capacity. Seven mills with 8.4 MTPA capacity are in India and four with 13.6 MTPA capacity in Brazil. 2 port-based sugar refineries with capacity of 1.7 MTPA. 	Capacity <ul style="list-style-type: none"> 4,160 KLPD of distilling capacity. 930 KLPD in India and 3,230 KLPD in Brazil. 	Capacity <ul style="list-style-type: none"> 588 MW (271 MW in India and 317 MW in Brazil) of power generation capacity with exportable surplus of 371 MW (150 MW in India and 221 MW in Brazil).



Poised to grow

COST COMPETITIVENESS	DIVERSIFIED REVENUE STREAMS	REDUCTION IN DEBT BURDEN	LOCATION ADVANTAGE
<ul style="list-style-type: none"> Large scale of operations and integration facilitates significant control over costs. 	<ul style="list-style-type: none"> Integration across the value chain provides diversified revenue streams. 	<ul style="list-style-type: none"> Post restructuring exercise, debt and interest burden to considerably decline by 60% and 49%, respectively. 	<ul style="list-style-type: none"> Farm lands in strategic locations facilitate superior yield apart from being in proximity to crushing facilities thereby reducing transit cost and time. Advantage of having port-based refineries in Kandla (west India) and Haldia (east India) facilitate in catering to Middle East and South Asian regions respectively.



BRINGING BACK THE SWEETNESS...

BY FORTIFYING A SUSTAINABLE BUSINESS

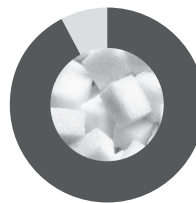
A sustainable business model is one that is integrated, has multiple revenue streams, has flexibility to make switchover, and where consolidated sum of parts is greater than the individual constituents.

Keeping this viewpoint in perspective, we developed an integrated and flexible business model that is a combination of three businesses - sugar, ethanol and co-generation. This reduces our dependence on the core sugar business. While sugar and ethanol are produced through diverse means using cane juice as base, power is generated using bagasse and coal.

Being a commodity, the prices of sugar and ethanol keeps fluctuating. Given the flexibility of our operations, we are able to switch between the production of sugar and ethanol depending upon the market condition and prices to enjoy better margins. The co-generation business on the other hand supplies power to our manufacturing facilities and excess being sold off to grid.

Our timely investments in scaling the ethanol and co-generation businesses has enabled us to grow revenues and reduce operational costs, and at the same time protected downside risks due to business cyclicity. Besides, these businesses have even contributed to our environment sustainability objective - ethanol, used for blending with fuels, facilitates in greenhouse gas reduction and co-generation uses greenhouse gas emitted in production process to generate power.

A sustainable business model



Revenues from sugar business

92.41%

₹ 72,674 million



Revenues from ethanol business

5.96%

₹ 4,686 million



Revenues from co-generation business

1.44%

₹ 1,131 million

537 million kWh

of power generated in 2016-17 of which 308 million kWh was sold

74 million litres

of ethanol produced in 2016-17

MANAGING DIRECTOR'S REVIEW



“With the objective of putting us back on the path to sustained profitability, we are implementing a comprehensive debt restructuring plan across the group”

Dear Shareholders,

The year 2016-17 saw a significant rally in domestic sugar prices in India as production witnessed an unprecedented decline. Droughts in the previous two years coupled with low water availability in key sugarcane growing regions including Karnataka and Maharashtra led to lower acreage of sugarcane in south India. Therefore, raw material availability for your Company was affected severely and we could not fully benefit from the rise in sugar prices. Production of ethanol and power also suffered as a result. Despite a better performance in sugar refining, the Company has been struggling to service its current level of debt.

Debt Restructuring

After considering various options, we decided to go for a comprehensive debt restructuring package accompanied by a large injection of new capital (₹ 784 crores) from Wilmar International of Singapore. As a result of this exercise, we expect the long-term debt to drop to ₹ 1,471 crores. In addition, we would have ₹ 580 crores of long duration NCDs paying a coupon of 0.01%. We expect the final closing of the debt restructuring exercise before 20th February, 2018.

We also continue to make all efforts to sell our Brazilian subsidiaries. However, so far we have not met with success in this endeavour. Currently, world sugar prices are low and the investment climate in Brazil is not positive. Also, we have had legal challenges to our resolution process in Brazil from one of our banks. While we continue all efforts to dispose of these assets, we have also ring-fenced the parent company from all financial obligations to its overseas subsidiaries.

Coming to the financial results, on a consolidated basis, in 2016-17 revenues grew 22.4% to ₹ 1,22,981 million and EBITDA by 257.2% to ₹ 10,602 million. Significant interest cost at ₹ 9,318 million continued to burden operations resulting in losses for the year 2016-17 reaching ₹ 10,397 million compared to ₹ 18,092 for the previous year.

Speaking of the Brazilian operation, revenues for the year 2016-17 grew 20.4% to ₹ 28,132 million, while the EBITDA grew nearly 296% to ₹ 7,574 million driven by the firm sugar prices prevailing in 2016-17. Our mills focussed more on production of sugar to maximise profits resulting in significant decline in ethanol production.



Looking Forward

Despite good monsoon during the year 2016-17, a major setback was the uneven spread of rainfalls, especially in the southern part of the country resulting in a 54% decline in sugarcane production in the region. Going forward, I believe the raw material situation will improve in 2017-18 and normalise fully in 2018-19. With this, we expect our quantity of sugar produced from cane to increase. It will also boost our production of ethanol and co-generation power. The Government of India has recently announced a nearly 5% increase in the procurement price of fuel ethanol creating further incentive to maximise production of the same.

“Coming to the financial results, on a consolidated basis, in 2016-17 revenues grew 22.4% to ₹ 1,22,981 million and EBITDA by 257.2% to ₹ 10,602 million”

Diversification Advantage

As the environment norms get stringent, our diversification to ethanol and co-generation power from bagasse (renewable energy) business provides significant scope to generating more revenues. These businesses while facilitating in meeting social obligations, at the same time contributes to our business sustainability with significant bottomline contribution. The Government’s focus on ethanol blending with fuel and enhancing power generation from renewable sources continues to provide fillip to these businesses.

Message to Shareholders

We are at an important juncture of existence, whereby a series of future-focussed initiatives shall bring back sweetness to our business. While we are determined to come out of the debt trap, we are also confident of creating value for our shareholders. I thank all our stakeholders for supporting us during the difficult times.

Warm regards,
Narendra Murkumbi



FOCUSSED ON HOLISTIC DEVELOPMENT

We are focussed on holistic community development through dedicated efforts in the area of healthcare, education, employment skilling, and community infrastructure development.

Corporate Social Responsibility (CSR) has always been an important success determinant of our Company. While on one hand, we focus on growing our business, on the other we ensure that communities around us continue to prosper. Taking into perspective our vision for long-term and sustainable social development objective, we formed two institutions – Shree Renuka Sugars Development Foundation (SRSDF) Trust and Shree Renuka Institute for Rural Development and Research (SRIRDR) NGO – to ensure dedicated commitment.

SRSDF Trust concentrates its efforts in the area of education and other related activities for children, and nurturing personal skills of individuals for all-round development.

SRIRDR NGO undertakes efforts for transforming the lives of deprived and underprivileged sections of rural communities by providing services in the areas of education, healthcare and socio-economic development.

Healthcare initiatives

Healthcare continues to be one of our major focus areas for facilitating inclusive development in rural areas. We regularly organise health check-up (general, maternal and child, cardiovascular, and eyes) and blood donation camps across our healthcare and other notified centres to ensure maximum coverage. Some of our key initiatives in the healthcare area include:



Healthcare centres

We have established three healthcare centres at Kokatnur, Havalga and Munoli that provide medical assistance to employees and dependents, sugarcane farmers, harvesting offices, and general population near our plants. Each unit serves an average of 50 patients on a daily basis.



Ambulance service

We have two well-equipped ambulances that provide services at subsidised rates in Havalga (Gulbarga district) and Athani (Belgaum district).



Education initiatives

Primary education

SRSDf operates three CBSE schools in proximity to the Company's Kokatnur, Munoli and Havalga plants. These schools, housing over 1,700 students from Nursery to 10th standard, focus on delivering quality education to children at minimal costs. Equipped with spacious classrooms, audio visual aids, library, e-learning, bus facilities and advanced laboratories, these institutions have a robust reputation of upbringing bright minds.

2016-17 saw the schools in Kokatnur and Havalga produce four toppers in board examination. Majority of students have secured over 90% marks.

Polytechnic College (Raibag)

We operate Raibag Polytechnic College that offers Diploma Engineering Courses in several streams. Making consistent investment in modernising infrastructure and improving teaching standards since takeover in 2008, we focus on securing students' future. Till date, 48 students have been placed in reputed domestic and overseas organisations.

Industrial Training Institutes (ITIs)

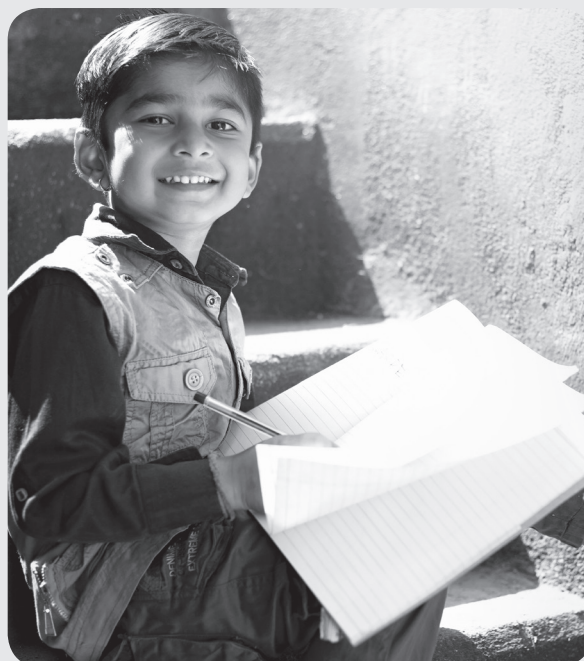
Our Industrial Training Institutes at Kokatnur (Belgaum District) and Havalga (Gulbarga District) provides necessary technical education to local youths for assisting them in getting employment. These institutes have produced qualified youths most of whom have received employment opportunities.

Sugar Institute

We offer technical courses that include vocational education and research opportunities for enhancing knowledge and skills of individuals through our Sugar Institute at Kokatnur Village. The institute, affiliated with the Directorate General of Employment & Training, State Council of Vocational Training and Govt. of Karnataka, facilitates employment opportunities in the Sugar and allied industries.

Sakhar Shalas

We initiated Sakhar Shalas near each plant focussed on imparting quality education related to cane harvesting to the students and migrant workers. Besides, these institutes also serve nutritious food (milk, bread, eggs, and bananas) to students every day along with health check-up camps.





Others

Some of our other community development initiatives include:



- Setting-up two reverse osmosis safe drinking water treatment plants near Havalga and Munoli village



- Operating a 30-bedded boys hostel in Belgaum, equipped with computer and internet, for underprivileged children pursuing higher education in memory of Shri Madhusudhan Murkumbi



- Offering scholarships ranging from ₹ 5,000 - ₹ 15,000 to children of employees and sugarcane supplying farmers for pursuing courses in engineering, science and ITI



- Conducting workshop for Self Help Groups to empower women through socioeconomic activities

CORPORATE INFORMATION

(As on 13th November, 2017)

BOARD OF DIRECTORS

Mrs. Vidya Murkumbi
Executive Chairperson

Mr. Narendra Murkumbi
Vice Chairman & Managing Director

Mr. Vijendra Singh
Executive Director

Mr. S. K. Tuteja
Independent Director

Mr. Sanjay Asher
Independent Director

Mr. Robert Taylor (up to 01.02.2017)
Independent Director

Mr. Hrishikesh Parandekar
Independent Director

Mr. Jean-Luc Bohbot
Non-Executive Director

Mr. Atul Chaturvedi
Non-Executive Director

Mr. Stephen Ho Kiam Kong
Non-Executive Director

Mr. Bhupatrai M. Premji
Independent Director

Mr. Dorab E. Mistry
Independent Director

Dr. B. V. Mehta (w.e.f. 13.11.2017)
Additional Director (Independent)

CHIEF FINANCIAL OFFICER

Mr. K. K. Kumbhat

COMPANY SECRETARY

Mr. Rupesh Saraiya
(w.e.f. 13.11.2017)

AUDITORS

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

REGISTERED OFFICE

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

CORPORATE OFFICE

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Shiv Sagar Estate,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018.

Tel: 91-22-2497 7744 / 4001 1400
Fax: 91-22-2497 7747

BANKERS

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

PLANT LOCATIONS (BRAZIL)

Renuka do Brasil S/A

Unit I - Usina Madhu
Promissão, São Paulo
Brazil

Unit II - Usina Revati
Brejo Alegre, São Paulo
Brazil

Renuka Vale do Ivaí S/A

Unit I - Usina São
Pedro do Ivaí
São Pedro do Ivaí,
Paraná
Brazil

Unit II - Usina Cambui
São Miguel do Cambuí,
Paraná
Brazil

PLANT LOCATIONS (INDIA)

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

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

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

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

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

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

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

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

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

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

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

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

**KBK Chem Engineering
Pvt. Ltd.**
Engineering, Procurement
& Construction of
Distillery Plants
Taluka: Mulshi,
Dist: Pune, Maharashtra

MANAGEMENT DISCUSSION & ANALYSIS



ECONOMIC SCENARIO

Growth of agriculture & allied sectors improved significantly in 2016-17 at 4.9%, following the normal monsoon in the current year which was preceded by sub-par monsoon rainfall in 2014-15 and 2015-16 wherein the growth was subdued at (-) 0.2% and 0.7% respectively.

Currently, the Consumer Price Inflation (CPI) is at 3.28% in September 2017, amongst the lowest levels since 2012. The biggest component of CPI is Food and Beverages, which account for close to 45% has witnessed a sharp decline, from 8.0% in May 2016 to 1.76% in September 2017. With production exceeding consumption for three consecutive years, sugar prices in 2016 remained weak at ₹ 34.73 per kg at retail level. During 2016-17, sugar prices firmed up to around ₹ 42.43 per kg as on March 2017 because of lower production and hardening of price in the international market. The prices continue to remain firm at close to ₹ 42 per kg in October 2017.

INDUSTRY OVERVIEW

GLOBAL SUGAR INDUSTRY

Industry facts

- World sugar production is expected to be 170.9 MMT in 2016-17.
- In 2016-17, the top five sugar producers, namely Brazil, India, European Union, Thailand and China will account for nearly 57% global sugar production.
- Amongst the top 10 producers in the World, sugar production in 2016-17 declined in only two countries namely India and US.
- Sugar mills are increasingly allotting more cane for sugar versus ethanol. In 2016-17, close to 47% of cane in Brazil was allotted for sugar production, the highest ever allotment levels.
- In 2016-17, the global sugar consumption is estimated to outpace production for the second year in a row since 2009-10.

- In October 2016, raw sugar prices soared to the highest levels in 5 years at above 23 cents/pound and since then prices have declined to 14 cents/pound currently.

Source: United States Department of Agriculture (USDA)

Production and consumption

According to USDA, global sugar production is estimated at 170.9 MMT in 2016-17, up 3.7% as compared to 164.7 MMT in 2015-16 driven by higher output in Brazil and increased allocation of cane for sugar production (close to 47%, highest ever). Global

sugar consumption is estimated at 171.9 MMT in 2016-17 reflecting an increase of 1.48% over 169.4 MMT in 2015-16. In 2016-17, the global sugar consumption is estimated to outpace production for the second year in a row since 2009-10. The ending stock in 2016-17 is projected at 38.8 MMT, a 11.5% decline over the previous year's level of 43.9 MMT.

Although, the production in India and US declined in 2016-17, higher growth achieved by other nations has compensated that impact, leading to overall growth in global sugar production.

Top 10 Sugar Producers in the World

(Unit - Million Mt, Raw values)

Production in MMT	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Brazil	38.6	37.8	36.0	34.7	39.1	39.7
India	27.4	26.6	30.5	27.4	21.9	25.8
European Union	16.7	16.0	18.5	14.3	16.5	18.6
Thailand	10.0	11.3	10.8	9.7	10.0	11.2
China	14.0	14.3	11.0	9.1	9.5	10.5
US	8.1	7.7	7.9	8.2	8.0	7.9
Mexico	7.4	6.4	6.3	6.5	6.6	6.6
Pakistan	5.0	5.6	5.2	5.3	6.0	6.0
Russia	5.0	4.4	4.4	5.2	6.1	5.8
Australia	4.3	4.4	4.7	4.9	5.1	4.8

2016-17 and 2017-18 numbers are estimates

Source: USDA

Global production for 2017-18 is expected to increase by 9 MMT to a record 179.6 MMT due to growth in Brazil, China, European Union, India and Thailand. Sugar consumption is likely to remain flat at 172 MMT and will thus break the trend of consumption outpacing production.

World Sugar Balance

(Million MT, Raw values)

Marketing Year	Production	Imports	Exports	Consumption	Ending Stock
2012-13	177.8	51.4	55.7	165.3	42.3
2013-14	175.9	51.5	57.8	165.8	44.9
2014-15	177.4	50.2	54.9	167.9	48.8
2015-16	164.7	54.3	53.8	169.4	43.9
2016-17	170.8	54.6	57.8	171.9	38.8
2017-18	179.6	51.3	59.2	171.6	38.2

2016-17 and 2017-18 numbers are estimates

Source: USDA

Global sugar price trend

The global sugar supply deficits of the last two years elevated prices to the highest levels in 5 years at above

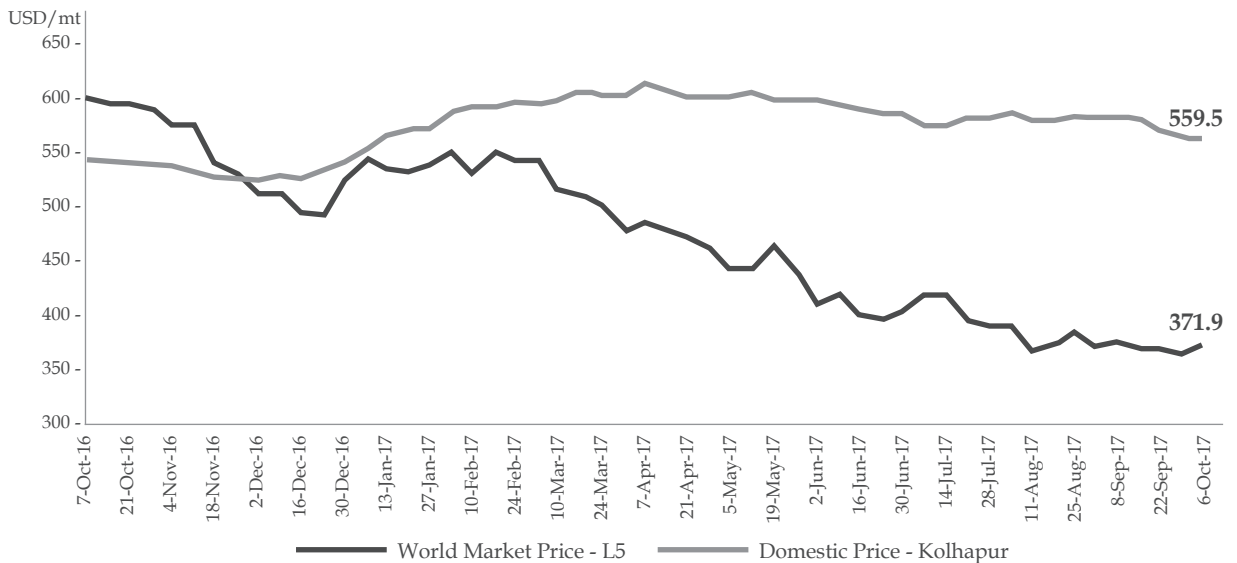
23 cents/pound in October 2016. However, since then sugar price has seen a sharp decline to reach at approximately 14 cents/pound in September 2017.

The correction in price is attributable to a balanced demand supply scenario in the global market as against the earlier estimate of production deficit. Lower than estimated import of sugar by India had negative impact on global prices and less imports than the expectations were due to domestic demand being lower due to

demonetisation, agrarian stress and sluggish economic growth. Another reason for global price correction is tightening import restrictions by China to contain illegal smuggling of sugar.

Source: Bloomberg

Sugar Prices - Domestic Market vs. World Market



BRAZIL SUGAR INDUSTRY

Production and consumption

Brazil’s sugarcane production decreased close to 2% in 2016-17 to 651.8 MMT versus 666.8 MMT in 2015-16. In Centre-South region, sugarcane production decreased by 1.7% to 607.14 MMT in 2016-17 from 617.71 MMT in 2015-16. The Centre-South region constitutes for 93.2% of the total sugarcane production in the country. The decrease in production was due to numerous factors such as unfavourable climatic conditions, drop in agricultural yield and mid-year frosts. Though there was fall in cane crushed by CS Brazil, the sugar production was 35.6 MMT which is 14% higher than 2015-16 as sugar millers allocated more sucrose to sugar. Resultantly, ethanol production was down by 10% to 27.5 billion litres accounting for approximately 53% of the overall sugarcane use, as compared to 59.3% used in 2015-16. With international sugar prices firming up, producers have started increasing sugar output to maximise profit. This has resulted in lower ethanol supply to international markets.

The Agricultural Trade Office projects Brazil’s total sugarcane production at 645 MMT in 2017-18, down by 1% from previous year. The sugarcane harvest for Centre-South region is expected to be close to 590-600 MMT, down by 7 MMT from previous year. Though rainfall patterns have showed regular volumes for a large part of growing areas, production in certain states were damaged by below average rainfall volumes. Ageing of sugarcane fields may also likely to affect agriculture yield and sugarcane production. From the total sugarcane produced, nearly 48-50% is likely to be used for sugar and rest for ethanol production.

Due to reduced domestic production of ethanol, there were ethanol imports from US (corn ethanol) and Brazilian govt is trying to avoid excess imports. Brazil’s sugar production increased approximately 14.5% in 2016-17 to 38.74 MMT versus 33.84 MMT in 2015-16 and is expected to marginally increase to 39.4 MMT in 2017-18.

Production data in Centre-South Brazil

	Unit	2012-13	2013-14	2014-15	2015-16	2016-17
Sugarcane	Million MT	532.8	596.6	571.3	617.7	607.1
Production						
Sugar	Million MT	34.1	34.3	32.0	31.2	35.6
Anhydrous ethanol	Billion Litres	8.7	11.0	10.7	10.6	10.1
Hydrous ethanol	Billion Litres	12.6	14.6	15.5	17.6	15.8
Total ethanol	Billion Litres	21.4	25.6	26.2	28.2	25.9
ATR	Kg of sugar/MT of cane	135.6	133.3	136.5	130.5	133.1
Production share						
Sugar	%	49.5	45.2	42.9	40.7	47.0
Ethanol	%	50.5	54.8	57.1	59.3	53.0

Source: UNICA

Several Brazilian sugar and ethanol firms are facing tough financial conditions as high debt levels limit investments. The weak financial position is mainly attributable to highly subsidised gasoline process which made ethanol unattractive. The total debt of the industry rose to 246 million reals (USD 78.6 million) from 157 million reals three years ago. The indebtedness further increased mills' production costs and delay in investments that were needed to improve operations. Hence, the recent upward movement in global sugar prices bodes well for the industry.

Ethanol demand

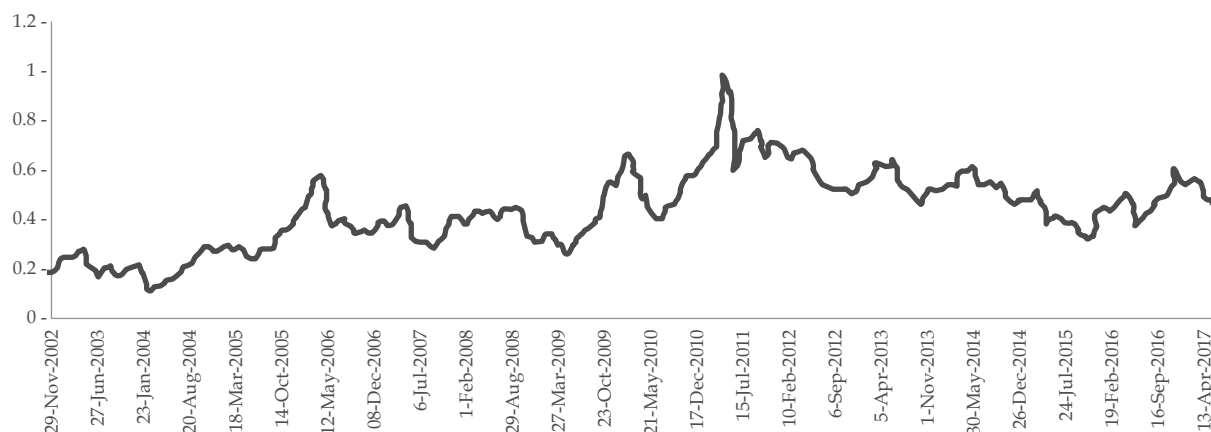
Brazil has to its credit the landmark innovation of using energy stored in bagasse to produce bio-electricity. Sugarcane biomass is thus considered a leading source of renewable energy in Brazil, so much so that approximately 8.8% share in the country's domestic power supply in 2016 uses biomass as fuel, surpassing natural gas for the first time since 2011.

Flex fuel vehicles are extremely popular in Brazil which give the option of selecting any fuel between E20-E25 gasoline or 100% hydrous ethanol fuel to run the vehicle depending upon the price gaps.

Brazil's currency is trading at 3.15 real with modest gain against the US dollar since October 2016, largely reflecting higher investors' confidence in the country's economic recovery. Given the strengthening of Brazilian currency despite stable oil prices, gasoline prices fell sharply resulting in lower demand of cane ethanol from flex fuel vehicle users. Hydrous ethanol consumption fell 18% in CY2016 compared to CY2015, as flex fuel fleet switched to gasoline. As a result, it is likely that, in near future, sugar mills would continue to maximise sugar production at the expense of ethanol.

In recent months, the Brazilian government has reinstated the taxes on gasoline which is likely to make hydrous ethanol prices more competitive to gasoline for flex vehicle users. Also imports of ethanol have been capped by imposing a heavy import duty above an annual volume of 600 million litres. This may alter the sugar mix in the next season 2018-19.

Ethanol price in Brazil



Source: Cepea

Trend in fleet in Brazil (number of vehicles, million)

Year	Flex fuel fleet	Gasoline fleet	Ethanol fleet
2007	4.6	15.1	1.8
2008	6.9	14.6	1.7
2009	9.5	14.0	1.5
2010	12.2	13.5	1.4
2011	14.9	13.0	1.2
2012	17.9	12.4	1.1
2013	20.8	11.8	1.0
2014	23.3	11.1	0.9
2015	25.0	10.4	0.8
2016	26.2	9.7	0.7

Source: UNICA

INDIAN SUGAR INDUSTRY

Industry facts

- India's per capita consumption of sugar is estimated at 19.8 kg below the World average of 23 kg and above the Asian average of 17-18 kg.
- World's largest sugar consumer at 25-26 MMT per annum
- World's second largest sugar producer at 25-28 MMT per annum
- Annual output is valued at approximately ₹ 800-900 billion
- Around 500-520 sugar mills are under operation
- Around five lakh workers directly employed in sugar mills and close to 50 million sugarcane farmers earn their livelihood
- Total sugarcane acreage is approximately five million hectares (MN HA)
- Uttar Pradesh state became the largest producer of sugar in India in 2016-17, followed by Maharashtra. Both states together contribute upwards of 65-70% of India's total sugar production

Source: USDA, ISMA

Production and consumption

For the third time in recent years, Indian sugar production dropped below consumption. As per Govt. of India, the sugar production in 2016-17 (October-September) is estimated at close to 20.2 MMT, 20% below last year's production (approximately 25 MMT). The production in 2016-17 was lowest in a decade due to lower availability of sugarcane following two consecutive drought years resulting in drop in sugarcane acreage in Maharashtra and South India.

About 150 sugar mills in Maharashtra crushed 37.2 MMT of sugarcane during 2016-17, less than half of 74.3 MMT crushed in the previous year. In the previous year, 177 sugar mills were in operation of which 27 mills could not operate due to cane unavailability. However, normal monsoon in 2016 helped water levels recover in major reservoirs of Maharashtra. Farmers who shifted away from cane planting due to drought in the past have returned to cane crop to be harvested in 2017-18, as they feel cane is a sturdier and reliable crop.

During 2016-17, higher and more timely cane price payments by sugar mills to farmers led to a decline in farmers' outstanding loans, particularly in Uttar Pradesh (UP). Sufficient water levels in major reservoirs in Maharashtra and normal monsoon this year should also support higher cane planting.

UP overtook Maharashtra as the highest sugar producing state in the country with 8.75 MMT in 2016-17 against 6.9 MMT in 2015-16. Maharashtra's sugar production dropped drastically to 4.2 MMT in 2016-17 against 8.4 MMT in 2015-16. In 2017-18, sugar cane production is expected to increase by 20-25% due to good rains and increase in cane acreage, thereby India is likely to produce enough sugar to meet its internal consumption demand.

India Sugar – Supply and Demand

(Million mt tl)

(In Million Tonnes)	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 (F)	2017-18 (F)
Opening Stock as on 1 st Oct.	5.0	5.9	6.6	9.3	7.5	9.1	7.7	3.9
Production during the Season	24.4	26.3	25.1	24.4	28.3	25.1	20.2	25.1
Imports	0.0	0.0	0.7	0.1	0.0	0.0	0.5	0.0
Total Availability	29.4	32.2	32.4	33.8	35.8	34.2	28.4	29.0
Off-take								
I) Internal Consumption	20.8	22.6	22.8	24.2	25.6	24.9	24.5	25.0
II) Exports	2.6	3.0	0.3	2.1	1.1	1.7	0.1	0.0
Total Off-take (I) + (II)	23.4	25.6	23.1	26.3	26.7	26.5	24.6	25.0
Closing Stock as on 30 th Sept.	6.0	6.6	9.3	7.5	9.1	7.7	3.9	4.0
Months of Inventory	3.5	3.5	4.9	3.7	4.3	3.7	1.9	1.9

Source: ISMA

As per ISMA and Ministry of Food and Consumer Affairs, India, Sugar consumption for 2016-17, is pegged at 24.3-24.6 MMT, slightly lower than last year's 25 MMT. The government has allowed import of 0.5 MMT raw sugar at zero duty under TRQ scheme in April 2017 in first tranche and 0.3 MMT raw sugar imports at 25% under TRQ scheme in Sept 2017 in second tranche. The closing stocks for the current season are estimated to be around 3.8 MMT. This is 51% lower than the previous year's closing stock level of 7.7 MMT.

Sugar prices

Sugar prices were at low levels in the start of 2016 at around ₹ 31,500 per tonne in March 2016. Expectations of decline in output kept on driving up sugar prices, which slowly increased to ₹ 36,000 per tonne in October 2016. Prices dropped marginally following the demonetisation exercise to around ₹ 35,000-35,500 per tonne in November and December 2016. With projections of further fall in domestic production, sugar prices firmed up to ₹ 36,700 per tonne in January 2017. As per the price data from Ministry of Consumer Affairs and Public Distribution, the all-India average retail prices of sugar have increased 7% Y-o-Y in September 2017. Domestic sugar prices are likely to remain firm in the near term, due to tight stock position in the domestic markets.

The announcement of duty free imports of 0.5 MMT of raw sugar till June 2017 did not have any significant negative impact on the prices or profitability of sugar mills. Contingent on further intervention by Government of India, prices are expected to remain stable if not rise in the near-term and hence prevailing stock position and sugar production in coming season will determine the sugar price trend in 2017-18.

Industry scenario

During the period of 2010-11 to 2014-15, sugar prices witnessed decline in both domestic and global markets on account of surplus stocks. Even in the year 2015-16, the prices remained at lower level. As lower sugar production (due to fall in area under sugarcane cultivation), depleted opening stock, steady consumption and therefore the closing stock of sugar is expected to be lower in 2016-17. On the other hand, government has introduced measures such as imposition of stockholding limits on the traders, imposition of export duty of 20%, withdrawal of excise duty exemption on ethanol supplied for blending and duty free raw sugar imports under TRQ (Tariff Rate Quota) with an objective to ensure adequate sugar availability in the domestic market.

As on 20th September, 2017 approximately ₹ 53.25 billion was the outstanding amount that sugar mills owe to sugarcane farmers for the sugar season 2016-17, 2015-16, 2014-15 as well as earlier seasons. The Commission for Agricultural Costs and Prices (CACP) has set a 'Fair and Remunerative Price' (FRP) of ₹ 255 per quintal of sugarcane (based on 9.5 per cent basic sugar recovery) in the 2017-18 season.

Ethanol industry

Ethanol / Alcohol is used for making potable liquor, specialty chemicals and for blending in petrol.

Since the inception of ethanol blending programme (EBP) in 2003, through 2014, fuel ethanol blending never crossed the 380 million litres mark, while remaining stocks were sufficient to meet the demand from industry and chemical sector. For the first time in 2015, fuel ethanol demand grew upwards of 650

million litres and then to 1,250 million litres in 2016. In 2017, it dropped due to low production and is expected to close at 700 million litres. The Oil Marketing companies have recently tendered for 3,100 million litres for December 2017 - November 2018 period. Since the Government of India mandates the use of 'indigenous ethanol only' for EBP, ethanol supplies for blending will be relatively tight and may not exceed half of the required quantity to meet the 10% blending target.

Company Overview

Shree Renuka Sugars (hereafter referred to as the Company) is a global agribusiness and bio-energy corporation. The Company is one of the largest sugar producers in the world, being the leading manufacturer of sugar in India and one of the largest sugar refiners in the world. Similarly, it has a strong standing in biofuel manufacturing as it is one of the largest producers of fuel grade ethanol. The Company also produces power from bagasse (a sugarcane by-product) for captive consumption and sale to the electricity grid both in India and Brazil. It has manufacturing facilities in India and Brazil.

Business Snapshot

	India	Brazil	Total
Capacity Crushing (TCD)	42,000	59,520	1,01,520
Annual Crushing Capacity (Million MT)	8.40	13.60	22.00
Ethanol Production Capacity (KLPD)	930	3,230	4,160
Sugar Refining Capacity (TPD)	10,000	-	10,000
Power Generating Capacity (MW)	271	317	588
Power Exportable (MW)	150	221	371
Own Cane Plantation (in Hectares)	-	70,000	70,000

Consolidated year-on-year performance (₹ in Million)

Particulars	2016-17	2015-16	2014-15
Total Income	1,22,981	1,00,470	1,01,341
EBITDA	10,602	2,968	4,763
PBT	(10,536)	(19,563)	(20,886)
PAT	(10,397)	(18,092)	(18,129)
Basic EPS (INR)	(11.18)	(19.48)	(20.39)
Net Block	76,441	77,389	60,409

Standalone year-on-year performance (₹ in Million)

Particulars	2016-17	2015-16	2014-15
Total Income	78,922	59,873	57,481
EBITDA	3,285	1,638	1,802
PBT	(1,998)	(4,204)	(4,458)
PAT	(1,239)	(2,781)	(2,951)
Basic EPS (INR)	(1.33)	(2.99)	(3.32)
Net Block	41,924	44,203	25,815

Year	12M ended 31-03-2017	12M ended 31-03-2016
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(I) Sugar Mills		
Sugarcane crushed (tonnes)	21,52,080	48,72,110
Recovery (weighted average)	11.28%	10.93%
Sugar produced from Cane (tonnes) (A)	2,42,667	5,32,382

(II) Refining		
Raw sugar processed (tonnes)	13,52,421	9,88,793
Sugar produced from raw sugar (tonnes) (B)	13,22,424	9,67,079
Total Sugar produced (tonnes) (A+B)	15,65,091	14,99,461

(III) Co-generation		
Generation of Power (million kWh)	537	755
Captive Consumption (million kWh)	228	366
Power Exported (million kWh)	308	390

(IV) Ethanol Plant		
Ethanol produced (million litres)	74	128

FINANCIAL REVIEW (STANDALONE)

PRODUCTION (FY-WISE)

In FY17, the cane crushed by the Company declined by 56% from 48,72,110 MT in FY16 to 21,52,080 MT. Total recoverable sugar (yield) per

MT of cane increased from 10.93% in 2016 to 11.28% in FY17. The total sugar produced increased by 4.4% from 14,99,461 MT in FY16 to 15,65,091 MT in FY17. Total power generation and ethanol production decreased by 29% and 42% respectively to 537 MW and 74 million litres respectively in FY17.

FINANCIALS

Revenues

The Company's total turnover (including total revenues net of excise duty and including other income) grew to ₹ 78,922 million in FY17, up 32% as compared to ₹ 59,873 million in FY16. The increase was primarily due to strong growth in revenues from sugar. Revenues from all other divisions declined.

	FY17	FY16	
Sugar	62,155	42,619	45.8
Trading	12,176	12,451	(2.2)
Co-generation	3,243	4,829	(32.8)
Ethanol	4,686	5,481	(14.5)

Sugar sales volumes increased from 15,05,619 MT in FY16 to 17,19,298 MT in FY17. Also 34% increase in average sugar price realisation from ₹ 25,831/tonne in FY16 to ₹ 34,736/tonne in FY17 led to revenues from sugar increased.

Ethanol sales volume declined 16% from 123,729/KL in FY16 to 104,113/KL in FY17. But realisation increased by 6% from ₹ 40,682/KL in FY16 to ₹ 43,274/KL in FY17.

Co-generation sales volumes decreased from 328 kWh in FY16 to 159 kWh in FY17 and realisation also decreased from ₹ 5.28/unit to ₹ 4.68 / unit.

Expenditure

The total expenditure (excluding provisions for tax, foreign currency gain/loss, interest and depreciation) increased to ₹ 75,637 million in FY17 from ₹ 58,235 million in FY16.

Raw Material cost

The cumulative raw material consumption increased to ₹ 69,492 million in FY17 from ₹ 52,470 million in FY16. Raw material cost as a percentage to sales increased marginally to 88.1% compared to 87.6% previous year.

Interest cost

The total interest cost increased to ₹ 3,657 million in FY17, by 7.3% from ₹ 3,407 million in FY16.

Profit before Tax

Loss before tax stood at ₹ 1,998 million in FY17 compared to ₹ 4,204 million in FY16 due to changes in various revenue and cost items discussed above.

FUTURE OUTLOOK

The Company's main production facilities are based in the state of Karnataka (southern state of India). As southern part of the country faced weather issues during last year, the production was impacted negatively by almost 54% compared to the previous year. Sugarcane production loss also impacted the production of bagasse and molasses. However, 2017-18 is expected to be a good year with sugarcane production likely to increase by 15-20% over 2016-17. India is likely to meet its internal consumption demand in 2017-18. Prices of sugar are expected to remain stable during the season.

INTERNAL CONTROLS

Keeping in line with the size and nature of the business, the Company has formulated a well-defined and structured internal control systems. Stringent procedures ensure high accuracy in recording and providing reliable financial & operational information, meeting statutory compliances and safeguarding assets from unauthorised use.

The Company's internal team and an independent Internal Audit Firm keep a close eye on business operations and any deviations are immediately brought to the notice of the Management and Audit Committee for timely correction. A comprehensive Annual Audit Plan, covering all the factories and locations of the Company, is drafted and approved by the Audit Committee of the Board is followed by the Independent Chartered Accountants to conduct audit. The Company's robust IT systems safeguard sensitive data and eases out audit process.

These audits also put to test the appropriateness of mitigation actions to protect the Company from various internal and external risks. A host of strategies are devised as a follow-up measure to safeguard the Company from such uncertain events. Special audits are also conducted as directed by the Management.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors inter alia views the observations made by the internal auditors on the control mechanism and the adequacy of the internal control system, recommendations for corrective actions and implementation thereof, compliance-related matters, operations of the Company, adherence to the laid down processes and guidelines. The Company has implemented SAP at all its units to ensure effective IT security and systems, thus ensuring real-time availability of information at various locations.

RISKS & CONCERNS

As with every business, the Company faces certain risks in its day-to-day functioning. The Company ensures timely identification and implementation of effective mitigation measures to ensure smooth functioning. The Company's 'Risk Management Policy' strives to minimise the impact of both internal and external risk factors on the business by thorough and periodic analysis. The strategy devised recognises business as a going concern. Some of the risks that may impact the business operations are:

- Global risks of big fluctuations in demand and supply of sugar
- Macro-economic environment which influences demand of the products – sugar, ethanol and power
- Seasonal uncertainties impacting sugarcane production, the primary raw material required in the business
- Price fluctuations of key raw materials (sugarcane, raw sugar, energy prices) and finished goods (sugar, ethanol and power)
- Increasing interest rate
- Foreign exchange risks due to adverse movement of the currencies in relation to the international currencies
- Rising logistics costs

- Strikes or work stoppages
- High attrition of employees
- Changes in regulations and government policies which may impact the growth of the overall industry

HUMAN RESOURCES

Human capital is considered a key resource and an integral contributor to the success of the Company. Employees are considered a critical aspect of business growth and sustainability. The Company boasts of well-defined HR policies which take care of both personal and professional growth of its employees. Policies nurture a culture that leads to alignment of employee goals with that of the Company.

The Company has a diverse employee base with unique creative skills, technical knowledge and functional proficiency. Employees are a strong asset of the organisation which plays a vital role in all aspects of organisational functioning – policy formulation, setting up systems and processes, enhancing profitability and bringing about timely innovation to meet industry requirements. The strong talent pool enables the Company to stay ahead of competition even in tough times. Core organisational values and culture are a part of the DNA of each of the employees.

The Company conducts regular trainings to the employees to ensure skill upgradation and personnel development. Open door policy makes the work environment transparent and enables employees to voice their opinion freely.

During the last year, the Company continued to witness healthy employee and industrial relations with harmony and peace. As on 31st March, 2017, the Company had a total of 8,300 employees (2,722 in India and 5,578 in Brazil).

BOARD'S REPORT

Dear members,

The Board of Directors presents their Twenty-First Annual Report and audited financial statements for the financial year ended 31st March, 2017.

STANDALONE FINANCIAL RESULTS

The highlights of the standalone financial results are as under:

Particulars	₹ in Million)	
	FY 2017	FY 2016
Revenues	78,921	59,873
Profit before financial expenses and depreciation	3,097	661
Financial expenses	3,657	3,407
Depreciation	1,438	1,458
Profit before provision for tax and exceptional items	(1,998)	(4,204)
Exceptional Items	-	-
Provision for taxation:		
- Current	-	-
- Deferred Tax	(759)	(1,423)
Net Profit/Loss	(1,239)	(2,781)
Profit brought forward from the previous year	(4,171)	(1,262)
Other Comprehensive Income	(4)	(3)
Profit available for appropriation	(5,414)	(4,046)
Transfer from General Reserves	-	-
Transfer to Debenture Redemption Reserves	(125)	(125)
Transitional Impact of change in useful life of assets	-	-
Retained in the Profit & Loss Account	(5,539)	(4,171)

OPERATING HIGHLIGHTS

The Company achieved a turnover of ₹ 78,644.59 million for the year ended 31st March, 2017 as against ₹ 59,650.01 million for the previous year. The EBITDA for the year under review stood at ₹ 3,284.86 million as compared to ₹ 1,638.11 million for the previous year, while the Net Loss stood at ₹ 1,242.82 million as compared to Net Loss of ₹ 2,783.86 million for the previous year. Analysis of operating performance is covered under Management Discussion and Analysis which forms part of this Report.

DIVIDEND & DIVIDEND DISTRIBUTION POLICY

As the Company has incurred a loss during the year under review, your Directors do not recommend any dividend for the financial year ended 31st March, 2017.

The Board of Directors of the Company had approved Dividend Distribution Policy on 1st February, 2017 in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy may be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>

TRANSFER TO RESERVES

Debenture Redemption Reserve is created to the extent of 25% of the non-convertible debentures (NCDs) equally over the period till maturity of the NCDs, as per the requirements of the applicable laws. During the year, the Company has created Debenture Redemption Reserve of ₹ 125 million on outstanding amount of NCDs.

FIXED DEPOSITS

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

DEBENTURES

The Company has not raised long term funds through issuance of non-convertible debentures (NCDs) during the period under review. The Company has extended the repayment/redemption schedule in respect of 11.70% NCDs aggregating to ₹ 150 crores and 11.30% NCDs aggregating to ₹ 100 crores issued by the Company and listed on BSE Limited.

Accordingly, the principal amount of both the aforesaid NCDs will be re-payable by the Company in the following manner- (a) 15% each in FY 2019-20 and 2020-21 (b) 20% in FY 2021-22 and (c) 25% each in FY 2022-23 and 2023-24. The amount in respect of each financial year will be re-payable in equal quarterly installments at the end of each calendar quarter of the relevant financial year, commencing from 30th June, 2019.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the notification issued by the Ministry of Corporate Affairs (MCA), your company is required to prepare financial statements under Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from 1st April 2016. Ind AS has replaced existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Accordingly, the Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April 2016 with the transition date of 1st April 2015 and the financial statements for the year ended 31st March 2017 has been prepared in accordance of Ind AS. The financial statements for the year ended 31st March 2016 has been restated to comply with Ind AS to make them comparable.

The MCA notification also mandates that Ind AS shall be applicable to subsidiary companies, joint venture or associates of the Company. Hence the Company and its subsidiaries have prepared and reported financial statements under Ind AS w.e.f. 1st April 2016, including restatement of the opening balance sheet as at 1st April, 2015.

The effect of the transition from IGAAP and Ind AS has been explained by way of a reconciliation in the standalone financial statements and consolidated financial statements.

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

A summary of the financial performance of each of the subsidiary, associate and joint venture companies in the prescribed Form AOC-1 is provided in the financial statements.

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

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

SHARE CAPITAL

The Authorised Share Capital of the Company is ₹ 1,850,000,000/- divided into 1,600,000,000 (One hundred Sixty crores) equity shares of ₹ 1/- each and 25,000,000 (Two crores Fifty lakhs) preference shares of ₹ 10/- each. On 31st March, 2017, the issued, subscribed and paid up share capital of your Company stood at ₹ 945,246,580 comprising 945,246,580 equity shares of ₹ 1/- each.

During the year under review, the Company has allotted 16,435,338 equity shares of face value of ₹ 1/- each, at a price of ₹ 16.56 per equity Share aggregating to ₹ 272,169,197.28 to Standard Chartered Bank, one of the JLF Lenders in lieu of and against the conversion of a part of the loans availed by the Company from Standard Chartered Bank.

On 24th August, 2017, the Company has re-classified its Authorised Share Capital from ₹ 1,850,000,000/- divided into 1,600,000,000 equity shares of ₹ 1/- each and 25,000,000 preference shares of ₹ 10/- each to ₹ 1,850,000,000/- divided into 1,600,000,000 equity shares of ₹ 1/- each and 2,500,000, 0.01% Redeemable Preference Shares of ₹ 100/- each. Further, Authorized Share Capital increased from ₹ 1,850,000,000/- divided into 1,600,000,000 equity shares of ₹ 1/- each and 2,500,000, 0.01% Redeemable Preference Shares of ₹ 100/- each to ₹ 25,150,000,000/- divided into 2,900,000,000 equity shares of ₹ 1/- each; 510,141,365, 0.01% Compulsorily Convertible Preference Shares of ₹ 16.27/- each, 94,000,000, 0.01% Redeemable Preference Shares of ₹ 100/- each and 45,500,000, 0.01% Optionally Convertible Preference Shares of ₹ 100/- each;

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 (the Act), Mr. Jean-Luc Bohbot (DIN: 06857132) and Mr. Atul Chaturvedi (DIN: 00175355), Directors of the Company, retire by rotation and being eligible, offers themselves for re-appointment at the ensuing Annual General Meeting. Mr. Ashit Mallick, an Independent Director of the Company, passed away on 10th September, 2017. Dr. B. V. Mehta (DIN: 00895163) was appointed as an Additional Director (w.e.f. 13th November, 2017) by the Board of Directors to fill-in the casual vacancy caused by unfortunate demise of Mr. Mallick.

Pursuant to recommendation of the Nomination & Remuneration/Compensation Committee, the Board of Directors has subject to approval of the members at the ensuing Annual General Meeting of the Company, approved:

- The re-appointment of Mrs. Vidya Murkumbi (DIN:00007588), as Whole-time Director designated as Executive Chairperson of the Company for a period of 3 years with effect from 1st April, 2017.
- The re-appointment of Mr. Vijendra Singh (DIN: 03537522), as Whole-time Director designated as President (Sugar Mills) for a period of 3 years with effect from 10th May, 2017.
- The re-appointment of Mr. Narendra Murkumbi (DIN:00009164), as Vice Chairman & Managing Director for a period of 3 years with effect from 20th September, 2017.

The proposals regarding the re-appointment of aforesaid Directors are place for your approval.

The Company has received the declarations from the Independent Directors confirming that they satisfy the criteria of independence as prescribed under Section 149(6) of the Act and under the provisions of Listing Regulations. The Board recommends the re-appointment of the aforesaid Directors for members' approval.

Brief resumes of Mrs. Vidya Murkumbi, Mr. Vijendra Singh and Mr. Narendra Murkumbi seeking re-appointment/fixation of remuneration, as stipulated under Regulation 36(3) of the Listing Regulations/Secretarial Standard-2 on General Meetings, are given in the section on Corporate Governance, which forms part of this Annual Report. Brief resumes of other directors seeking appointment/re-appointment are given in AGM notice.

During the year under review, the Board of Directors and shareholders of the Company had appointed Mr. Bhupatrai Premji (DIN: 07223590) and Mr. Dorab Mistry (DIN: 07245114) as Independent Directors of the Company in terms of the provisions of Sections 149, 152

& other applicable provisions of the Act & the Listing Regulations. The Board of Directors and shareholders of the Company had also appointed Mr. Stephen Ho Kiam Kong (DIN: 07584449) as Non-Executive Director of the Company.

Mr. Robert Taylor, Independent Director ceased to be Director of the Company consequent to his resignation effective from 2nd February, 2017. The Board records its sincere appreciation for the valuable contribution made by him during his tenure with the Company.

Mr. Rupesh Saraiya has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 13th November, 2017. Mr. Naveen Manghani was the Company Secretary & Compliance Officer till 31st October, 2017.

The Company has received the declarations from the Independent Directors confirming that they satisfy the criteria of independence as prescribed under Section 149(6) of the Act and the Listing Regulations.

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

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

MEETINGS OF THE BOARD

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with no material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and

prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the loss of the Company for the year ended on that date;

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a 'going concern' basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

As per the provisions of Section 139 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, your Company's statutory auditors, M/s. Ashok Kumar, Prabhaskar and Co., Chartered Accountants, Bangalore (Registration No. 004982S) hold office until conclusion of the ensuing Annual General Meeting of the Company.

The Audit Committee and the Board of Directors recommend appointment of SRBC & Co LLP, Chartered Accountants, as the statutory auditors of the Company to hold office for a period of 5 years commencing from conclusion of ensuing Annual General Meeting till the conclusion of 26th Annual General Meeting of the Company, subject to ratification of their appointment by the members at every Annual General Meeting.

Accordingly, a resolution proposing appointment of SRBC & Co LLP, Chartered Accountants (FRN-324982E/E300003) as the statutory auditors of the Company for a period of 5 consecutive years commencing from conclusion of 21st Annual General Meeting of the Company, forms part of the Notice convening this Annual General Meeting of the Company.

SRBC & Co LLP have confirmed their eligibility and are not disqualified for appointment under the Companies Act, 2013 and the Chartered Accountants Act, 1949 or the Rules and Regulations made thereunder.

The Auditors' Report to the Members on the Accounts of the Company for the year ended 31st March, 2017 does not contain any qualification or adverse remark.

The Board places on record its appreciation for the contribution of Ashok Kumar, Prabhaskar and Co, Chartered Accountants, during their tenure as the statutory auditors of your Company.

SECRETARIAL AUDITORS

The Board had appointed M/s. Sanjay Dholakia & Associates, Practising Company Secretary (Membership No. 2655), to conduct the Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended 31st March, 2017 is annexed herewith at Annexure 2 to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COST AUDITORS

The Board has appointed M/s. B. M. Sharma & Co, Cost Accountants as the cost auditors (Registration No. 00219) of the Company to conduct the Cost Audit for the financial year 2017-18, the Cost Audit Report for which will be submitted to the Central Government before the due date.

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

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

CORPORATE GOVERNANCE

Your Company meets all the mandatory requirements as stipulated under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Report on Corporate Governance along with the Auditors' Certificate on its compliance, composition and details of memberships of various committees viz. Audit Committee, Nomination & Remuneration/ Compensation Committee, CSR Committee etc. forms part of this Report and is annexed hereto.

CEO/CFO CERTIFICATION

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO Certificate is attached with this Annual Report.

PARTICULARS OF EMPLOYEES

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

EMPLOYEE STOCK OPTION SCHEME

The Nomination and Remuneration/Compensation Committee of the Board of Directors of the Company, inter alia, administers and monitors the SRSL Employees Stock Option Plan-2011 ("Scheme") of the Company in accordance with applicable SEBI regulations. The disclosure relating to the Scheme and other relevant details are available on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>

During the year, the Company has not granted any fresh Stock Options to the employees.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All Contracts/arrangements entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Therefore, the disclosure in AOC-2 is not applicable for the financial year 2016-17. The details of transactions with related parties are given in notes to the financial statements. All transactions with related parties were in the ordinary course of business and on an arm's length basis. Details showing the disclosure of transactions with related parties as required under Ind AS-24 are set-out in the financial statements.

The Company's Policy on Related Party Transactions may be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

CORPORATE SOCIAL RESPONSIBILITY

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

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

The report on the CSR activities is provided at Annexure 5 to the Board's Report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company being in the top 500 companies by market capitalization on National Stock Exchange of India Limited and BSE Limited as on 31st March, 2017, is required to give a 'Business Responsibility Report' (BRR) in the Annual Report. As a Green Initiative, BRR has been hosted on Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html> A physical copy of the BRR will be made available to members on request.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return (MGT-9) of the Company is annexed herewith as Annexure 6 to this Report.

RISK MANAGEMENT & INTERNAL FINANCIAL CONTROLS

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

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

WHISTLEBLOWER POLICY

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has in place a Whistleblower Policy/Vigil Mechanism to deal with unethical behavior, victimisation, fraud and other grievances or concerns of directors and employees. The Whistleblower Policy can be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

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

HUMAN RESOURCES (HR)

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

MATERIAL CHANGES & EVENTS AFTER BALANCE SHEET DATE

• Update on Brazil operations :

The Company's Brazilian subsidiary viz., Shree Renuka Do Brasil Participacoes Ltda (SRDBPL) together with all of its subsidiaries (collectively 'Renuka Brazil'), had on 28th September, 2015, filed for protection under Judicial Recovery Law (Law 11.101/2005-Recuperação Judicial) in the designated court in the capital of the state of São Paulo. In July 2016, the designated court had approved the Re-organisation Plan of one of the subsidiaries of the Company at Brazil viz., Renuka Vale do Ivaí S/A (Renuka VDI). In June 2017, Renuka VDI filed an amendment to the judicial reorganization plan before court. On 14th July, 2017, a petition was filed by Renuka VDI requesting the convening of a new General Creditors' Meeting to 26th September, 2017 (1st call) and 10th October, 2017 (2nd call). The meeting is suspended till 12th December, 2017.

In case of another Brazilian subsidiary viz Renuka Do Brasil S/A (RDB), auction notices for sale of UPI Revati were published in July, 2017 in the newspapers and the auction was scheduled on 4th September, 2017. However, on 1st September, 2017, Supreme Court of Sao Paulo granted injunction to Banco Nacional do Desenvolvimento (BNDES Bank) appeal to suspend the Amended RJ Plan and its effects. The Amended RJ Plan is suspended until this moment. The Company is making efforts to get the injunction lifted.

• Debt Restructuring Plan:

The Company has executed a binding investment agreement on 27th July, 2017 with Wilmar Sugar Holdings Pte Ltd (WSH) and is in the process of implementing a Debt Restructuring Package which would, amongst other things, entail the following:

- WSH making an additional investment of ₹ 783.96 Crores in the Company for the purpose of up-front repayment and settlement

of part of the Debts and to fund working capital requirements of the Company;

- lenders converting part of the Debts into equity shares and convertible securities of the Company;
- waiver of part of the Debts; and
- restructuring of the remaining Debts through changes in the repayment terms on the terms of a restructuring package.

The Company hopes that this exercise, once completed, would significantly pare its debt burden and interest cost in India and would also free the Company of all guarantees and obligations related to its overseas subsidiaries.

The Restructuring Package would be subject to the necessary regulatory approvals and final sanctions from the banks.

OTHER DISCLOSURES/REPORTING

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

APPRECIATION & ACKNOWLEDGEMENTS

The Board wishes to place on record its gratitude for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors, and cane growers and finally to all its members for the trust and confidence reposed on the Company. The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their competence, dedication and contribution towards the operations of the Company.

For and on behalf of the Board,

Vidya Murkumbi
Chairperson

13th November, 2017, Mumbai

NOMINATION AND REMUNERATION POLICY

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

1. DEFINITIONS

- 1.1 “Act” means Companies Act, 2013 and rules framed thereunder as amended from time to time.
- 1.2 “Board of Directors” or “Board”, in relation to the company, means the collective body of the Directors of the Company.
- 1.3 “Committee” or “NRC” means Nomination and Remuneration/Compensation Committee of the Company as constituted or reconstituted by the Board.
- 1.4 “Company” means “Shree Renuka Sugars Limited”.
- 1.5 “Managerial Personnel” means Managerial Personnel or Persons, applicable under Section 196 and other applicable provisions of the Companies Act, 2013.
- 1.6 “Policy” or “This policy” means Nomination and Remuneration Policy.
- 1.7 “Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.
- 1.8 “Independent Director” means a Director referred to in Section 149 of the Companies Act, 2013 and the Listing Agreement entered into by the Company with the Stock Exchanges.
- 1.9 “Key Managerial Personnel” (KMP) means
 - a) The Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-time Director;
 - b) The Company Secretary and
 - c) The Chief Financial Officer

- 1.10 “Senior Management” means the personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

2. OBJECTIVE

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

- 2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees.
- 2.3 Formulation of criteria for evaluation of Independent Directors and the Board.
- 2.4 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 2.5 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

- 2.6 To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 2.7 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 2.8 To develop a succession plan for the Board and to regularly review the plan.
- 2.9 To assist the Board in fulfilling responsibilities.
- 2.10 To implement and monitor policies and processes regarding principles of corporate governance.

3. APPOINTMENT AND REMOVAL OF MANAGERIAL PERSONNEL, DIRECTOR, KMP AND SENIOR MANAGEMENT

3.1 Appointment Criteria and Qualifications:

- 3.1.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- 3.1.2 A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- 3.1.3 Appointment of Independent Directors is also subject to compliance of provisions of Section 149 of the Act read with Schedule IV and rules thereunder and the Listing Agreement entered into by the Company with the Stock Exchanges.
- 3.1.4 The Company shall not appoint or continue the employment of any person as Managerial Personnel who has attained the age of 70 years. Provided that the term of the person holding this position

may be extended beyond the age of 70 years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 70 years.

4. TERM/TENURE

4.1 Managerial Personnel:

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

4.2 Independent Director:

An Independent Director shall hold office for a term up to 5 consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and Disclosure of such appointment in the Board's report.

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

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

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

5. RETIREMENT

Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company.

The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6. EVALUATION

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

7. REMOVAL

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

8. REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT

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

8.2 The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

8.3 Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

8.4 If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

8.5 If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

8.6 Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel subject to the provisions of the Act.

8.7 Only such Employees/Directors of the Company and its subsidiaries as approved by the Nomination and Remuneration/Compensation Committee will be granted ESOPs.

9. REMUNERATION TO NON-EXECUTIVE/INDEPENDENT DIRECTORS

9.1 Remuneration/Commission:

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

9.2 Sitting Fees:

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

9.3 Limit of Remuneration/Commission:

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

10. DUTIES IN RELATION TO NOMINATION MATTERS

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

- 10.1 Determining the appropriate size, diversity and composition of the Board;
- 10.2 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 10.3 Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.4 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.5 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.6 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 10.7 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.8 Recommend any necessary changes to the Board; and
- 10.9 Considering any other matters, as may be requested by the Board.

11. DUTIES IN RELATION TO REMUNERATION MATTERS

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

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

12. REVIEW AND AMENDMENT TO THE POLICY

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

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

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 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The members,
SHREE RENUKA SUGARS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHREE RENUKA SUGARS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 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:

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

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective May 15, 2015);
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; There were no ESOPS issued during the year under review.
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; There were no debt securities issued by the Company.
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of equity shares) Regulations, 2009; There were no proposals for delisting of its equity shares during the year under review; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There were no Buy Back of its equity shares during the year under review.
- (vi) The Company has complied with the other applicable laws as applicable specifically to the company as identified by the management, as mentioned below:
 - (a) Sugar Cess Act, 1982
 - (b) The Sugar (Control) Order, 1966
 - (c) The Sugarcane (Control) Order, 1966
 - (d) The Sugar Development Fund Act, 1982
 - (e) Food Safety And Standards Act, 2006
 - (f) The Essential Commodities Act, 1955
 - (g) The Indian Boilers Act, 1923
 - (h) The Electricity Act, 2003
 - (i) The Legal Metrology Act, 2009.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above.

I FURTHER REPORT THAT -

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

Requisite notice to schedule the Board Meetings, agenda and detailed notes on agenda were given to all directors in pursuance of the provisions of the Act and Secretarial Standards, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me 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.

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

For SANJAY DHOLAKIA & ASSOCIATES

SANJAY R. DHOLAKIA

Practising Company Secretary

Proprietor

Membership No. 2655 / CP No. 1798

Date: 12th August, 2017

Place: Mumbai

Annexure A

To,

The members,

SHREE RENUKA SUGARS LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SANJAY DHOLAKIA & ASSOCIATES

SANJAY R. DHOLAKIA

Practising Company Secretary

Proprietor

Membership No. 2655 / CP No. 1798

Date: 12th August, 2017

Place: Mumbai

ANNEXURE 3

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134(3) OF COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. CONSERVATION OF ENERGY

(i) Steps taken for conservation of energy

Athani:

1. The replacement of existing Halogen street lights (MV/SV lamps) and office CFL with Lighting Emitting Diode (LED) started gradually to reduce power consumption.
2. Auto Power Factor control system installed, due to this penalty on Reactive power avoided.
3. Provision made for VFD (15 KW) one number for 4th mill motor blower cooling fan. Existing 2,900 speed reduced to 2,500 rpm, the saving of power recorded 48 kwh per day.

Havalga:

1. Adopted demand controller (Intelligence manager) for critical equipment and provided interlock between non critical equipment to avoid the maximum demand while importing the power.

Panchganga:

Provision of VFD made for following equipments.

- 1) Mill 24" x 48" : Cane Carrier & Cut cane Carrier - 2 Nos.
- 2) Sulphured Juice Pump - 1 No.
- 3) 1,000 SK Juice transfer pump - 1 No.
- 4) Syrup pump - 1 No.

With installation of above VFDs saving of power recorded 1,652 kwh per day.

B. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

Panchaganga:

- 1) One 60 MT batch Pan with 65 MT Crystalliser installed to adopt three & half massecuite boiling to reduce final molasses purity and reduction in final molasses purity achieved by 1 unit.
- 2) 2 Nos. IC make six deck sugar grader installed instead of 4 Nos. of old four deck sugar graders to improve sugar grading. Sugar gradation improved considerably & there is no customer complaint of sugar mixing.

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

Nil.

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

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

(iv) Expenditure incurred on Research and Development:

Nil.

ANNEXURE 4

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year (FY) 2016-17 (₹ in Million)	% increase in Remuneration in the Financial Year 2016-17	Ratio of remuneration of each Director to median remuneration of employees
1	Mrs. Vidya Murkumbi Executive Chairperson	17.37	37.53%	69.46
2	Mr. Narendra Murkumbi Vice Chairman & Managing Director	19.48	55.46%	77.89
3	Mr. Vijendra Singh Executive Director	4.92	(60.76%)	19.66
4	Mr. Sanjay K. Asher Independent Director	0.53	(21.93%)	2.11
5	Mr. Robert Taylor ® Independent Director	0.20	60.67%	0.80
6	Mr. Hrishikesh Parandekar Independent Director	0.63	(11.09%)	2.51
7	Mr. S. K. Tuteja Independent Director	0.65	(3.44%)	2.61
8	Mr. Ashit Mallick * Independent Director	0.25	(49.88%)	1.00
9	Mr. Atul Chaturvedi Non-Executive Director	-	NA	NA
10	Mr. Jean-Luc Bohbot Non-Executive Director	-	NA	NA
11	Mr. Stephen Ho Kiam Kong Non-Executive Director	-	NA	NA
12	Mr. Bhupatrai Premji Independent Director	0.23	100.00%	0.90
13.	Mr. Dorab Mistry Independent Director	-	NA	NA
14	Mr. K. K. Kumbhat Chief Financial Officer	25.06	32.60%	100.22
15	Mr. Naveen Manghani # Company Secretary	2.40	Nil	9.59

Note - Remuneration to Independent Directors consists only of sitting fees paid for FY 2016-17.

@ Mr. Robert Taylor ceased to be Director w.e.f. 2nd February, 2017.

* Mr. Ashit Mallick passed away on 10th September, 2017.

Mr. Naveen Manghani ceased to be the Company Secretary w.e.f. 31st October, 2017 end of day.

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 0.25 million.
 (iii) In the financial year, there was an increase of 8.89% in the median remuneration of employees.
 (iv) The number of permanent employees on the rolls of Company as on 31st March, 2017 were 1,966.

(v) Average percentage decrease in the salaries of employees other than the managerial personnel in the financial year 2016-17 was 0.88% and increase in the managerial remuneration was by 16.70%.

(vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

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

(i) The name of top ten employees in terms of remuneration drawn:

Sr. No.	Name and Designation	Remuneration Received (₹ in Million)	Qualifications	Total Experience (No. of years)	Date of Commencement of Employment	Age in Year	Previous Employment
1	Mr. K. K. Kumbhat Chief Financial Officer	25.06	B.Com, ACA, ACS	36	12 th March, 2008	58	Ashapura Minechem Ltd.
2	Mr. Narendra Murkumbi Vice Chairman & Managing Director	19.48	BE (E&C), PGDM (IIM), Ahmedabad	20	20 th September, 1997	47	-
3	Mrs. Vidya Murkumbi Executive Chairperson	17.37	B.Sc., Doctorate by Karnataka State Bijapur Woman's University	34	1 st April, 2004	69	-
4	Mr. Ravi Gupta President (Corporate)	9.92	B.Com, PGD (Forestry Management)	26	1 st May, 2013	47	Noble Natural Resource India Pvt. Ltd.
5	Mr. Ashok Kumar Sharma Senior Vice President (Operations)	9.14	BE (MECH), BOE	41	5 th September, 2011	67	Uttam Sugars Ltd.
6	Mr. Shripad Nerlikar Executive Director (Cane)	9.07	B.Sc. (AGRI)	40	1 st October, 2003	61	Halasidhanath SSK Ltd.
7	Mr. Anil Joshi Senior Vice President (HR)	7.04	B. Com, Diploma (Personal Management & Business Management)	37	16 th February, 2015	57	KEC International Limited
8	Mr Sanjay Kumar Bansal Senior General Manager (Finance)	5.83	B. Sc & CA	15	7 th December, 2013	41	ABG Group
9	Mr. Sanjay Kumar Goyal Vice President (Accounts & MIS)	5.33	M.com, FCA & DISA(ICAI)	25	29 th April, 2011	48	Bajaj Hindustan Ltd.
10	Mr. Barun Kumar Sarangi Vice President	5.00	BE (MECH), PGD (Sugar Engineering)	27	28 th June, 2011	48	Saraya Industries Ltd.

(ii) Employed throughout the financial year, was in receipt of remuneration for that year which, in aggregate, was not less than ₹ 1,02,00,000/-

(₹ In Million)

Sr. No.	Name and Designation	Remuneration received (₹)	Qualifications	Total Experience (No. of Years)	Date of commencement of Employment	Age in Year	Previous Employment
1	Mrs. Vidya Murkumbi Executive Chairperson	17.37	B. Sc., Doctorate by Karnataka State Bijapur Woman's University	34	1 st April, 2004	69	-
2	Mr. Narendra Murkumbi Vice Chairman & Managing Director	19.48	BE (E&C), PGDM (IIM), Ahmedabad	20	20 th September, 1997	47	-
3	Mr. K. K. Kumbhat Chief Financial Officer	25.06	B.Com, ACA, ACS	36	12 th March, 2008	58	Ashapura Minechem Ltd.

(iii) Employed for the part of the year, was in receipt of remuneration in aggregate not less than ₹ 8,50,000/- per month

(₹ In Million)

Sr. No.	Name and Designation	Remuneration received (₹)	Qualifications	Total Experience (No. of Years)	Date of commencement of Employment	Age in Year	Previous Employment
1	Mr. Vijendra Singh* President (Sugar Mills)	4.92	B. Sc., PGD (SUGAR TECH)	33	15 th September, 2010	57	Bajaj Hindusthan Ltd.

* Employed for the period December 2016 to March 2017.

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

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

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

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

- 2. The composition of the CSR Committee**

Mr. S. K. Tuteja, Chairman
Mr. Narendra M. Murkumbi, Member
Mrs. Vidya M. Murkumbi, Member

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

Pursuant to Section 198 of the Companies Act, 2013, the Average Net Profit of the Company for last three financial years was in negative. Accordingly, the Company was not required to spend any CSR Expenditure during the financial year 2016-17.

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

Nil

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

- a) Total amount to be spent for the financial year: Nil
b) Amount un-spent, if any: Not Applicable
c) Manner in which the amount spent during financial year, is detailed below:

1 Sr. 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 projects or programs were undertaken	5 Amount outlay (budget) project or programs wise	6 Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	7 Cumulative Expenditure upto the reporting period	8 Amount spent: Direct or through implementing agency
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Not Applicable

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

Not Applicable

- 7. Responsibility statement of the CSR Committee**

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

S. K. Tuteja
Chairman - CSR Committee

Narendra M. Murkumbi
Member - CSR Committee

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company#
Sugar	10721	92.37

On the basis of Gross Turnover

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held*	Applicable Section
1.	Shree Renuka Agri Ventures Limited	BC 105, Havelock Road, Camp, Belagavi 590001, Karnataka.	U15330KA2008PLC047205	Subsidiary	100	2(87)(ii)
2.	Gokak Sugars Limited	238, 263, Kolavi, Gokak, Belagavi - 591344, Karnataka.	U15429KA2000PLC026433	Subsidiary	93.64	2(87)(ii)
3.	Monica Trading Private Limited (Formerly known as Monica Realators & Investments Private Limited)	23, 2 nd Floor, Madhuli Co-Op. Hsg. Soc. Ltd., B/h Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400018, Maharashtra.	U51502MH2006PTC163752	Subsidiary	100	2(87)(ii)
4.	Shree Renuka Tunaport Private Limited	BC 105, Havelock Road, Camp, Belagavi 590001, Karnataka.	U45205KA2013PTC067486	Subsidiary	100	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held*	Applicable Section
5.	KBK Chem- Engineering Private Limited	1 st & 2 nd Floor, Survey No.1/10 to 16, Amachi Colony, Plot No. 33 & 34, Bhavdhan Khurd, NDA- Pashan Road, Pune - 411021. Maharashtra.	U74210PN1997PTC111151	Subsidiary	100	2(87)(ii)
6.	Renuka Commodities DMCC	24k, AU Gold Tower, Jumeirah Lakes Tower, Sheikh Zayed Road, Dubai, U.A.E.	-	Subsidiary	100	2(87)(ii)
7.	Shree Renuka Global Ventures Ltd.	IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius.	-	Subsidiary	100	2(87)(ii)
8.	Shree Renuka East Africa Agriventures PLC	House No. New, Dire Dawa Building, Woreda: 3, Kirkos Sub-City, Addis Ababa, Ethiopia.	-	Subsidiary	100	2(87)(ii)
9.	Lanka Sugar Refinery Company (Private) Limited	RNH House No. 622B, Kotte Road, Kotte, Sri Lanka.	-	Subsidiary	100	2(87)(ii)
10.	Shree Renuka do Brasil Participações Ltda.	Nove de Julho Avenue, 5519, 5 th floor, Jardim Paulista, Zip Code: 01.406-200, in the city of São Paulo/ SP.	-	Subsidiary	100	2(87)(ii)
11.	Shree Renuka São Paulo Participações Ltda.	Nove de Julho Avenue, 5519, 5 th floor, Jardim Paulista, Zip Code: 01.406-200, in the city of São Paulo/ SP.	-	Subsidiary	100	2(87)(ii)
12.	Renuka do Brasil S/A	Marechal Rondon Road, Km 455 - Bairro Patos, Água Branca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP. CNPJ: 43.932.102/0005-81	-	Subsidiary	59.41	2(87)(ii)
13.	Revati S.A- Acucar e Alcool	at CRD-339 Local Road, Coroados-Brejo Alegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of Brejo Alegre/SP	-	Subsidiary	59.41	2(87)(ii)
14.	Renuka Geradora de Energia Elétrica Ltda.	Marechal Rondon Road, Km 455 - Bairro Patos, Água Branca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP	-	Subsidiary	59.41	2(87)(ii)
15.	Renuka Cogeração Ltda.	Marechal Rondon Road, Km 455 - Bairro Patos, Água Branca Farm, Zip Code: 16.370-000 CP 01, in the city of Promissão/SP	-	Subsidiary	59.41	2(87)(ii)
16.	Revati Geradora de Energia Elétrica Ltda.	CRD-339 Local Road, Coroados-Brejo Alegre, no number, Rural Areal, Zip Code: 16.265-000, in the city of Brejo Alegre/SP	-	Subsidiary	59.41	2(87)(ii)
17.	Revati Agropecuaria Ltda.	Fazenda Águas Claras, Estrada Municipal CRD-339, Coroados a Brejo Alegre, s/n, in the city of Brejo Alegre, State of São Paulo, Zip code 16265-000	-	Subsidiary	59.41	2(87)(ii)
18.	Apoena Logistica E Comercio De Productos Agricolas Ltda.	Nove de Julho Avenue, 5519, 5 th floor, Jardim Paulista, Zip Code: 01.406-200, in the city of São Paulo/ SP.	-	Subsidiary	100	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held*	Applicable Section
19.	Renuka Vale do IVAI S/A	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/ PR	-	Subsidiary	100	2(87)(ii)
20.	Ivaicana Agropecuaria Ltda.	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/ PR	-	Subsidiary	100	2(87)(ii)
21.	Biovale Comercio de Leveduras Ltda.	Marisa Road, Km 03, Rural Zone, Zip Code 86945-000, in city of São Pedro do Ivaí/ PR	-	Subsidiary	100	2(87)(ii)
22.	Renuka Trading Ltd.	Maples Corporate Services Limited, PO BOX 309 Ugland Housa, South Church Street, George Town, Grand Cayman KYI 1104	-	Subsidiary	59.41	2(87)(ii)
23.	Ivai Logistica Ltda.	Road BR 376 - Rodovia Melo Peixoto, KM 4,5, Zip Code 86900-000, in city of Jandaia do Sul/PR	-	Subsidiary	50	2(87)(ii)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter and Promoter Group									
(1) Indian									
(a) Individuals/ Hindu Undivided Family	21,917,565	-	21,917,565	2.36	21,917,565	-	21,917,565	2.32	(0.04)
(b) Central/State Government	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	234,336,295	-	234,336,295	25.23	234,337,170	-	234,337,170	24.79	(0.44)
(d) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e) Any other (Specify)	-	-	-	-	-	-	-	-	-
Sub - Total (A)(1)	256,253,860	-	256,253,860	27.59	256,254,735	-	256,254,735	27.11	(0.48)
(2) Foreign									
(a) Individuals (Non- Resident Individuals/ Foreign Individuals)	1,237,732	-	1,237,732	0.13	1,087,732	-	1,087,732	0.12	(0.02)
(b) Bodies Corporate	257,493,342	-	257,493,342	27.72	257,492,467	-	257,492,467	27.24	(0.48)
(c) Institutions	-	-	-	-	-	-	-	-	-
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e) Others	-	-	-	-	-	-	-	-	-
Sub - Total (A)(2)	258,731,074	-	258,731,074	27.86	258,580,199	-	258,580,199	27.36	(0.50)
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	514,984,934	-	514,984,934	55.45	514,834,934	-	514,834,934	54.47	(0.98)

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds / UTI	5,747	-	5,747	-	-	-	-	-	-
(b) Financial Institutions/Banks	21,127,617	-	21,127,617	2.27	38,068,121	-	38,068,121	4.03	1.75
(c) Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	-	-	-	-	-	-	-	-	-
(f) Foreign Institutional Investors	31,253,358	-	31,253,358	3.36	24,443,650	-	24,443,650	2.59	(0.78)
(g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i) Others	-	-	-	-	-	-	-	-	-
Sub - Total (B)(1)	52,386,722	-	52,386,722	5.64	62,511,771	-	62,511,771	6.61	0.97
(2) Non-Institutions									
(a) Bodies Corporate	45,722,138	-	45,722,138	4.92	51,509,713	-	51,509,713	5.45	0.53
(b) Individuals-									
i. Individual Shareholders holding nominal share capital upto ₹ 1 Lakh.	218,047,609	5,413,217	223,460,826	24.06	215,379,392	5,311,970	220,691,362	23.35	(0.71)
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh.	45,826,027	435,000	46,261,027	4.98	58,392,516	435,000	58,827,516	6.22	1.24
(c) Any other (Specify) Directors	1,125,450	-	1,125,450	0.12	112,5450	-	1,125,450	0.12	-
Non Resident Indians	13,428,385	2,000,000	15,428,385	1.66	6,000,794	2,000,000	8,000,794	0.85	(0.81)
NRI Non-Repatriable	-	-	-	-	2,086,174	-	2,086,174	0.22	0.22
Clearing Members	5,684,063	-	5,684,063	0.61	2,215,040	-	221,504,063	0.23	(0.38)
NBFC	702,693	-	702,693	0.08	388,822	-	388,822	0.04	(0.04)
Trusts	23,050,004	5,000	23,055,004	2.48	23,050,004	5,000	23,055,004	2.44	(0.04)
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(C) Sub - Total (B)(2)	353,586,369	7,853,217	361,439,586	38.91	360,147,905	7,751,970	367,899,875	38.92	0.01
Total Public Shareholding (B)=(B)(1)+(B)(2)	405,973,091	7,853,217	413,826,308	44.55	422,659,676	7,751,970	430,411,646	45.53	0.98
Total (A)+(B)	920,958,025	7,853,217	928,811,242	100.00	93,749,4610	7,751,790	945,246,580	100.00	-
Shares held by Custodians and against which Depository Receipts have been issued									

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoter and Promoters Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	920,958,025	7,853,217	928,811,242	100.00	937,494,610	7,751,970	945,246,580	100.00	-

II) SHAREHOLDING OF PROMOTERS

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of change during the Year [#]
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company [#]	% of Shares Pledged/encumbered to total shares	
1.	Wilmar Sugar Holdings Pte. Ltd.	257,492,467	27.72	-	257,492,467	27.24	-	
2.	Murkumbi Investments Pvt. Ltd.	121,414,000	13.07	13.07	121,414,000	12.84	12.84	
3.	Khandepar Investments Pvt. Ltd.	75,400,000	8.12	8.11	75,400,000	7.98	7.97	
4.	Agri Venture Trading and Investment Pvt. Ltd.	37,522,295	4.04	4.04	37,523,170	3.97	3.97	
5.	Narendra Madhusudan Murkumbi	10,812,905	1.16	1.16	10,812,905	1.14	1.14	
6.	Narendra Madhusudan Murkumbi*	2,000,000	0.22	-	2,000,000	0.21	-	
7.	Supriya Shailesh Rojekar	4,710,000	0.51	-	4,710,000	0.50	-	
8.	Inika Narendra Murkumbi	1,400,000	0.15	-	1,400,000	0.15	-	
9.	Malvika Narendra Murkumbi	1,400,000	0.15	-	1,400,000	0.15	-	
10.	Anuradha Ravindra Kulkarni	1,237,732	0.13	-	1,087,732	0.12	-	
11.	Vidya Murkumbi	1,228,800	0.13	-	1,228,800	0.13	0.13	
12.	Dilip Vasant Rao Deshpande	315,860	0.03	-	315,860	0.03	-	
13.	Apoorva Narendra Murkumbi	50,000	0.01	-	50,000	0.01	-	
14.	SRS Investments Pte. Ltd.	875	0.00	-	0	0.00	-	
	Total	514,984,934	55.45	26.38	514,834,934	54.47	26.05	

* Holding shares as Karta of Narendra Madhusudan Murkumbi (HUF)

Change in percentage of shareholding is due to Allotment of equity Shares upon conversion of part of the loan into equity shares of the Company as per Section 62 of the Companies Act, 2013

III) CHANGE IN PROMOTERS' SHAREHOLDING

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year		Date wise Increase/Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of total Shares of the company
1	Murkumbi Investments Pvt. Ltd.	121,414,000	13.07	01/04/2016	-	-	121,414,000	13.07
				31/03/2017	-	-	121,414,000	12.84*
2	Khandepar Investments Pvt. Ltd.	75,400,000	8.12	01/04/2016	-	-	75,400,000	8.12
				31/03/2017	-	-	75,400,000	7.98*
3	Agri Venture Trading and Investment Pvt Ltd	37,522,295	4.04	01/04/2016	-	-	37,522,295	4.04
				03/03/2017	Transfer	875	37,523,170	3.96
				31/03/2017	-	-	37,523,170	3.96
4	Narendra Madhusudan Murkumbi	10,812,905	1.16	01/04/2016	-	-	10,812,905	1.16
				31/03/2017	-	-	10,812,905	1.14*
5	Narendra Madhusudan Murkumbi#	2,000,000	0.22	01/04/2016	-	-	2,000,000	0.22
				31/03/2017	-	-	2,000,000	0.22
6	Supriya Shailesh Rojekar	4,710,000	0.51	01/04/2016	-	-	4,710,000	0.51
				31/03/2017	-	-	4,710,000	0.50*
7	Inika Narendra Murkumbi	1,400,000	0.15	01/04/2016	-	-	1,400,000	0.15
				31/03/2017	-	-	1,400,000	0.15
8	Malvika Narendra Murkumbi	1,400,000	0.15	01/04/2016	-	-	1,400,000	0.15
				31/03/2017	-	-	1,400,000	0.15
9	Anuradha Ravindra Kulkarni	1,237,732	0.13	01/04/2016	-	-	1,237,732	0.13
				21/10/2016	Sale	150,000	1,087,732	0.12
				31/03/2017	-	-	1,087,732	0.12
10	Vidya Murkumbi	1,228,800	0.13	01/04/2016	-	-	1,228,800	0.13
				31/03/2017	-	-	1,228,800	0.13
11	Dilip Vasant Rao Deshpande	315,860	0.03	01/04/2016	-	-	315,860	0.03
				31/03/2017	-	-	315,860	0.03
12	Apoorva Narendra Murkumbi	50,000	0.01	01/04/2016	-	-	50,000	0.01
				31/03/2017	-	-	50,000	0.01
13	Wilmar Sugar Holdings Pte. Ltd.	257,492,467	27.72	01/04/2016	-	-	257,492,467	27.72
				31/03/2017	-	-	257,492,467	27.24*
14	SRS Investments Pte. Ltd.	875	0.00	01/04/2016	-	-	875	0.00
				03/03/2017	Transfer	875	0	0.00
				31/03/2017	-	-	0	0.00

Holding shares as Karta of Narendra Madhusudan Murkumbi (HUF)

* Change in percentage of shareholding is due to Allotment of equity Shares upon conversion of part of the loan into equity shares of the Company as per Section 62 of the Companies Act, 2013

IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
1	Shree Renuka Sugars Development Foundation	20,577,884	2.21	01/04/2016	-	-	20,577,884	2.21
				31/03/2017	-	-	20,577,884	2.18
2	Life Insurance Corporation of India	18,720,122	2.02	01/04/2016	-	-	18,720,122	2.02
				31/03/2017	-	-	18,720,122	1.98
3.	Standard Chartered Bank	0	0.00	01/04/2016	-	-	0	0.00
				08/03/2017	Allotment of equity shares	16,435,338	16,435,338	1.74
				31/03/2017	-	-	16,435,338	1.74
4.	Government Pension Fund Global	11,474,782	1.24	01/04/2016	-	-	11,474,782	1.24
				06/05/2016	Sale	(1,989,629)	9,485,153	1.00
				13/05/2016	Sale	(2,930,000)	6,555,153	0.69
				31/03/2017	-	-	6,555,153	0.69
5	MV SCIF Mauritius	3,506,017	0.38	01/04/2016	-	-	3,506,017	0.38
				22/04/2016	Purchase	353,544	3,859,561	0.42
				29/04/2016	Purchase	132,555	3,992,116	0.43
				24/06/2016	Purchase	139,216	4,131,332	0.44
				19/08/2016	Sale	(45,627)	4,085,705	0.44
				23/09/2016	Purchase	22,613	4,108,318	0.44
				23/12/2016	Sale	(204,479)	3,903,839	0.42
				06/01/2017	Sale	(343,683)	3,860,156	0.42
				03/02/2017	Sale	(14,028)	3,846,128	0.41
				03/03/2017	Sale	(56,410)	3,789,718	0.41
				24/03/2017	Purchase	7,0425	3,860,143	0.41
				31/03/2017	-	-	3,860,143	0.41
6	Shivasaran Enterprises & Advisory LLP	0	0.00	01/04/2016	-	-	0	0.00
				23/12/2016	Purchase	250,000	250,000	0.03
				30/12/2016	Purchase	930,000	1,180,000	0.13
				06/01/2017	Purchase	1,120,000	2,300,000	0.25
				13/01/2017	Purchase	200,000	2,500,000	0.27
				31/03/2017	Purchase	1,150,000	3,650,000	0.39
				31/03/2017	-	-	3,650,000	0.39
7	Vanguard Total International Stock Index Fund	4,414,308	0.48	01/04/2016	-	-	4,414,308	0.48
				17/02/2017	Purchase	615,251	5,029,559	0.54
				24/02/2017	Purchase	78,171	5,107,730	0.55
				31/03/2017	-	-	5,107,730	0.54
8	Vanguard Emerging Markets Stock Index Fund, Aserie	2,184,504	0.24	01/04/2016	-	-	2,184,504	0.24
				05/08/2016	Purchase	482,739	2,667,243	0.29
				02/09/2016	Purchase	1,390,966	4,058,209	0.44
				09/09/2016	Purchase	234,723	4,292,932	0.46
				31/03/2017	-	-	4,292,932	0.46

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
9	Shailesh Nandkishor Rojekar	4,320,000	0.47	01/04/2016	-	-	4,320,000	0.47
				31/03/2017	-	-	4,320,000	0.46
10	California Public Employees Retirement System, SEL	3,610,986	0.39	01/04/2016	-	-	3,610,986	0.39
				24/06/2016	Sale	(340,702)	3,270,284	0.35
				15/07/2016	Purchase	39,479	3,309,763	0.36
				12/08/2016	Purchase	3,309,763	6,619,526	0.71
				12/08/2016	Sale	(3,309,763)	3,309,763	0.36
				23/09/2016	Purchase	337,472	3,647,235	0.39
				30/09/2016	Sale	(909,302)	2,737,933	0.29
				07/10/2016	Sale	(533,688)	2,204,245	0.24
				23/12/2016	Sale	(192,417)	2,011,828	0.22
				24/03/2017	Purchase	113,959	2,125,787	0.22
				31/03/2017	-	-	2,125,787	0.22
				11	IL And FS Securities Services Limited	3,269,847	0.35	01/04/2016
01/04/2016	Purchase	10,780	3,280,627					0.35
08/04/2016	Purchase	3,600	3,284,227					0.35
08/04/2016	Sale	(129,809)	3,154,418					0.34
15/04/2016	Purchase	1,673,080	4,827,498					0.52
15/04/2016	Sale	(1,661,005)	3,166,493					0.34
22/04/2016	Purchase	22,748	3,189,241					0.34
29/04/2016	Purchase	13,818	3,203,059					0.34
06/05/2016	Purchase	84,095	3,287,154					0.35
13/05/2016	Purchase	992,457	4,279,611					0.46
20/05/2016	Purchase	1,209,422	5,489,033					0.59
20/05/2016	Sale	(15,734)	5,473,299					0.59
27/05/2016	Sale	(2,055,106)	3,418,193					0.37
03/06/2016	Purchase	1,564,905	4,983,098					0.54
10/06/2016	Purchase	1,908,433	6,891,531					0.74
17/06/2016	Sale	(425,799)	6,465,732					0.70
24/06/2016	Purchase	124,251	6,589,983					0.71
30/06/2016	Purchase	297,648	6,887,631					0.74
01/07/2016	Sale	(1,623,033)	5,264,598					0.57
08/07/2016	Purchase	30,876	5,295,474					0.60
15/07/2016	Purchase	257,190	5,552,664					0.73
22/07/2016	Purchase	1,209,357	6,762,021					0.53
29/07/2016	Sale	(1,824,944)	4,937,077					0.53
05/08/2016	Purchase	837,804	5,774,881					0.62
12/08/2016	Purchase	981,054	6,755,935					0.73
12/08/2016	Sale	(311,737)	6,444,198					0.69
19/08/2016	Purchase	513,733	6,957,935	0.75				
26/08/2016	Sale	(1,756,217)	5,201,714	0.56				

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
				02/09/2016	Purchase	1,016,656	6,218,370	0.67
				09/09/2016	Purchase	447,173	6,665,543	0.72
				16/09/2016	Purchase	349,732	7,015,275	0.76
				23/09/2016	Purchase	515,598	7,530,873	0.81
				30/09/2016	Sale	(1,473,550)	60,57,323	0.65
				07/10/2016	Purchase	841,145	6,898,468	0.74
				14/10/2016	Sale	(21,754)	6,876,714	0.74
				21/10/2016	Purchase	1,477,565	8,354,279	0.90
				28/10/2016	Sale	(988,457)	7,365,822	0.79
				04/11/2016	Purchase	160,174	7,525,996	0.81
				11/11/2016	Sale	(837,211)	6,688,785	0.72
				18/11/2016	Purchase	2,917,500	9,606,285	1.03
				18/11/2016	Sale	(1,869,297)	7,736,988	0.83
				25/11/2016	Purchase	2,952,039	10,689,027	1.15
				25/11/2016	Sale	(2,962,495)	7,726,532	0.83
				02/12/2016	Purchase	2,000	7,728,532	0.83
				02/12/2016	Sale	(648,854)	7,079,678	0.76
				09/12/2016	Sale	(360,896)	6,718,782	0.72
				16/12/2016	Purchase	276,223	6,995,005	0.75
				16/12/2016	Sale	(261,523)	6,733,482	0.30
				23/12/2016	Purchase	893,548	7,627,030	0.82
				30/12/2016	Purchase	10,000	7,637,030	0.82
				06/01/2017	Sale	(712,595)	6,924,435	0.72
				13/01/2017	Purchase	46,619	6,971,054	0.73
				20/01/2017	Purchase	223,742	7,194,796	0.75
				27/01/2017	Purchase	116,889	7,311,685	0.77
				03/02/2017	Purchase	98,699	7,410,384	0.78
				10/02/2017	Sale	(139,028)	7,271,356	0.76
				17/02/2017	Purchase	61,419	7,332,775	0.77
				24/02/2017	Purchase	328,940	7,661,715	0.80
				03/03/2017	Sale	(392,098)	7,269,617	0.76
				10/03/2017	Sale	(263,605)	6,999,999	0.72
				17/03/2017	Sale	(42,400)	6,957,599	0.72
				24/03/2017	Sale	(971,165)	5,986,434	0.61
				31/03/2017	Sale	(865,092)	4,923,625	0.52
				31/03/2017	-	-	4,923,625	0.52
12	Nandkishore Shridhar Rojekar	2,537,800	0.27	01/04/2016	-	-	2,537,800	0.27
				31/03/2017	-	-	2,537,800	0.27
13	BP Equities Private Limited	2,486,345	0.27	01/04/2016	-	-	2,486,345	0.27
				01/04/2016	Purchase	350	2,486,695	0.27
				01/04/2016	Sale	(350)	2,486,345	0.27

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
				08/04/2016	Purchase	1,840,211	4,326,556	0.47
				15/04/2016	Purchase	1,904,821	4,320,866	0.47
				15/04/2016	Sale	(1,851,662)	2,469,204	0.27
				22/04/2016	Purchase	8,744	2,477,948	0.27
				22/04/2016	Sale	(3,899)	2,474,049	0.27
				29/04/2016	Purchase	34,653	2,508,702	0.27
				29/04/2016	Sale	(42,154)	2,466,548	0.27
				06/05/2016	Sale	(57,020)	2,409,528	0.26
				13/05/2016	Purchase	10,810	2,420,338	0.26
				20/05/2016	Purchase	328,263	2,748,601	0.30
				20/05/2016	Sale	(1,897)	2,746,704	0.30
				27/05/2016	Purchase	451,585	3,198,289	0.34
				27/05/2016	Sale	(209,415)	2,988,874	0.32
				03/06/2016	Purchase	320,050	3,308,924	0.36
				03/06/2016	Sale	(314,027)	2,994,897	0.32
				10/06/2016	Purchase	179,750	3,174,647	0.34
				10/06/2016	Sale	(306,602)	286,8045	0.31
				17/06/2016	Purchase	32,114	2,900,159	0.31
				17/06/2016	Sale	(54,900)	2,845,259	0.31
				24/06/2016	Purchase	72,391	2,917,650	0.31
				24/06/2016	Sale	(7,643)	2,910,007	0.31
				30/06/2016	Purchase	627,742	3,537,749	0.38
				30/06/2016	Sale	(47,307)	3,490,442	0.38
				01/07/2016	Purchase	7,500	3,497,942	0.38
				01/07/2016	Sale	(22,505)	3,475,437	0.37
				08/07/2016	Purchase	2,100	3,477,537	0.37
				08/07/2016	Sale	(19,808)	3,457,729	0.37
				15/07/2016	Sale	(28,690)	3,429,039	0.37
				22/07/2016	Purchase	33,598	3,462,637	0.37
				22/07/2016	Sale	(498)	3,462,139	0.37
				29/07/2016	Purchase	68,527	3,530,666	0.38
				29/07/2016	Sale	(16,510)	3,514,156	0.38
				05/08/2016	Purchase	14,950	3,529,106	0.38
				05/08/2016	Sale	(70,100)	3,459,006	0.37
				12/08/2016	Sale	(209,198)	3,249,808	0.35
				19/08/2016	Purchase	1,718	3,251,526	0.35
				19/08/2016	Sale	(30,870)	3,220,656	0.35
				26/08/2016	Purchase	6,340	3,226,996	0.35
				02/09/2016	Purchase	30,176	3,257,172	0.35
				09/09/2016	Purchase	16,850	3,274,022	0.35
				09/09/2016	Sale	(8,526)	3,265,496	0.35

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
				16/09/2016	Purchase	42,222	3,307,718	0.36
				16/09/2016	Sale	(939,174)	2,368,544	0.26
				23/09/2016	Purchase	67,380	2,435,924	0.26
				23/09/2016	Sale	(400,850)	2,035,074	0.22
				30/09/2016	Purchase	83,330	2,118,404	0.23
				30/09/2016	Sale	(60,380)	2,058,024	0.22
				07/10/2016	Purchase	101,999	2,160,023	0.23
				07/10/2016	Sale	(52,203)	2,107,820	0.23
				14/10/2016	Purchase	18,300	2,126,120	0.23
				14/10/2016	Sale	(500)	2,125,620	0.23
				21/10/2016	Purchase	99,300	2,224,920	0.24
				21/10/2016	Sale	(57,300)	2,167,620	0.23
				28/10/2016	Sale	(6,500)	2,161,120	0.23
				04/11/2016	Purchase	58,300	2,219,420	0.24
				04/11/2016	Sale	(918,800)	1,300,620	0.14
				11/11/2016	Purchase	134,411	1,435,031	0.15
				11/11/2016	Sale	(60,000)	1,375,031	0.15
				18/11/2016	Purchase	80,000	1,455,031	0.16
				18/11/2016	Sale	(947,757)	507,274	0.05
				25/11/2016	Purchase	505,315	1,012,589	0.11
				25/11/2016	Sale	(502,685)	509,904	0.05
				02/12/2016	Purchase	1,500	511,404	0.06
				02/12/2016	Sale	(2,000)	509,404	0.05
				09/12/2016	Purchase	1,000	510,404	0.05
				16/12/2016	Purchase	6,000	516,404	0.06
				16/12/2016	Sale	(5,000)	511,404	0.06
				23/12/2016	Sale	(10,085)	501,319	0.05
				30/12/2016	Purchase	100	501,419	0.05
				30/12/2016	Sale	(100)	501,319	0.05
				06/01/2017	Purchase	11	501,330	0.05
				06/01/2017	Sale	(2,000)	499,330	0.05
				13/01/2017	Purchase	140,545	639,875	0.07
				13/01/2017	Sale	(19,895)	619,980	0.07
				20/01/2017	Purchase	665,500	1,285,480	0.14
				20/01/2017	Sale	(3,991)	1,281,489	0.14
				27/01/2017	Purchase	20,000	1,301,489	0.14
				27/01/2017	Sale	(104,001)	1,197,488	0.13
				03/02/2017	Purchase	573,992	1,771,480	0.19
				03/02/2017	Sale	(624,671)	1,146,809	0.12
				10/02/2017	Purchase	303,081	1,449,890	0.16
				17/02/2017	Purchase	77,758	1,527,648	0.16

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of Shares	No. of shares	% of total shares of the company
				17/02/2017	Sale	(232,357)	1,295,291	0.14
				24/02/2017	Purchase	29,729	1,325,020	0.14
				24/02/2017	Sale	(16,111)	1,308,909	0.14
				03/03/2017	Purchase	39,509	1,348,418	0.15
				03/03/2017	Sale	(70,900)	1,277,518	0.14
				10/03/2017	Purchase	117,110	1,394,628	0.15
				10/03/2017	Sale	(45,796)	1,348,832	0.14
				17/03/2017	Purchase	31,950	1,380,782	0.15
				17/03/2017	Sale	(7,403)	1,373,379	0.15
				24/03/2017	Sale	(252,350)	1,121,029	0.12
				31/03/2017	Sale	(673,600)	447,429	0.05
				31/03/2017	-	-	447,429	0.05

V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
A.	Directors				
1.	Mrs. Vidya Murkumbi	1,228,800	0.13	1,228,800	0.13
2.	Mr. Narendra Murkumbi	10,812,905	1.16	10,812,905	1.14
3.	Mr. Vijendra Singh	-	-	-	-
4.	Mr. Sanjay Asher	1,010,000	0.11	1,010,000	0.11
5.	Mr. Surender Kumar Tuteja	60,000	0.01	60,000	0.01
6.	Mr. Robert Taylor [#]	55,450	0.01	55,450	0.01
7.	Mr. Hrishikesh Parandekar	-	-	-	-
8.	Mr. Atul Chaturvedi	-	-	-	-
9.	Mr. Ashit Mallick [@]	1,500	0.00	0.00	0.00
10.	Mr. Jean-Luc Bohbot	-	-	-	-
11.	Mr. Dorab Mistry	-	-	-	-
12.	Mr. Bhupatrai Premji	-	-	-	-
13.	Mr. Stephen Ho Kiam Kong	-	-	-	-
B.	Key Managerial Personnel				
1.	Mr. Naveen Manghani [*]	-	-	-	-
2.	Mr. K. K. Kumbhat	160,000	0.02	160,000	0.02

[#] Ceased to be Director w.e.f. 2nd February, 2017

[@] Passed away on 10th September, 2017

^{*} Ceased to be Company Secretary w.e.f. 31st October, 2017

V. INDEBTENDNESS

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

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	34,577.52	-	-	34,577.52
ii) Interest due but not paid	118.15	-	-	118.15
iii) Interest accrued but not due	279.64	-	-	279.64
Total (i+ii+iii)	34,975.31	-	-	34,975.31
Change in Indebtedness during the financial year				
- Addition	10,326.42	-	-	10,326.42
- Reduction	(8,559.51)	-	-	(8,559.51)
Net Change	1,766.91	-	-	1,766.91
Indebtedness at the end of the financial year				
i) Principal Amount	36,191.10	-	-	36,191.10
ii) Interest due but not paid	112.28	-	-	112.28
iii) Interest accrued but not due	438.84	-	-	438.84
Total (i+ii+iii)	36,742.22	-	-	36,742.22

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mrs. Vidya Murkumbi#	Mr. Narendra Murkumbi*	Mr. Vijendra Singh#	
		Executive Chairperson	Vice Chairman & Managing Director	Executive Director	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.22	19.44	4.92	39.58
	(b) Value of perquisites u/s 17(2) of the Income- tax Act, 1961	2.15	0.04	-	2.19
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of Profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	17.37	19.48	4.92	41.77
	Ceiling as per the Act	12.63	12.53	12.63	37.79

* As per Central Government Order.

The Ceiling given is as per Schedule V to the Companies Act, 2013 as there was loss during the year ended 31st March, 2017, calculated in terms of Section 198 of the Companies Act, 2013 and the Company has obtained the shareholders' approval by way of special resolution, and permission of the Central government is pending.

B. REMUNERATION TO OTHER DIRECTORS

(₹ In Million)

Sr. No.	Particulars of Remuneration	Name of the Independent Directors						Total Amount	
		Mr. Sanjay K. Asher	Mr. Robert Taylor	Mr. Hrishikesh Parandekar	Mr. S. K. Tuteja	Mr. Ashit Mallick	Mr. Bhupatrai Premji		Mr. Dorab Mistry
I.	Independent Directors								
	(a) Fee for attending board/ committee meetings	0.53	0.20	0.63	0.65	0.25	0.23	-	2.49
	(b) Commission	-	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-	-
	Total	0.53	0.20	0.63	0.65	0.25	0.23	-	2.49

Sr. No.	Particulars of Remuneration	Name of the Non-Executive Directors			Total Amount
		Mr. Jean-Luc Bohbot	Mr. Atul Chaturvedi	Mr. Stephen Ho Kiam Kong	
I.	Other Non-Executive Directors				
	(a) Fee for attending board/ committee meetings	-	-	-	
	(b) Commission	-	-	-	
	(c) Others, please specify	-	-	-	
	Total (2)	-	-	-	
	TOTAL (B) = (1 + 2)				2.49
	Total Managerial Remuneration				41.77
	Overall Ceiling as per the Act	Overall ceiling as per the Companies Act, 2013 is not applicable to sitting fees			

Note: Except for the above directors, as mentioned herein above no other directors have received any remuneration during the financial year 2016-17.

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

(₹ In Million)

Sr. No.	Particulars of Remuneration	Company Secretary	Chief Financial Officer	Total Amount
		Mr. Naveen Manghani	Mr. K K Kumbhat	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.40	25.02	27.42
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	0.04	0.04
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of Profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	2.40	25.06	27.46

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			NIL		
Compounding					
B. Directors					
Penalty					
Punishment			NIL		
Compounding					
C. Other Officers in Default					
Penalty					
Punishment			NIL		
Compounding					

CORPORATE GOVERNANCE REPORT

1. COMPANY PHILOSOPHY

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Shree Renuka Sugars Limited is committed to good governance practices that create long term sustainable shareholder value. The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its shareholders, employees, the Government and the lenders. The Company believes in adopting the 'best practices' that are followed in the area of corporate governance across various geographies. The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to corporate governance.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other public companies and no. of shares held as on 31st March, 2017, are given herein below:

Name	Nature of Directorship	Board Meetings attended		Whether attended last AGM	Number of other Directorships ¹ in other Companies	Number of Committee ² positions held in other Public Companies		No. of Shares held
		Held	Attended			Member	Chairman	
Mrs. Vidya Murkumbi (Executive Chairperson) DIN: 00007588	Executive Director	10	9	Yes	3	1	-	1,228,800
Mr. Narendra Murkumbi (Vice Chairman & Managing Director) DIN: 00009164	Executive Director	10	10	Yes	1	-	-	10,812,905
Mr. Vijendra Singh DIN: 03537522	Executive Director	10	5	No	1	-	-	-
Mr. Sanjay K. Asher DIN: 00008221	Independent Director	10	6	Yes	9	8	2	1,010,000
Mr. S. K. Tuteja DIN: 00594076	Independent Director	10	10	No	16	7	4	60,000
Mr. Hrishikesh Parandekar DIN: 01224244	Independent Director	10	9	No	-	-	-	-
Mr. Robert Taylor [#] DIN: 00010681	Independent Director	9	1	No	1	-	-	55,450
Mr. Jean-Luc Bohbot DIN : 06857132	Director (Non-Executive)	10	3	No	-	-	-	-
Mr. Atul Chaturvedi DIN : 00175355	Director (Non-Executive)	10	3	No	4	-	-	-
Mr. Ashit Mallick ⁵ DIN : 02139851	Independent Director	10	5	No	-	-	-	-
Mr. Stephen Ho Kiam Kong [®] DIN : 07584449	Director (Non-Executive)	5	4	No	-	-	-	-

2. BOARD OF DIRECTORS

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Company's Board has a strength of 12 (Twelve) Directors, comprising of 3 (Three) Executive Directors, 3 (Three) Non-Executive Directors and 6 (Six) Independent Directors. The Chairperson of the Board is an Executive Director.

- Ten Board Meetings were held during the year on the following dates and the gap between any two meetings did not exceed four months. The Board Meetings were held on the following dates - 29th April, 2016; 13th May, 2016; 30th May, 2016; 11th July, 2016; 22nd August, 2016; 26th September, 2016; 24th October, 2016; 15th November, 2016; 1st February, 2017 and 31st March, 2017.

Name	Nature of Directorship	Board Meetings attended		Whether attended last AGM	Number of other Directorships ¹ in other Companies	Number of Committee ² positions held in other Public Companies		No. of Shares held
		Held	Attended			Member	Chairman	
Mr. Bhupatrai M. Premji* DIN : 07223590	Independent Director	5	4	No	-	-	-	-
Mr. Dorab E. Mistry* DIN : 07245114	Independent Director	5	4	No	-	-	-	-

@ Mr. Stephen Ho Kiam Kong was appointed as Non-Executive Director effective 22nd August, 2016;

*Mr. Bhupatrai Premji and Mr. Dorab Mistry were appointed as an Independent Directors effective 22nd August, 2016;

Mr. Robert Taylor resigned effective 2nd February, 2017.

\$ Mr. Ashit Mallick passed away on 10th September, 2017;

** Mr. B. V. Mehta has been appointed as an Independent Directors effective 13th November, 2017

- Other directorships includes directorships in all public companies except foreign companies and companies under Section 8 of the Companies Act, 2013.
- In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered. None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five Committees across all listed entities in which they are Director.

Notes:

Mr. Narendra Murkumbi, Vice Chairman & Managing Director is son of Mrs. Vidya Murkumbi, Executive Chairperson of the Company. Except for the above, none of the Directors of the Company are related to any other Director.

None of the directors hold any convertible instruments.

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

ii) Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a separate meeting of the Independent Directors of the Company was held on 1st February, 2017.

3. COMMITTEES OF THE BOARD

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

A. Audit Committee

- The Audit Committee of the Company is constituted in line with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.
- The terms of reference & Powers of the Audit Committee are broadly as under:
 - To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
 - Recommending to the Board, the appointment/re-appointment, remuneration and terms of appointment of Auditors of the company;
 - Reviewing with the management the quarterly, half-yearly and annual financial statements before submission to the Board for approval, with particular reference to -
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause c of sub-section 3 of Section 134 of the Companies Act, 2013.

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

- iv. The previous AGM of the Company was held on 27th September, 2016 and was attended by Mr. Sanjay Asher, Chairman of the Audit Committee.
- v. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Sanjay K. Asher (Chairman)	Independent Director	4	4
Mr. Robert Taylor #	Independent Director	4	1
Mr. Hrishikesh Parandekar	Independent Director	4	4
Mr. Dorab Mistry*	Independent Director	1	1
Mr. Stephen Ho Kiam Kong*	Non-Executive Director	1	1

Mr. Taylor ceased to be member of the Committee effective from 2nd February, 2017

* Mr. Stephen Ho Kiam Kong & Mr. Dorab Mistry were appointed as member of the Committee effective 15th November, 2016.

Four Meetings of the Audit Committee were held during the year. The dates on which the said Meetings were held are as follows: 30th May, 2016; 22nd August, 2016; 15th November, 2016 and 1st February, 2017.

B. Nomination and Remuneration/Compensation Committee

- i. The Board has constituted a Nomination and Remuneration/Compensation Committee under Section 178 of the Companies Act, 2013, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, comprising of three Independent Directors.
- ii. The broad terms of reference of the said Committee are as under:
 - To identify persons who are qualified to become directors and who may be appointed in senior management of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal;

- To carry out the performance evaluation of individual Directors, the committees and of the Board;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- While formulating such policy, Nomination and Remuneration/Compensation shall ensure that -
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance, objectives appropriate to the working of the company and its goals;
- To take into account financial position of the company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders;
- To undertake specific duties as may be prescribed by the Companies Act, 2013, Listing Agreement and or as may be prescribed by the Board of Directors of the Company, from time to time;
- To obtain outside legal or other professional advice to assist in connection with its functions, if necessary;

- The Committee also monitors and administers the implementation of Employees' Stock Option Schemes.
- Terms of reference for Employee Stock Option Plan (ESOPs):
 - a) To formulate Employee Stock Option Plan and from time to time to grant options to eligible employees;
 - b) To decide the quantum of options to be granted to any employee and in aggregate under any of the Employee Stock Option Plans that may be formulated by the Committee;
 - c) To decide the conditions under which the options granted to employees may lapse;
 - d) To determine Exercise Price of the options to be granted under Employee Stock Option Plan;
 - e) To determine and specify the vesting period and the Exercise Period in any of the Employee Stock Option Plans;
 - f) To dispose of, at its sole discretion and in the interest of the Company, the options not applied for, by the employees offered under various ESOPs;
 - g) To decide the procedure for making fair and reasonable adjustment to the number of options and to the exercise price in case of right issue/ bonus issue, other corporate actions or otherwise;

h) To determine the terms and conditions of ESOP and to do any other related or incidental matter thereto;

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

Name	Category	No. of meetings attended	
		Held	Attended
Mr. S. K. Tuteja (Chairman)	Independent Director	3	3
Mr. Sanjay Asher	Independent Director	3	2
Mr. Hrishikesh Parandekar	Independent Director	3	3
Mr. Bhupatrai Premji *	Independent Director	1	1

* Mr. Bhupatrai Premji appointed as member of the Committee effective 11th November, 2016

Three meetings of the Nomination and Remuneration/ Compensation Committee were held during the year on 30th May, 2016, 22nd August, 2016 and 1st February, 2017.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

iv. Details of remuneration paid/payable to Directors of the Company for the year ended 31st March, 2017:

(₹ in Million)

Name	Salary/ Perquisites	Retirement Benefits	Bonus/Ex- Gratia	Comm- ission	Preformance Incentive	Sitting Fee	Total	Service Contract/Stock options granted/Notice period/Severance Fees
Mrs. Vidya Murkumbi (Executive Chairperson)	16.18	1.19	-	-	-	-	17.37	Term of office valid up to 31.03.2020, subject to approval of members at the ensuing AGM. No Stock Options were granted to Mrs. Murkumbi and no notice period and severance fees are applicable to her.
Mr. Narendra Murkumbi (Vice Chairman & Managing Director)	17.40	2.08	-	-	-	-	19.48	Term of office valid up to 19.09.2020, subject to approval of members at the ensuing AGM. No Stock Options were granted to Mr. Narendra Murkumbi and no notice period and severance fees are applicable to him.
Mr. Vijendra Singh (Executive Director)	4.71	0.21	-	-	-	-	4.92	Term of office valid up to 09.05.2020, subject to approval of members at the ensuing AGM. 3 months Notice period and severance fees equal to 3 months remuneration in case the Company waives the notice period of Mr. Singh
Mr. Sanjay K. Asher (Independent Director)	-	-	-	-	-	0.53	0.53	-
Mr. S. K. Tuteja (Independent Director)	-	-	-	-	-	0.65	0.65	-
Mr. Hrishikesh Parandekar (Independent Director)	-	-	-	-	-	0.63	0.63	-
Mr. Robert Taylor (Independent Director)	-	-	-	-	-	0.20	0.20	-
Mr. Ashit Mallick (Independent Director)	-	-	-	-	-	0.25	0.25	-
Mr. Atul Chaturvedi (Non-Executive Director)	-	-	-	-	-	-	-	-
Mr. Jean-Luc Bohbot (Non-Executive Director)	-	-	-	-	-	-	-	-
Mr. Stephen Ho Kiam Kong (Non-Executive Director)	-	-	-	-	-	-	-	-
Mr. Bhupatrai Premji (Independent Director)	-	-	-	-	-	0.23	0.23	-
Mr. Dorab Mistry (Independent Director)	-	-	-	-	-	-	-	-

The Non-Executive Directors of the Company do not have any pecuniary relationship or transactions with the Company. Independent Directors of the Company are paid sitting fees of ₹ 50,000/- for attending each meeting of the Board of Directors of the Company and sitting fees of ₹ 25,000/- for attending each meeting of the Committees of the Board.

v. Nomination and Remuneration Policy

Remuneration Policy of the Company is appended as Annexure 1 to the Board’s Report. The Remuneration to the Directors of the Company is paid in line with the remuneration policy and applicable laws.

C. Stakeholders’ Relationship Committee

i. The Company has constituted a Stakeholders’ Relationship Committee of the Directors under Section 178 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/ notices/annual reports, etc.

ii. Terms of reference of the Committee:

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

To look into matters that can facilitate better investor services and relations.

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

Name	Category	No. of meetings attended	
		Held	Attended
Mr. Sanjay K. Asher (Chairman)	Independent Director	4	3
Mr. S. K. Tuteja	Independent Director	4	4
Mrs. Vidya M. Murkumbi	Executive Director	4	4
Mr. Narendra M. Murkumbi	Executive Director	4	4

iv. The Committee met 4 times during the year on 30th May, 2016, 22nd August, 2016, 15th November, 2016 and 1st February, 2017.

v. Mr. Rupesh Sariya has been appointed as the Company Secretary & Compliance Officer w.e.f. 13th November, 2017. Mr. Naveen Manghani, Company Secretary was the Compliance Officer of the Company upto 31st October, 2017.

vi. Details of investor complaints received and redressed during the year 2016-17 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	7	7	0

D. Corporate Social Responsibility Committee

i. In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board at its meeting held on 23rd May, 2014 constituted a Corporate Social Responsibility Committee.

ii. The Committee consists of Mr. Surender Kumar Tuteja (Chairman), Mr. Narendra Murkumbi and Mrs. Vidya Murkumbi as members. The terms of reference of the Committee are as follows:

To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;

To recommend the amount of expenditure to be incurred on the activities relating to corporate social responsibility;

To monitor the CSR Policy of the Company from time to time;

To institute a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs undertaken by the Company; and

To ensure that the activities which are undertaken are included in the CSR Policy of the Company.

E. Other committees

In addition to the above referred committees, the Board has also constituted committees of Directors to look into various business matters. These Committees includes

- Allotment Committee
- Steering Committee

4. GENERAL BODY MEETINGS

A. General Meetings

Annual General Meetings

Financial Year	Location	Date & Time	Special Resolutions Passed
2013-14	Maratha Mandir Hall (Near Railway Over Bridge), Khanapur Road, Belagavi 590006	26 th September, 2014, 11.30 a.m.	Five Special Resolutions were passed at the 18 th AGM for the approval of the following items : <ol style="list-style-type: none">Re-appointment of Mrs. Vidya Murkumbi as Whole-time Director of the CompanyRe-appointment of Mr. Vijendra Singh as a Whole-time Director of the Company.Approval of borrowing limits of the Company.Approval of offer or invitation to subscribe to Non-Convertible Debentures and/or other debt securities on a private placement basis.Approval of Related Party Transactions.
2014-15	Maratha Mandir Hall (Near Railway Over Bridge), Khanapur Road, Belagavi 590006.	30 th September, 2015, 11.30 a.m.	One Special Resolution was passed at the 19 th AGM for the approval of Re-appointment of Mr. Robert Taylor as an Independent Director of the Company not liable to retire by rotation and to hold office for period of 5 years with effect from 1 st April, 2015.
2015-16	Maratha Mandir Hall (Near Railway Over Bridge), Khanapur Road, Belagavi 590006	27 th September, 2016, 11.00 a.m.	Two Special Resolutions were passed at the 20 th AGM for the approval of the following items : <ol style="list-style-type: none">Approval for allotment of equity shares upon conversion of a part of the loans into Equity SharesApproval for payment of existing/ same remuneration to Mr. Narendra Murkumbi, Vice Chairman & Managing Director of the Company, as per the terms and conditions approved by the Members at the 16th AGM of the Company held on 27th July, 2012, as minimum remuneration for the period from 1st April, 2016 till completion of his term on 19th September, 2017.

B. Postal Ballot

No Resolution was passed through Postal Ballot during the Financial Year 2016-17.

5. OTHER DISCLOSURES

- i. During the year there were no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
- ii. There were no instances of non-compliance by the Company and no penalties/strictures were imposed on the Company by stock exchanges/SEBI/any statutory authority on any matter related to capital markets, during the last 3 years.
- iii. Whistleblower Mechanism has been established for the employees to report to the management about unethical behaviour, mismanagement, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy, that could adversely impact the Company's operations and business performance. The Whistleblower Policy is overseen by the Audit Committee of the Board.
- iv. The Company's Policy for Determining Material Subsidiaries may be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>
- v. The Company's Policy on Related Party Transactions may be accessed on the Company's website at the link <http://www.renukasugars.com/en/corporate-governance.html>
- vi. Disclosure on Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

- **Commodity risks and Hedging:**

Sugar price risk is one of the important market risk for the Company. The Company has a robust framework and governance mechanism in place to ensure that the organisation is adequately protected from the market volatility. Commodity Risk Management Policy is formulated to articulate the risk management philosophy, objectives and processes.

The Company is exposed to usual price risk associated with fluctuation in sugar prices. In domestic market, physical

sugar is mostly traded on spot basis on prevailing physical sugar prices.

- **Foreign Exchange Risk and Hedging:**

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with the Forex Risk Management Policy. The aim of the Company's approach to manage currency risk is to leave the Company with the no material residual risk. The Company uses foreign exchange forward, options and futures contracts to hedge against its foreign currency exposures. The Company does not enter into any derivative instruments for trading or speculative purposes.

- vii. All mandatory requirements relating to corporate governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been appropriately complied with and the status of non-mandatory (discretionary) requirements is given below:

The Financial Statements are free from any Audit Qualifications.

The Company has appointed separate persons as its Chairperson and Managing Director of the Company. The Internal Auditors of the Company report directly to the Audit Committee.

6. CODE OF CONDUCT

Pursuant to Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has laid down a 'Code of Conduct' for all the Board and Senior Management Members and they have affirmed compliance with the said Code of Conduct of the Company for the Financial Year 2016-17.

The declaration pursuant to Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, stating that all the Board Members and Senior Management Members have affirmed their compliance with the said code of conduct for the year ended 31st March, 2017 is annexed to this Report.

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

7. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING PRACTICES

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

8. COMPLIANCE OFFICER

Mr. Naveen Manghani, Company Secretary was the Compliance Officer of the Company upto 31st October, 2017. Mr. Rupesh Sariya has been appointed as the Company Secretary & Compliance Officer w.e.f. 13th November, 2017.

9. MEANS OF COMMUNICATION

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

10. GENERAL SHAREHOLDER'S INFORMATION

- i. Annual General Meeting (AGM)** Date : 21st December, 2017
Time : 11.30 a.m.
Venue : The Theosophical Society Belgaum Lodge,
Gogte Rangmandir Hall (School of Culture), 185, Ramghat
Road, Camp, Belagavi - 590001, Karnataka
- ii. Financial Year** The Financial Year of the Company is from 1st April to 31st March.
- iii. Tentative Financial Calendar 2017-18**
- | | |
|-----------------------------------|--|
| 1 st Quarterly results | were declared on 12 th August, 2017 |
| 2 nd Quarterly results | declared on 13 th November, 2017 |
| 3 rd Quarterly results | on or before 14 th February, 2018 |
| 4 th Quarterly results | on or before 30 th May, 2018 |
- iv. Date of Book Closure** Thursday, 14th December, 2017 to Thursday, 21st December, 2017 (both days inclusive).
- v. Dividend Payment Date** No Dividend has been recommended by the Board for the year ended 31st March, 2017
- vi. Corporate Identification of the Company** L01542KA1995PLC019046
- vii. ISIN** INE087H01022

viii. Unclaimed Shares

In accordance with the requirement of Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialised form pursuant to the public issue of the Company:

Sr. No.	Particulars	Number of Shareholders	Number of Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year April 1, 2016;	4	2,080
2	Number of shareholders who approached the Company for transfer of shares from suspense account during the year;	-	-
3	Number of shareholders to whom shares were transferred from suspense account during the year;	-	-
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, March 31, 2017;	4	2,080

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

ix. Listing on Stock Exchanges

The Company's Shares are listed on the following Stock Exchanges as mentioned hereunder:

National Stock Exchange of India Limited (NSE)	BSE Limited (BSE)
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051.	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001

The Company has paid the listing fees for the year 2017-18.

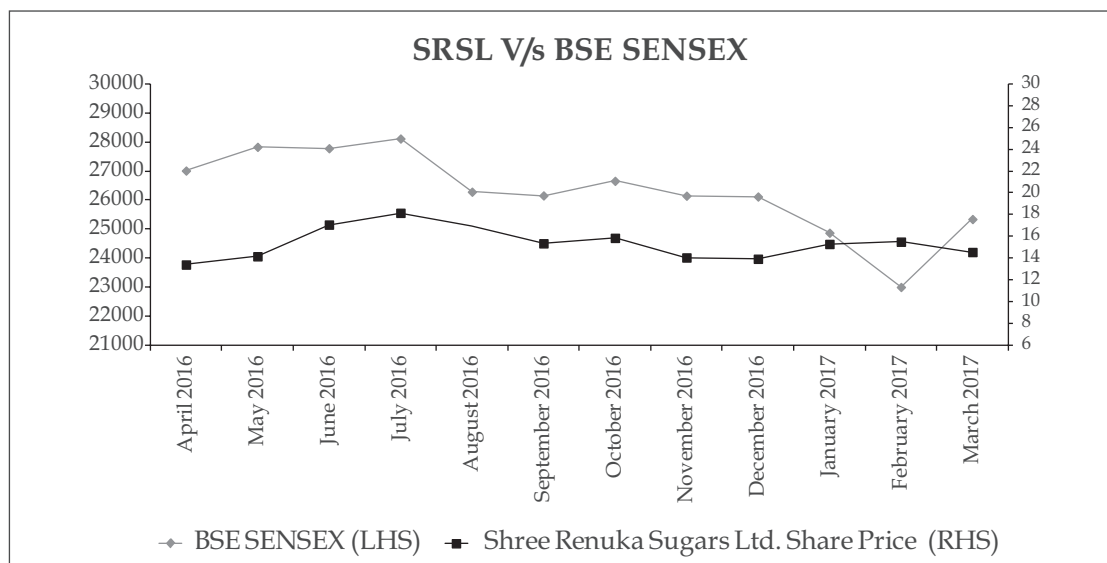
x. Stock Code:

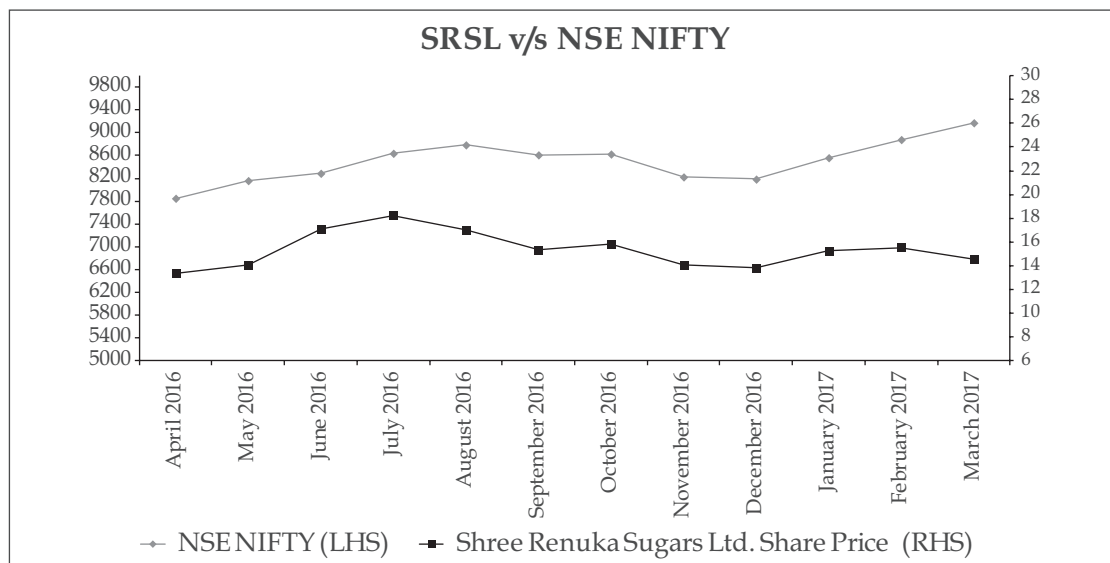
NSE - RENUKA	BSE - 532670
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xi. Market Price Data

Month	NSE			BSE		
	High (₹)	Low (₹)	Closing (₹)	High (₹)	Low (₹)	Closing (₹)
April, 2016	15.15	12.95	13.40	15.17	12.95	13.40
May, 2016	15.15	12.60	14.10	15.10	12.63	14.16
June, 2016	19.15	13.65	17.10	19.18	13.71	17.07
July, 2016	18.90	16.10	18.25	18.90	16.15	18.15
August, 2016	18.70	14.90	17.00	18.70	14.95	16.95
September, 2016	17.02	12.90	15.35	17.15	13.95	15.35
October, 2016	16.95	15.30	15.85	16.90	15.35	15.85
November, 2016	15.85	11.90	14.05	15.85	11.90	14.05
December, 2016	14.35	11.25	13.85	14.40	11.47	13.93
January, 2017	18.10	13.75	15.25	16.25	13.75	15.29
February, 2017	17.50	14.50	15.55	17.50	14.50	15.50
March, 2017	16.00	14.10	14.55	16.05	14.20	14.55

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





- xiii. Registrar & Transfer Agent** Karvy Computershare Private Limited
Unit: Shree Renuka Sugars Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli, Financial District,
Nanakramguda,
Hyderabad - 500 032
Tel. No. +91 40 6716 2222/6716 1700
Fax No. +91 40 2300 1153/6716 1680
e-mail: einward.ris@karvy.com

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

xv. Distribution of Shareholding as on 31st March, 2017

Category	No. of Cases	% of Cases	Total Shares	Amount	% Amount
1 - 5000	187,941	95.50	107,774,090	107,774,090	11.40
5001 - 10000	4,912	2.50	38,826,626	38,826,626	4.11
10001 - 20000	2,078	1.06	30,181,006	30,181,006	3.19
20001 - 30000	667	0.34	16,849,345	16,849,345	1.78
30001 - 40000	301	0.15	10,652,083	10,652,083	1.13
40001 - 50000	229	0.12	10,719,309	10,719,309	1.13
50001 - 100000	363	0.18	26,516,938	26,516,938	2.81
100001 & Above	315	0.16	703,727,183	703,727,183	74.45
Total	196,806	100.00	945,246,580	945,246,580	100.00

xvi. Shareholding pattern as on 31st March, 2017

Category	Shareholding	Percentage
Promoters	514,834,934	54.47
Mutual Funds	0	0.00
Financial Institutions/Banks	38,068,121	4.03
Foreign Institutional Investors	24,443,650	2.59
NBFC Registered with RBI	388,822	0.04
Private Corporate Bodies	51,509,713	5.45
NRIs	10,086,968	1.07
Trusts	23,055,004	2.44
Indian Public	280,644,328	29.68
Clearing Member	2,215,040	0.23
Total	945,246,580	100.00

xvii. Dematerialization of shares and liquidity

As on 31st March, 2017, - 7,751,970 equity shares of the Company (0.82% of the total issued capital) were held in physical form and 937,494,610 equity shares (99.18% of the total issued capital) were held in dematerialized form. Registrar and Transfer Agent are appointed for transfer of shares in dematerialization mode and in physical mode.

xviii. Outstanding GDRs/ADRs/Warrants or any convertible instrument -

xix. Address for Correspondence

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

Karvy Computershare Private Limited
Unit: Shree Renuka Sugars Limited
Karvy Selenium Tower B,
Karvy Computershare Private Limited
Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032
Tel. No. +91 40 6716 2222/6716 1700
Fax No. +91 40 2300 1153/6716 1680
e-mail: einward.ris@karvy.com

b. All other queries on Annual Report should be directed to :

Shree Renuka Sugars Limited
BC 105, Havelock Road,
Cantonment, Belagavi 590001
Tel No. 0831 2404000
Fax No. 0831 2404961
E-mail: rupesh.saraiya@renukasugars.com

xx. Plant Locations

Information on Plant locations has been provided in the section of Corporate Information.

xxi. Debt Securities

Non-Convertible Debentures (NCDs) of the Company are listed on The Wholesale Debt Market (WDM) Segment of BSE Limited.

Debenture Trustee for NCDs -

IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17 R. Kamani Marg,
Ballard Estate, Mumbai - 400001.
Tel. No.: 022 - 40807062
Email:rajeshchandra@idbitrustee.com
Website: www.idbitrustee.com

Details of Directors seeking appointment at the forthcoming Annual General Meeting pursuant to the provisions of i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:

Name of the Director	Mr. Atul Chaturvedi	Mr. Jean-Luc Bohbot	Dr. B. V. Mehta
Date of Birth	06-10-1955	08-12-1968	24-08-1949
Date of Appointment	24-06-2015	24-06-2015	13-11-2017
Qualification	Post graduate from St. Johns College (Agra University).	A Post-Master’s Degree in Market Finance and Risk Management from University of Paris Dauphine, France.	Bachelor of Science (B. Sc.), Master Degree in Law (LL.M) Diploma in Marketing Management, Ph.D for his thesis on “Impact of WTO on Indian (Edible) Oilseeds Sector and Safeguard Measures”
Expertise in specific functional area/ Brief Profile	<p>Mr. Chaturvedi is a veteran in the Vegetable Oil/ Oil seeds and Agro Business of the Country. He has more than three decades of successful and varied general and strategic management experience in the field of Manufacturing and Trading. He has been associated with Adani Group since 1998 and has played a key role in the development of the Agro business of the Group. He is currently CEO and WTD in Agro Business in Adani Wilmar Ltd. A widely travelled International Trader, he has hands on experience in handling Agro Products, Vegetable Oils, Grains, Oilseeds within and outside India like China, South East Asia, Europe, Middle East, Canada, Australia etc.</p> <p>Mr. Chaturvedi was declared “Globoil man of the year” for 2013 for his contribution to the Vegetable Oil Industry. Mr. Chaturvedi is associated with various organizations. He was Dy. Chairman of Soybean Processors Association of India (SOPA), Vice President – Solvent Extractors Association of India, Executive Member in Confederation of Indian Industry, etc. An eminent speaker, his views are widely respected by the business community.</p>	<p>Mr. Bohbot joined the Wilmar Group in 2011 to set up and develop the Wilmar Sugar – Trading Division. Mr. Bohbot has extensive experience in the sugar trading business and prior to joining the Group, he was the Managing Director of a large European based trading company and the Managing Director of Eagle Trading, the Hong Kong-based Kuok Group joint venture for sugar trading.</p>	<p>Dr. Mehta is representing Indian vegetable oil industry on number of Committees set up by the Government of India. He was also Member of National Oilseed Development Board (NOVOD), the highest policy making body of Ministry of Agriculture, Government of India since its inception in 1984 till 2016.</p> <p>Dr. Mehta is connected with Indian vegetable oil industry over 4 decades and has in-depth knowledge of Indian oilseed sector and vegetable oil industry and recipient of “Globoil Man of the Year Award” in 2016. He has presented many papers on Indian Vegetable Oilseed and Vegetable Oil sector at National and International Platforms.</p>

Name of the Director	Mr. Atul Chaturvedi	Mr. Jean-Luc Bohbot	Dr. B. V. Mehta
Directorship in all other public Companies except foreign companies and companies under Section 8 of the Companies Act, 2013	Nil	Nil	Nil
Membership/ Chairman of the Committees of the Board of other public limited companies (Membership/ Chairmanships of only Audit Committees and stakeholders Relationship Committees in other public limited Companies have been considered)	Nil	Nil	Nil
Number of shares held in the Company	-	-	2,000
Terms and Conditions of appointment	-	-	-
Number of meetings of the Board attended during the financial year	3	3	NA
Remuneration last drawn	-	-	-
Remuneration proposed to be paid	-	-	-

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

SHREE RENUKA SUGARS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Shree Renuka Sugars Limited ("the Company"), for the year ended on March 31, 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the 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 opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2017.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Place : Mumbai
Date : 12th August, 2017

K. N. Prabhaskar
Partner
Membership No. 19575

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

- a) We have reviewed the financial statements and cash flow statements for the year ended at 31st March, 2017, and that based on our knowledge and belief, we state that :-
 - i. these statements do not contain any materially untrue statements or omit to state any material fact or contain statements that might be misleading; and
 - ii. these statements 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) Based on our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have:-
 - i. evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting; and
 - ii. disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We, have indicated to the auditors and the Audit Committee of the Company, the following:-
 - i. there has been no significant change in internal control over financial reporting during the year;
 - ii. there has been no significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Narendra Murkumbi
Vice Chairman & Managing Director

K. K. Kumbhat
Chief Financial Officer

DECLARATION OF MANAGING DIRECTOR ON COMPLIANCE WITH THE CODE OF CONDUCT

This is to certify that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended at 31st March, 2017.

For Shree Renuka Sugars Limited

Narendra Murkumbi
Vice Chairman & Managing Director

INDEPENDENT AUDITORS' REPORT

To the Members of
SHREE RENUKA SUGARS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of **SHREE RENUKA SUGARS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 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 significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the 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 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 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 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 of the Company as at 31st March, 2017, and its loss including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention to the recoverable amount of the Investment made by

the Company in its subsidiary company Shree Renuka Global Ventures Ltd., Mauritius. This investment is stated at its carrying amount of ₹ 18,245.25 Mn., made by this subsidiary company in the step down subsidiary company Shree Renuka do Brasil Participacoes Ltda. , (SRDBPL). SRDBPL together with all its subsidiaries have filed for Protection on 28th September 2015 under Judicial Recovery (Law 11.101/2005-Recuperacao Judicial) in the designated court in the capital of the State of Sao Paulo, Brazil. SRDBPL along with its subsidiaries has filed the proposal for Reorganization Plan before the designated court. The designated court approved reorganization plan for its subsidiary, Renuka Vale do Ivaí S/A (Renuka VDI) on 26th July 2016 and for Renuka do Brazil S/A on 29th August 2016. On 26th January 2017, a petition was filed by Renuka RDB requesting to convey a new General Creditor's meeting, seeking to allow the company to reorganize the amount payable to its creditors through the submission of an amendment to its Judicial Reorganization Plan, adjusting the payment terms and conditions of the credits to the current economic and financial reality of the plan. The new General Creditors meeting was scheduled for 6th March 2017 (1st call) and 13th March 2017 (2nd call). On 22nd May 2017, an Amended Judicial Reorganization plan of RDB was approved by the General Creditors Assembly, which is pending for approval by the court. Impairment in the value of investments, if any, will be considered after the receipt of the Judgement of the court.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the *Annexure A*, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereunder.
- e. On the basis of the written representations received from the directors as on 31st March, 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;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "*Annexure B*"; and
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company have disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 34(v) to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements in Note 34 (xxiii) 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 accounts maintained by the company.

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

K. N. Prabhashankar

Partner

Membership No. 019575

Place: Mumbai

Date: May 29, 2017

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of Shree Renuka Sugars Limited on the standalone Ind AS financial statements for the year ended March 31, 2017. We report that:

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, all fixed assets have been physically verified by the management during the year periodically which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- 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) With regard to inventory, physical verification has been conducted by the management at reasonable intervals and no significant material discrepancies were noticed on the physical verification of stocks and the differences between the book stocks and the physical stocks have been properly dealt with in the books of account.
- iii) In respect of the loans, secured or unsecured granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013:
 - a) The Company has given loans to Eight Subsidiary companies.
 - b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions, were not prima facie prejudicial to the interest of the company.
 - c) The principal amount is repayable on demand and there is no repayment schedule. The company is regular in receipt of interest from these subsidiaries except from Three wholly owned Subsidiaries.
- d) In respect of the said loans, the same is repayable on demand and therefore the question of overdue amount for more than ninety days does not arise. In respect of interest, there is no overdue amount except in case of Three wholly owned Subsidiaries whose Overdue Interest is ₹ 319.42 Millions.
- iv) In respect of the loans, investments, guarantees, and security, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v) According to the information and explanations given to us, the company has not accepted any deposits, hence reporting on clause (v) of the order is not applicable.
- vi) The Central Government has prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013 for some products of the Company. We have broadly reviewed these records of the company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of such records.
- vii) a) According to the information and explanations given to us and as per books and records examined by us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with appropriate authorities outstanding as at 31st March 2017 for a period exceeding six months from the date they became payable.
- b) According to the information and explanations given to us and as per the records examined by us, the disputed statutory dues aggregating to ₹ 1,388.10 Million that have not been deposited

on account of disputed matters pending before appropriate authorities are as under:

S1 No	Name of the Statute	Nature of Dues	Amount (₹ in Mn)	Period	Forum where Dispute is pending
1	Maharashtra Value Added Tax/CST	VAT Credit/CST	5.59	2009-10, 2010-11 and 2012-13	Maharashtra Value added tax appeal Kolhapur
2	Central Excise Act, 1944	Excise Duty	42.80	2008-09, 2011-12 and 2015-16	Commissioner of Central Excise Appeal
			775.34	2004 to 2014	CESTAT
			3.65	2003-04	Supreme Court of India
3			2.59	2005 to 2009	Commissioner of Central Excise Appeal
	Finance Act, 1994	Service Tax	33.45	2009 to 2011	CESTAT
4	Custom Act, 1962	Custom Duty	249.03	2004	Supreme Court of India
5	Income Tax Act, 1961	Income Tax	275.65	2008-09 and 2009-10	Income Tax Appellate Tribunal, Panaji
	Grand Total		1,388.10		

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

ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans borrowed during the year have been utilised for the purposes for which they were raised.

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

xi) The Company has paid/provided the managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

xii) This is not a Nidhi Company, hence reporting under clause (xii) does not apply.

xiii) As per information and explanations given to us and on the basis of our examinations of books and records, all the transactions with the related parties are in compliance with Section 177 and 188

of Companies Act, 2013 wherever applicable and the details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv) 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 any non-cash transactions with directors or persons connected with them and hence reporting on this clause is not applicable.

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

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

K. N. Prabhashankar
Partner

Place: Mumbai
Date: May 29, 2017

Membership No. 019575

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Shree Renuka Sugars 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.

AUDITORS' RESPONSIBILITY

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

about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

K. N. Prabhashankar
Partner

Place: Mumbai
Date: May 29, 2017

Membership No. 019575

BALANCE SHEET

AS AT 31ST MARCH, 2017

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 April 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	41,596.61	43,908.47	25,528.85
Capital Work-in-Progress-Tangible	2	326.82	294.23	266.96
Other Intangible Assets	3	0.35	0.80	19.46
Financial Assets				
Investments	4	19,395.03	19,489.74	19,474.67
Loans	5	1,733.76	1,580.82	1,249.07
Other Advances	6	2,766.13	2,848.30	2,887.57
Deferred tax assets (net)	7	3,017.16	2,257.88	834.87
Current assets				
Inventories	8	13,429.68	19,352.44	14,522.93
Financial Assets				
Trade Receivables	9	5,890.29	3,844.35	2,832.18
Cash and Cash Equivalents	10	457.72	179.23	212.21
Other Bank Balances	11	12.14	33.65	702.01
Loans	12	369.75	274.12	876.74
Other Advances	13	1,619.63	1,545.07	1,784.15
Total Assets		90,615.07	95,609.10	71,191.66
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	945.25	928.81	928.81
Other Equity	15	29,316.14	31,397.86	14,446.31
Non-Current Liabilities				
Financial Liabilities				
Borrowings	16	30,268.21	20,157.64	9,152.35
Other Financial Liabilities	17	68.25	191.27	379.14
Provisions	18	53.30	50.19	50.88
Deferred Tax Liabilities (Net)	7	-	-	-
Current Liabilities				
Financial Liabilities				
Borrowings	19	3,761.14	12,060.27	21,772.73
Trade Payables	20	21,313.76	25,753.21	18,219.36
Other Financial Liabilities	21	4,882.28	5,065.20	6,238.80
Provisions	22	6.74	4.65	3.28
Total Equity and Liabilities		90,615.07	95,609.10	71,191.66

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

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

For and on Behalf of the Board

K. N. Prabhaskar
Partner
Membership No.19575

Vidya M. Murkumbi
Executive Chairperson
DIN: 00007588

Narendra M. Murkumbi
Vice-Chairman & Managing Director
DIN: 00009164

Place: Mumbai
Date : 29th May, 2017

K. K. Kumbhat
Chief Financial Officer

Naveen Manghani
Company Secretary
ACS No. : 20720

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Revenue from Operations	23	78,644.59	59,650.01
Other Income	24	276.80	222.99
Total Income		78,921.39	59,873.00
Expenses			
Cost of Materials Consumed	25	52,534.62	39,430.72
Cost of Traded Goods	26	12,128.66	11,829.89
Changes in Inventory of Finished Goods, Work-in-Progress & Stock-in-Trade	27	4,828.40	1,208.82
Excise Duty on Goods Sold During the year		929.30	1,029.49
Employee Benefit Expenses	28	1,139.14	1,143.18
Finance Costs	29	3,657.30	3,407.44
Depreciation and Amortization Expenses	30	1,437.95	1,457.86
Foreign Exchange (Gain)/Loss	31	187.78	977.02
Other Expenses	32	4,076.42	3,592.79
Total Expenses		80,919.57	64,077.21
Profit/(Loss) before exceptional items and tax		(1,998.18)	(4,204.21)
Exceptional Items		-	-
Profit/(Loss) Before Tax		(1,998.18)	(4,204.21)
Tax Expense:			
- Current Tax		-	-
- Deferred tax		(759.28)	(1,423.01)
Profit/ (Loss) for the year		(1,238.90)	(2,781.20)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of the net defined benefit liability / asset		(3.92)	(2.66)
Total comprehensive income for the year		(1,242.82)	(2,783.86)
Earnings per Share		0.38	0.34
Basic	33	(1.33)	(2.99)
Diluted		(1.33)	(2.99)
[Nominal value of shares ₹ 1/- each]			

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

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

K. N. Prabhashankar
Partner
Membership No.19575

Place: Mumbai
Date : 29th May, 2017

Vidya M. Murkumbi
Executive Chairperson
DIN: 00007588

K. K. Kumbhat
Chief Financial Officer

For and on Behalf of the Board

Narendra M. Murkumbi
Vice-Chairman & Managing Director
DIN: 00009164

Naveen Manghani
Company Secretary
ACS No. : 20720

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	(1,998.18)	(4,204.23)
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortization	1,437.95	1,457.86
Finance Costs	3,657.30	3,407.45
Loss/(Profit) on Sale of Fixed Assets	3.00	3.01
Dividend Income	(6.33)	(3.80)
(Gain)/ Loss from Sale of Investments	(75.97)	10.03
Exchange Fluctuations (net)	187.78	977.02
Operating profit before working capital changes	3,205.55	1,647.33
Changes in operating assets and liabilities:		
Trade Receivables	(2,045.94)	(1,012.17)
Other Receivables	(188.54)	1,259.62
Inventory	5,922.77	(4,829.51)
Trade and Other Payables	(4,695.69)	7,866.11
Cash generated from operations	2,198.15	4,931.38
Income Tax (net)	(30.91)	(42.07)
Net cash flow from operating activities	2,167.24	4,889.31
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(260.68)	(136.46)
Proceeds from Sale of Fixed Assets	5.11	17.71
Proceeds from Sale of Investments	170.69	(25.09)
Dividend Income	6.33	3.80
Net cash flow from investing activities	(78.55)	(140.03)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Equity Shares	16.44	-
Share Premium	255.46	-
Exchange Fluctuations (net)	(187.78)	(976.96)
Proceeds from Long-Term Borrowings	12,156.27	12,956.14
Repayment of Long-Term Borrowings	(2,247.47)	(3,599.29)
Net Increase/(Decrease) in Working Capital Borrowings	(8,299.14)	(9,712.46)
Repayment of Deferred Purchase Tax	-	(16.08)
Finance Cost	(3,503.97)	(3,433.59)
Net cash flow from financing activities	(1,810.20)	(4,782.24)
Net increase in cash and cash equivalents	278.49	(32.97)
Opening Cash and Cash Equivalents	179.23	212.20
Closing Cash and Cash Equivalents	457.72	179.23

Notes:

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard-7 on Statement of Cash Flow notified under the Companies (Indian Accounting Standards) Rules, 2015.
- 2) Additions of fixed assets include movement of Capital work-in-progress during the year.
- 3) Proceeds/(repayment) of Short-term borrowings have been shown on net basis.
- 4) Cash and Cash Equivalents do not include any amount which is not available to the company for its use.
- 5) Figure in brackets represents cash outflow from respective activities.
- 6) As amount of Cash and cash equivalents is also available in Note No.10, reconciliation of amount of Cash and cash equivalents as per Cash Flow Statement with the equivalent amount reported in the Balance Sheet is not required and hence not provided.

To be read with our report of even date

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

For and on Behalf of the Board

K. N. Prabhashankar
Partner
Membership No.19575

Vidya M. Murkumbi
Executive Chairperson
DIN: 00007588

Narendra M. Murkumbi
Vice-Chairman & Managing Director
DIN: 00009164

K. K. Kumbhat
Chief Financial Officer

Naveen Manghani
Company Secretary
ACS No. : 20720

Place: Mumbai
Date : 29th May, 2017

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES:

All amounts in million Indian Rupees, unless otherwise stated.

a. BASIS OF PRESENTATION:

The accompanying financial statements have been presented for the year ended 31st March, 2017 along with comparative information for the year ended 31st March, 2016. These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) on going concern basis under the historical cost convention on the accrual basis of accounting and the relevant provisions prescribed in the Companies Act 2013, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India and of the Securities and Exchange Board of India. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The accounting policies have been consistently applied by the Company except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company has adopted all the Ind AS standards 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 Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

b. USE OF ESTIMATES:

In preparing the Company's financial statements in conformity with Ind AS, the Company's management is required to make estimates, judgements and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates.

Difference between actual results and estimates are recognised in the period in which the results are known or materialise and if material, their effects are disclosed in the notes to the financial statements.

c. PROPERTY, PLANT AND EQUIPMENT:

- i. **Property, plant and equipment** (Tangible and Intangible) are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to the location and condition necessary for its intended use. Expenditure incurred during construction period has been added to the cost of the assets. These expenses have been allocated to the sugar, power generation and ethanol units on a reasonable basis. Subsidy received from the Government has been recognised as deferred income and recognized in the profit and loss on a systematic basis over the useful life of assets.
- ii. Land, Building and Plant and Machinery are carried at revalued amount and the surplus on revaluation is credited to Revaluation Reserve account. The useful lives of the depreciable assets remain to be the same as that of prior to revaluation.

d. BORROWING COSTS:

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

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

e. DEPRECIATION:

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

- ii. Depreciation on the value of Revaluation is reduced from revaluation Reserve.

f. LEASES:

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

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

g. INVESTMENTS:

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

h. INVENTORIES:

Inventories are valued as follows:

Raw materials, stores and spares, Material in transit and packing materials

Valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a Moving Weighted Average basis.

Finished goods

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

Excise duty is generally provided on manufacture of goods, which are not exempt from the payment

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

Work-in-process

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

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

By-products

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

i. REVENUE RECOGNITION:

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

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

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

Revenue from sale of power is recognised when the units generated are transmitted to the pooling station, in accordance with the terms and conditions

of the power purchase agreement entered into by the Company with the purchasing parties.

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

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

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

j. FOREIGN CURRENCY TRANSACTIONS: INITIAL RECOGNITION

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

Conversion

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

Exchange Differences

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

Forward Exchange Contracts not intended for trading or speculation purposes

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

k. DERIVATIVE FINANCIAL INSTRUMENTS

The Company holds derivative financial instruments such as foreign exchange forward and

options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

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

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

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

1. EMPLOYEE BENEFITS:

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

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of

employees' salary). The contributions as specified under the law are paid to "The Regional Provident Fund Commissioner and the Central Provident Fund under the Pension Scheme". The Company recognises such contributions as expense of the year in which the liability is incurred.

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

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

m. INCOME TAX:

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

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

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

n. GOVERNMENT GRANTS:

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

o. PROVISIONS, LIABILITIES AND ASSETS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

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

Contingent Liability is disclosed in the case of

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

Depending on facts of each case and after due evaluation of relevant legal aspects, claims against the Company not acknowledged as debts are disclosed as contingent liabilities. In

respect of statutory matters, contingent liabilities are disclosed only for those demand(s) that are contested by the Company.

Contingent Assets are neither recognised nor disclosed.

p. EARNINGS PER SHARE:

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

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

q. SEGMENT REPORTING:

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

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market led.
- (ii) Revenue, Expenses, Assets and Liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

(iii) Gains/losses from transactions in commodity futures, which are ultimately settled net, with/without taking delivery, are recorded as 'Other revenues' under the Sugar segment.

(iv) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated".

r. IMPAIRMENT OF ASSETS:

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

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

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

s. CLASSIFICATION OF ASSETS AND LIABILITIES AS CURRENT AND NON-CURRENT:

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

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 2. PROPERTY, PLANT AND EQUIPMENT

Particulars	1 st April, 2016	Additions	Disposal	Effects of Foreign Currency Exchange Difference	Revaluation of Assets	31 st March 2017
Gross Block						
Lease Hold Land	184.25	-	-	-	-	184.25
Free Hold Land	2,026.03	-	-	-	-	2,026.03
Buildings	8,240.02	45.32	-	-	-	8,285.34
Plant & Equipment	42,932.66	157.94	8.21	-	-	43,082.39
Furniture & Fixtures	298.20	18.07	7.51	-	-	308.76
Vehicles	93.20	6.68	6.61	-	-	93.27
Total	53,774.36	228.01	22.33	-	-	53,980.04
<i>Previous Year</i>	<i>33,987.87</i>	<i>95.16</i>	<i>52.77</i>	<i>8.70</i>	<i>19,735.40</i>	<i>53,774.36</i>
Accumulated Depreciation						
Lease Hold Land	6.05	2.19	-	-	-	8.24
Free Hold Land	-	-	-	-	-	-
Buildings	1,288.50	343.22	-	-	-	1,631.72
Plant & Equipment	8,268.04	2,151.73	2.20	-	-	10,417.57
Furniture & Fixtures	242.29	24.62	7.44	-	-	259.47
Vehicles	61.01	10.00	4.58	-	-	66.43
Total	9,865.89	2,531.76	14.22	-	-	12,383.43
<i>Previous Year</i>	<i>8,459.02</i>	<i>1,438.92</i>	<i>32.05</i>	-	-	<i>9,865.89</i>
Net Block						
Lease Hold Land	178.20					176.01
Free Hold Land	2,026.03					2,026.03
Buildings	6,951.52					6,653.62
Plant & Equipment	34,664.62					32,664.82
Furniture & Fixtures	55.91					49.29
Vehicles	32.19					26.84
Total	43,908.47					41,596.61
<i>Previous Year</i>	<i>25,528.85</i>					<i>43,908.47</i>
Capital Work-in-progress	294.23					326.82

Notes:

Current Year Depreciation includes Depreciation on Revalued Amount of PPE which has been reduced from Revaluation Reserve

NOTE 3. OTHER INTANGIBLE ASSETS

Particulars	1 st April, 2016	Additions	Disposal	Effects of Foreign Currency Exchange Difference	Revaluation of Assets	31 st March 2017
Gross Block						
Computer Software	107.63	0.09	-	-	-	107.72
Total	107.63	0.09	-	-	-	107.72
<i>Previous Year</i>	<i>107.37</i>	<i>0.26</i>	-	-	-	<i>107.63</i>
Accumulated Depreciation						
Computer Software	106.83	0.54	-	-	-	107.37
Total	106.83	0.54	-	-	-	107.37
<i>Previous Year</i>	<i>87.91</i>	<i>18.94</i>	<i>0.03</i>	-	-	<i>106.82</i>
Net Block						
Computer Software	0.80					0.35
Total	0.80					0.35
<i>Previous Year</i>	<i>19.46</i>					<i>0.80</i>

All amounts in million Indian Rupees, unless otherwise stated.

NON-CURRENT ASSETS

NOTE 4: INVESTMENTS

	Currency	Face Value	Number of units	Year Ended 31 st March, 2017	Number of units	Year Ended 31 st March, 2016
Investment in Equity Instruments						
Un-Quoted Investments:						
In Subsidiary Companies :						
Renuka Commodities DMCC, Dubai	AED	10000	40	4.97	40	4.97
Shree Renuka Agri Ventures Ltd.	INR	10	250,000	2.50	250,000	2.50
KBK Chem-Engineering Pvt Ltd.	INR	100	169,143	547.92	169,143	547.92
Gokak Sugars Ltd.	INR	10	32,937,140	187.26	32,937,140	187.26
Monica Trading Pvt. Ltd	INR	10	10,000	171.52	10,000	171.52
Shree Renuka Global Ventures Ltd.	USD	1	395,674,975	18,245.25	395,674,975	18,245.25
Shree Renuka East Africa Agriventures PLC	Birr	180	9,999	5.19	9,999	5.19
Shree Renuka Tunaport Pvt. Ltd.	INR	10	10,000	0.10	10,000	0.10
In Other Companies :						
Equity shares (Unquoted):						
National Commodity & Derivatives Exchange Ltd.(NCDEX)	INR	10	2,533,700	230.32	2,533,700	230.32
Quoted Investments:						
Ugar Sugar works Ltd.	INR	1	-	-	5,001,000	94.71
				19,395.03		19,489.74

NOTE 5 : LOANS

	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured & Considered good:		
To Subsidiary Companies	1,733.76	1,580.82
	1,733.76	1,580.82

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 6 : OTHER ADVANCES

	As at 31 st March, 2017	As at 31 st March, 2016
Capital Advances	10.84	11.43
Deposits	1,514.93	1,643.12
Export Incentives Receivable	197.43	197.43
MAT Credit Entitlement	528.90	528.90
Amount paid under protest to Government Authorities	514.04	452.27
Other Advances	-	15.16
	2,766.13	2,848.30

NOTE 7 : DEFERRED TAX LIABILITIES/(DEFERRED TAX ASSETS) (NET)

Deferred Tax Liability		
Depreciation	4,210.71	4,196.95
Lease Rentals claimed on payment basis	61.59	90.14
Gross Deferred Tax Liability	4,272.30	4,287.09
Deferred Tax Asset		
Leave Encashment	21.98	18.64
Sugar Cane Purchase Tax	0.71	2.28
Unabsorbed Business Loss	7,266.77	6,524.05
Gross Deferred Tax Asset	7,289.46	6,544.97
Deferred Tax Liabilities/(Deferred Tax Assets) (Net)	(3,017.16)	(2,257.88)

CURRENT ASSETS

NOTE 8: INVENTORIES

Raw materials ,components and Goods in transit *	6,724.96	7,877.24
Stores and spares	809.04	734.23
Intermediate products	148.77	298.80
Finished goods:		
Manufactured	5,521.01	10,199.38
Trading	225.90	242.79
	13,429.68	19,352.44

* Raw material and components includes transit stock of ₹ 6,181.5 Mn (Previous year ₹ 5,980.76 Mn)

NOTE 9: TRADE RECEIVABLES

Unsecured & Considered good:		
Debts over six months*	1,881.73	320.13
Others	4,008.56	3,524.22
	5,890.29	3,844.35

* Trade Receivable (over six months) include ₹ 910.49 Mn (Previous year ₹ 19.6 Mn) due from Subsidiary and Associate company, maximum outstanding ₹ 4,307.32 Mn (Previous year ₹ 767.74 Mn) during the year.

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 10: CASH AND CASH EQUIVALENTS

	As at 31 st March, 2017	As at 31 st March, 2016
Cash and Cash Equivalents:		
Cash on hand	0.78	0.91
Balances with banks:		
In current accounts	456.94	178.32
	457.72	179.23

NOTE 11: OTHER BANK BALANCES

Other Bank Balances:		
Earmarked balances		
Unpaid dividend accounts	9.97	11.74
Fixed Deposit pledged with bank/Deposited with Government Authorities	2.17	21.91
	12.14	33.65

Balances with banks in deposit accounts include amounts that have been provided as margin money or those that have been pledged with government authorities towards guarantees, etc.

NOTE 12: LOANS

Unsecured and considered good:		
To Subsidiary Companies	326.16	235.44
To Associate Companies	43.58	38.68
	369.75	274.12

NOTE 13: OTHER ADVANCES

Export Incentives Receivable	3.16	8.50
Interest Accrued	1.34	1.07
Interest Receivable from Govt. of India**	25.77	33.49
Prepaid Expenses	74.15	58.28
Deposits	124.96	124.96
Balances with Customs, Excise, etc.	309.13	440.28
Income Tax Refund Due (Net)	374.80	343.89
Other Advances*	706.33	534.60
	1,619.63	1,545.07

* Other Advances include ₹ Nil (Previous year ₹ Nil Mn) due from an officer of the company, maximum outstanding ₹ Nil (Previous year ₹ Nil Mn) during the year.

** Includes Government Assistance

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 14: EQUITY SHARE CAPITAL

	As at 31 st March, 2017	As at 31 st March, 2016
a) Authorised		
25,000,000 Preference Shares of ₹.10/- each	250.00	250.00
1,600,000,000 Equity Shares of ₹ 1/- each	1,600.00	1,600.00
	1,850.00	1,850.00
b) Issued, Subscribed and Paid up		
945,246,580 Equity Shares of ₹ 1/- each fully paid	945.25	928.81
(Previous Year 928,811,242 Equity Shares of ₹ 1/- each fully paid)		
	945.25	928.81
c) Reconciliation of number of shares and Equity Shares outstanding :		
At the beginning of the year	928,811,242	928,811,242
Addition/deletion during the year	16,435,338	-
At the end of the year	945,246,580	928,811,242

- d) The Company has only one class of equity shares . The company declares and pays dividend in Indian rupees . The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share .
- e) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company , after distribution of all preferential dues . The distribution will be in proportion to the number of equity shares held by the shareholders.
- f) Details of Shareholders holding more than 5% shares in the Equity Share Capital of the company:

Name of the Shareholder	As at 31 st March, 2017		As at 31 st March, 2016	
	No. of Shares	% to Equity	No. of Shares	% to Equity
Wilmar Sugar Holdings Pte. Limited	257,492,467	27.24	257,492,467	27.72
Murkumbi Investments Private Limited	121,414,000	12.84	121,414,000	13.07
Khandepar Investments Private Limited	75,400,000	7.98	75,400,000	8.12

- g) As per the rectification package approved by the Joint Lenders' Forum (JLF) Under the Corrective Action Plan (CAP) and in terms of the Special Resolution passed by the Share Holders of the company on 27th September 2016, the Allotment Committee of the Board of Directors has, by way of circular resolution dated 8th March 2017, approved the allotment of 16,435,338 Equity Shares of ₹ 1 each at a price of ₹ 16.56 per Equity Share.

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 15- OTHER EQUITY

	Attributable to Equity Share Holders Reserves and Surplus					Total equity attributable to the equity holders of the Company
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	Revaluation Reserve	Retained Earnings	
As at 1st April 2015	19.01	15,314.26	375.00	-	(1,261.95)	14,446.32
Profit for the period	-	-	-	-	(2,781.20)	(2,781.20)
Other Comprehensive Income	-	-	-	-	(2.66)	(2.66)
Total Comprehensive Income	19.01	15,314.26	375.00	-	(4,045.81)	11,662.46
Transfer to/(From) Retained Earnings	-	-	125.00	-	(125.00)	-
Revaluation on Assets	-	-	-	19,735.40	-	19,735.40
As At 31st March 2016	19.01	15,314.26	500.00	19,735.40	(4,170.81)	31,397.86
Profit for the period	-	-	-	-	(1,238.90)	(1,238.90)
Other Comprehensive Income	-	-	-	-	(3.92)	(3.92)
Total Comprehensive Income	19.01	15,314.26	500.00	19,735.40	(5,413.63)	30,155.04
Equity Shares Issued During the year	-	255.46	-	-	-	255.46
Transfer to/(From) Retained Earnings	-	-	125.00	-	(125.00)	-
Depreciation of Revalued Assets	-	-	-	(1,094.36)	-	(1,094.36)
At 31st March 2017	19.01	15,569.72	625.00	18,641.04	(5,538.63)	29,316.14

NON-CURRENT LIABILITIES

NOTE 16: BORROWINGS

	As at 31 st March, 2017	As at 31 st March, 2016
1) Secured:		
a) Non-Convertible Debentures		
(i) 1500 Redeemable Non-Convertible Debentures (11.70%) of ₹ 1,000,000 each	1,500.00	1,500.00
(ii) 1000 Redeemable Non-Convertible Debentures (11.30%) of ₹ 1,000,000 each	1,000.00	1,000.00
b) Term Loans		
From Banks and Financial Institutions	29,204.04	19,036.82
From others :		
From Sugar Development Fund (SDF)	725.93	980.43
Interest Accrued but not due	112.28	118.15
	32,542.25	22,635.40
Less: Current Maturity of Long-Term Borrowings transferred to Other Current Liabilities (Refer Note 21)	2,274.04	2,477.76
	30,268.21	20,157.64

NATURE OF SECURITY

A) NON-CONVERTIBLE DEBENTURES:

- (i) 1500 Redeemable Non-Convertible Debentures (11.70%) of ₹ 1,000,000 each, secured by first pari-passu charge on movable and immovable assets of the company and are redeemable at par in installment and last installment is due on 31/03/2024.
- (ii) 1000 Redeemable Non-Convertible Debentures (11.30%) of ₹ 1,000,000 each, secured by first pari-passu charge on movable and immovable assets of the company and are redeemable at par in installment and last installment is due on 31/03/2024.

B) TERM-LOANS

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

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

FROM OTHERS:

SDF Loans amounting to ₹ 507.54 Mn @ 4% p.a., are secured by exclusive second charge on movable and immovable assets of the company.

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

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

Terms of Repayment	Amount O/s as on 31 st March, 2017		As at 31 st March, 2016	Amt of Each Installment ₹ in Million
	Current	Non Current		
Particulars				
Non-Convertible Debentures*:				
i) Non-Convertible Debentures (₹ 1500 Mn)	-	1,500.00	March 31, 2024	56.25
ii) Non-Convertible Debentures (₹ 1000 Mn)	-	1,000.00	March 31, 2024	37.50
*(Quarterly repayment to commence from 30 th June 2019)				
Term-Loans from Banks/Financial Institutions:				
A) Rupee Term-Loans:				
i) IDBI Bank Ltd.				
Loan I	34.57	6,878.93	March 28, 2027	17.28
ii) EXIM Bank				
Loan I	261.25	260.46	December 31, 2018	65.22
Loan II	3.60	543.85	March 31, 2027	1.80
iii) IREDA				

Terms of Repayment Particulars	Amount O/s as on 31 st March, 2017		As at 31 st March, 2016	Amt of Each Installment ₹ in Million
	Current	Non Current		
Loan I	100.63	221.38	December 31, 2020	20.12
Loan II	82.04	262.51	March 31, 2022	16.40
iv) State Bank of India	750.00	150.00	June 30, 2018	150.00
v) ICICI Bank Ltd				
Loan I	165.00	1,212.75	June 13, 2020	41.25
Loan II	35.80	740.20	September 29, 2022	38.80
Loan III	48.50	921.50	March 22, 2024	48.50
Loan IV	2.08	6,607.93	October 31, 2027	2.08
vi) Standard Chartered Bank	25.65	4,285.68	March 31, 2027	12.83
vii) Kotak Mahindra	6.91	1,374.25	March 31, 2027	3.45
viii) Axis Corporate Loan	7.90	1,458.50	March 31, 2027	3.95
ix) Ratnakar Bank	1.00	399.00	December 31, 2020	1.00
x) Yes Bank Corporate Loan	5.25	870.25	March 31, 2027	2.63
B) SEFASU Loan:				
IDBI Bank Ltd	166.67	166.67	January 1, 2019	13.89
Axis Bank Ltd	153.33	153.47	February 20, 2019	38.33
State Bank of India	208.33	166.69	March 7, 2019	41.67
C) Soft Loan				
IDBI Bank Ltd.	2.13	424.37	March 31, 2027	1.07
ICICI Bank Ltd	12.70	241.30	September 29, 2023	12.70
Term-Loan from Others-Sugar Development Fund :				
i) Havalga Co-Generation	63.30	-	March 21, 2018	31.65
ii) Athani Sugar	43.35	130.05	February 22, 2021	43.35
iii) Athani Co-Generation	93.85	218.97	September 30, 2021	31.28
iv) Havalga Sugar	53.42	160.25	February 22, 2021	53.41
v) Munoli Sugar	57.17	-	March 31, 2017	57.17
Interest Accrued but not due on loans	11.31	100.99		
Government Assistance on SDF and SEFASU Loan	(109.12)	(82.15)		
Deferment of Processing Fees on loan availed	(12.57)	(99.58)		
Total Long Term Borrowings:	2,274.04	30,268.21		

Note:-As there is variation in installment amount year on year basis, the amount of each installment stated above is the first installment commencing after 31st March 2017.

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 17 : OTHER FINANCIAL LIABILITIES

	As at 31 st March, 2017	As at 31 st March, 2016
Deferred Income (Govt Assistance)	68.25	191.27
Purchase Tax Payable	348.23	351.52
Less: Payable within one year (transferred to other current liabilities, Refer Note No 21)	348.23	351.52
	68.25	191.27

NOTE 18: PROVISIONS

Provision for Employee Benefits:		
Provision for Leave Encashment (Refer Note 34 (xiv))	60.04	54.84
Less: Short-Term (transferred to short-term provisions, Refer Note No 22)	6.74	4.65
	53.30	50.19

CURRENT LIABILITIES

NOTE 19 : BORROWINGS

Secured		
Working Capital from Banks:		
Rupee Borrowings	2,739.46	7,745.62
Foreign Currency Borrowings	1,021.68	4,314.65
	3,761.14	12,060.27

Nature of Security :

- I) Working Capital facilities from Banks are secured by hypothecation of stocks, books debts and other current assets and third charge on movable and immovable fixed assets of the company.

NOTE 20: TRADE PAYABLES

For Goods and Services *	21,313.76	25,753.21
Others	-	-
	21,313.76	25,753.21

- * There is no principal amount and interest overdue to the Micro and Small Enterprises. During the year no interest has been paid to such parties. (This information have been determined to the extent such parties have been identified on the basis of information available with the company).

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 21: OTHER FINANCIAL LIABILITIES

	As at 31 st March, 2017	As at 31 st March, 2016
Current maturity of Long-Term Borrowings (Refer note 16)	2,274.04	2,477.76
Interest accrued but not due on Borrowings	438.84	279.64
Deferred Income (Govt Assistance)	123.01	187.87
Advance from Customers	1,220.74	1,374.08
Purchase Tax Payable (Refer Note 17)	348.23	351.52
Unclaimed Dividend	9.97	11.74
Salary Payable	39.02	86.28
Statutory Dues payable	46.26	57.72
Other Payables	382.17	238.59
	4,882.28	5,065.20

NOTE 22: PROVISIONS

Provision for Leave Encashment (Refer note 18)	6.74	4.65
	6.74	4.65

NOTE 23 : REVENUE FROM OPERATIONS

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Sale of Products (Gross)		
Sale of Manufactured Sugar	60,498.03	39,527.75
Sale of Traded Sugar and Ethanol	12,176.13	12,465.85
Sale of Power	1,131.17	1,932.12
Sale of Ethanol and Allied Products	4,685.86	5,481.13
Sale of By-products and Others	153.40	243.16
	78,644.59	59,650.01

NOTE 24: OTHER INCOME

Dividend on Investments	6.33	3.80
Profit on Sale of Investments	75.97	-
Profit on Sale of Assets	0.71	1.98
Income from professional Services	11.79	12.22
Government Assistance	179.37	202.23
Others	2.63	2.76
	276.80	222.99

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 25 : COST OF MATERIALS CONSUMED

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Sugar-Cane	7,064.98	13,496.51
Raw-Sugar	42,176.02	22,079.19
Bagasse	215.09	247.37
Coal	1,802.41	1,589.55
Molasses	837.18	1,595.42
Denatured Alcohol	312.78	344.46
Rectified Spirit	84.69	35.31
MG Alcohol	35.10	32.99
Others	6.37	9.92
	52,534.62	39,430.72

NOTE 26: COST OF TRADED GOODS

Raw-Sugar	11,934.08	10,433.31
White Sugar	194.58	1,377.52
Coal	-	19.06
	12,128.66	11,829.89

NOTE 27: CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE

Opening Stock	10,498.18	11,707.00
Less: Closing Stock	5,669.78	10,498.18
Net (Increase)/Decrease in stock	4,828.40	1,208.82

NOTE 28: EMPLOYEE BENEFIT EXPENSES

Salaries, Wages and Bonus	1,020.08	1,030.29
Contribution to Provident Fund, Gratuity Fund and Other Employee Benefits	84.63	75.95
Staff Welfare Expenses	34.43	36.94
	1,139.14	1,143.18

NOTE 29: FINANCE COSTS

Interest:		
On Term Loans	2,519.36	1,191.63
On Working Capital	768.33	1,674.32
On Debentures	288.50	289.29
Others:		
Bank and Other Borrowing Costs	81.11	252.20
	3,657.30	3,407.44

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSES

Depreciation and amortisation of Tangible assets*	1,437.41	1,438.92
Depreciation and amortisation of intangible assets*	0.54	18.94
	1,437.95	1,457.86

* Refer note no.2 and 3

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 31: FOREIGN EXCHANGE LOSS/(GAIN)

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Foreign Exchange Loss/(Gain)	187.78	977.02
	187.78	977.02

NOTE 32 : OTHER EXPENSES

A. Manufacturing Expenses		
Consumption of Stores and Spares	380.04	281.54
Consumption of Chemicals, Consumables, Oil and Lubricants	454.74	552.80
Sugar House Loading, Un-loading and Handling charges	197.37	181.98
Packing Materials	743.90	638.94
Power and Fuel	337.19	98.70
Lease Rentals	125.50	125.53
Repairs and Maintenance:		
Plant and Machinery	113.80	112.85
Buildings	3.54	1.84
Other Manufacturing Expenses	72.74	129.74
A	2,428.82	2,123.92
B. Administrative expenses		
Rent, Rates and Taxes	88.13	82.06
Insurance	55.22	43.84
Travelling and Conveyance	28.71	31.84
Printing and Stationery	6.63	6.05
Communication Expenses	19.81	16.89
Legal and Professional Fees	103.90	154.37
Directors' Sitting Fees	2.49	3.86
Auditor's Remuneration	7.51	6.81
Safety and Security Expenses	52.01	50.09
Donations and Contributions	1.50	2.46
Loss on Sale of Fixed Assets	3.71	4.99
Loss on Sale of Long-Term Investments	-	10.03
Books, Periodicals, Subscription and Membership Expenses	7.65	8.74
Research and Development	1.43	-
Repairs and Maintenance - Others	46.72	49.96
Others	36.14	15.73
B	461.56	487.72
C. Selling and Distribution Expenses		
Freight and Forwarding Charges	1,008.02	852.24
Advertisement and Sales Promotion	67.74	22.47
Brokerage and Discounts	42.13	30.82
Commission and Market Development Expenses	68.15	75.62
C	1,186.04	981.15
(A+B+C)	4,076.42	3,592.79

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 33: EARNINGS PER SHARE

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

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Reconciliation of earnings		
Profit/(Loss) for the year ended 31 st March 2017	(1,238.90)	(2,781.20)
Net profit attributable to equity shareholders	(1,238.90)	(2,781.20)
Reconciliation of number of shares	Shares	Shares
Shares outstanding at the beginning of the year	928,811,242	928,811,242
Shares outstanding at the end of the year	945,246,580	928,811,242
Weighted average number of equity shares	929,891,922	928,811,242
Basic and Diluted Earnings Per Share (in rupees)	(1.33)	(2.99)
[Nominal value of shares ₹ 1/- each]		

NOTE 34. OTHER NOTES TO THE FINANCIAL STATEMENTS:

All amounts in million Indian Rupees, unless otherwise stated.

I. EXCISE DUTY ON FINISHED GOODS

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

II. LEASES PAYABLE

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

S. No	Leases Payable	As at 31 st March, 2017	As at 31 st March, 2016
A	Within a period of one year	124.96	124.96
B	One year to five years	499.82	499.82
C	Five years and above	1,315.17	1,440.13
D	Lease rent charged to statement of profit and loss	125.50	125.53

III. LEASES RECEIVABLE

The Company has not entered into operating leases for office, residential and factory premises during the financial year.

IV. OUTSTANDING COMMITMENTS

As at 31st March, 2017, the Company had the following outstanding commitments:

S. No	Outstanding Commitments	As at 31 st March, 2017	As at 31 st March, 2016
A	Bank Guarantee	5,310.10	5,260.21
B	Corporate Guarantee*	16,090.08	16,831.23
C	Estimated amount of contract pending for execution	74.65	55.07

* The Corporate guarantee amount above does not include guarantees extended for crop and H&T loans as the same is accounted as payable in the books.

V. CONTINGENT LIABILITIES

Liabilities classified and considered contingent due to contested claims and legal disputes	As at 31 st March, 2017	As at 31 st March, 2016
Income Tax Demands	297.47	133.77
Excise and Service Tax Demands	1,004.65	502.63
Sales Tax/VAT Demands	21.67	85.51
Customs Demand	465.12	465.12
Total:	1,788.91	1,187.03

VI. Balances appearing under the head trade payables, trade receivables, loans and advances are subject to confirmation, adjustments, if any, on the receipt/reconciliation of such accounts.

VII. In terms of Ind AS 36 on impairment of assets, there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognised during the year under review.

VIII. VALUE OF DIRECT IMPORTS (CIF VALUE)

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
A	Raw Materials	4,443.38	10,368.26
B	Cost of traded goods	11,983.73	10,603.95
C	Components, stores and spares	170.64	124.90
D	Capital Goods	Nil	Nil
	Total:	16,597.75	21,097.11

IX. CONSUMPTION OF RAW MATERIAL, STORES AND SPARES

All amounts in million Indian Rupees, unless otherwise stated.

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	₹ in million	% of total consumption	₹ in million	% of total consumption
Raw material				
Imported*	43,738.34	83%	22,054.77	56%
Domestic	8,796.29	17%	17,375.95	44%
Total	52,534.63	100.00%	39,430.72	100%
Stores & Spares				
Imported	140.08	17%	104.69	13%
Domestic	694.70	83%	729.66	87%
Total	834.78	100%	834.35	100%

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

X. EXPENDITURE IN FOREIGN CURRENCY

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
A	Interest	-	203.16
B	Travelling expenses	4.64	8.42
C	Others	9.65	14.92
	Total:	14.29	226.50

XI. DIVIDENDS REMITTED IN FOREIGN CURRENCY

Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Dividends remitted in Foreign Currency	Nil	Nil

XII. EARNINGS IN FOREIGN CURRENCY

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
A	FOB Value of Exports	58,494.12	35,446.97
B	Sale of Services	11.79	12.22
	Total :	58,505.91	35,459.19

XIII. AUDITORS REMUNERATION

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
A	Audit Fee	5.40	4.80
B	Certification charges	0.89	0.80
C	Tax audit services	0.88	0.80
D	Reimbursement of expenses	0.30	0.41

XIV. DEFINED BENEFIT PLANS

S. No.	Particulars	Gratuity Benefits		Compensated Absences	
		31 st March, 2017	31 st March, 2016	31 st March, 2017	31 st March, 2016
1	Change in Benefit obligation				
	Opening Defined Benefit Obligation	75.32	72.66	44.65	42.18
	Current service cost	10.55	10.41	5.67	4.86
	Interest cost	5.64	5.44	3.35	3.15
	Actuarial loss/(gain) due to change in financial assumptions	5.53	(0.78)	2.96	(0.45)
	Actuarial loss/(gain) due to change in demographic assumption	-	-	-	4.14
	Actuarial loss/ (gain) due to experience	3.11	0.13	0.96	(0.46)
	Benefits paid	(7.86)	(12.53)	(7.55)	(8.77)
	Closing Defined Benefit Obligation	92.30	75.32	50.04	44.65
2	Change in Plan Assets				
	Opening value of plan assets	80.52	77.87	-	-
	Interest Income	6.46	6.28	-	-
	Return on plan assets excluding amounts included interest income	(0.12)	(0.06)	-	-
	Contributions by employer	15.31	8.97	-	-
	Benefits paid	(7.86)	(12.53)	-	-
	Closing value of plan assets	94.31	80.52	-	-

XIV. DEFINED BENEFIT PLANS (Contd...)

S. No.	Particulars	Gratuity Benefits		Compensated Absences	
		31 st March, 2017	31 st March, 2016	31 st March, 2017	31 st March, 2016
3	Fund Status of Plan Assets				
	Present value unfunded obligations	-	-	60.04	54.84
	Present value funded obligations	92.30	75.32	-	-
	Fair Value of plan assets	94.31	80.52	-	-
	Net Liability (Assets)	(2.01)	(5.20)	60.04	54.84
4	Other Comprehensive Income for the current period				
	Due to Change in financial assumptions	5.53	(0.78)	2.96	(0.45)
	Due to change in demographic assumption	-	-	-	4.14
	Due to experience adjustments	3.11	0.13	0.96	(0.46)
	Return on plan assets excluding amounts included in interest income	0.12	0.06	-	-
	Amounts recognized in Other Comprehensive Income	8.76	(0.58)	3.92	3.24
5	Defined benefit liability				
	Net opening provision in books of accounts	(5.20)	(5.21)	54.84	54.16
	Employee Benefit Expense	9.73	9.57	9.02	11.24
	Amounts recognized in Other Comprehensive Income	8.76	(0.58)	3.92	3.24
	Contributions to plan assets	(15.31)	(8.97)	-	-
	Benefits paid by the Company	-	-	(7,74)	(10.56)
	Closing provision in books of accounts	(2.01)	(5.20)	60.04	54.84
6	Principal Actuarial Assumption				
	Discount rate	7.20%	7.80%	7.20%	7.80%
	Salary Growth rate	5.00%	5.00%	5.00%	5.00%
	Withdrawal Rates	5% at Younger 1% at Older age	5% at Younger 1% at Older age	5% at Younger 1% at Older age	5% at Younger 1% at Older age

XV. PRIMARY SEGMENT REPORTING FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	SUGAR		TRADING		CO-GENERATION		ETHANOL		OTHER		ELIMINATIONS		TOTAL	
	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
REVENUE														
External sales	60,585.51	39,718.19	12,176.13	12,451.45	1,133.38	1,933.17	4,685.86	5,481.21	60.71	65.99	-	-	78,644.59	59,650.01
Inter-segment sales	1,566.02	2,900.42	-	-	2,109.67	2,895.88	-	-	-	-	(3,675.69)	(5,796.30)	-	-
Total Revenue	62,151.53	42,618.62	12,176.13	12,451.45	3,243.05	4,829.05	4,685.86	5,481.21	60.71	65.99	(3,675.69)	(5,796.30)	78,644.59	59,650.01
Results	1,376.22	(1,193.66)	19.32	3.31	(359.15)	526.45	1,115.21	1,285.31	12.28	9.71	-	-	2,163.88	631.12
Unallocated corporate expenses													593.76	673.88
Operating profit													1,570.12	(42.76)
Financial expenses													3,657.30	3,407.45
Other income													276.80	222.98
Profit from ordinary activities													(1,810.38)	(3,227.21)
Exceptional items													(187.78)	(977.02)
Net Profit													(1,998.16)	(4,204.23)
OTHER INFORMATION														
Segment assets	38,451.96	40,551.78	4.24	911.87	12,875.46	14,088.17	5,771.61	7,568.98	870.67	928.90	-	-	57,973.95	64,049.69
Unallocated corporate assets													32,641.13	31,559.41
Total Assets	38,451.96	40,551.78	4.24	911.87	12,875.46	14,088.17	5,771.61	7,568.98	870.67	928.90	-	-	90,615.07	95,609.10
Segment liabilities	23,252.45	27,302.43	0.16	392.06	17.10	72.85	24.26	116.55	3.73	3.56	-	-	23,297.69	27,887.44
Unallocated corporate liabilities													37,056.00	35,392.94
Total Liabilities	23,252.45	27,302.43	0.16	392.06	17.10	72.85	24.26	116.55	3.73	3.56	-	-	60,353.69	63,280.43
Capital expenditure	218.10	62.47	-	-	12.44	31.67	9.96	5.89	0.02	0.32	-	-	240.51	100.35
Unallocated corporate capital expenditure													20.16	22.34
Total Capital Expenditure	218.10	62.47	-	-	12.44	31.67	9.96	5.89	0.02	0.32	-	-	260.67	122.69
Depreciation	909.28	924.68	-	-	393.08	375.71	114.43	114.07	5.97	6.16	-	-	1,422.76	1,420.62
Unallocated corporate depreciation													15.19	37.24
Total Depreciation	909.28	924.68	-	-	393.08	375.71	114.43	114.07	5.97	6.16	-	-	1,437.95	1,457.86

**PRIMARY SEGMENT INFORMATION (BY BUSINESS SEGMENTS)
COMPOSITION OF BUSINESS SEGMENT**

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

SECONDARY SEGMENT INFORMATION:

Particulars	2016-17	2015-16
Segment Revenue		
- Within India	20,149.25	24,112.63
- Outside India	58,495.33	35,537.38
Total Revenue	78,644.59	59,650.01
Segment Assets		
- Within India	67,003.24	74,930.81
- Outside India	23,611.85	20,678.32
Total Assets	90,615.09	95,609.13
Segment Liabilities		
- Within India	57,703.02	56,378.32
- Outside India	2,575.69	6,904.15
Total Liabilities	60,278.71	63,282.47
Capital Expenditure		
- Within India	260.72	122.68
- Outside India	-	-
Total Capital Expenditure	260.72	122.68
Depreciation		
- Within India	1,437.95	1,457.86
- Outside India	-	-
Total Depreciation	1,437.95	1,457.86

Notes :

1. Revenue within India and Outside India are bifurcated based on sales to customers situated in India and Outside India.
2. Segment Assets Investments, Loans and Advances, Trade Receivables and Other assets bifurcated based on situated with in India and Outside India.
3. Segment Liabilities, Borrowings, Trade Payables and Other Liabilities bifurcated based on situated within India and Outside India.

XVI. A. RECONCILIATION OF EQUITY AS PREVIOUSLY REPORTED UNDER IGAAP TO IND AS

Particulars	Note	As At 31 st March 2016	As At 1 st April 2015
Equity and Other Equity as per IGAAP		31,331.55	14,448.95
Miscellaneous expenditure to the extent not written off transferred to Other Comprehensive Income	A	0.88	-
Deferment of Processing fees on loan	B	104.92	-
Deferred Tax	C	(36.85)	-
Actuarial Gain/(Loss) on Employee defined benefits recognised in Other Comprehensive Income	D	(2.66)	(2.64)
Equity and Other Equity as per IND AS		31,397.86	14,446.31

XVI. B. RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Notes	Amount
Loss as per previous GAAP		(2,852.81)
Miscellaneous expenditure to the extent not written off transferred to Other Comprehensive Income	A	0.88
Deferment of Processing fees on loan	B	104.92
Deferred Tax	C	(36.85)
comprehensive income for the period as per IND AS		(2,783.86)

Notes

- A. Miscellaneous expenses are not recognised as asset as per IND AS, amount charged during the year has been transferred.
- B. Under Ind AS, Borrowings under amortised cost are to be accounted under effective interest rate method under Ind AS 109. Accordingly, the processing fee and other upfront fees paid for obtaining loans should be considered for effective interest calculation and not to be charged to Profit and loss account.
- C. Under previous GAAP, deferred taxes were to be accounted on timing differences arising between the accounting profit and tax profit. However, such method has been replaced with balance sheet approach in Ind AS, wherein deferred taxes are to be accounted for the differences arising between the accounting balance sheet and tax balance sheet. Accordingly, deferred taxes has been accounted for such temporary differences.
- D. As per Ind AS 19, Employee Benefits, actuarial gains and losses are recognized in other comprehensive income and not reclassified to profit and loss in a subsequent period.

Adjustments reflect unamortized negative past service cost arising on modification of the gratuity plan in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings.

XVII. RELATED PARTY DISCLOSURES

RELATED PARTIES

(A) SUBSIDIARY COMPANIES

- i. Renuka Commodities DMCC, Dubai (UAE)
- ii. Parana Global Trading (FZE), Sharjah (UAE)(Operation closed on 06th July 2015)
- iii. Shree Renuka Agri Ventures Limited
- iv. KBK Chem-Engineering Private Limited
- v. Gokak Sugars Limited
- vi. Shree Renuka Global Ventures Limited, Mauritius
- vii. Lanka Sugar Refinery Company (Private) Limited, Srilanka.
- viii. Monica Trading Private Limited
- ix. Shree Renuka East Africa Agriventures PLC, Ethiopia.
- x. Shree Renuka Tunaport Private Limited
- xi. Shree Renuka International PTE, Singapore

(B) ASSOCIATE COMPANIES

- i. Khandepar Investments Private Limited
- ii. Vantamuri Trading and Investments Limited
- iii. Murkumbi Investments Private Limited
- iv. Renuka Energy Resource Holdings (FZE), Sharjah
- v. Damodar Resource Holdings (FZE), Sharjah
- vi. Ravindra Energy Limited
- vii. Agri Venture Trading and Investment Private Limited
- viii. Adani Wilmar Limited
- ix. Wilmar Sugar Pte Limited
- x. Great Wall - Wilmar Holding Limited

(C) KEY MANAGERIAL PERSONNEL

- i. Mrs. Vidya Murkumbi - Executive Chairperson
- ii. Mr. Narendra Murkumbi - Vice Chairman and Managing Director
- iii. Mr. Vijendra Singh - President and Whole Time Director
- iv. Mr. K. K. Kumbhat- Chief Financial Officer
- v. Mr. D.V. Iyer- Company Secretary and Compliance Officer. (Till 18th July 2015)
- vi. Mr. Naveen Manghani- Company Secretary and Compliance Officer. (From 14th August 2015)

(A) TRANSACTIONS WITH SUBSIDIARY COMPANIES**I) RENUKA COMMODITIES DMCC, DUBAI**

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
1	Nature of transaction	Advances Paid	Advances Paid
	Other Advance Paid/(Refunded)	36.24	21.06
	Interest Income on advances	30.30	18.28
	Advance for purchase/(refund) of Raw Sugar	-	99.13
	Sale of White Sugar	2,534.20	-
	Receipt against sale	(688.25)	-
	Outstanding as at the end of the period	2,135.97	223.48
2	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	-
	Outstanding as at the end of the period	4.97	4.97

II) PARANA GLOBAL TRADING (FZE)

1	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	(11.18)
	Investment in subsidiary	-	-

III) SHREE RENUKA AGRI VENTURES LTD

1	Nature of transaction	Purchase/Sale	Purchase/Sale
	Other Advance Paid/(Refunded)	2.24	17.33
	Interest Income on advances	20.43	17.34
	Outstanding as at the end of the period	203.01	180.34
2	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	-
	Investment in subsidiary	2.50	2.50

IV) KBK CHEM ENGINEERING PVT. LTD

1	Nature of transaction	Advance paid	Advance paid
	Other Advance Paid/(Refunded)	12.58	11.97
	Interest Income on advances	122.46	110.49
	Outstanding as at the end of the period	1,233.37	1098.33
2	Nature of transaction	Purchase and sale	Purchase and sale
	Purchase of Plant & machinery	(28.05)	25.00
	Purchase of Service	(2.52)	-
	Advance for purchase	29.33	20.99
	Outstanding as at the end of the period	(4.25)	(3.01)
3	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	-
	Investment in subsidiary	547.92	547.92

(A) TRANSACTIONS WITH SUBSIDIARY COMPANIES (Contd...)

V) GOKAK SUGARS LTD.

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
1	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	-
	Investment in subsidiary	187.26	187.26
2	Nature of transaction	Advances Paid	Advances Paid
	Advance paid/(refunded) during the period	102.07	74.15
	Interest Income on advances	1.98	42.48
3	Nature of transaction	Purchase and sales	Purchase and sales
	Purchases of Byproducts of Sugar	(178.33)	(270.68)
	Purchase of Sugar	(3.82)	(403.00)
	Purchase of Coal	(5.00)	-
	Purchase of Stores and Spares	(1.08)	(1.78)
	Sales and others	48.28	9.86
	Sale of Services	60.09	66.11
	Outstanding as at the end of the period	36.14	11.95

VI) SHREE RENUKA GLOBAL VENTURES LTD , MAURITIUS

1	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	26,25
	Investment in subsidiary	18,245.25	18,245.25

VII) MONICA TRADING PVT. LTD.

1	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	-
	Investment in subsidiary	171.52	171.52
2	Nature of transaction	Inter Corporate Deposit	Inter Corporate Deposit
	ICD Given/(Repaid)	(35.64)	1.68
	Interest Income on advances	29.94	29.99
	Outstanding as at the end of the period	292. 90	298.60
3	Nature of transaction	Advances Refund	Advances Refund
	Advance paid/(refunded) during the period	3.00	(3.00)
	Outstanding as at the end of the period	-	(3.00)
4	Nature of transaction	Rent Payable	Rent Payable
	Rent Paid	-	3.90
	Outstanding as at the end of the period	-	-

(A) TRANSACTIONS WITH SUBSIDIARY COMPANIES (Contd...)**VIII) SHREE RENUKA EAST AFRICA AGRIVENTURES PLC**

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
1	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	-
	Investment in subsidiary	5.19	5.19
2	Nature of transaction	Advances Paid	Advances Paid
	Advance paid/(refunded) during the period	-	-
	Outstanding as at the end of the period	0.04	0.04

IX) LANKA SUGAR REFINERY COMPANY (PRIVATE) LIMITED, SRILANKA

1	Nature of transaction	Advances Paid	Advances Paid
	Advance paid/(refunded) during the period	-	-
	Outstanding as at the end of the period	1.19	1.19

X) SHREE RENUKA TUNAPORT PRIVATE LIMITED

1	Nature of transaction	Investment	Investment
	Volume of transactions during the period	-	-
	Investment in subsidiary	0.10	0.10
2	Nature of transaction	Advances Paid	Advances Paid
	Advance paid/(refunded) during the period	0.04	0.01
	Interest Income on advances	0.39	0.71
	Outstanding as at the end of the period	7.44	7.01

XI) RENUKA VALE DO IVAI S/A)

1	Nature of transaction	Advances Paid	Advances Paid
	Advance paid/(refunded) during the period	(1.96)	92.61
	Outstanding as at the end of the period	90.79	92.61

B) TRANSACTIONS WITH ASSOCIATE COMPANIES**I) RENUKA ENERGY RESOURCE HOLDING (FZE)**

1	Nature of transaction	Purchases	Purchases
	Advance paid/(refunded) during the period	(0.18)	0.01
	Outstanding as at the end of the period	-	0.18

B) TRANSACTIONS WITH ASSOCIATE COMPANIES (Contd...)
II) RAVINDRA ENERGY LIMITED

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
1	Nature of transaction	Purchases	Purchases
	Advance paid	619.35	552.70
	Purchase of Coal	(255.71)	(325.46)
	Interest Income on advances	4.90	2.63
	Outstanding as at the end of the period	598.56	997.61
2	Nature of transaction	Sales	Sales
	Sale of Sugar and Others	0.13	748.14
	Receipt against Sale	(767.73)	-

III) VANTAMURI TRADING AND INVESTMENTS LIMITED

1	Nature of transaction	Purchases	Purchases
	Advance for purchases	-	(155.35)
	Purchase of Coal	-	(22.70)
	Payment against Coal Purchase	22.70	-
	Interest Income on advances	-	5.32
	Outstanding as at the end of the period	-	(22.70)

IV) ADANI WILMAR LIMITED

1	Nature of transaction	Purchases	Purchases
	Advance for purchases	-	566.80
	Purchases	(22,452.84)	(5,733.55)
	Payment against Purchases	20,370.79	3,593.33
2	Nature of transaction	Sales	Sales
	Rent	-	0.02
	Outstanding as at the end of the period	(5,885.63)	(3,803.59)

V) WILMAR SUGAR PTE LIMITED

1	Nature of transaction	Purchases	Purchases
	Advance for purchases	-	4,522.39
	Purchase of Raw Sugar	2.97	(2,129.29)
	Payment against Purchases	-	2,183.15
2	Nature of transaction	Sales	Sales
	Sale of Sugar	3,441.69	1,832.51
	Receipts against sale of Sugar	(2,628.45)	(2,806.81)
	Outstanding as at the end of the period	3.33	(812.88)

B) TRANSACTIONS WITH ASSOCIATE COMPANIES (Contd...)

VI) WILMAR SUGAR HOLDING PTE. LTD.

S. No.	Particulars	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
1	Nature of transaction	Equity Contribution	Equity Contribution
	Volume of transaction	-	5,170.43

VII) RENUKA ENERGY RESOURCE HOLDINGS (FZE), SINGAPORE

1	Nature of transaction	Purchases & Sales	Purchases & Sales
	Advance for purchases	-	110.50
	Purchases for Coal	-	(110.51)
	Outstanding as at the end of the period	-	(0.00)

C (A) TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL (DIRECTORS)

S. No.	Particulars	Amount	Amount
	Remuneration including contributions to PF	44.76	37.69
	Outstanding remuneration payable	6.91	1.92
	Nature of transaction	Rent Paid	Rent Paid
	Volume of transactions during the year	6.95	3.96
	Outstanding as at the end of the year	-	-
		Loans/ Advances	Loans/ Advances
	Loans/ Advances given during the year	-	1.38
	(Repayment of Loans)/ Advances during the year	-	(3.67)
	Outstanding as at the end of the year	-	-

(B) TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL (OTHERS)

S. No.	Particulars	Amount	Amount
	Remuneration including contributions to PF	27.46	21.66
		Loans/ Advances	Loans/ Advances
	Loans/ Advances given during the year	4.50	3.00
	(Repayment of Loans)/ Advances during the year	(4.50)	(3.70)
	Outstanding as at the end of the year	-	-

XVIII. DISCLOSURE UNDER CLAUSE 32 OF THE LISTING AGREEMENT:
LOAN GIVEN TO SUBSIDIARY :

Name of the company	Amount Outstanding as on		Maximum amount outstanding any time during the year ended	
	31 st March, 2017	31 st March, 2016	31 st March, 2017	31 st March, 2016
Renuka Commodities DMCC, Dubai	2,135.97	223.48	2,769.56	223.48
Shree Renuka Agri Ventures Ltd	203.01	180.34	203.01	180.34
KBK Chem Engineering Pvt. Ltd	1,229.12	1,098.33	1,233.37	1,098.33
Gokak Sugars Ltd.	36.14	11.97	649.95	919.84
Shree Renuka Global Ventures Ltd, Mauritius	-	26.25	-	26.25
Shree Renuka East Africa Agriventures PLC	0.04	0.04	0.04	0.04
Monica Trading Pvt Limited	288.70	293.92	288.70	293.92
Shree Renuka Tunaport Private Limited	7.44	7.01	7.03	7.01

XIX. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE
(A) CATEGORY WISE NOMINAL VALUE OF DERIVATIVES INSTRUMENTS OUTSTANDING IS AS UNDER:

- For Hedging currency and interest rate risks:

S. No.	Particulars	31 st March, 2017	31 st March, 2016
1	Forwards	638	536
2	Currency Options	-	(662)
	TOTAL	638	(126)

(B) UNHEDGED FOREIGN CURRENCY EXPOSURES IS AS UNDER:

Particulars	31 st March, 2017	31 st March, 2016
Payables	4,176	7,240
Receivables	2,846	2,156

XX. For the payment of managerial remuneration to Mrs. Vidya Murkumbi and Mr Vijendra Singh, Whole time directors of the Company for Financial Year 2014-15, the company has obtained the share holder's approval by way of special resolution, and permission of the Central government is pending.

XXI. The Company has made an investment in its subsidiary company Shree Renuka Global Ventures Ltd., Mauritius. This investment is stated at its carrying amount of ₹ 18,245.25 Mn. The Mauritius subsidiary company has made investment in the step down subsidiary company Shree Renuka do Brazil Participacoes Ltda., (SRDBPL). SRDBPL together with all its subsidiary filed for protection on 28th September 2015 under Judicial Recovery (Law 11.101/2005- Recuperao Judicial) in the designated court in the capital of the state of Sao Paulo, Brazil. In lieu of this, SRDBPL along with its subsidiaries filed the proposal for Reorganization Plan before the designated court.

The designated court approved re-organization plan for its subsidiary, Renuka Vale do Ivai S/A (Renuka VDI) on 26th July 2016 and for Renuka do Brazil S/A (Renuka RDB) on 29th August 2016.

On 26th January 2017, a petition was filed by Renuka RDB requesting to convey a new General Creditors' Meeting, seeking to allow the company to re organize the amount payable to its creditors through the submission of an amendment to its Judicial Re-organization Plan, adjusting the payment terms and

conditions of the credits to the current economic and financial reality of the plan. The new General Creditors' Meeting was scheduled for 6th March 2017 (1st Call) and 13th March 2017 (2nd Call).

On 22nd May 2017, an Amended Judicial Re-organization Plan of Renuka RDB was approved by the General Creditors' Assembly, which is now pending for approval of the Court.

In view of pending court approval, for Amended Judicial Re-organization plan of Renuka RDB, the provision for impairment in the value of investment, if any, will be assessed and considered after receipt of approval of the court.

XXII. DETAILS OF LOAN GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013

- Loans given to Subsidiaries for business purpose and disclosed in Note 34 (xviii).
- Investments made are disclosed in Note 4
- Corporate Guarantees given by the company in respect of loans as at 31st March 2017

S. No.	Name of the Company	31 st March, 2017	31 st March, 2016	Purpose of Guarantees Given
1	Gokak Sugars Limited	255.00	552.59	Loan from Banks and Financial Institution
2	KBK Chem-Engineering Pvt. Ltd.	145.09	171.16	Loan from Banks and Financial Institution
3	Renuka Commodities DMCC	14,688.19	15,080.72	Loan from Banks and Financial Institution
4	Renuka Vale Do Ivai S/A	1,001.80	1,026.76	Loan from Banks and Financial Institution

XXIII. DISCLOSURE ON SPECIFIED BANK NOTES

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	2.54	1.00	3.54
Add: Permitted Receipts	-	-	-
Less: Permitted Payments	-	-	-
Less: Amount Deposited in Banks	2.07	0.46	2.53
Closing Cash in Hand as on 30.12.2016	-	2.25	2.25

XXIV. Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year grouping

To be read with our report of even date

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

For and on behalf of the Board of Directors of

K. N. Prabhaskar
Partner
Membership No.19575

Vidya M. Murkumbi
Executive Chairperson
DIN: 00007588

Narendra M. Murkumbi
Vice-Chairman & Managing Director
DIN: 00009164

Place: Mumbai
Date : 29th May, 2017

K. K. Kumbhat
Chief Financial Officer

Naveen Manghani
Company Secretary
ACS No. : 20720

INDEPENDENT AUDITORS' REPORT

To the Members of
SHREE RENUKA SUGARS LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying Consolidated Ind AS financial statements of **SHREE RENUKA SUGARS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 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.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED 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 in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

AUDITORS' 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 but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated 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 sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the

information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Group as at 31st March, 2017, and its loss including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention on the recoverable amount of the investments made by Shree Renuka Global Ventures Limited in Shree Renuka do Brasil Participacoes Ltda. This investment is stated at its carrying amount of ₹ 18,245.25 Mn., made by this subsidiary company in the step down subsidiary company Shree Renuka do Brasil Participacoes Ltda. , (SRDBPL). SRDBPL together with all its subsidiaries have filed for Protection on 28th September 2015 under Judicial Recovery (Law 11.101/2005-Recuperacao Judicial) in the designated court in the capital of the State of Sao Paulo, Brazil. SRDBPL along with its subsidiaries has filed the proposal for Reorganization Plan before the designated court. The designated court approved reorganization plan for its subsidiary, Renuka Vale do Ivaí S/A (Renuka VDI) on 26th July 2016 and for Renuka do Brazil S/A on 29th August 2016. On 26th January 2017, a petition was filed by Renuka RDB requesting to convey a new General Creditor's meeting, seeking to allow the company to reorganize the amount payable to its creditors through the submission of an amendment to its Judicial Reorganization Plan, adjusting the payment terms and conditions of the credits to the current economic and financial reality of the plan. The new General Creditors meeting was scheduled for 6th March 2017 (1st call) and 13th March 2017 (2nd call). On 22nd May 2017, an Amended Judicial Reorganization plan of RDB was approved by the General Creditors Assembly, which is pending for approval by the court. Impairment in the value of investments, if any, will be considered after the receipt of the Judgement of the court.

OTHER MATTERS

We did not audit the financial statements / financial information of Four subsidiaries whose financial statements / financial information reflect total assets of ₹ 96,812.97 Mn as at 31st March, 2017, total revenues of ₹ 42,660.96 Mn and net cash flows amounting to ₹ (235.71) Mn for the year ended on that date, as considered in the Consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated financial statements, in so far as it relates

to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. 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 reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flows and Consolidated Changes in Equity dealt with by this report is in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
 - d. 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 thereunder.
 - e. 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 reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

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

- i. The Group have disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements - Refer Note 33(v) to the Consolidated Ind AS financial statements;
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection

Fund by the Holding Company, and its subsidiary companies incorporated in India;

- iv. The Company has provided requisite disclosures in its Consolidated Ind AS financial statements in Note 33 (xv) 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 accounts maintained by the company.

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

K. N. Prabhashankar
Partner
Membership No. 019575

Place: Mumbai
Date: May 29, 2017

ANNEXURE - A TO THE AUDITORS' REPORT

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

In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2017, we have audited the internal financial controls over financial reporting of **Shree Renuka Sugars Limited** ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

K. N. Prabhashankar
Partner
Membership No. 019575

Place: Mumbai
Date: May 29, 2017

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2017

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	As at 31 st March, 2017	As at 31 st March 2016	As at 1 st April 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	68,451.35	70,114.07	56,045.65
Capital Work-in-Progress-Tangible	2	351.06	373.70	330.87
Other Intangible Assets	3	7,639.13	6,901.13	7,242.83
Financial Assets				
Investments	4	997.61	861.78	846.88
Other Advances	5	12,157.62	12,043.62	6,328.45
Deferred tax assets (net)	6	5,337.15	4,911.25	3,550.64
Current Assets				
Inventories	7	14,282.17	20,937.17	16,019.25
Biological Assets		1,567.00	1,951.85	2,672.23
Financial Assets				
Trade Receivables	8	10,119.50	7,223.36	6,519.04
Cash and Cash Equivalents	9	582.48	507.70	599.48
Other Bank Balances	10	12.17	33.69	702.80
Loans	11	50.38	44.38	150.05
Other Advances	12	9,004.88	9,243.66	8,271.62
Total Assets		130,552.50	135,147.36	109,279.79
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	13	945.25	928.81	928.81
Other Equity	14	(27,466.70)	(18,559.79)	(24,760.44)
Non-Controlling Interest		17.65	18.91	15.62
Non-Current Liabilities				
Financial Liabilities				
Borrowings	15	50,461.35	34,807.04	37,936.14
Other Financial Liabilities	16	3,846.43	2,257.73	1,650.96
Provisions	17	768.99	577.02	773.11
Deferred Tax Liabilities (Net)	6	-	-	-
Current Liabilities				
Financial Liabilities				
Borrowings	18	9,659.38	17,629.14	27,018.39
Trade Payables	19	37,711.53	42,863.79	32,955.01
Other Financial Liabilities	20	54,593.63	54,612.55	32,756.83
Provisions	21	14.99	12.16	5.36
Total		130,552.50	135,147.36	109,279.79

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

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

K. N. Prabhashankar
Partner
Membership No.19575

Vidya M. Murkumbi
Executive Chairperson
DIN: 00007588

For and on Behalf of the Board

Narendra M. Murkumbi
Vice-Chairman & Managing Director
DIN: 00009164

K. K. Kumbhat
Chief Financial Officer

Naveen Manghani
Company Secretary
ACS No. : 20720

Place: Mumbai
Date : 29th May, 2017

CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

All amounts in million Indian Rupees, unless otherwise stated.

	Notes	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Revenue from Operations	22	119,445.10	99,658.09
Other Income	23	3,535.66	812.48
Total Income		122,980.76	100,470.57
EXPENSES			
Cost of Material Consumed	24	71,290.54	59,013.22
Purchase of Stock-in-trade	25	26,672.73	28,247.88
Changes in Inventory of Finished Goods, Work-in-Progress & Stock-in-Trade	26	4,908.28	1,542.52
Excise Duty on Goods Sold During the year		1,000.42	1,139.71
Employee Benefit Expenses	27	2,105.41	2,049.70
Finance Costs	28	9,317.84	9,764.23
Foreign Exchange (Gain)/Loss	29	3,364.61	5,012.72
Depreciation and Amortisation Expenses	30	8,455.26	7,755.77
Other Expenses	31	6,401.86	5,506.91
Total Expenses		133,516.95	120,032.66
Profit/(Loss) before exceptional items and tax		(10,536.19)	(19,562.09)
Exceptional Items		-	-
Profit/(Loss) before tax		(10,536.19)	(19,562.09)
Tax Expense:			
Current Tax		-	-
Deferred Tax		(138.77)	(1,471.19)
Profit / (Loss) for the year		(10,397.42)	(18,090.90)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of the net defined benefit liability / asset		(5.81)	(5.66)
Total comprehensive income for the year		(10,403.23)	(18,096.55)
Profit/(Loss) for the year attributable to:			
Owners of the Company		(10,396.16)	(18,094.19)
Non-controlling interests		(1.26)	3.29
Other comprehensive income attributable to:			
Owners of the Company		(5.81)	(5.66)
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Owners of the Company		(10,401.97)	(18,099.84)
Non-controlling interests		(1.26)	3.29
Earnings per Share			
Basic	32	(11.18)	(19.48)
Diluted		(11.18)	(19.48)
[Nominal value of shares ₹ 1/- each]			

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

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

K. N. Prabhashankar
Partner
Membership No.19575

Vidya M. Murkumbi
Executive Chairperson
DIN: 00007588

K. K. Kumbhat
Chief Financial Officer

Place: Mumbai
Date : 29th May, 2017

For and on Behalf of the Board

Narendra M. Murkumbi
Vice-Chairman & Managing Director
DIN: 00009164

Naveen Manghani
Company Secretary
ACS No. : 20720

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	(10,536.19)	(19,562.09)
Adjustments to reconcile profit/(Loss) before tax to net cash provided by operating activities:		
Depreciation and Amortisation including preoperative	8,455.26	7,755.77
Financial expenses	9,317.84	9,764.23
Loss/(Profit) on sale of fixed assets	2.99	3.51
Dividend Income	(6.49)	(3.79)
(Gain)/ Loss from Sale of Investments	(77.49)	9.19
Exchange Fluctuations (net)	3,364.61	5,012.72
Opening Reserves of subsidiaries ceased to exist transferred	-	(11.71)
Foreign Currency Translation Reserve	(3,865.15)	2,175.63
Operating profit before working capital changes	6,655.38	5,143.46
Changes in operating assets and liabilities:		
Trade receivables	(2,896.14)	(174.63)
Other receivables	(114.05)	(5,807.97)
Inventory	7,039.86	(4,197.55)
Trade and other payables	(2,551.65)	9,955.18
Cash generated from operations	8,133.40	4,918.47
Income Tax (net)	(32.76)	(43.32)
Net Cash Flow From Operating Activities	8,100.64	4,875.15
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets (including goodwill)	(6,939.14)	(2,666.47)
Proceeds from sale of fixed assets	1,160.07	441.79
Proceeds from sale of investments	(58.35)	(24.09)
Dividend Income	6.49	3.79
Net Cash Flow From Investing Activities	(5,830.93)	(2,244.99)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Equity Shares	16.44	-
Share premium	255.46	-
Exchange Fluctuations (net)	(3,370.31)	(6,543.74)
Dividend paid	(1.77)	(0.92)
Proceeds/(Repayment) from long-term borrowings(net)	19,051.08	20,729.07
Net Increase/(Decrease) in Working Capital Borrowings	(7,969.77)	(9,389.52)
Repayment of Deferred Purchase Tax	-	-
Finance Cost	(10,176.05)	(7,516.85)
Net Cash Flow From Financing Activities	(2,194.92)	(2,721.96)
Net increase in cash and cash equivalents	74.79	(91.79)
Opening cash and cash equivalents	507.70	599.48
Closing cash and cash equivalents	582.48	507.70

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

K. N. Prabhashankar
Partner
Membership No.19575

Vidya M. Murkumbi
Executive Chairperson
DIN: 00007588

K. K. Kumbhat
Chief Financial Officer

For and on Behalf of the Board

Narendra M. Murkumbi
Vice-Chairman & Managing Director
DIN: 00009164

Naveen Manghani
Company Secretary
ACS No. : 20720

Place: Mumbai
Date : 29th May, 2017

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL CONSOLIDATED STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES:

All amounts in million Indian Rupees, unless otherwise stated.

a. BASIS OF PRESENTATION:

The accompanying consolidated financial statements have been presented for the year ended 31st March, 2017 along with comparative information for the year ended 31st March, 2016. These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) on going concern basis under the historical cost convention on the accrual basis of accounting and the relevant provisions prescribed in the Companies Act 2013, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India and of the Securities and Exchange Board of India. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The accounting policies have been consistently applied by the Company except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company has adopted all the Ind AS standards 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 Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

b. CONSOLIDATION:

The consolidated financial statements comprise the financial statements of the Company and its direct and indirect subsidiaries ("The Group") as disclosed. A subsidiary is an entity in which the Group has either direct or indirect majority ownership interest and has the power to control the financial and operating policies of that entity. Subsidiaries are consolidated from the date control

commences until the date control ceases. The financial statements of the Group is consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

c. USE OF ESTIMATES:

In preparing the Company's financial statements in conformity with Ind AS, the Company's management is required to make estimates, judgements and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise and if material, their effects are disclosed in the notes to the financial statements.

d. PROPERTY, PLANT AND EQUIPMENT:

i. **Property, plant and equipment** (Tangible and Intangible) are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to the location and condition necessary for its intended use. Expenditure incurred during construction period has been added to the cost of the assets. These expenses have been allocated to the sugar, power generation and ethanol units on a reasonable basis. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The costs 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. Subsidy received from the Government

has been recognised as deferred income and recognized in the statement of profit and loss on a systematic basis over the useful life of assets.

- ii. Land, Building and Plant and Machinery are carried at revalued amounts and the surplus on revaluation is credited to Revaluation Reserve account. The useful lives of the depreciable assets remain to be the same as that of prior to revaluation.

e. BORROWING COSTS:

Interest and other costs in connection with the borrowings of funds to the extent attributable to the acquisition or construction of qualifying assets or capitalized as part of the cost of such asset till such time the asset is ready for its intended use. All other borrowings costs are recognised in the statement of profit and loss in the period in which they are incurred.

f. DEPRECIATION:

1. OTHER THAN BRAZILLIAN COMPANIES-

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

- ii. In case of Holding company, Depreciation on the value of revaluation is reduced from Revaluation Reserve effective from Financial Year 2016-17.

2. FOR BRAZILLIAN COMPANIES-

The residual and useful life of assets and depreciation method are reviewed at each year end and adjusted prospectively. Depreciation is calculated on Straight Line Method.

Maintenance expenses that results in extension of the useful life of assets are capitalised and the items that wear out during the year are recorded at the time of their replacement and depreciated over the period of next harvest season. Maintenance expenses with no impact on economic useful life of asset are recognised as expenses when realised.

g. LEASES:

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

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

h. INVESTMENTS:

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

i. INVENTORIES:

Raw materials, Stores and spares, Material in transit and Packing materials

Valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a Moving Weighted Average basis.

Finished goods

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

Excise duty is generally provided on manufacture of goods, which are not exempt from the payment of duty. However, since the Company's finished goods are not segregated at the time of production

into those for sale in domestic markets and those for sale in export markets, the Company is unable to determine the exact liability towards excise duty on finished goods. Accordingly, excise duty is provided/ paid only at the time of clearance of the goods from the factory.

Work-in-process

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

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

By- products

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

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

j. REVENUE RECOGNITION:

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

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

However, Sales tax/ Value added tax (VAT) is not received by the group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

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

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

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

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

k. FOREIGN CURRENCY TRANSACTIONS:

Initial Recognition

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

Conversion

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

Exchange Differences

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

Forward Exchange Contracts not intended for trading or speculation purposes

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

Translation of Foreign Subsidiaries

The translation of the financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet Date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in Foreign Currency Translation Reserve under Other Equity.

1. DERIVATIVE FINANCIAL INSTRUMENTS

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

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

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current

liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

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

m. EMPLOYEE BENEFITS:

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

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

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

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

n. INCOME TAX:

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

Deferred income tax reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

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

o. GOVERNMENT GRANTS:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is

recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

P. PROVISIONS, LIABILITIES AND ASSETS: CONTINGENT AND CONTINGENT ASSETS:

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

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

Contingent Liability is disclosed in the case of

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

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

Contingent Assets are neither recognised nor disclosed.

q. EARNINGS PER SHARE:

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

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

r. SEGMENT REPORTING:

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

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

s. IMPAIRMENT OF ASSETS:

Goodwill and intangible assets that have an indefinite useful life are not subject to impairment

and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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

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

t. CLASSIFICATION OF ASSETS AND LIABILITIES AS CURRENT AND NON-CURRENT:

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

NOTE 2. PROPERTY, PLANT AND EQUIPMENT

All amounts in million Indian Rupees, unless otherwise stated.

PARTICULARS	1 st April, 2016	Additions	Disposal/ Adjustment	Effects of Foreign Currency Exchange Difference	Revaluation of Assets	31 st March, 2017
Gross Carrying Value						
Lease Hold Land	184.25	-	-	-	-	184.25
Free Hold Land	2,854.73	-	-	50.12	-	2,904.85
Buildings	12,105.15	110.33	-	379.81	-	12,595.29
Plant & Equipment	84,889.98	1,739.92	1,667.08	4,788.38	-	89,751.20
Furniture & Fixtures	600.68	20.07	27.49	31.13	-	624.39
Vehicles	1,691.20	7.49	336.74	183.87	-	1,545.82
Total	102,325.99	1877.81	2,031.31	5,433.31	-	107,605.80
Previous Year	83,203.36	548.63	252.23	(1,753.38)	20,579.62	102,325.99
Accumulated Depreciation						
Lease Hold Land	6.05	2.19	-	-	-	8.24
Free Hold Land	-	-	-	-	-	-
Buildings	2,030.28	553.64	-	79.32	-	2,663.24
Plant & Equipment	28,360.16	4,411.58	530.59	2,503.21	-	34,744.36
Furniture & Fixtures	456.53	53.69	333.07	21.16	-	198.31
Vehicles	1,358.90	185.98	4.58	-	-	1,540.30
Total	32,211.92	5,207.08	868.24	2,603.68	-	39,154.44
Previous Year	30,368.14	(1,394.70)	93.97	3,332.45	-	32,211.92
Net Carrying Value						
Lease Hold Land	178.20					176.01
Free Hold Land	2,854.73					2,904.85
Buildings	10,074.87					9,932.05
Plant & Equipment	56,529.82					55,006.84
Furniture & Fixtures	144.15					426.08
Vehicles	332.30					5.52
Total	70,114.07					68,451.36
Previous Year	52,835.22					70,114.07
Capital Work-in-progress	373.70					351.06

Notes:

Current Year Depreciation includes Depreciation on Revalued Amount of PPE which has been reduced from Revaluation Reserve

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 3. OTHER INTANGIBLE ASSETS

PARTICULARS	1 st April, 2016	Additions	Disposal/ Adjustment	Effects of Foreign Currency Exchange Difference	Revaluation of Assets	31 st March, 2017
Gross Carrying Value						
Goodwill on Consolidation	6,718.20	745.66	-	-	-	7,463.86
Transmission Rights	254.37	-	-	13.68	-	268.05
Computer Software	234.99	0.09	-	30.02	-	265.10
Total	7,207.56	745.75	-	43.70	-	7,997.01
Previous Year	7,511.21	0.30	287.08	(16.87)	-	7,207.56
Accumulated Depreciation						
Goodwill on Consolidation	-	-	-	-	-	-
Transmission Rights	100.34	9.51	-	10.44	-	120.29
Computer Software	206.09	19.46	0.01	12.05	-	237.59
Total	306.43	28.97	0.01	22.49	-	357.88
Previous Year	296.18	55.67	1.33	(63.02)	-	287.51
Net Carrying Value						
Goodwill on Consolidation	6,718.20					7,463.86
Transmission Rights	154.03					147.76
Computer Software	28.90					27.51
Total	6,901.13					7,639.13
Previous Year	7,215.03					6,920.05

NON-CURRENT ASSETS

NOTE 4: INVESTMENTS

	As at 31 st March, 2017	As at 31 st March, 2016
Non Trade Investments:		
Other Investments (At cost):		
In Equity Shares (Unquoted)	230.32	230.32
In Equity Shares (Quoted)	-	94.71
Investment in Associate Companies (Unquoted)	767.29	536.75
	997.61	861.78

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 5 : OTHER ADVANCES

	As at 31 st March, 2017	As at 31 st March, 2016
Capital Advances	10.96	11.46
Deposits	2,014.51	2,049.04
Export Incentives Receivable	197.43	197.43
MAT Credit Entitlement	545.12	545.07
Amount paid under protest to Government Authorities	514.04	452.52
Other Advances	8,875.56	8,788.10
	12,157.62	12,043.62

NOTE 6 : DEFERRED TAX LIABILITIES/(DEFERRED TAX ASSETS) (NET)

Deferred Tax Liability		
Depreciation	4,824.24	4,802.88
Lease Rentals/Others	526.46	555.02
Gross Deferred Tax Liability	5,350.70	5,357.90
Deferred Tax Asset		
Leave Encashment/Gratuity/Sugarcane Purchase tax	23.12	21.25
Unabsorbed Business Loss	7,591.66	6,827.24
Others	3,073.07	3,420.66
Gross Deferred Tax Asset	10,687.85	10,269.15
Deferred Tax Liabilities/(Deferred Tax Assets) (Net)	(5,337.15)	(4,911.25)

CURRENT ASSETS

NOTE 7: INVENTORIES

Raw materials, components and Goods in transit	6,806.44	8,033.54
Fixed Assets Held for Sale	6.52	4.89
Work-in-Progress	38.37	86.27
Stores and Spares	1,012.16	935.74
Intermediate Products	280.78	416.87
Finished Goods:		
Manufactured	5,880.47	11,172.84
Trading	257.43	287.02
	14,282.17	20,937.17

NOTE 8: TRADE RECEIVABLES

Unsecured & Considered good:		
Debts over six months	3,687.28	1,255.92
Others	6,432.22	5,967.44
	10,119.50	7,223.36

NOTE 9: CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents:		
Cash on hand	1.26	3.88
Balances with Banks:		
In Current Accounts	581.22	503.82
	582.48	507.70

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 10: OTHER BANK BALANCES

	As at 31 st March, 2017	As at 31 st March, 2016
Other Bank Balances:		
Earmarked balances		
Unpaid dividend accounts	9.97	11.74
Fixed Deposit pledged with bank/ deposited with Government authorities	2.20	21.95
	12.17	33.69

NOTE 11: LOANS

Unsecured and Considered Good:		
To Associate Companies	50.38	44.38
	50.38	44.38

NOTE 12: OTHER ADVANCES

Export Incentives Receivable	3.16	8.50
Interest Accrued	1.34	1.07
Interest Receivable from Govt. of India	25.77	33.49
Prepaid Expenses	97.34	82.40
Deposits	124.97	124.97
Balances with Customs, Excise, etc.	1,914.94	1,600.99
Income Tax Refund Due (Net)	393.94	361.23
Other Advances	6,443.43	7,031.01
	9,004.88	9,243.66

NOTE 13: EQUITY SHARE CAPITAL

a) Authorised		
25,000,000 Preference Shares of ₹ 10/- each	250.00	250.00
1600,000,000 Equity Shares of ₹ 1/- each	1,600.00	1,600.00
	1,850.00	1,850.00
b) Issued, Subscribed and Paid up		
945,246,580 Equity Shares of ₹ 1/- each fully paid	945.25	928.81
(Previous Year 928,811,242 Equity Shares of ₹ 1/- each fully paid)		
	945.25	928.81

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 14- OTHER EQUITY

	Attributable to Equity Share Holders						Total equity attributable to the equity holders of the Company	
	Capital Reserve	Securities Premium	Debt Redemption Reserve	Revaluation Reserve	Reserves on Consolidation	Foreign Currency Translation Reserve		Retained Earnings
As at 1st April 2015	19.01	15,314.27	375.00	-	366.87	(3,205.94)	(9,499.40)	(24,760.44)
Profit for the period	-	-	-	-	-	-	-	(18,094.19)
Other Comprehensive Income	-	-	-	-	-	-	-	(5.66)
Total Comprehensive Income	19.01	15,314.27	375.00	-	366.87	(3,205.94)	(9,499.40)	(42,860.27)
Revaluation on Assets	-	-	-	20,579.62	-	-	-	20,579.62
Transfer to/(from) Foreign Currency Translation Reserve	-	-	-	-	-	2,175.63	-	2,175.63
Transfer to/(From) Foreign Currency Monetary Item	-	-	-	-	-	-	1,533.53	1,533.53
Translation Difference Account	-	-	-	-	-	-	-	-
Shares Issued During the year	-	-	-	-	-	-	-	-
Transfer to/(From) Retained Earnings	-	-	125.00	-	-	-	-	(125.00)
Opening Reserves of subsidiaries ceased to exist transferred	-	-	-	-	-	-	-	11.71
Depreciation of Revalued Assets	-	-	-	-	-	-	-	-
As At 31st March 2016	19.01	15,314.27	500.00	20,579.62	366.87	(1,030.31)	(7,965.87)	(18,559.79)
Profit for the period	-	-	-	-	-	-	-	(10,396.16)
Other Comprehensive Income	-	-	-	-	-	-	-	(5.81)
Total Comprehensive Income	19.01	15,314.27	500.00	20,579.62	366.87	(1,030.31)	(7,965.87)	(28,961.75)
Transfer to/(from) Foreign Currency Translation Reserve	-	-	-	-	-	(3,866.30)	-	(3,866.30)
Transfer to/(From) Foreign Currency Monetary Item	-	-	-	-	-	-	6,224.90	6,224.90
Translation Difference Account	-	-	-	-	-	-	-	-
Shares Issued During the year	-	255.46	-	-	-	-	-	255.46
Transfer to/(From) Retained Earnings	-	-	125.00	-	-	-	-	(125.00)
Depreciation of Revalued Assets	-	-	-	(1,119.01)	-	-	-	(1,119.01)
At 31st March 2017	19.01	15,569.73	625.00	19,460.61	366.87	(4,896.61)	(1,740.97)	(27,466.70)

All amounts in million Indian Rupees, unless otherwise stated.

NON-CURRENT LIABILITIES

NOTE 15: BORROWINGS

	As at 31 st March, 2017	As at 31 st March, 2016
1) Secured:		
i) 1500 Redeemable Non-Convertible Debentures (11.70%) of ₹ 1,000,000 each	1,500.00	1,500.00
ii) 1000 Redeemable Non-Convertible Debentures (11.30%) of ₹ 1,000,000 each	1,000.00	1,000.00
b) Term Loans		
From Banks and Financial Institutions	84,856.63	69,731.10
From others :		
Sugar Development Fund (SDF)	1,545.67	1,060.90
Interest Accrued but not due	184.86	118.15
	89,087.16	73,410.15
Less :Current Maturity of Long term borrowings transferred to Other Current Liabilities (Refer Note 20)	38,625.81	38,603.11
	50,461.35	34,807.04

NOTE 16 : OTHER FINANCIAL LIABILITIES

Advance from Customers	1,274.40	1,057.43
Trade Payables	1,389.93	82.51
Other Liabilities	1,149.09	926.52
Deferred Income (Govt Assistance)	33.01	191.27
Purchase Tax Payable	348.23	351.52
Less: Payable within one year (transferred to Other current liabilities, Refer Note No 20)	348.23	351.52
	3,846.43	2,257.73

NOTE 17: PROVISIONS

Provision for Employee Benefits:		
Provision for Gratuity	2.34	1.75
Provision for Leave Encashment	54.72	50.16
Other Provisions	711.93	525.11
	768.99	577.02

CURRENT LIABILITIES

NOTE 18 : BORROWINGS

Secured		
Working Capital from Banks:		
Rupee Borrowings	2,863.85	7,884.01
Foreign Currency Borrowings	5,551.46	8,942.05
Unsecured		
Others	1,244.07	803.08
	9,659.38	17,629.14

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 19: TRADE PAYABLES

	As at 31 st March, 2017	As at 31 st March, 2016
For Goods and Services	37,711.53	42,863.79
	37,711.53	42,863.79

NOTE 20: OTHER FINANCIAL LIABILITIES

Current maturity of Long-Term Borrowings (Refer note 15)	38,625.81	38,603.11
Interest accrued but not due on Borrowings	3,967.77	4,825.98
Deferred Income (Govt Assistance)	158.26	187.87
Advance from Customers	7,194.49	7,387.43
Purchase Tax Payable (Refer Note 16)	348.23	351.52
Unclaimed Dividend	9.97	11.74
Salary Payable	43.27	92.14
Statutory Dues payable	47.75	59.16
Other Payables	4,198.08	3,093.60
	54,593.63	54,612.55

NOTE 21: PROVISIONS

Provision for Gratuity	0.45	6.86
Provision for Leave Encashment	14.54	5.30
	14.99	12.16

NOTE 22 : REVENUE FROM OPERATIONS

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Sale of Products (Gross)		
Sale of Manufactured Sugar	74,773.70	46,410.48
Sale of Traded Sugar and Ethanol	26,639.22	28,312.08
Sale of Power	3,270.64	3,726.06
Sale of Ethanol and Allied products	13,362.36	18,121.26
Sale from Engineering Division	266.78	339.38
Sale of By-products and Others	1,132.40	2,748.83
	119,445.10	99,658.09

NOTE 23: OTHER INCOME

Dividend on Investments	6.49	3.79
Profit on Sale of Investments	77.49	0.84
Profit on Sale of Assets	0.84	2.54
Income from professional Services	11.79	12.22
Government Assistance	179.37	202.23
Others	3,259.68	590.86
	3,535.66	812.48

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 24 : COST OF MATERIALS CONSUMED

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Sugar-Cane	25,714.44	33,153.41
Raw-Sugar	42,175.27	22,079.19
Bagasse	195.67	167.88
Coal	1,793.58	1,589.55
Molasses	771.46	1,431.34
Denatured Alcohol	312.78	344.46
Rectified Spirit	84.69	35.31
MG Alcohol	35.10	32.99
Others	3.32	8.77
Engineering Division	204.23	170.32
	71,290.54	59,013.22

NOTE 25: PURCHASE OF STOCK IN TRADE

Raw-Sugar	26,412.65	27,254.30
White Sugar	194.58	974.52
Coal	65.50	19.06
	26,672.73	28,247.88

NOTE 26: CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE

Opening Stock		
Work in progress	200.10	97.22
Finished goods and intermediate products	11,433.18	12,245.81
	A	11,633.28
Less: Closing stock		
Work in progress	152.20	86.27
Finished goods and intermediate products	6,572.82	10,714.24
	B	6,725.02
	(A-B)	4,908.28
		1,542.52

NOTE 27: EMPLOYEE BENEFIT EXPENSES

Salaries, Wages and Bonus	1,936.06	1,893.87
Contribution to Provident Fund, Gratuity Fund and Other Employee Benefits	90.55	82.63
Staff Welfare Expenses	78.80	73.20
	2,105.41	2,049.70

NOTE 28: FINANCE COSTS

Interest:		
On Term Loans	7,572.45	7,125.91
On Working Capital	860.83	1,336.10
On Debentures	288.50	289.29
Others:		
Bank Charges and Other Borrowing Costs	596.06	1,012.93
	9,317.84	9,764.23

All amounts in million Indian Rupees, unless otherwise stated.

NOTE 29 : FOREIGN EXCHANGE LOSS/(GAIN)

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Foreign Exchange Loss/ (Gain)	3,364.61	5,012.72
	3,364.61	5,012.72

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSES

Depreciation and amortisation of Tangible assets*	8,426.29	7,710.52
Depreciation and amortisation of intangible assets*	28.97	45.25
	8,455.26	7,755.77

* Refer note no.2 and 3

NOTE 31: OTHER EXPENSES

A. Manufacturing Expenses		
Consumption of Stores and Spares	400.33	295.00
Consumption of Chemicals, Consumables, Oil and Lubricants	463.41	567.51
Sugar House Loading, Un-loading and Handling Charges	202.38	188.65
Packing Materials	755.95	658.59
Direct Expenses (Engineering)	2.64	44.17
Power and Fuel	359.77	116.67
Lease Rentals	132.46	133.40
Repairs and Maintenance:		
Plant and Machinery	133.94	133.80
Buildings	5.03	2.63
Other Manufacturing Expenses	73.18	255.25
A	2,529.09	2,395.67
B. Administrative expenses		
Rent, Rates and Taxes	380.56	451.31
Insurance	117.01	106.00
Travelling and Conveyance	87.79	68.27
Printing and Stationery	7.31	6.89
Communication Expenses	38.75	33.24
Legal and Professional Fees	555.43	412.64
Directors' Sitting Fees	2.69	3.86
Auditor's Remuneration	46.18	39.79
Safety and Security Expenses	58.45	57.08
Donations and Contributions	2.56	2.90
Loss on Sale of Fixed Assets	3.82	6.05
Loss on Sale of Long-Term Investments	-	10.03
Books, Periodicals, Subscription and Membership Expenses	14.49	13.49
Sundry Balances Written Off	12.54	78.37
Research and Development	1.96	0.61
Repairs and Maintenance - Others	59.24	60.08
Others	185.04	79.46
B	1,573.82	1,430.07

All amounts in million Indian Rupees, unless otherwise stated.

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
C. Selling and Distribution Expenses		
Freight and Forwarding Charges	2,097.19	1,538.58
Advertisement and Sales Promotion	68.85	24.26
Warehousing Expenses	0.04	0.08
Brokerage and Discounts	42.44	32.21
Commission and Market Development Expenses	90.43	86.04
C	2,298.95	1,681.17
(A + B+C)	6,401.86	5,506.91

NOTE 32: EARNINGS PER SHARE

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

	As at 31 st March, 2017	As at 31 st March, 2016
Profit/(Loss) for the year ended 31 st March, 2017	(10,396.16)	(18,094.19)
Net profit/(Loss) attributable to equity shareholders	(10,396.16)	(18,094.19)
Reconciliation of number of shares	Shares	Shares
Shares outstanding at the beginning of the Year	928,811,242	928,811,242
Shares outstanding at the end of the Year	945,246,580	928,811,242
Weighted average number of equity shares	929,891,922	928,811,242
Basic and Diluted Earnings Per Share (in rupees)	(11.18)	(19.48)
[Nominal value of shares ₹ 1/- each]		

NOTE 33. OTHER NOTES TO THE FINANCIAL STATEMENTS:

All amounts in million Indian Rupees, unless otherwise stated.

I. EXCISE DUTY ON FINISHED GOODS

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

II. LEASES PAYABLE

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

S. No	Lease Payable	As at 31 st March, 2017	As at 31 st March, 2016
A	Within a period of one year	163.84	494.60
B	One year to five years	499.82	523.93
C	five years and above	1,315.17	1,440.13
D	Lease rent charged to Statement of profit and loss	125.50	125.53

III. LEASES RECEIVABLE

S. No	Leases Receivable	As at 31 st March, 2017	As at 31 st March, 2016
A	Within a period of one year	Nil	Nil
B	One year to five years	Nil	Nil
C	five years and above	Nil	Nil
D	Lease rent credited to statement of profit and loss	Nil	1.30

IV. OUTSTANDING COMMITMENTS

S. No	Outstanding Commitments	As at 31 st March, 2017	As at 31 st March, 2016
A	Bank Guarantee	34.32	28.03
B	Corporate Guarantee	797.94	651.80
C	Estimated amount of contract pending for execution	74.65	55.07

V. CONTINGENT LIABILITIES

Liabilities classified and considered contingent due to contested claims and legal disputes	As at 31 st March, 2017	As at 31 st March, 2016
Income Tax Demands	275.65	133.77
Excise and Service Tax Demands	1,287.72	713.94
Sales Tax/VAT Demands	38.22	109.85
Customs Demand	465.12	465.12
Brazilian Taxes	1,865.07	1,391.32
Other Matters	1,528.28	1,009.61
Total:	5,460.06	3,823.61

VI. Balances appearing under the head Trade payables, Trade Receivables, loans and advances are subject to confirmation, adjustments, if any, on the receipt/reconciliation of such accounts.

All amounts in million Indian Rupees, unless otherwise stated.

VII. A) SEGMENT REPORTING FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	SUGAR		TRADING		CO-GENERATION		ETHANOL		ENGINEERING		OTHER		ELIMINATIONS		TOTAL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
REVENUE																
External sales	84,800.98	61,876.71	26,591.45	28,589.02	3,005.15	3,306.71	4,685.86	5,481.21	266.78	339.38	94.88	65.04	-	-	119,445.10	99,658.08
Inter-segment sales	1,694.36	3,133.05	-	-	2,218.79	3,075.08	-	-	3.98	(25.05)	-	-	(3,917.13)	(6,183.09)	(0.00)	0.00
Total Revenue	86,495.34	65,009.76	26,591.45	28,589.02	5,223.95	6,381.80	4,685.86	5,481.21	270.75	314.33	94.88	65.04	(3,917.13)	(6,183.09)	119,445.10	99,658.08
Results	6,929.93	814.21	(201.05)	(723.08)	(737.39)	(109.33)	1,115.21	1,285.31	(69.99)	(34.32)	6.79	46.02	(125.70)	(232.63)	6,897.81	1,046.18
Unallocated corporate expenses																
Operating profit																
Financial expenses															8,287.23	6,644.01
Other income															(1,389.42)	(5,597.83)
Profit from ordinary activities															9,317.82	9,764.23
Exceptional items															3,535.66	812.48
Net Profit															(7,171.59)	(14,549.57)
OTHER INFORMATION															(3,564.60)	(5,012.52)
Segment assets	38,058.91	32,045.66	28,142.28	26,832.42	21,453.38	17,437.37	5,771.61	4,382.56	(676.03)	(183.79)	870.67	168.21	-	-	93,620.82	80,682.43
Unallocated corporate assets																
Total Assets	38,058.91	32,045.66	28,142.28	26,832.42	21,453.38	17,437.37	5,771.61	4,382.56	(676.03)	(183.79)	870.67	168.21	-	-	130,552.50	135,147.36
Segment liabilities	91,646.28	71,551.43	21,180.67	17,988.63	4,359.40	3,938.36	24.26	111.40	221.39	396.19	3.74	7.38	-	-	117,435.75	93,993.39
Unallocated corporate liabilities																
Total Liabilities	91,646.28	71,551.43	21,180.67	17,988.63	4,359.40	3,938.36	24.26	111.40	221.39	396.19	3.74	7.38	-	-	157,056.30	152,759.43
Capital expenditure	2,555.96	2,603.60	0.06	0.90	14.00	33.23	9.96	5.89	0.51	-	0.02	0.32	-	-	2,580.51	2,643.94
Unallocated corporate capital expenditure																
Total Capital Expenditure	2,555.96	2,603.60	0.06	0.90	14.00	33.23	9.96	5.89	0.51	-	0.02	0.32	-	-	2,600.91	2,666.47
Depreciation	6,664.35	8,605.21	1.90	5.73	807.18	1,131.49	114.43	114.81	4.55	6.73	5.97	6.06	-	-	7,598.37	9,870.03
Unallocated corporate depreciation																
Total Depreciation	6,664.35	8,605.21	1.90	5.73	807.18	1,131.49	114.43	114.81	4.55	6.73	5.97	6.06	-	-	8,556.26	7,755.77

VII. (B) SECONDARY SEGMENT INFORMATION:

	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
A. Segment Revenue		
- Within India	21,723.21	26,965.22
- Outside India	97,721.90	72,692.87
Total Revenue	119,445.11	99,658.09
B. Segment Assets		
- Within India	68,295.75	76,314.87
- Outside India	62,256.79	58,832.49
Total Assets	130,552.54	135,147.36
C. Segment Liabilities		
- Within India	59,475.66	57,868.72
- Outside India	97,580.64	94,890.71
Total Liabilities	157,056.30	152,759.43
D. Capital Expenditure		
- Within India	273.16	134.61
- Outside India	2,327.75	2,531.85
Total Capital Expenditure	2,600.91	2,666.46
E. Depreciation		
- Within India	1,490.39	1,510.20
- Outside India	6,964.88	6,245.56
Total Depreciation	8,455.27	7,755.76

The geographical segments are considered for disclosure as secondary segment.

Revenue is bifurcated based on sales to customers situated within India and Outside India.

Segment Assets' investments, Loans and Advances, Trade Receivables and other assets bifurcated based on situated within India and Outside India.

Segment Liabilities' Borrowings, Trade Payables and Other Liabilities bifurcated based on situated within India and Outside India.

VIII. In terms of Ind AS 36 on impairment of assets, there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognised during the year under review.

IX. RELATED PARTY DISCLOSURES

Related parties

(A) Associate Companies

- i. Khandepar Investments Private Limited
- ii. Vantamuri Trading And Investments Limited
- iii. Murkumbi Investments Private Limited
- iv. Renuka Energy Resource Holdings (FZE), Sharjah
- v. Damodar Resource Holdings (FZE), Sharjah
- vi. Ravindra Energy Limited

- vii. Agri Venture Trading and Investment Pvt. Ltd.
- viii. Adani Wilmar Limited
- ix. Wilmar Sugar Pte Ltd.
- x. Great Wall - Wilmar Holding
- xi. Wilmar Continental
- xii. Wilmar Continental Edible Oils And Fats (Pty) Ltd.
- xiii. Wilmar Sugar Brasil Commercial Ltda - Sao Paulo
- xiv. Jawanani Rafinasi (JMR)

(B) Key Managerial Personnel

- i. Mrs. Vidya Murkumbi – Executive Chairperson (Shree Renuka Sugars Limited)
- ii. Mr. Narendra Murkumbi – Vice Chairman and Managing Director (Shree Renuka Sugars Limited)
- iii. Mr. Vijendra Singh – President and Whole Time Director (Shree Renuka Sugars Limited)
- iv. Mr. Pratik Vora – Director (Renuka Commodities DMCC, Dubai)
- v. Mr. Prashant Niranjani – Director (Renuka Commodities DMCC, Dubai) (Till 31st March 2015)
- vi. Mr. K. K. Kumbhat – Chief Financial Officer
- vii. Mr. D.V. Iyer – Company Secretary and Compliance Officer. (Till 18th July 2015)
- viii. Mr. Naveen Manghani – Company Secretary and Compliance Officer. (From 14th August 2015).

A) TRANSACTIONS WITH ASSOCIATE COMPANIES

i) Vantamuri Trading And Investments Limited	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Nature of transaction	Purchases	Purchases
Advance for purchases	(22.70)	(155.36)
Purchase of Coal	-	(22.70)
Interest Income on advances	-	5.32
Rental Income	-	0.51
Outstanding as at the end of the period	2.11	(20.59)

ii) Renuka Energy Resource Holdings (FZE)	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Nature of transaction	Purchases	Purchases
Advance paid	0.18	0.01
Purchase of Coal	-	-
Outstanding as at the end of the period	-	0.18

iii) Ravindra Energy Limited	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Nature of transaction	Purchases	Purchases
Advance paid	619.35	552.70
Purchase of Coal	(255.71)	(325.46)
Interest Income on Advance	4.90	2.63
Rental Income	-	0.77
Outstanding at the end of the period	616.85	1,014.79
	Sales	Sales
Sale of Sugar	0.13	-
Sale of Sugar and Others	1.85	22.30
Receipt against Sale	768.46	739.85
iv) Adani Wilmar Limited	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Nature of transaction	Purchases	Purchases
Advance for purchases	-	570.87
Purchases	(22,461.14)	(5,733.55)
Payment against Purchases	20,370.79	3,593.33
	Sales	Sales
Sales	0.34	38.05
Receipts against sales	-	(26.95)
Rent	-	0.02
Outstanding as at the end of the period	(5,885.60)	(3,795.59)
v) Wilmar Sugar Pte. Ltd.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Nature of transaction	Purchases	Purchases
Advance for purchases	-	4,522.39
Purchase of Raw Sugar	(2.97)	(2,129.29)
Payment Against Purchases	-	2,183.15
	Sales	Sales
Sales	3,960.39	1,832.51
Receipts against sales	(3147.15)	(2,806.81)
Interest Paid	(39.51)	-
Outstanding as at the end of the period	(27.77)	(751.34)
vi) Wilmar Sugar Holding Pte. Ltd.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Nature of transaction	Equity Contribution	Equity Contribution
Volume of transaction	-	5,170.43

vii) Wilmar Continental Edible Oils And Fats (Pty) Ltd.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Nature of transaction	Purchases & Sales	Purchases & Sales
Volume of transaction	-	1.36
Outstanding as at the end of the period	-	-
viii) Wilmar Sugar Brasil Commercial Ltda - Sao Paulo	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Nature of transaction	Purchases & Sales	Purchases & Sales
Volume of transaction	-	-
Outstanding as at the end of the period	0.10	0.10
ix) Jawananis Rafinasi (JMR)	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Nature of transaction	Purchases & Sales	Purchases & Sales
Sale of Others	22.97	46.48
Receipts against Sales	(28.55)	(38.07)
Outstanding as at the end of the period	3.37	8.41

B a). Transactions with Key Management Personnel (Directors)

Particulars	Amount	Amount
Remuneration including contributions to PF	44.76	37.69
Outstanding remuneration payable	6.91	1.92
Nature of transaction	Rent Paid	Rent Paid
Volume of transactions during the year	6.95	3.96
Outstanding as at the end of the year	-	-
	Loans/ Advances	Loans/ Advances
Loans/ Advances given during the year	6.95	1.38
(Repayment of Loans)/ Advances during the year	(6.95)	(3.67)
Outstanding as at the end of the year	-	-

b). Transactions with Key Management Personnel (Others)

Particulars	Amount	Amount
Remuneration including contributions to PF	27.35	21.66
Outstanding remuneration payable	-	-
Nature of transaction	Rent Paid	Rent Paid
Loans/ Advances given during the year	4.50	3.00
(Repayment of Loans)/ Advances during the year	(4.50)	(3.70)
Outstanding as at the end of the year	-	-

X. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

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

- For Hedging currency and interest rate risks:

S. No	Particulars	As at 31 st March, 2017	As at 31 st March, 2016
1	Forwards	638	536
2	Currency Options	-	(662)
	TOTAL	638	126

- For Hedging commodity risks

Particulars	Quantity in MT	
	As at 31 st March, 2017	As at 31 st March, 2016
For White Sugar Sales	59,750	74,250
For Raw Sugars Sales	-	-
For Raw Sugar Purchases	130,582	95,148

(b) Unhedged foreign currency exposures is as under:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
Payables	33,085.34	54,023.82
Receivables	3,223.19	3,501.31

XI. (A) RECONCILIATION OF EQUITY AS PREVIOUSLY REPORTED UNDER IGAAP TO IND AS

Particulars	Notes	As At 31 st March, 2016	As At 1 st April, 2015
Equity and Other Equity as per IGAAP		(17,919.85)	(23,425.16)
Miscellaneous expenditure to the extent not written off transferred to Other Comprehensive Income	A	(8.31)	(11.96)
Deferment of Processing fees on loan	B	104.92	-
Deferred Tax	C	(36.85)	-
Actuarial Gain/(Loss) on Employee defined benefits recognised in Other Comprehensive Income	D	(2.76)	-
Fair Value of Derivative contracts recognised through FVTPL	E	126.90	(80.93)
Change in Valuation of Biological assets	I	(332.81)	-
Fair value of Receivables recognised through FVTPL	G	72.90	60.00
Reversal of Amortisation of Interest on investment	B	(302.96)	(360.46)
Reversal of Amortisation of Debt Restructuring cost	B	(21.41)	(11.33)
Prior period FCMITR recognised through FVTPL	J	(68.53)	-
FCTR recognised through OCI	H	(86.44)	(1.79)
Revaluation of Fixed Assets of Subsidiaries	F	844.22	-
Net Profit/(Loss) after tax under Previous GAAP/ Equity and Other Equity		(17,630.98)	(23,831.62)

XI. (B) RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Notes	Amount
Loss as per previous GAAP		(18,028.97)
Miscellaneous expenditure to the extent not written off transferred to Other Comprehensive Income	A	0.88
Deferment of Processing fees on loan	B	104.92
Deferred Tax	C	(36.85)
Fair Value of Derivative contracts recognised through FVTPL	E	208.09
Change in Valuation of Biological assets	I	(332.81)
Fair value of Receivables recognised through FVTPL	G	9.90
Reversal of Amortisation of Interest on investment	B	57.24
Reversal of Amortisation of Debt Restructuring cost	B	(10.42)
Prior period FCMITR recognised through FVTPL	J	(68.53)
Comprehensive income for the period as per IND AS		(18,096.55)

NOTES

- A. Miscellaneous expenses are not recognised as asset as per IND AS, amount charged during the year has been transferred.
- B. Under Ind AS, Borrowings under amortised cost are to be accounted under effective interest rate method under Ind AS 109. Accordingly, the processing fee and other upfront fees paid for obtaining loans should be considered for effective interest calculation and not to be charged to Statement of Profit and loss.
- C. Under previous GAAP, deferred taxes were to be accounted on timing differences arising between the accounting profit and tax profit. However, such method has been replaced with balance sheet approach in Ind AS, wherein deferred taxes are to be accounted for the differences arising between the accounting balance sheet and tax balance sheet. Accordingly, deferred taxes has been accounted for such temporary differences.
- D. As per Ind AS 19, Employee Benefits, actuarial gains and losses are recognized in other comprehensive income and not reclassified to profit and loss in a subsequent period. Adjustments reflect unamortized negative past service cost arising on modification of the gratuity plan in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings."
- E. Previously, the company recognised a gain or loss on its derivative financial instruments only upon settlement of contract. In order to comply with the requirement of IFRS, the company has measured its derivative financial instruments at fair value at year end with the resulting changes taken to profit and loss.
- F. The company adopted revaluation model to measure Land, Office Building and Plant and Machinery as on 31st March 2016.
- G. Ind As adjustment for valuation of Receivables at Fair value.
- H. Foreign Exchange difference on transfer of current year profit to reserves is accounted in Foreign Currency Transalation Reserve
- I. Difference in valuation and recognition of biological asset under IGAAP and IND As has been recognised under reserves
- J. Earlier year FCMITR transferred transferred through FVTPL

XII. The Company has made an investment in its subsidiary company Shree Renuka Global Ventures Ltd., Mauritius. This investment is stated at its carrying amount of ₹ 18,245.25 Mn. The Mauritius subsidiary company has made investment in the step down subsidiary company Shree Renuka do Brazil Participacoes Ltda., (SRDBPL). SRDBPL together with all its subsidiary filed for protection on 28th September 2015 under Judicial Recovery (Law 11.101/2005- Recuperacao Judicial) in the designated court in the capital of the state of Sao Paulo, Brazil. In lieu of this, SRDBPL along with its subsidiaries filed the proposal for Reorganization Plan before the designated court.

The designated court approved re-organization plan for its subsidiary, Renuka Vale do Ivai S/A (Renuka VDI) on 26th July 2016 and for Renuka do Brazil S/A (Renuka RDB) on 29th August 2016.

On 26th January 2017, a petition was filed by Renuka RDB requesting to convey a new General Creditors' Meeting, seeking to allow the company to re organize the amount payable to its creditors through the submission of an amendment to its Judicial Re-organization Plan, adjusting the payment terms and conditions of the credits to the current economic and financial reality of the plan. The new General Creditors' Meeting was scheduled for 6th March 2017 (1st Call) and 13th March 2017 (2nd Call).

On 22nd May 2017, an Amended Judicial Re-organization Plan of Renuka RDB was approved by the General Creditors' Assembly, which is now pending for approval of the Court.

In view of pending court approval, for Amended Judicial Re-organization plan of Renuka RDB, the provision for impairment in the value of investment, if any, will be assessed and considered after receipt of approval of the court.

XIII. ENTERPRISES CONSOLIDATED AS SUBSIDIARY IN CONSOLIDATED FINANCIAL STATEMENTS.

Name of the Enterprise	Country of Incorporation	Proportion of ownership interest
Renuka Commodities DMCC, Dubai	Dubai	100.00%
Shree Renuka Global Ventures Ltd., Mauritius	Mauritius	100.00%
Shree Renuka East Africa Agriventures PLC, Ethiopia	Ethiopia	99.99%
Lanka Sugar Refinery Company (Private) Limited	Srilanka	100.00%
Gokak Sugars Ltd.	India	93.64%
Shree Renuka Agri Venture Ltd.	India	100.00%
Monica Trading Private Limited	India	100.00%
Shree Renuka Tunaport Pvt. Ltd.	India	100.00%
KBK Chem Engineering Pvt Ltd.	India	100.00%
Shree Renuka do Brasil Participações Ltda.	Brazil	100.00%
Shree Renuka São Paulo Participações Ltda.	Brazil	100.00%
Renuka do Brasil S/A	Brazil	59.41%
Revati S.A- Acucar e Alcool	Brazil	100.00%
Renuka Geradora de Energia Elétrica Ltda	Brazil	99.99%
Renuka Cogeração Ltda	Brazil	99.99%
Revati Geradora de Energia Elétrica Ltda	Brazil	99.99%
Revati Agropecuaria Ltda.	Brazil	99.99%
Apoena Logistica E Comercio De Productos Agricolas Ltda	Brazil	100.00%
Renuka Vale do IVAI S/A	Brazil	100.00%
Ivaicana Agropecuaria Ltda.	Brazil	99.99%
Biovale Comercio de Leveduras Ltda.	Brazil	99.99%
Ivai Logistica Ltda.	Brazil	100.00%

XIV. ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATES / JOINT VENTURES.

Name of the company	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount
Parent				
Shree Renuka Sugars Limited	(114.10%)	30,261.39	11.92%	(1,238.90)
Subsidiaries				
Indian				
Gokak Sugars Ltd.	(2.82%)	748.57	0.19%	(19.74)
Shree Renuka Agriventures Ltd.	0.76%	(200.97)	0.20%	(20.29)
Monica Trading Private Limited	(0.52%)	138.54	0.40%	(42.09)
Shree Renuka Tunaport Pvt. Ltd.	0.03%	(7.44)	0.00%	(0.47)
KBK Chem Engineering Pvt Ltd.	2.17%	(574.32)	1.90%	(197.14)
Foreign				
Renuka Commodities DMCC, Dubai	(27.01%)	7,163.86	8.63%	(897.58)
Shree Renuka Global Ventures Ltd., Mauritius	(85.83%)	22,764.57	0.07%	(7.32)
Shree Renuka East Africa Agriventures PLC, Ethiopia	(0.01%)	3.69	0.00%	-
Lanka Sugar Refinery Company (Private) Limited	0.00%	0.25	0.00%	(0.03)
Shree Renuka do Brasil Participações Ltda.	(5.22%)	1,385.39	(2.77%)	288.26
Shree Renuka São Paulo Participações Ltda.	(31.94%)	8,470.50	0.00%	(0.04)
Renuka do Brasil S/A	153.76%	(40,778.34)	34.90%	(3,627.87)
Revati S.A- Acucar e Alcool	(15.72%)	4,168.37	2.07%	(215.21)
Renuka Geradora de Energia Elétrica Ltda	3.21%	(851.95)	5.08%	(527.78)
Renuka Cogeração Ltda	(9.80%)	2,598.98	0.00%	(0.03)
Revati Geradora de Energia Elétrica Ltda	(17.11%)	4,538.63	0.74%	(76.93)
Revati Agropecuaria Ltda.	63.38%	(16,809.43)	36.75%	(3,820.66)
Apoena Logistica E Comercio De Productos Agricolas Ltda	0.03%	(7.20)	0.01%	(0.73)
Renuka Vale do IVAI S/A	21.59%	(5,726.39)	(3.97%)	413.11
Ivaicana Agropecuaria Ltda.	8.38%	(2,222.15)	6.63%	(688.95)
Biovale Comercio de Leveduras Ltda.	(1.81%)	479.39	0.12%	(12.12)
Renuka Trading Ltd.	0.00%	-	0.00%	-
Ivai Logistica Ltda.	0.00%	-	0.00%	-

XV. DISCLOSURE ON SPECIFIED BANK NOTES

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	3.68	1.07	4.69
Add: Permitted Receipts	-	-	-
Less: Permitted Payments	0.00	-	0.00
Less: Amount Deposited in Banks	3.17	0.46	3.61
Closing Cash in Hand as on 30.12.2016	-	2.36	2.33

XVI. Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year grouping.

ANNEXURE-A

Statement pursuant to first proviso to sub-section (3) of section 129 of the companies Act 2013, read with rule 5 of companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

All amounts in million Indian Rupees, unless otherwise stated.

Sl No.	Name of the Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment other than investment in subsidiary	Turnover (including other income)	Profit/(Loss) Before Taxation	Provision for Taxation	Profit/(Loss) After Taxation	Proposed Dividend	% of Share Holding
1	Renuka Commodities DMCC, Dubai	INR	4.97	7,158.87	28,633.09	21,469.23	-	14,528.94	(897.58)	-	(897.58)	-	100.00%
		AED	0.40	454.09	1,670.45	1,215.95	-	795.40	(49.20)	-	(49.20)	-	
2	Shree Renuka Global Ventures Ltd., Mauritius	INR	22,694.22	70.34	22,786.42	21.85	-	-	(7.32)	-	(7.32)	-	100.00%
		USD	477.29	(0.35)	477.27	0.34	-	-	(0.11)	-	(0.11)	-	
3	Shree Renuka East Africa Agriventures PLC, Ethiopia	INR	5.19	(1.50)	3.73	0.04	-	-	-	-	-	-	99.99%
		USD	0.11	(0.05)	0.06	0.00	-	-	-	-	-	-	
4	Lanka Sugar Refinery Company (Private) Limited	INR	5.77	(5.52)	2.57	2.32	-	-	(0.03)	-	(0.03)	-	100.00%
		LKR	13.73	(13.12)	0.61	5.45	-	-	(0.07)	-	(0.07)	-	
5	Gokak Sugars Ltd.	INR	351.75	396.82	2,256.54	1,507.97	-	1,299.04	(30.02)	10.28	(19.74)	-	93.64%
6	Shree Renuka Agriventures Ltd.	INR	2.50	(203.47)	5.45	206.42	-	2.72	(20.29)	-	(20.29)	-	100.00%
7	Monica Trading Private Limited	INR	0.10	138.44	432.46	293.92	-	35.35	(38.74)	(3.35)	(42.09)	-	100.00%
8	Shree Renuka Tunaport Pvt. Ltd.	INR	0.10	(7.54)	0.06	7.50	-	-	(0.47)	-	(0.47)	-	100.00%
9	KBK Chem Engineering Pvt Ltd.	INR	16.91	(591.24)	885.83	1,460.15	-	293.42	(197.71)	0.57	(197.14)	-	100.00%
10	Shree Renuka do Brasil Participações Ltda.	BRL	839.78	(772.35)	269.93	202.50	-	-	14.03	-	14.03	-	100.00%
		INR	17,255.96	(15,870.57)	5,546.52	4,161.13	-	-	288.26	-	288.26	-	
11	Shree Renuka São Paulo Participações Ltda.	BRL	600.11	(187.89)	465.44	53.22	-	-	(0.00)	-	(0.00)	-	100.00%
		INR	12,331.24	(3,860.74)	9,564.03	1,093.53	-	-	(0.04)	-	(0.04)	-	
12	Renuka do Brasil S/A	BRL	1,246.61	(3,231.12)	1,494.42	3,478.93	-	749.90	(176.55)	-	(176.55)	-	59.41%
		INR	25,615.62	(66,393.96)	30,707.86	71,486.19	-	15,409.22	(3,627.87)	-	(3,627.87)	-	
13	Revati S.A.-Acucar e Alcool	BRL	306.17	(103.31)	814.47	611.62	-	411.26	(10.72)	0.25	(10.47)	-	100.00%
		INR	6,291.31	(2,122.94)	16,736.05	12,567.68	-	8,450.64	(220.34)	5.13	(215.21)	-	
14	Renuka Geradora de Energia Elétrica Ltda	BRL	28.75	(70.21)	76.48	117.95	-	6.30	(24.61)	(1.07)	(25.68)	-	99.99%
		INR	590.73	(1,442.68)	1,571.64	2,423.59	-	129.37	(505.75)	(22.04)	(527.78)	-	
15	Renuka Cogeração Ltda	BRL	126.62	(0.14)	126.57	0.09	-	-	(0.00)	-	(0.00)	-	99.99%
		INR	2,601.88	(2.90)	2,600.84	1.85	-	-	(0.03)	-	(0.03)	-	
16	Revati Geradora de Energia Elétrica Ltda	BRL	221.88	(1.00)	315.57	94.69	-	85.46	(3.09)	(0.65)	(3.74)	-	99.99%
		INR	4,559.20	(20.57)	6,484.34	1,945.71	-	1,756.12	(63.54)	(13.39)	(76.93)	-	
17	Revati Agropecuaria Ltda.	BRL	552.35	(1,370.39)	254.30	1,072.34	-	80.57	(185.94)	-	(185.94)	-	99.99%
		INR	11,349.78	(28,159.21)	5,225.39	22,034.82	-	1,655.51	(3,820.66)	-	(3,820.66)	-	
18	Apoena Logistica E Comercio De Productos Agrícolas Ltda	BRL	0.01	(0.36)	-	0.35	-	-	(0.04)	-	(0.04)	-	100.00%
		INR	0.21	(7.41)	-	7.20	-	-	(0.73)	-	(0.73)	-	

Sl No.	Name of the Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment other than investment in subsidiary	Turnover (including other income)	Profit/(Loss) Before Taxation	Provision for Taxation	Profit/(Loss) After Taxation	Proposed Dividend	% of Share Holding
19	Renuka Vale do IVAI S/A	BRL	175.00	(453.68)	513.16	791.84	55.86	181.54	45.70	(25.60)	20.10	-	100.00%
		INR	3,595.95	(9,322.34)	10,544.61	16,271.00	1,147.92	3,730.35	939.05	(525.94)	413.11	-	
20	Ivaicana Agropecuaria Ltda.	BRL	51.45	(159.60)	97.74	205.89	0.11	22.87	(33.53)	-	(33.53)	-	99.99%
		INR	1,057.29	(3,279.45)	2,008.43	4,230.59	2.18	469.86	(688.95)	-	(688.95)	-	
21	Biovale Comercio de Leveduras Ltda.	BRL	14.00	9.33	25.63	2.31	-	-	(0.89)	0.30	(0.59)	-	99.99%
		INR	287.68	191.71	526.75	47.37	-	-	(18.37)	6.24	(12.12)	-	
22	Renuka Trading Ltd.	BRL	-	-	-	-	-	-	-	-	-	-	-
		INR	-	-	-	-	-	-	-	-	-	-	-
23	Ivai Logistica Ltda.	BRL	-	-	-	-	-	-	-	-	-	-	100.00%
		INR	-	-	-	-	-	-	-	-	-	-	-

Assets and Liabilities and Income and Expenditure have been converted from reporting currency into Rupees as on 31st March, 2017 at following exchange rate-

Reporting Currency	Conversion Rate	
	Assets/Liabilities	Income/Expenses
UAE Dirham (AED)	17.66	18.27
United States Dollar (USD)	64.85	67.06
Brazilian Reals (BRL)	20.55	20.32
Sri Lankan Rupees	0.43	0.45

* Total assets includes Current and non current assets.

** Total liabilities include current liabilities and non current liabilities.

To be read with our report of even date

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

K. N. Prabhashankar
Partner
Membership No.19575

Vidya M. Murkumbi
Executive Chairperson
DIN: 00007588

Narendra M. Murkumbi
Vice-Chairman & Managing Director
DIN: 00009164

Place: Mumbai
Date : May 29, 2017

K. K. Kumbhat
Chief Financial Officer

Naveen Manghani
Company Secretary

For and on behalf of the Board

NOTICE

NOTICE is hereby given that the Twenty-First Annual General Meeting of **Shree Renuka Sugars Limited** will be held on Thursday, 21st day of December, 2017 at 11.30 a.m. at The Theosophical Society Belgaum Lodge, Gogte Rangmandir Hall (School of Culture), 185, Ramghat Road, Camp, Belagavi - 590001, Karnataka to transact the following business:

Ordinary Business:

1. To consider and adopt the audited standalone and the consolidated financial statements of the Company for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jean-Luc Bohbot (DIN: 06857132), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Atul Chaturvedi (DIN: 00175355), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), S R B C & CO LLP, Chartered Accountants (ICAI Firm Registration No: 324982E/E300003), be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. Ashok Kumar, Prabhaskar & Co., Chartered Accountants (Firm Registration No. 004982S), the retiring Statutory Auditors, to hold office for a term of 5 (five) years from the conclusion of this Annual General Meeting till the conclusion of the 26th Annual General Meeting of the Company, subject to ratification of their appointment by the members at every Annual General Meeting to be held thereafter, at such remuneration as shall be fixed by the Board of Directors of the Company.”

Special Business:

5. **To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Dr. B. V. Mehta (DIN: 00895163), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 13th November, 2017 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of 3 (three) consecutive years with effect from 13th November, 2017.”

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, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any amendments thereto or statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the approval of the Central Government, if required, subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the aforesaid while granting such sanctions, approvals and permissions, consent of the members of the Company be and is hereby accorded to the re-appointment of Mrs. Vidya Murkumbi (DIN: 00007588), as Whole-time Director designated as ‘Executive Chairperson’ of the Company for a further period of 3 years with effect from 1st April, 2017, as well as to continue to hold such position after attaining the age of 70 years, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the notice convening this meeting, with the liberty to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include Nomination and Remuneration/Compensation Committee of the Board) to revise, amend, alter and vary the terms and conditions of re-appointment and/or remuneration in such manner as may be permitted in accordance with the provisions of the Act and Schedule V or any statutory modification(s) or re-enactment(s) thereof and as may be agreed to by and between the Board and Mrs. Vidya Murkumbi.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits of the Company in any financial year during the term of office of Mrs. Vidya Murkumbi as Executive Chairperson, she shall be paid remuneration as set out in the Explanatory Statement referred to above as the minimum remuneration as per the provisions of the Act and rules made thereunder; or subject to the approval of the Central Government, if required.

RESOLVED FURTHER THAT in the event of the Central Government providing its approval subject to any modification(s)/alteration(s), the remuneration of Mrs. Vidya Murkumbi shall be such as may be approved by the Central Government. However, in the event of the Central Government not providing its approval, Mrs. Murkumbi shall be entitled to receive such amount as minimum remuneration as is permissible under the Act or rules made thereunder.

RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. 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, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any amendments thereto or statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the approval of the Central Government, if required, subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the aforesaid while granting such sanctions, approvals and permissions, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Vijendra Singh (DIN: 03537522), as Whole-time Director designated as President (Sugar Mills) of the Company for a further period of 3 years with effect from 10th May, 2017 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the notice convening this meeting and as enumerated in the Agreement dated 25th March, 2017 entered into between the Company and Mr. Vijendra Singh, with the liberty to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include Nomination and Remuneration/Compensation Committee of the Board) to revise, amend, alter and vary the terms and conditions of re-appointment and/or remuneration in such manner as may be permitted in accordance with the provisions of the Act and Schedule V or any statutory modification(s) or re-enactment(s) thereof and as may be agreed to by and between the Board and Mr. Vijendra Singh.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits of the Company in any financial year during the term of office of Mr. Vijendra Singh as Whole-time Director, he shall be paid remuneration as set out in the Explanatory Statement referred to above as the minimum remuneration as per the provisions of the Act and rules made thereunder; or subject to the approval of the Central Government, if required.

RESOLVED FURTHER THAT in the event of the Central Government providing its approval subject to any modification(s)/alteration(s), the remuneration of Mr. Vijendra Singh shall be such as may be approved by the Central Government. However, in the event of the Central Government not providing its approval, Mr. Singh shall be entitled to receive such amount as minimum remuneration as is permissible under the Act or rules made thereunder.

RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. 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, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any amendments thereto or statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the approval of the Central Government, if required, subject to all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the aforesaid while granting such sanctions, approvals and permissions, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Narendra Murkumbi (DIN: 00009164), as Vice Chairman & Managing Director of the Company for a further period of 3 years with effect from 20th September, 2017, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the notice convening this meeting and as enumerated in the Agreement dated 22nd August, 2017 entered into between the Company and Mr. Narendra Murkumbi with the liberty to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include Nomination and Remuneration/Compensation Committee of the Board) to revise, amend, alter and vary the terms and conditions of re-appointment and/or remuneration in such manner as may be permitted in accordance with the provisions of the Act and as may be agreed to by and between the Board and Mr. Narendra Murkumbi.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits of the Company in any financial year during the term of office of Mr. Narendra Murkumbi as Vice Chairman & Managing Director, he shall be paid remuneration as set out in the Explanatory Statement referred to above as the minimum remuneration subject to the approval of the Central Government, if required.

RESOLVED FURTHER THAT in the event of the Central Government providing its approval subject to any modification(s)/alteration(s), the remuneration of Mr. Narendra Murkumbi shall be such as may be approved by the Central Government. However, in the event of the Central Government not providing its approval, Mr. Murkumbi shall be entitled to receive such amount as minimum remuneration as is permissible under Schedule V to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force).

RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorised to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 188, if and to the extent applicable, and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into related party transaction(s) including material related party transactions of purchase and/or sale of sugar and/or coal and to renew these transactions, from time to time, at any time in future, as per details given below:

Sr. No.	Name of Related Party/ Entity	Nature of Relationship	Nature and Particulars of Contract	Estimated amount per annum (₹ in crores)
1	Adani Wilmar Limited	Entity & Company are joint ventures of the same third party, Wilmar Group	Purchase/ sale of sugar/ coal	5,000
2	Wilmar Sugar Pte. Ltd.	Entity & Company is subsidiary/ joint venture of the same third party, Wilmar Group	Purchase/ sale of sugar	1,000

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things; to finalise or vary the terms and conditions of the transactions with the aforesaid parties; and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.

10. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration of ₹ 4,50,000 (Rupees Four lakhs Fifty thousand) (plus applicable tax and out-of-pocket expenses, if any, for the purpose of Audit) to M/s B. M. Sharma & Co., Cost Accountants (Firm Registration No. 00219) appointed as Cost Auditors by the Board of Directors of the Company for conducting the cost audit for the financial year ending 31st March, 2018, be and is hereby approved;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification and/or supersession, to the extent necessary, of the resolution passed by the shareholders at their Extra-ordinary General Meeting held on 24th August, 2017 and pursuant to the provisions of Sections 42, 62 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Memorandum of Association and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("SEBI ICDR Regulations"), Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 2011 as amended ("SEBI (SAST) Regulations") and all other

applicable laws including the Foreign Exchange Management Act, 1999, the Foreign Exchange (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, various rules, regulations, press notes, notifications, any other guidelines and clarifications issued by the Government of India, all applicable regulations, circulars, notifications issued by the Securities and Exchange Board of India ("SEBI Regulations"), the Reserve Bank of India ("RBI"), stock exchanges on which the equity shares of the Company are listed and also by any other statutory/regulatory authorities and subject to all such other approvals, permissions, consents and/or sanctions of any authorities, as may be necessary, and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors of the Company, consent of the shareholders of the Company be and is hereby given to the Board of Directors of the Company (the "Board") which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution, to offer, issue and allot, on preferential basis, aggregating upto 51,32,14,505 (Fifty One crores Thirty Two lakhs Fourteen thousand Five hundred Five) equity shares of the Company of face value of ₹ 1 (Rupee One) each ("Equity Shares"), at ₹ 16.27 (Rupees Sixteen and Paise Twenty Seven) including a premium of ₹ 15.27 (Rupees Fifteen and Paise Twenty Seven), aggregating upto ₹ 8,34,99,99,996 (Rupees Eight hundred Thirty Four crores Ninety Nine lakhs Ninety Nine thousand Nine hundred Ninety Six) ("Preferential Issue") to the following lenders of the Company viz. IDBI Bank Ltd., ICICI Bank Ltd., Standard Chartered Bank, Axis Bank Ltd., Kotak Mahindra Bank Ltd., State Bank of India, Yes Bank Ltd., RBL Bank Ltd., Export Import Bank of India and Life Insurance Corporation of India ("Lender(s)") and each such Lender shall be allotted such number of equity shares as may be decided by the Board of Directors of the Company, upon conversion of a part of the facilities/loans availed by the Company from the respective Lender(s);

RESOLVED FURTHER THAT upon allotment of the equity shares to the respective Lenders pursuant to conversion of a part of their facilities/loans into equity shares, the loans from each Lender to the Company shall stand reduced to the extent of conversion thereof into equity shares; and such loans/facilities so converted shall cease to carry any interest from the date of allotment of equity shares;

RESOLVED FURTHER THAT the Preferential Issue of the Equity Shares to the Lenders upon conversion of a part of their facilities/loans into Equity Shares shall be, inter alia, on the following terms and conditions:

- (a) The 'Relevant Date' under SEBI ICDR Regulations for the purpose of determination of issue price of the Equity Shares shall be 21st November, 2017 i.e. the day 30 days prior to the date of this Meeting ("Relevant Date");
- (b) Equity Shares shall be allotted to the Lenders at a price of ₹ 16.27 (Rupees Sixteen and Paise Twenty Seven) per equity share, being a price calculated in accordance with Regulation 76 of the SEBI ICDR Regulations;
- (c) The Equity Shares shall be fully paid-up and shall rank pari passu in all respects with the existing Equity Shares of the Company in accordance with the Memorandum of Association and the Articles of Association of the Company;
- (d) The Preferential Issue of the Equity Shares shall only be made in dematerialized form and shall, subject to receipt of necessary approvals, be listed and traded on the National Stock Exchange of India Limited and the BSE Limited;
- (e) In pursuance of the Preferential Issue, as aforesaid, the shares to be allotted to the Lenders shall remain locked-in for such period as specified under the SEBI ICDR Regulations;
- (f) The Equity Shares to be issued upon conversion of the facilities/loans availed by the Company from the Lenders shall be allotted within a period of 15 (Fifteen) days from the date of this resolution, provided that where the allotment is pending on account of pendency of any regulatory, Stock Exchange or Government of India (GOI) approval(s), the allotment shall be completed within 15 (Fifteen) days of receipt of such approval(s);
- (g) Upon allotment of the Equity Shares to the respective Lenders on conversion of a part of their facilities/loans into Equity Shares, the facilities/loans from each Lender to the Company shall stand reduced to the extent of conversion thereof into Equity Shares; and such facilities/loans so converted shall cease to carry any interest from the date of allotment of the Equity Shares;

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to allot such number of equity shares in one or more tranches to each lender pursuant to this resolution, as may be thought fit or decided by the Board, to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be

necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the Preferential Issue of the Equity Shares without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolution to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

12. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification and/or supersession, to the extent necessary, of the resolution passed by the shareholders at their Extra-ordinary General Meeting held on 24th August, 2017 and pursuant to the provisions of Sections 42, 55, 62 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, ("the Act"), Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 as amended ("SEBI NCRPS Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"), and all other applicable laws including the Foreign Exchange Management Act, 1999, the Foreign Exchange (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, various rules, regulations, press notes, notifications, any other guidelines and clarifications issued by the Government of India, all applicable regulations, circulars, notifications issued by the Securities and Exchange Board of India ("SEBI Regulations"), the Reserve Bank of India ("RBI"), stock exchanges on which the Equity Shares of the Company are listed and also by any other statutory/regulatory authorities and subject to all such other approvals, permissions, consents and/or sanctions of any authorities, as may be necessary, and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors of the Company, consent of the shareholders of the Company be and is hereby given to the Board of Directors of the Company (the "Board") which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution, to create, offer, issue and allot, on private placement basis, upto 9,35,60,000 (Nine crores Thirty Five lakhs Sixty thousand), 0.01% Redeemable Preference Shares having face value of ₹ 100 (Rupees One hundred) each ("RPS"), at par, aggregating up to ₹ 935,60,00,000 (Rupees Nine hundred Thirty Five crores Sixty lakhs), in one or more tranches, from time to time, to the following lenders of the Company viz. IDBI Bank Ltd., ICICI Bank Ltd., Standard Chartered Bank, Axis Bank Ltd., Kotak Mahindra Bank Ltd., State Bank of India, Yes Bank Ltd., RBL Bank Ltd., Export Import Bank of India and Life Insurance Corporation of India ("Lender(s)"), and each such Lender shall be allotted such number of RPS as may be decided by the Board of Directors of the Company, upon conversion of a part of the facilities/loans given by the Lenders to the Company, and the RPS will carry a dividend of 0.01% per annum, on the terms mentioned herein and such other terms and conditions, as may be decided by the Board;

RESOLVED FURTHER THAT upon allotment of the RPS to the respective Lenders pursuant to conversion of a part of their facilities/loans into RPS, the loans from each Lender to the Company shall stand reduced to the extent of conversion thereof into RPS; and such loans/facilities so converted shall cease to carry any interest from the date of allotment of the RPS;

RESOLVED FURTHER THAT subject to applicable laws, the terms of issue of the RPS are as follows:

- (a) The RPS shall carry a dividend of 0.01% per annum and rank for dividend in priority to the equity shares of the Company ("Equity Shares"), for the time being of the Company;
- (b) The RPS shall, in winding up be entitled to rank, as regards repayment of capital and dividend, upto the commencement of the winding up, in priority to the Equity Shares but shall not be entitled to any further participation in profits or assets or surplus fund;
- (c) The RPS shall not be convertible into Equity Shares and the payment of dividend shall be on non-cumulative basis. Any accrued dividend that remains unpaid shall be paid on redemption.
- (d) The voting rights of the persons holding the said RPS shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force);

- (e) The Company shall have the right (but not the obligation) to redeem the RPS at a price equivalent to the Net Present Value of each RPS as may be agreed, in full or in part, anytime during a period commencing from the date of allotment of the RPS till 29th June, 2027 ("RPS Redemption Period"), in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws. In the event the RPS (or part thereof) are not redeemed by the Company during the RPS Redemption Period, such unredeemed RPS shall be redeemed in 40 structured quarterly installments commencing from 30th June, 2027 ending on 31st March, 2037, on terms decided by the Board, in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws. The Company shall have the right to redeem the RPS of any individual lender on terms mutually agreed between the Board and the respective lender;
- (f) The securities to be issued upon conversion of the facilities/loans availed by the Company from the Lenders shall be allotted within a period of 15 (Fifteen) days from the date of this resolution, provided that where the allotment is pending on account of pendency of any regulatory, Stock Exchange or Government of India (GOI) approval(s), the allotment shall be completed within 15 (Fifteen) days of receipt of such approval(s);
- (g) The allotment of RPS shall only be made in dematerialized form;
- (h) The Board be and is hereby authorised to decide and approve the other terms and conditions of the issue of RPS, and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to compliance with the Act, SEBI NCRPS Regulations, the Listing Regulations, applicable SEBI Regulations and other applicable laws and requisite approval of the Lender(s) in their capacity as allottees of the RPS (as applicable);
- (i) The Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee(s) or officer(s) of the Company, as it may consider appropriate, to give effect to the aforesaid resolution;

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to allot such number of securities in one or more tranches to each lender pursuant to this resolution, as may be thought fit or decided by the Board, to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the Preferential Issue of the RPS without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolution to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

13. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification and/or supersession, to the extent necessary, of the resolution passed by the shareholders at their Extra-ordinary General Meeting held on 24th August, 2017 and pursuant to the provisions of Sections 42, 55, 62 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Memorandum of Association and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("SEBI ICDR Regulations"), Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 2011 as amended ("SEBI (SAST) Regulations") and all other applicable laws including the Foreign Exchange Management Act, 1999, the Foreign Exchange (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, various rules, regulations, press notes, notifications, any other guidelines and clarifications issued by the Government of India, all applicable circulars, notifications issued by the Securities and Exchange Board of India ("SEBI Regulations"), the Reserve Bank of India ("RBI"), stock exchanges on which the Equity Shares of the Company are listed and also by any other statutory/regulatory authorities and subject to all such other approvals, permissions, consents and/or sanctions of any

authorities, as may be necessary, and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors of the Company, consent of the shareholders of the Company be and is hereby given to the Board of Directors of the Company (the "Board") which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution to offer, issue and allot, on preferential basis, upto 4,50,00,000 (Four crores Fifty lakhs), 0.01% Optionally Convertible Preference Shares at face value of ₹ 100 (Rupees One hundred) each ("OCPS"), in one or more tranches at par aggregating upto ₹ 450,00,00,000 (Rupees Four hundred Fifty crores) ("Preferential Issue"), to the following lenders of the Company viz. IDBI Bank Ltd., ICICI Bank Ltd., Standard Chartered Bank, Axis Bank Ltd., Kotak Mahindra Bank Ltd., State Bank of India, Yes Bank Ltd., RBL Bank Ltd., Export Import Bank of India and Life Insurance Corporation of India ("Lender(s)") and each such Lender shall be allotted such number of OCPS as may be decided by the Board of Directors of the Company, upon conversion of a part of the loans given by the Lenders to the Company, OCPS shall carry dividend of 0.01% per annum, and the Lenders shall have an option to convert OCPS into equity shares of the Company at the conversion price applicable under the SEBI ICDR Regulations, on the terms mentioned herein and such other terms and conditions, as may be decided by the Board;

RESOLVED FURTHER THAT upon allotment of the OCPS to the respective Lenders pursuant to conversion of a part of their facilities/loans into OCPS, the loans from each Lender to the Company shall stand reduced to the extent of conversion thereof into OCPS; and such loans/facilities so converted shall cease to carry any interest from the date of allotment of the OCPS;

RESOLVED FURTHER THAT subject to applicable laws, the terms of issue of the OCPS are as follows:

- (a) The OCPS shall rank for dividend in priority to the equity shares of the Company ("Equity Shares"), for the time being of the Company;
- (b) The OCPS shall, in winding up be entitled to rank, as regards repayment of capital and dividend, upto the commencement of the winding up, in priority to the equity shares but shall not be entitled to any further participation in profits or assets or surplus fund;
- (c) The payment of dividend of 0.01% per annum shall be on non-cumulative basis;
- (d) The OCPS and the Equity Shares to be allotted pursuant to conversion of the OCPS shall be in dematerialised form and subject to lock-in as applicable under SEBI ICDR Regulations;
- (e) The voting rights of the persons holding the said OCPS shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force);
- (f) The Company shall have the right (but not the obligation) to redeem the OCPS at a price equivalent to the Net Present Value of each OCPS as may be agreed, in full or in part, anytime during a period commencing from the date of allotment of the OCPS till a date falling 18 months from the date of allotment of the OCPS, or from such other period as may be determined by the Board ("OCPS Redemption Period"), in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws. In the event the OCPS (or part thereof) are not redeemed by the Company during the OCPS Redemption Period, such unredeemed OCPS shall stand redeemed on the last date of the OCPS Redemption Period, in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws;
- (g) Holders of OCPS shall have the right to exercise the conversion option of the OCPS, in writing at any time, in one or more tranches, which shall not be later than the period specified in Regulation 75 of the SEBI ICDR Regulations and in accordance with all applicable laws;
- (h) Each OCPS shall be optionally convertible into Equity Share of the Company at the price determined at the time of such conversion as per the SEBI ICDR Regulations as and when the holder of such OCPS exercise the option of conversion, in one or more tranches, which shall not be later than the period specified in Regulation 75 of the SEBI ICDR Regulations and in accordance with all applicable laws;
- (i) The 'Relevant Date' under SEBI ICDR Regulations for the purpose of determination of price of Equity Shares upon conversion of the OCPS shall be a date 30 (Thirty) days prior to the date on which the holders of the OCPS avail the option to convert the OCPS to apply for the Equity Shares;
- (j) The Board be and is hereby authorised to decide and approve the other terms and conditions of the issue of OCPS, and also shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to compliance with the Listing Regulations, other applicable SEBI Regulations and applicable laws;

- (k) The Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee(s) or officer(s) of the Company, as it may consider appropriate, to give effect to the aforesaid resolution;
- (l) The securities to be issued upon conversion of the facilities/loans availed by the Company from the Lenders shall be allotted within a period of 15 (Fifteen) days from the date of this resolution, provided that where the allotment is pending on account of pendency of any regulatory, Stock Exchange or Government of India (GOI) approval(s), the allotment shall be completed within 15 (Fifteen) days of receipt of such approval(s);

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to allot such number of securities in one or more tranches to each lender pursuant to this resolution, as may be thought fit or decided by the Board, to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the Preferential Issue of the OCPS without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolution to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

14. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification and/or supersession, to the extent necessary, of the resolution passed by the shareholders at their Extra-ordinary General Meeting held on 24th August, 2017 and pursuant to the provisions of Sections 42, 71 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, ("the Act"), the Memorandum of Association and Articles of Association of the Company, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended ("SEBI ILDS Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"), and all other applicable laws including the Foreign Exchange Management Act, 1999, the Foreign Exchange (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, various rules, regulations, press notes, notifications, any other guidelines, regulations and clarifications issued by the Government of India, all applicable regulations, circulars, notifications issued by the Securities and Exchange Board of India ("SEBI Regulations"), the Reserve Bank of India ("RBI"), stock exchanges on which the equity shares of the Company are listed; and also by any other statutory/regulatory authorities and subject to all such other approvals, permissions, consents and/or sanctions of any authorities, as may be necessary, and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors of the Company, consent of the shareholders of the Company be and is hereby given to the Board of Directors of the Company (the "Board") which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution to create, offer, issue and allot upto 5,850 (Five thousand Eight hundred Fifty), 0.01% Non-Convertible Debentures having face value of ₹ 10,00,000 (Rupees Ten lakhs) each ("NCDs"), at par, aggregating upto ₹ 585,00,00,000 (Rupees Five hundred Eighty Five crores) and having a term of 10 years from the date of allotment, on private placement basis, to the following lenders of the Company viz. IDBI Bank Ltd., ICICI Bank Ltd., Standard Chartered Bank, Axis Bank Ltd., Kotak Mahindra Bank Ltd., State Bank of India, Yes Bank Ltd., RBL Bank Ltd., Export Import Bank of India and Life Insurance Corporation of India ("Lenders"), and each such Lender shall be allotted such number of NCDs as may be decided by the Board of Directors of the Company, from time to time, in one or more tranches, upon conversion of a part of the facilities/loans granted by the Lenders to the Company;

RESOLVED FURTHER THAT upon allotment of the NCDs to the respective Lenders upon conversion of a part of their facilities/loans into NCDs, the loans from each Lender to the Company shall stand reduced to the

extent of conversion thereof into NCDs; and such loans/facilities so converted shall cease to carry any interest from the date of allotment of the NCDs;

RESOLVED FURTHER THAT:

- (a) The NCDs shall not carry any voting rights;
- (b) The NCDs shall carry a coupon rate of 0.01 %;
- (c) The allotment of NCDs shall be made in dematerialized form;
- (d) The Company shall have the right (but not the obligation) to redeem the NCDs at a price equivalent to the Net Present Value of each NCD as may be agreed, in full or in part, anytime during a period commencing from the date of allotment of the NCDs till 29th June, 2024 ("NCD Redemption Period"), in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws. In the event the NCDs (or part thereof) are not redeemed by the Company, during the NCD Redemption Period, such unredeemed NCDs shall be redeemed in 12 structured quarterly installments commencing from 30th June 2024 and ending on 31st March, 2027, or on such other terms as may be decided by the Board, in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws;

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to allot such number of securities in one or more tranches to each lender pursuant to this resolution, as may be thought fit or decided by the Board, to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the issue of the NCDs, without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolution to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

By Order of the Board of Directors
For **Shree Renuka Sugars Limited**

Rupesh Saraiya
Company Secretary

21st November, 2017, Mumbai

Regd. Office:

BC 105, Havelock Road,
Camp, Belagavi - 590 001.

CIN: L01542KA1995PLC019046

Notes:

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the special business under item Nos. 5 to 14 are annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a proxy to attend and vote on a Poll instead of himself/herself and the proxy need not be a member of the Company.
3. The instrument appointing proxy(ies) must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company.
4. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

5. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the meeting, a member would be entitled to inspect, at any time between 9 a.m. and 6 p.m. during the working days of the Company, the proxies lodged provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
6. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 14th December, 2017 to Thursday, 21st December, 2017, (both days inclusive).
8. This Notice is being sent to all the members, whose names appear in the Register of Members/Statements of beneficial ownership maintained by the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on 10th November, 2017.
9. Electronic copy of the Annual Report for the year ended 31st March, 2017 including the Notice of the 21st Annual General Meeting of the Company amongst other things, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail ID(s) are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the above mentioned documents are being sent in the permitted mode.
10. Members/proxies are requested to hand over the duly filled-in and signed Attendance Slip at the entrance of the Hall while attending the meeting. Proxies should carry their identity proof at the meeting for the purpose of identification.
11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the provisions of Secretarial Standard-2 on General Meetings the relevant information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is provided in the Report on Corporate Governance forming part of the Annual Report.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants ("DPs") with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent of the Company viz. Karvy Computershare Pvt. Ltd. ("KARVY").
14. All relevant documents referred to in the accompanying Notice are open for inspection by members at the Registered and Corporate Office of the Company on all working days except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
15. Members holding shares in physical mode are requested to advise about change of address to KARVY and members holding shares in electronic mode are requested to intimate their respective DPs about any change of address or Bank mandate and NOT to the Company or KARVY.
16. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 (corresponding to Section 205C of the Companies Act, 1956), as amended and rules thereof, dividend which remains unpaid or unclaimed for a period of 7 (seven) years are required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company has transferred the unpaid/unclaimed interim dividend for the financial year 2008-09 to IEPF. Members who have not encashed their dividend warrant(s) for earlier years are requested to make their claim by specifying their Folio No./DP ID and Client ID to the Registrar and Share Transfer Agent, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, e-mail: einward.ris@karvy.com.
Unpaid/Unclaimed portion of interim dividend for the financial year 2009-10, will be transferred to IEPF within prescribed period after expiry/completion of seven years i.e. 2nd November, 2017.
17. Members who have not registered their e-mail addresses so far are requested to register/update their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars etc. In respect of shares held in demat mode, e-mail addresses can be registered with the depository and members who hold shares in physical form are requested to register their e-mail addresses with KARVY.
18. In accordance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all its members as an alternate mode to exercise their right to vote.
19. The facility for voting through ballot paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.

20. The members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
21. Remote E-Voting:
- I. In accordance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).
- (A) In case a member receives an email from Karvy [for members whose email IDs are registered with the Company/Depository Participants(s)], the member needs to follow the following steps:
- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be the EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be DP ID and Client ID of the member. The password will be mentioned in the email received by you from Karvy. However, if you are already registered with Karvy for e-voting, you need to use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. 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 at least 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.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e., "Name of the Company"
 - vii. 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 shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
 - ix. 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.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
 - xii. 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 gururajmutalik@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."
- (B) In case of members receiving physical copy of Notice [for members whose email IDs are not registered with the Company/Depository Participants (s)]:
- i. E-Voting Event Number (EVEN), User ID and Password are provided in the Attendance Slip.
 - ii. Please follow all steps from Sl. No. (i) to (xii) of Note 21(I)(A) above to cast your vote by electronic means.
- II. Other Instructions:
- a. In case of any query and/or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at

the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. K. S. Reddy (Unit: Shree Renuka Sugars Ltd.) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 - 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on 18th December, 2017 (9.00 a.m. IST) and ends on 20th December, 2017 (5.00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 15th December, 2017, may cast their votes electronically. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the member, the member shall not be allowed to change it subsequently.
- d. The voting rights of members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 15th December, 2017.
- e. In case a person has become a member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 15th December, 2017, he/she may obtain the User ID and Password in either manner as mentioned below:
 - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
Example for NSDL:
MYEPWD <SPACE> IN12345612345678
Example for CDSL:
MYEPWD <SPACE> 1402345612345678
Example for Physical:
MYEPWD <SPACE> XXXX1234567890
 - ii. If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password; or
 - iii. Member may call Karvy's toll free number 1800-3454-001; or
 - iv. Member may send an e-mail request to evoting@karvy.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5:

The Board of Directors at its meeting held on 13th November, 2017 appointed Dr. B. V. Mehta as an Additional Director of the Company as per the provisions of Sections 161, 149 and 152 of the Companies Act, 2013 ("the Act") for a period of 3 (three) consecutive years effective from 13th November, 2017, subject to the approval of the members.

In terms of Section 161 of the Act, he would hold office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. B. V. Mehta as an Independent Director of the Company.

The Nomination and Remuneration/Compensation Committee had recommended to the Board, the appointment of Dr. B. V. Mehta as an Independent Director.

Dr. Mehta is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declaration from him that he meets with the criteria of independence as prescribed both under 149(6) of the Act and under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Dr. Mehta fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and are also independent of the management.

Considering expertise and vast knowledge of Dr. Mehta, it is in the interest of the Company that he appointed as Independent Director of the Company. Brief resumes of Dr. Mehta, nature of his expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36(3) of the Listing Regulations and under the provisions of Secretarial Standard-2 on General Meetings are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter of appointment of Dr. Mehta as an Independent Director setting out the terms and conditions are available for inspection by Members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under the Listing Regulations.

Dr. Mehta is interested in the resolution set out at Item No. 5 of the Notice, with regard to his appointment.

The relatives of Dr. Mehta may be deemed to be interested in the resolution set out at No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the shareholders.

Item No. 6:

The members of the Company had at the 18th Annual General Meeting (AGM) held on 26th September, 2014 approved re-appointment of Mrs. Vidya Murkumbi as Whole-time Director designated as Executive Chairperson of the Company for a period of three years w.e.f. 1st April, 2014 including the terms of remuneration. The term of office of Mrs. Vidya Murkumbi, Executive Chairperson ended on 31st March, 2017. Further, Mrs. Vidya Murkumbi will attain the age of 70 years on 5th January, 2018 and hence pursuant to the provisions of Section 196(3) of the Companies Act, 2013, ('the Act') continuation of her employment as Whole-time Director designated as Executive Chairperson requires approval of members by way of a Special Resolution. Part 1 of Schedule V to the Act contains a similar relaxation.

Considering the performance, role and responsibilities, experience, rich knowledge, leadership capabilities and entrepreneurship skills of Mrs. Vidya Murkumbi, the Board of Directors of the Company at its meeting held on 1st February, 2017 re-appointed Mrs. Vidya Murkumbi as Whole-time Directors designated as Executive Chairperson of the Company for a further period of three years w.e.f. 1st April, 2017 on the basis of recommendation of Nomination and Remuneration/Compensation Committee and subject to approval of the shareholders, secured creditors and/or Central Government, if required, on the same terms and conditions including the remuneration as approved by the members at the 18th AGM which are mentioned herein below. For the purpose, an agreement dated 25th March, 2017 has been entered into by the Company with Mrs. Vidya Murkumbi. The Nomination and Remuneration/Compensation Committee and the Board of Directors of the Company are of the opinion that she is fit and proper person to hold the said office and her reappointment will be in the interest of the Company.

Term of Office:

Three years with effect from 1st April, 2017.

Salary, Perquisites and Allowances:

A. Salary:

₹ 10,50,000 (Rupees Ten lakhs Fifty thousand) per month with such accelerated increments as may be decided from time to time by the Board of Directors/Nomination and Remuneration/Compensation Committee of the Company at its absolute discretion but not exceeding ₹ 15,50,000 (Rupees Fifteen lakhs Fifty thousand) per month during the period of office. However, she shall not be paid sitting fees for attending the meetings of the Board or Committees thereof.

B. Commission:

Payable for each financial year up to 1% of net profits of the Company for that financial year as may be decided by the Board of Directors/Nomination and Remuneration/Compensation Committee from time to time. The amount of Commission shall be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

C. Perquisites:

- i. House Rent Allowance or free furnished residential accommodation in lieu thereof with gas, electricity, water and furnishings and other amenities; Conveyance & Medical Insurance as per the rules of the Company.
- ii. Contribution to Provident Fund to the extent this is not taxable under the Income Tax Act, 1961.
- iii. Gratuity payable at the rate not exceeding half month's salary for each completed year of service.
- iv. Leave with full pay or encashment thereof as per the rules of the Company. Encashment of the leave being allowed at the end of the tenure.
- v. Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for herself and immediate family and in case any medical treatment abroad the traveling boarding and lodging expenses for patient and attendant is also payable.
- vi. Reimbursement of actual traveling expenses for proceeding on leave from Belgaum/Mumbai to any place in India/abroad and return therefrom once in a year in respect of herself and family.
- vii. Reimbursement of entertainment expenses incurred in the course of business of the Company.

- viii. Fees for upto two clubs membership for corporate purposes including joining fees and lifetime fees.
- ix. Personal accident insurance policy in accordance with the scheme applicable to senior employees of the Company.
- x. Free use of Company's car for Company's work as well as for personal purposes along with driver.
- xi. Free Telephone and other communication facilities at the residence including Mobile to be used for the business of the Company.
- xii. Other Perquisites: Subject to the ceiling on remuneration as mentioned herein below, Mrs. Vidya Murkumbi may be given such other allowance, perquisite, benefits as the Board or Nomination and Remuneration/ Compensation Committee thereof may determine from time to time. The nomenclature of allowance/ reimbursement and corresponding amount thereof can be revised as per the rules of the Company.

D. Evaluation of perquisites:

Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in absence of any such rule perquisites shall be evaluated at actual cost.

E. Minimum Remuneration:

In the event of absence or inadequacy of profits of the Company in any financial year, the remuneration as mentioned herein above shall not be reduced but shall be payable as per the provisions of the Companies Act, 2013 ("the Act") and rules made thereunder; or subject to the approval of the Central Government, if required. In the event of the Central Government providing its approval subject to any modification(s)/ alteration(s), the remuneration of Mrs. Vidya Murkumbi shall be such as may be approved by the Central Government. However, in the event of the Central Government not providing its approval, Mrs. Murkumbi shall be entitled to receive such amount as minimum remuneration as is permissible under the Act or rules made thereunder.

General terms and conditions:

The Executive Chairperson shall be reimbursed all expenses including travelling, communication and entertainment incurred by her in connection with the Company's business.

The Executive Chairperson re-appointed as a Director immediately on retirement by rotation shall continue to hold her office of Executive Chairperson and such re-appointment as such shall not be deemed to constitute a break in her appointment as Executive Chairperson.

The Company has received no-objection/approval from the secured creditors of the Company for payment of remuneration to Mrs. Vidya Murkumbi as Whole-time Director as required under the revised Schedule V to the Act.

As the Company has not made any profits during the previous financial year, the remuneration is proposed to be paid to Mrs. Vidya Murkumbi as per the provisions of Schedule V to the Companies Act, 2013 and the provisions of Section 196, 197 and other applicable provisions, if any, of the Act. Hence, the approval of the shareholders is being sought by way of a special resolution for the period of 3 years effective from 1st April, 2017. The statement as required under Section II of Part II of the Schedule V to the Act with reference to Special Resolution at Item No. 6 is annexed hereto as Annexure. The details required under the provisions of Secretarial Standard-2 on General Meetings are provided in the Corporate Governance Report forming part of the Annual Report.

In compliance with the provisions of Section 196, 197 and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 and subject to the approval of the Central Government, if required, the re-appointment and terms of remuneration of Mrs. Vidya Murkumbi as Whole-time Director designated as 'Executive Chairperson' as specified above are now being placed before the members for their approval.

The Board recommends the Resolution at Item No.6 of the Notice for approval of the members by way of a Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, "financially or otherwise", in the resolution set out at Item No.6 other than Mrs. Vidya Murkumbi, Mr. Narendra Murkumbi and their relatives.

Item No. 7:

The members of the Company had at the 18th AGM held on 26th September, 2014 approved re-appointment of Mr. Vijendra Singh as Whole-time Director designated as 'President (Sugar Mills)' of the Company for a period of three years w.e.f. 10th May, 2014 including the terms of remuneration. The term of office of Mr. Vijendra Singh, Whole-time Director ended on 9th May, 2017. Considering the performance, increased role and responsibilities, experience, rich knowledge and leadership capabilities of Mr. Vijendra Singh, the Board of Directors of the Company at its meeting held on 1st February, 2017 re-appointed Mr. Vijendra Singh as Whole-time Director designated as 'President (Sugar Mills)' of the Company for a further period of three years w.e.f. 10th May, 2017 on the basis of recommendation of Nomination and Remuneration/Compensation Committee and subject to approval of the shareholders, secured creditors and/or Central Government, if required, on the same terms and conditions including the remuneration as approved by the members at the 18th AGM which are mentioned

herein below. For the purpose, an agreement dated 25th March, 2017 has been entered into by the Company with Mr. Vijendra Singh. The Nomination and Remuneration/Compensation Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his reappointment will be in the interest of the Company.

Term of Office:

Three years with effect from 10th May, 2017.

Salary, Perquisites and Allowances:

A. Salary:

₹ 4,32,044 (Rupees Four lakhs Thirty Two thousand Forty Four) per month with such accelerated increments as may be decided from time to time by the Board of Directors/Nomination and Remuneration/Compensation Committee of the Company at its absolute discretion but not exceeding ₹ 6,60,000 (Rupees Six lakhs Sixty thousand) per month during the period of office. He shall not be paid any sitting fees for attending the meetings of the Board or Committees thereof.

B. Special Allowance:

₹ 3,51,585 (Rupees Three lakhs Fifty One thousand Five hundred Eighty Five) per month with such accelerated increments as may be decided from time to time by the Board of Directors/Nomination and Remuneration/Compensation Committee of the Company at its absolute discretion but not exceeding ₹ 5,40,000 (Rupees Five lakhs Forty thousand) per month during the period of his office.

C. Perquisites:

- i. House Rent Allowance or free furnished residential accommodation in lieu thereof, Conveyance, Leave Travel Allowance, Medical Allowance & Medical Insurance as per the rules of the Company.
- ii. Contribution to Provident Fund to the extent not taxable under the Income Tax Act, 1961.
- iii. Gratuity at the rate of half a month's salary for each completed year of service.
- iv. Leave with full pay or encashment thereof as per the rules of the Company. Encashment of the leave being allowed at the end of the tenure.
- v. Free use of Company's car for Company's work as well as for personal purposes along with driver.
- vi. Free Telephone, Telefax and other communication facilities at residence including Mobile to be used for the business of the Company.
- vii. Reimbursement of actual traveling expenses for proceeding on leave from Mumbai to any place in India and return there from once in a year in respect of himself and family.
- viii. Performance based incentive not exceeding ₹ 20,00,000 (Rupees Twenty lakhs) per annum.
- ix. Other Perquisites: Subject to the ceiling on remuneration as mentioned herein below, Mr. Vijendra Singh may be given such other allowance, perquisite, benefits as the Board or Nomination and Remuneration/Compensation Committee thereof may determine from time to time. The nomenclature of allowance/reimbursement and corresponding amount thereof can be revised as per the rules of the Company.

D. Evaluation of perquisites:

Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such Rule, perquisites shall be evaluated at actual cost.

E. Minimum Remuneration:

In the event of absence or inadequacy of profits of the Company in any financial year, the remuneration as mentioned herein above shall not be reduced but shall be payable as per the provisions of the Companies Act, 2013 ("the Act") and rules made thereunder; or subject to the approval of the Central Government, if required. In the event of the Central Government providing its approval subject to any modification(s)/ alteration(s), the remuneration of Mr. Vijendra Singh shall be such as may be approved by the Central Government. However, in the event of the Central Government not providing its approval, Mr. Singh shall be entitled to receive such amount as minimum remuneration as is permissible under the Act or rules made thereunder.

General terms and conditions:

The Whole-time Director shall be reimbursed all expenses including traveling, communication and entertainment incurred by him in connection with the Company's business.

The Whole-time Director re-appointed as a Director immediately on retirement by rotation shall continue to hold his office of Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Whole-time Director, notwithstanding anything to the contrary contained herein or in any offer deed, documents or writings, the Whole-time Director shall ipso facto and immediately cease to be the Whole-time Director if he ceases to hold office of Director for any cause and in that event he shall not be entitled to any compensation for loss of office.

The Company has received No-objection/ approval from the secured creditors of the Company for payment of remuneration to Mr. Vijendra Singh as Whole-time Director designated as 'President (Sugar Mills)' of the Company for a period of three years.

As the Company has not made any profits during the previous financial year, the remuneration is proposed to be paid to Mr. Vijendra Singh as per the provisions of Schedule V to the Companies Act, 2013 and the provisions of Section 196, 197 and other applicable provisions, if any, of the Act. Hence, the approval of the shareholders is being sought by way of a special resolution for the period of 3 years effective from 10th May, 2017. The statement as required under Section II of Part II of the Schedule V to the Act with reference to Special Resolution at Item No. 7 is annexed hereto as Annexure. The details required under the provisions of Secretarial Standard-2 on General Meetings are provided in the Corporate Governance Report forming part of the Annual Report.

In compliance with the provisions of Section 196, 197 and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 and subject to the approval of the Central Government, if required, the re-appointment and terms of remuneration of Mr. Vijendra Singh as Whole-time Director designated as 'President - Sugar Mills' as specified above are now being placed before the members for their approval.

The Board recommends the Resolution at Item No. 7 of the Notice for approval of the members by way of a Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, "financially or otherwise", in the resolution set out at Item No. 7 other than Mr. Vijendra Singh.

Item No. 8

The members of the Company had at the 16th AGM held on 27th July, 2012 approved re-appointment of Mr. Narendra Murkumbi as the Vice Chairman and Managing Director of the Company for a period of 5 years w.e.f. 20th September, 2012 including the terms of remuneration. During the financial year 2012-13, the Company had adequate profits and the managerial remuneration approved by the shareholders as aforesaid was well within the limits specified under the Companies Act, 1956. However, during the financial year 2013-14, in view of the loss incurred by the Company the approval of the shareholders by way of special resolution was obtained through Postal Ballot on 7th April, 2014 for payment of the same remuneration as approved by the shareholders at the 16th AGM of the Company, for a period of 3 years w.e.f. 1st April, 2013 to 31st March, 2016, subject to the approval of the Central Government. Thereafter, the Board of Directors at its meeting held on 9th February, 2016 approved the payment of same remuneration to Mr. Murkumbi for the period from 1st April, 2016 to 19th September, 2017, which was also approved by the shareholders at the 20th AGM of the Company held on 27th September, 2016.

The term of office of Mr. Narendra Murkumbi as the Vice Chairman and Managing Director of the Company ended on 19th September, 2017. Considering the performance, role and responsibilities, qualifications, experience, rich knowledge and leadership capabilities and entrepreneurship skills of Mr. Narendra Murkumbi, the Board of Directors of the Company at its meeting held on 12th August, 2017 re-appointed Mr. Narendra Murkumbi as the Vice Chairman and Managing Director of the Company for a period of 3 years w.e.f. 20th September, 2017 on the basis of recommendation of Nomination and Remuneration/Compensation Committee and subject to approval of the shareholders, secured creditors and/or Central Government, if required, on the same terms and conditions including the remuneration as approved by the members at the 20th AGM which are mentioned herein below. For the purpose, an agreement dated 22nd August, 2017 has been entered into by the Company with Mr. Narendra Murkumbi. The Nomination and Remuneration/Compensation Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his reappointment will be in the interest of the Company.

Term of Office:

Three years with effect from 20th September, 2017.

Salary, Perquisites and Allowances:

A. Salary:

₹ 10,00,000 (Rupees Ten lakhs) per month with such increments as may be decided from time to time by the Board of Directors of the Company at its absolute discretion but not exceeding ₹ 15,50,000 (Rupees Fifteen lakhs Fifty thousand) per month during the period of office. However, he shall not be paid sitting fees for attending meetings of the Board or Committees thereof.

B. Commission:

Payable for each financial year up to 1% of net profits of the Company for that financial year as may be decided by the Board of Directors from time to time. The amount of Commission shall be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

C. Perquisites:

- i. Contribution to provident fund to the extent not taxable under the Income Tax Act, 1961;
- ii. Gratuity payable at the rate not exceeding half month's salary for each completed year of service;
- iii. Leave with full pay or encashment thereof as per the Rules of the Company;

- iv. Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for himself and immediate family and in case any medical treatment abroad, the traveling boarding and lodging expenses for patient and attendant is also payable;
- v. Reimbursement of actual traveling expenses for proceeding on leave from Belagavi/Mumbai to any place in India/abroad and return therefrom once in a year, for self and family;
- vi. House Rent Allowance at the rate of 50% of the salary or Rent free furnished accommodation in lieu thereof, with gas, electricity, water and furnishings and other amenities;
- vii. Reimbursement of entertainment expenses incurred in the course of business of the Company;
- viii. Fees for upto two clubs membership for corporate purposes including joining fees and lifetime fees;
- ix. Personal accident insurance policy in accordance with the scheme applicable to senior employees of the Company
- x. Free use of Company's car for Company's work as well as for personal purposes along with driver;
- xi. Free telephone, telefax and other communication facilities at residence including Mobile to be used for the business of the Company.

D. Evaluation of perquisites:

Perquisites shall be evaluated as per Income Tax Rules wherever applicable and in absence of any such rule perquisites shall be evaluated at actual cost.

E. Minimum Remuneration:

In the event of absence or inadequacy of profits of the Company in any financial year, the remuneration as mentioned herein above shall not be reduced but shall be payable as per the provisions of the Companies Act, 2013 ("the Act") and rules made thereunder; or subject to the approval of the Central Government, if required. In the event of the Central Government providing its approval subject to any modification(s)/ alteration(s), the remuneration of Mr. Narendra Murkumbi shall be such as may be approved by the Central Government. However, in the event of the Central Government not providing its approval, Mr. Murkumbi shall be entitled to receive such amount as minimum remuneration as is permissible under the Act or rules made thereunder.

General terms and conditions:

The Managing Director shall be reimbursed all expenses including traveling, communication and entertainment incurred by him in connection with the Company's business.

The Managing Director shall not be liable to retire by rotation while he continues to hold the office of Managing Director and he shall not be reckoned for the purpose of determining rotation or retirement of Directors or in fixing the number of Directors liable to retire by rotation but he shall ipso facto and immediately cease to be the Managing Director if he ceases to hold office of Director for any cause and in that event he shall not be entitled to any compensation or loss of office.

The Company has received No-objection/approval from the secured creditors of the Company for payment of remuneration to Mr. Narendra Murkumbi as the Vice Chairman and Managing Director of the Company for a period of three years.

As the Company has not made any profits during the previous financial year, the remuneration is proposed to be paid to Mr. Narendra Murkumbi as per the provisions of Schedule V to the Companies Act, 2013 and the provisions of Section 196, 197 and other applicable provisions, if any, of the Act. Hence, the approval of the shareholders is being sought by way of a special resolution for the period of 3 years effective from 20th September, 2017. The statement as required under Section II of Part II of the Schedule V to the Act with reference to Special Resolution at Item No. 8 is annexed hereto as Annexure. The details required under the provisions of Secretarial Standard-2 on General Meetings are provided in the Corporate Governance Report forming part of the Annual Report.

In compliance with the provisions of Section 196, 197 and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 and subject to the approval of the Central Government, if required, the re-appointment and terms of remuneration of Mr. Narendra Murkumbi as Vice Chairman and Managing Director as specified above are now being placed before the members for their approval.

The Board recommends the Resolution at Item No. 8 of the Notice for approval of the members by way of a Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, "financially or otherwise", in the resolution set out at Item No. 8 other than Mr. Narendra Murkumbi, Mrs. Vidya Murkumbi and their relatives.

Item No. 9:

Section 188 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 states that no company shall enter into transactions with a Related Party except with the consent of the Board and members of the Company, where such transactions are either not (a) in Ordinary Course of Business or

(b) on arm's length basis. The transactions with the related parties as per resolution no. 9 are at arm's length and in the ordinary course of business of the Company. Further, pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 ("Listing Regulations"), all related party transactions shall require prior approval of the Audit Committee and all material transactions with related parties require approval of the members of the Company through ordinary resolution. Material Related Party Transaction means any transaction entered either individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company, as per the last audited financial statements of the company.

The Company proposes to enter into transaction with related parties as provided in Resolution at Item No. 9, from time to time, at the agreed terms of the transactions between the parties. The Audit Committee has approved the said related party transactions which were placed before it in its meeting and has noted that these transactions are in the ordinary course of business and are at arm's length. Further, the management also believes that transactions under these contracts are on an arm's length basis. Further, the said transactions may qualify as material Related Party transactions under the Listing Regulations. Accordingly, the members' approval is sought for the same.

Information relating to transactions is as under viz. names of the related parties and relationships, monetary value of the transactions are mentioned in the resolution. The terms are determined from contract to contract, as agreed between the parties; and the transactions are in the ordinary course of the business of the Company and are at arm's length basis. Any other information relevant or important for the members to make a decision on the transaction is not applicable.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution except Mr. Jean-Luc Bohbot and Mr. Stephen Ho Kiam Kong by virtue of their positions as Managing Director and Director, respectively in Wilmar Sugar Pte. Ltd.; and Mr. Atul Chaturvedi by virtue of his position as Director in Adani Wilmar Limited.

The Directors recommend the Resolution as stated at Item No. 9 of the Notice for approval of the members by way of an Ordinary Resolution.

Item No. 10:

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and payment of remuneration of ₹ 4,50,000 (Rupees Four lakhs Fifty thousand) (plus applicable tax and out-of-pocket expenses, if any,) to M/s B. M. Sharma & Co., Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 10 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, in the resolution set out at Item No. 10 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 10 of the Notice for approval of the shareholders.

Item No. 11:

Whilst the Company had, vide the resolution passed by the shareholders at their Extra-ordinary General Meeting held on 24th August, 2017, granted consent to the Board to issue and allot, on a preferential basis, 51,32,14,505 (Fifty One crores Thirty Two lakhs Fourteen thousand Five hundred Five) equity shares of the Company of face value of ₹ 1 (Rupee One) at ₹ 16.27 (Rupees Sixteen and Paise Twenty Seven) including a premium of ₹ 15.27 (Rupees Fifteen and Paise Twenty Seven) to certain Lenders of the Company, such equity shares are required to be allotted within 15 days of the date of such resolution as per Regulation 74 of the SEBI ICDR Regulations. Since the said period of 15 days has lapsed, the present resolution is proposed as set out herein.

1. The Company has suffered substantial losses over the last few years. Due to higher sugar production and lower sugar prices in domestic and international markets the margins of the Company have been under pressure. Operations of the Company have been incurring loss continuously owing to depressed market conditions coupled with steep increase in raw material costs, operating costs, borrowing costs etc.

With a view to raise further capital infusion to reduce the burden on the Company to service the debt and to raise further capital for the working capital requirements and general corporate purposes, the Board of Directors has approved, subject to the approval of the shareholders, the issue of equity shares on such terms and conditions and at such time as mentioned in the resolution at Item No. 11 of this Notice.

Accordingly, the Company and the Lenders have rediscussed the scheme for restructuring the debts of the Company; and it has been proposed to convert a part of the facilities/loans availed by the Company from the Lenders into Equity Shares as mentioned in the resolution at Item No. 11 of this Notice. Therefore, subject to all the necessary approvals being in place, it has been proposed to offer, issue and allot, on preferential basis, aggregating upto 51,32,14,505 (Fifty One crores Thirty Two lakhs Fourteen thousand Five hundred Five) equity

shares of the Company of face value of ₹ 1 (Rupee One) each (“Equity Shares”), at ₹ 16.27 (Rupees Sixteen and Paise Twenty Seven) including a premium of ₹ 15.27 (Rupees Fifteen and Paise Twenty Seven), aggregating upto ₹ 8,34,99,99,996 (Rupees Eight hundred Thirty Four crores Ninety Nine lakhs Ninety Nine thousand Nine hundred Ninety Six) (“Preferential Issue”). The said shares shall be allotted to the Lenders under Section 62 of the Companies Act, 2013 and the rules framed thereunder.

The price of ₹ 16.27 (Rupees Sixteen and Paise Twenty Seven) per share for allotment of the equity shares to the Lenders as stated above, upon the conversion of the facilities/loans into equity shares, is a price not less than the price per equity share calculated in accordance with Regulation 76 of the SEBI ICDR Regulations. Upon allotment of Equity Shares by the Company to the Lenders, the facilities/loans from each Lender to the Company shall stand reduced to the extent of the conversion thereof to the Equity Shares. Equity Shares shall be allotted to the Lenders at a price of ₹ 16.27 (Rupees Sixteen and Paise Twenty Seven) per equity share.

2. In terms of Section 62 of the Companies Act, 2013 read with the SEBI ICDR Regulations, the Preferential Issue requires approval of the Company’s members by way of a special resolution. The Board, therefore seeks approval of the members as set out in the notice, by way of a special resolution.
3. The Preferential Issue of the Equity Shares will be governed by the Companies Act, 2013 and the rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, the Listing Regulations, the SEBI ICDR Regulations and other applicable laws.
4. The recognized stock exchange referred to above means, either of the BSE Limited (the “BSE”) or the National Stock Exchange of India Limited (the “NSE”) on which the Equity Shares of the Company are listed.
5. It may be noted that as per Chapter VII of ICDR Regulations, it is necessary to disclose the details of the Lenders and certain other matters to the shareholders of the Company, while seeking their approval for issuing the Equity Shares on preferential basis. Hence, the relevant disclosures/details are given below:

5.1 Objectives of the Issue:

The Board proposes to issue shares to the Lenders upon conversion of facilities/loans availed by the Company from the Lenders, into Equity Shares, to reduce the debt of the Company. The Board is of the view that there is a need to reduce the debt of the Company to service the debt. Hence, the Board recommends the Preferential Issue of the Equity Shares to the Lenders.

5.2 Intention of the promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Allotment:

None of the Promoters, directors or key managerial personnel are proposing to subscribe to any Equity Shares under this Preferential Issue of Equity Shares.

5.3 Shareholding pattern of the Company, before and after the Preferential issue:

The pre-allotment (as on 17th November, 2017, being the latest practicable date on which shareholder data was available prior to the approval and issuance of the notice to Members) and post-issue shareholding pattern of the Company, is as under:

Sr. No.	Category	Pre Issue		Post Issue	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	Promoters’ Shareholding:				
1	Indian:				
(a)	Individuals	21,917,565	2.32	21,917,565	1.50
(b)	Bodies Corporate	234,337,170	24.79	234,337,170	16.07
	Sub Total A-1	256,254,735	27.11	256,254,735	17.57
2	Foreign Promoters				
(a)	Individuals	1,087,732	0.12	1,087,732	0.07
(b)	Bodies Corporate	257,492,467	27.24	257,492,467	17.66
	Sub Total A-2	258,580,199	27.36	258,580,199	17.73
	Total Shareholding of Promoter & Promoter Group (A-1+A-2)	514,834,934	54.47	514,834,934	35.30
B	Non-Promoters’ Shareholding:				
1	Institutional Investors				
(a)	Foreign Portfolio Investors	27,439,921	2.90	27,439,921	1.88
(b)	Financial Institutional Investors/ Banks	38,931,003	4.12	552,145,508	37.86

Sr. No.	Category	Pre Issue		Post Issue	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
(c)	Foreign Institutional Investors	501,000	0.05	501,000	0.03
	Sub Total B-1	66,871,924	7.07	580,086,429	39.77
2	Central Government/ State Government(s)/ President of India				
	Sub Total B-2				
3	Non-Institutional Investors:				
(a)	i. Individual holding nominal share capital up to ₹ 2 lakhs	211,307,204	22.35	211,307,204	14.49
	ii. Individual holding nominal share capital in excess of ₹ 2 lakhs	38,071,132	4.03	38,071,132	2.61
(b)	NBFCs registered with RBI	1,518,732	0.16	1,518,732	0.10
(c)	Any other:				
	Bodies Corporate	64,724,679	6.85	64,724,679	4.44
	Non Resident Indians	8,839,633	0.94	8,839,633	0.61
	Trusts	23,054,504	2.44	23,054,504	1.58
	Clearing Members	5,567,932	0.59	5,567,932	0.38
	HUF	10,455,906	1.11	10,455,906	0.72
	Sub-Total B-3	363,539,722	38.46	363,539,722	24.93
	Sub-Total (B-1+B-2+ B-3)	430,411,646	45.53	943,626,151	64.70
	Grand Total	945,246,580	100.00	1,458,461,085	100.00

This table shows the expected shareholding pattern of the Company upon consummation of the preferential allotment and assuming that holdings of all other shareholders (other than the FI's/Banks), shall remain the same post-Issue, as they were on the date on which the pre-issue shareholding pattern was prepared.

5.4 Proposed time within which the Preferential Allotment shall be completed:

Under Regulation 74(1) of the SEBI ICDR Regulations, Preferential Allotment of the Equity Shares is required to be completed within a period of 15 (Fifteen) days from the date of passing of the special resolution of the shareholders of the Company or within the statutory time limits prescribed by the regulatory authorities subject to all the necessary approvals being in place. If any approval or permissions by any regulatory or statutory authority or the Central Government for allotment is pending, the period of 15 (Fifteen) days shall commence from the date of such approval or permission being obtained.

5.5 The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue.

Equity Shares aggregating upto 51,32,14,505 (Fifty One crores Thirty Two lakhs Fourteen thousand Five hundred Five) equity shares of the Company of face value of ₹ 1 (Rupee One) each at the price of ₹ 16.27 (Rupees Sixteen and Paise Twenty Seven) including a premium of ₹ 15.27 (Rupees Fifteen and Paise Twenty Seven), aggregating upto ₹ 8,34,99,99,996 (Rupees Eight hundred Thirty Four crores Ninety Nine lakhs Ninety Nine thousand Nine hundred Ninety Six) ("Preferential Issue") are proposed to be allotted to the following lenders of the Company viz. IDBI Bank Ltd., ICICI Bank Ltd., Standard Chartered Bank, Axis Bank Ltd., Kotak Mahindra Bank Ltd., State Bank of India, Yes Bank Ltd., RBL Bank Ltd., Export Import Bank of India and Life Insurance Corporation of India ("Lender(s)") and each such Lender shall be allotted such number of shares as may be decided by the Board of Directors of the Company, upon conversion of a part of the facilities/loans availed by the Company from the respective Lender(s).

Since the Preferential Issue of Equity Shares is to the aforesaid Lenders, the requirement of mentioning identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees is not applicable pursuant to Regulation 73 of the SEBI ICDR Regulations.

Change in control: As a result of the proposed preferential issue of Equity Shares upon conversion of loans into Equity Shares, there will be no change in the control of the Company.

5.6 The number of persons to whom allotment on preferential basis have already been made during the year in terms of number of securities as well as price:

During the year, the Company has not made any allotment on preferential basis to any person.

5.7 Requirements as to re-computation of price:

Since the Equity Shares of the Company have been listed on the stock exchanges for a period of more than twenty six weeks prior to the Relevant Date (as defined below), the Company is neither required to re-compute the price of the equity shares nor to submit undertakings specified under Regulation 73(1) (f) and (g) of the ICDR Regulations.

5.8 Relevant Date and Issue Price:

In terms of Chapter VII of SEBI ICDR Regulations, since the Equity Shares of the Company have been listed on the recognised stock exchanges for a period of more than twenty six weeks as on the Relevant Date (as defined below), the Equity Shares proposed to be issued to the Lenders will be issued and allotted at a price not less than the higher of the following in terms of Regulation 76 of the SEBI ICDR Regulations:

- i. The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the Relevant Date (as defined below); or
- ii. The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the Relevant Date (as defined below).

The “Relevant Date” for the preferential issue, as per the ICDR Regulations, for the determination of applicable price for the Issue of the Allotment Shares shall be 21st November, 2017 which is the date that is 30 (thirty) days prior to the date of this Meeting to consider the proposed Preferential Issue.

Accordingly, the issue price of ₹ 16.27 (Rupees Sixteen and Paise Twenty Seven) per Equity Share at which the Equity Shares are proposed to be issued and allotted to the Lenders is a price not less than the price per equity share calculated on the basis of the Relevant Date in accordance with Regulation 76 of the ICDR Regulations.

5.9 Lock-In Period:

The Equity Shares issued pursuant to this Preferential Allotment to the Lenders shall be locked-in as per the applicable provisions of the SEBI ICDR Regulations, as amended from time to time. Further, pursuant to Regulation 70(4) of SEBI ICDR Regulations, there is no requirement of lock-in on pre-preferential allotment shareholding of the Lenders.

The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer – Not Applicable

The class or classes of persons to whom the allotment is proposed to be made – Non Promoter and Non Promoter Group.

5.10 Undertakings

- a. An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so – As the equity shares of the Company are listed with the BSE Limited and the National Stock Exchange of India Limited for more than six (6) months, the same is not applicable to the Company.
- b. An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees – As the equity shares of the Company are listed with the BSE Limited and the National Stock Exchange of India Limited for more than six (6) months, the same is not applicable to the Company.

5.11 Auditors’ Certificate:

The Statutory Auditors of the Company, M/s. Ashok Kumar, Prabhashankar & Co., Chartered Accountants have issued a certificate confirming that the issue of the Equity Shares is being made in accordance with the requirements of the SEBI ICDR Regulations.

A copy of the certificate will also be open for inspection at the Registered Office of the Company from 11.00 a.m. to 2.00 p.m. on any working day upto the date of the meeting.

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the Listing Regulations.

The Board of Directors recommends passing of the Special Resolution at Item No. 11 of the Notice. None of the Directors and Key Managerial Personnel of the Company, and their relatives are in any way concerned or interested in the said Resolution, except and to the extent of their shareholding in the Company.

Item No. 12:

Whilst the Company had, vide the resolution passed by the shareholders at their Extra-ordinary General Meeting held on 24th August, 2017, granted consent to the Board to create, issue and allot, on a preferential basis, upto 9,35,60,000 (Nine crores Thirty Five lakhs Sixty thousand), 0.01% Redeemable Preference Shares at face value of ₹ 100 (Rupees One hundred) each, ("RPS") at par, aggregating upto ₹ 935,60,00,000 (Rupees Nine hundred Thirty Five crores Sixty lakhs) in one or more tranches, on preferential basis to certain Lenders of the Company, such shares are required to be allotted within 15 days of the date of such resolution as per Regulation 74 of the SEBI ICDR Regulations. Since the said period of 15 days has lapsed, the present resolution is proposed as set out herein.

1. The Company has suffered substantial losses over the last few years. Due to higher sugar production and lower sugar prices in domestic and international markets the margins of the Company have been under pressure. Operations of the Company have been incurring loss continuously owing to depressed market conditions coupled with steep increase in raw material costs, operating costs, borrowing costs etc.

With a view to raise further capital infusion to reduce the burden on the Company to service the debt and to raise further capital for the working capital requirements and general corporate purposes, the Board of Directors has approved, subject to the approval of the shareholders, the issue of Redeemable Preference Shares on such terms and conditions and at such time as mentioned in the resolution at Item No. 12 of this Notice.

Accordingly, the Company and the Lenders have rediscussed the scheme for restructuring the debts of the Company; and subject to all the necessary approvals being in place, it has been proposed to convert a part of the loans taken by the Company from the Lenders into 9,35,60,000 (Nine crores Thirty Five lakhs Sixty thousand), 0.01% Redeemable Preference Shares at face value of ₹ 100 (Rupees One hundred) each, ("RPS") at par, aggregating up to ₹ 935,60,00,000 (Rupees Nine hundred Thirty Five crores Sixty lakhs) in one or more tranches, on preferential basis, as mentioned in the Resolution.

Upon allotment of RPS by the Company to the Lenders, the facilities/loans from each Lender to the Company shall stand reduced to the extent of the conversion thereof to the RPS.

The Company shall have the right (but not the obligation) to redeem the RPS at a price equivalent to the Net Present Value of each RPS as may be agreed, in full or in part, anytime during a period commencing from the date of allotment of the RPS till 29th June, 2027 ("RPS Redemption Period"), in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws. In the event the RPS (or part thereof) are not redeemed by the Company during the RPS Redemption Period, such unredeemed RPS shall be redeemed in 40 structured quarterly installments commencing from 30th June, 2027 ending on 31st March, 2037, on terms decided by the Board, in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws. The Company shall have the right to redeem the RPS of any individual lender on terms mutually agreed between the Board and the respective lender.

The offer, issue, allotment would be subject to the availability of regulatory approvals, if any. Pursuant to the provisions of the Act, read with Rules made thereunder including SEBI NCRPS Regulations and in terms of the provisions of the Listing Regulations, other SEBI Regulations and other applicable laws, approval of the members is required for the proposed issue and allotment of RPS on a private placement basis. Accordingly, the consent of the shareholders is being sought for issue and allotment of the RPS on a private placement basis as mentioned herein.

2. The Issue of RPS will be governed by the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, the Listing Regulations, the SEBI NCRPS Regulations.
3. The relevant details as per the Companies Act, 2013 and the rules made there under, are as follows:

3.1 Objectives of the Issue:

The Board proposes to issue RPS to the Lenders upon conversion of facilities/loans availed by the Company from the Lenders, to reduce the debt of the Company. The Board is of the view that there is a need to reduce the burden on the Company to service the debt. Hence, the Board recommends the Preferential Issue of the RPS to the Lenders.

3.2 Issue Price:

9,35,60,000 (Nine crores Thirty Five lakhs Sixty thousand) RPS for ₹ 100 (Rupees One hundred) at par aggregating up to ₹ 935,60,00,000 (Rupees Nine hundred Thirty Five crores Sixty lakhs) in one or more tranches, on preferential basis.

3.3 Dividend:

Dividend shall be paid to the holders on the record date to be decided by the Company.

- 3.4 RPS shall be non-convertible and non-participating.
- 3.5 Shareholding pattern of the Company as on 17th November, 2017 (being the latest practicable date on which shareholder data was available prior to the approval and issuance of the notice to Members):

Sr. No.	Category	No. of shares held	% of shareholding
A	Promoters' Shareholding:		
1	Indian:		
(a)	Individuals	21,917,565	2.32
(b)	Bodies Corporate	234,337,170	24.79
	Sub Total A-1	256,254,735	27.11
2	Foreign Promoters		
(a)	Individuals	1,087,732	0.12
(b)	Bodies Corporate	257,492,467	27.24
	Sub Total A-2	258,580,199	27.36
	Total Shareholding of Promoter & Promoter Group (A-1+A-2)	514,834,934	54.47
B	Non-Promoters' Shareholding:		
1	Institutional Investors		
(a)	Foreign Portfolio Investors	27,439,921	2.90
(b)	Financial Institutional Investors/ Banks	38,931,003	4.12
(c)	Foreign Institutional Investors	501,000	0.05
	Sub Total B-1	66,871,924	7.07
2	Central Government/ State Government(s)/ President of India		
	Sub Total B-2		
3	Non-Institutional Investors:		
(a)	i. Individual holding nominal share capital up to ₹ 2 lakhs	211,307,204	22.35
	ii. Individual holding nominal share capital in excess of ₹ 2 lakhs	38,071,132	4.03
(b)	NBFCs registered with RBI	1,518,732	0.16
(c)	Any other:		
	Bodies Corporate	64,724,679	6.85
	Non Resident Indians	8,839,633	0.94
	Trusts	23,054,504	2.44
	Clearing Members	5,567,932	0.59
	HUF	10,455,906	1.11
	Sub-Total B-3	363,539,722	38.46
	Sub-Total (B-1+B-2+B-3)	430,411,646	45.53
	Grand Total	945,246,580	100.00

The Board believes that the issue of RPS to the promoters of the Company to convert a part of loans into RPS to facilitate reduction of the borrowings of the Company is in the interest of the Company and, therefore, recommends the resolution for your approval.

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the Listing Regulations.

The Board of Directors recommends passing of the Special Resolution at Item No. 12 of the Notice. None of the Directors and Key Managerial Personnel of the Company, and their relatives are in any way concerned or interested in the said Resolution, except and to the extent of their shareholding in the Company.

Item No. 13:

Whilst the Company had, vide the resolution passed by the shareholders at their Extra-ordinary General Meeting held on 24th August, 2017, granted consent to the Board to offer, issue and allot, on a preferential basis, upto 4,50,00,000 (Four crores Fifty lakhs) Optionally Convertible Preference Shares at face value of ₹ 100 (Rupees One hundred) each, in one or more tranches ("OCPS"), at par, aggregating upto ₹ 450,00,00,000 (Rupees Four hundred Fifty crores), to certain Lenders of the Company, such shares are required to be allotted within 15 days of the date

of such resolution as per Regulation 74 of the SEBI ICDR Regulations. Since the said period of 15 days has lapsed, the present resolution is proposed as set out herein.

The Company has suffered substantial losses over the last few years. Due to higher sugar production and lower sugar prices in domestic and international markets the margins of the Company have been under pressure. Operations of the Company have been incurring loss continuously owing to depressed market conditions coupled with steep increase in raw material costs, operating costs, borrowing costs etc.

With a view to raise further capital infusion to reduce the burden on the Company to service the debt and to raise further capital for the working capital requirements and general corporate purposes, the Board of Directors has approved, subject to the approval of the shareholders, the issue of Optionally Convertible Preference Shares on such terms and conditions and at such time as mentioned in the resolution at Item No. 13 of this Notice.

Accordingly, the Company and the Lenders have rediscussed the scheme for restructuring the debts of the Company; and it has been proposed to convert a part of the loans taken by the Company from the Lenders into upto 4,50,00,000 (Four crores Fifty lakhs) Optionally Convertible Preference Shares at face value of ₹ 100 (Rupees One hundred) each, in one or more tranches ("OCPS"), at par, aggregating upto ₹ 450,00,00,000 (Rupees Four hundred Fifty crores), to the lenders of the Company ("Lenders") ("Preferential Issue"), upon conversion of a part of the loans given by the Lenders to the Company, carrying a dividend of 0.01% per annum, and the OCPS holders shall have an option to convert OCPS into equity shares of the Company at the price determined at the time of such conversion as per the SEBI ICDR Regulations as and when the holder(s) of such OCPS exercise the option of conversion, in one or more tranches, which shall not be later than the period specified in Regulation 75 of the SEBI ICDR Regulations and in accordance with all applicable laws.

Upon allotment of OCPS by the Company to the Lenders, the facilities/loans from each Lender to the Company shall stand reduced to the extent of the conversion thereof to the OCPS.

The Company shall have the right (but not the obligation) to redeem the OCPS at a price equivalent to the Net Present Value of each OCPS as may be agreed, in full or in part, anytime during a period commencing from the date of allotment of the OCPS till a date falling 18 months from the date of allotment of the OCPS, or from such other period as may be determined by the Board ("OCPS Redemption Period"), in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws. In the event the OCPS (or part thereof) are not redeemed by the Company during the OCPS Redemption Period, such unredeemed OCPS shall stand redeemed on the last date of the OCPS Redemption Period, in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws.

The offer, issue, allotment, conversion would be subject to the availability of the applicable regulatory approvals, if any. Pursuant to the provisions of the Companies Act, 2013, read with Rules made thereunder including SEBI ICDR Regulations, other SEBI Regulations and all applicable laws, approval of the members is required for the proposed issue and allotment of OCPS on a preferential basis. Accordingly, the consent of the shareholders is being sought for issue and allotment of the OCPS on a preferential basis as mentioned herein. The proposed issue of OCPS by way of preferential allotment is in accordance with the provisions of SEBI ICDR Regulations, other SEBI Regulations and all applicable laws.

1. The Issue of OCPS will be governed by the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, the Listing Regulations, the SEBI ICDR Regulations.
2. The recognized stock exchange referred to above means, either of the BSE Limited (the "BSE") or the National Stock Exchange of India Limited (the "NSE") on which the Equity Shares of the Company are listed.
3. The relevant details as per Chapter VII of SEBI ICDR Regulations and the Companies Act, 2013 and the rules made there under, are as follows:

3.1 Objectives of the Issue:

The Board proposes to issue OCPS to the Lenders upon conversion of facilities/loans availed by the Company from the Lenders, to reduce the debt of the Company. The Board is of the view that there is a need to reduce the debt of the Company. Hence, the Board recommends the Preferential Issue of the OCPS to the Lenders.

3.2 Intention of the promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Allotment:

None of the Promoters, directors or key managerial personnel are proposing to subscribe to any OCPS under this Preferential Issue.

3.3 Shareholding pattern of the Company as on 17th November, 2017 (being the latest practicable date on which shareholder data was available prior to the approval and issuance of the notice to Members):

Sr. No.	Category	No. of shares held	% of shareholding
A	Promoters' Shareholding:		
1	Indian:		
(a)	Individuals	21,917,565	2.32
(b)	Bodies Corporate	234,337,170	24.79
	Sub Total A-1	256,254,735	27.11
2	Foreign Promoters		
(a)	Individuals	1,087,732	0.12
(b)	Bodies Corporate	257,492,467	27.24
	Sub Total A-2	258,580,199	27.36
	Total Shareholding of Promoter & Promoter Group (A-1+A-2)	514,834,934	54.47
B	Non-Promoters' Shareholding:		
1	Institutional Investors		
(a)	Foreign Portfolio Investors	27,439,921	2.90
(b)	Financial Institutional Investors/ Banks	38,931,003	4.12
(c)	Foreign Institutional Investors	501,000	0.05
	Sub Total B-1	66,871,924	7.07
2	Central Government/ State Government(s)/ President of India		
	Sub Total B-2		
3	Non-Institutional Investors:		
(a)	i. Individual holding nominal share capital up to ₹ 2 lakhs	211,307,204	22.35
	ii. Individual holding nominal share capital in excess of ₹ 2 lakhs	38,071,132	4.03
(b)	NBFCs registered with RBI	1,518,732	0.16
(c)	Any other:		
	Bodies Corporate	64,724,679	6.85
	Non Resident Indians	8,839,633	0.94
	Trusts	23,054,504	2.44
	Clearing Members	5,567,932	0.59
	HUF	10,455,906	1.11
	Sub-Total B-3	363,539,722	38.46
	Sub-Total (B-1+B-2+B-3)	430,411,646	45.53
	Grand Total	945,246,580	100.00

The price of equity shares upon conversion of OCPS shall be determined on the basis of the 'Relevant Date' under SEBI ICDR Regulations which shall be the date 30 (Thirty) days prior to the date on which the holders of the OCPS avail the option to convert the OCPS to apply for the Equity Shares. As a result, presently, it is not possible to determine the number of shares that the OCPS holders would become entitled to upon such conversion of OCPS into equity shares. Hence, the post issue capital cannot be ascertained presently. As the Lenders to whom OCPS are proposed to be allotted, belong to the Category 'Financial Institutional Investors/Banks' in the above shareholding pattern, after conversion of OCPS into equity shares, post issue shareholding of the Category 'Financial Institutional Investors/Banks' would stand increased by the number of shares allotted upon conversion of OCPS.

3.4 Proposed time within which the Preferential Allotment shall be completed:

Under Regulation 74(1) of the SEBI ICDR Regulations, Preferential Allotment of OCPS is required to be completed within a period of 15 (Fifteen) days from the date of passing of the special resolution of the shareholders of the Company or within the statutory time limits prescribed by the regulatory authorities subject to all the necessary approvals being in place. If any approval or permissions by any regulatory or statutory authority or the Central Government for allotment is pending, the period of 15 (Fifteen) days shall commence from the date of such approval or permission being obtained.

- 3.5 The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

Upto 4,50,00,000 (Four crores Fifty lakhs), 0.01% Optionally Convertible Preference Shares at face value of ₹ 100 (Rupees One hundred) each, at par, aggregating upto ₹ 450,00,00,000 (Rupees Four hundred Fifty crores) are proposed to be allotted to the following lenders of the Company viz. IDBI Bank Ltd., ICICI Bank Ltd., Standard Chartered Bank, Axis Bank Ltd., Kotak Mahindra Bank Ltd., State Bank of India, Yes Bank Ltd., RBL Bank Ltd., Export Import Bank of India and Life Insurance Corporation of India ("Lender(s)") and each such Lender shall be allotted such number of OCPS as may be decided by the Board of Directors of the Company, upon conversion of a part of the loans availed by the Company from the Lender(s).

Change in control: As a result of the proposed preferential issue of OCPS upon conversion of loans into OCPS, there will be no change in the control of the Company.

Since the Preferential Issue of OCPS is to the aforesaid Lenders, the requirement of mentioning identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees is not applicable pursuant to Regulation 73 of the SEBI ICDR Regulations.

- 3.6 The number of persons to whom allotment on preferential basis have already been made during the year in terms of number of securities as well as price:

During the year, the Company has not made any allotment on preferential basis to any person.

- 3.7 Requirements as to re-computation of price:

Since the Equity Shares of the Company have been listed on the recognized stock exchanges for a period of more than twenty six weeks prior to the relevant date, the Company is not required to re-compute the price of the OCPS. The Proposed Allottee of the OCPS shall be required to transfer to the Company full consideration for the subscription of the OCPS (including premium) prior to the allotment of OCPS.

- 3.8 Relevant Date and Issue Price

Each OCPS for ₹ 100 (Rupees One hundred) aggregating upto ₹ 450,00,00,000 (Rupees Four hundred Fifty crores) in one or more tranches, on preferential basis. The 'Relevant Date' under SEBI ICDR Regulations for the purpose of determination of price of Equity Shares upon conversion of the OCPS shall be a date 30 (Thirty) days prior to the date on which the holders of the OCPS avail the option to convert the OCPS to apply for the Equity Shares.

- 3.9 Lock-in period:

The OCPS issued pursuant to this Preferential Allotment to the Lenders shall be locked-in as per the provisions of the SEBI ICDR Regulations, as amended from time to time. Further, pursuant to Regulation 70(4) of SEBI ICDR Regulations, there is no requirement of lock-in on pre-preferential allotment shareholding of the Lenders.

The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer - Not Applicable

The class or classes of persons to whom the allotment is proposed to be made - Non Promoter and Non Promoter Group.

- 3.10 Undertakings

- a. An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so - As the equity shares of the Company are listed with the BSE Limited and the National Stock Exchange of India Limited for more than six (6) months, the same is not applicable to the Company.
- b. An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees - As the equity shares of the Company are listed with the BSE Limited and the National Stock Exchange of India Limited for more than six (6) months, the same is not applicable to the Company.

- 3.11 Auditors' Certificate:

The Statutory Auditors of the Company, M/s. Ashok Kumar, Prabhaskar & Co., Chartered Accountants have issued a certificate confirming that the issue of OCPS is being made in accordance with the requirements of the SEBI ICDR Regulations.

A copy of the certificate will also be open for inspection at the Registered Office of the Company from 11.00 a.m. to 2.00 p.m. on any working day upto the date of the meeting.

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the Listing Regulations.

The Board of Directors recommends passing of the Special Resolution at Item No. 13 of the Notice. None of the Directors and Key Managerial Personnel of the Company, and their relatives are in any way concerned or interested in the said Resolution, except and to the extent of their shareholding in the Company.

Item No. 14:

Whilst the Company had, vide the resolution passed by the shareholders at their Extra-ordinary General Meeting held on 24th August, 2017, granted consent to the Board to offer, issue and allot, on a preferential basis, upto 5,850 (Five thousand Eight hundred Fifty) Non-Convertible Debentures having a face value of ₹ 10,00,000 (Rupees Ten lakhs) each, aggregating up to ₹ 585,00,00,000 (Rupees Five hundred Eighty Five crores) ("NCDs") to certain Lenders of the Company, such debentures are required to be allotted within 15 (Fifteen) days of the date of such resolution as per Regulation 74 of the SEBI ICDR Regulations. Since the said period of 15 (Fifteen) days has lapsed, the present resolution is proposed as set out herein.

The Company has suffered substantial losses over the last few years. Due to higher sugar production and lower sugar prices in domestic and international markets the margins of the Company have been under pressure. Operations of the Company have been incurring loss continuously owing to depressed market conditions coupled with steep increase in raw material costs, operating costs, borrowing costs etc.

With a view to raise further capital infusion to reduce the burden on the Company to service the debt and to raise further capital for the working capital requirements and general corporate purposes, the Board of Directors has approved, subject to the approval of the shareholders, the issue of Non-Convertible Debentures on such terms and conditions and at such time as mentioned in the resolution at Item No. 14 of this Notice.

The Company is desirous of converting a part of the facilities/loans taken by it from its lenders ("Lenders") in upto 5,850 (Five thousand Eight hundred Fifty) Non-Convertible Debentures having a face value of ₹ 10,00,000 (Rupees Ten lakhs) each, aggregating upto ₹ 585,00,00,000 (Rupees Five hundred Eighty Five crores) ("NCDs"), on private placement basis, to the Lenders, from time to time, in one or more tranches. The NCDs shall be allotted to the Lenders pursuant to conversion of the facilities/loans extended by the Lenders to the Company. Such NCDs shall be allotted to the Lenders in such proportion as may be decided by the Board of Directors of the Company.

The Company shall have the right (but not the obligation) to redeem the NCDs at a price equivalent to the Net Present Value of each NCD as may be agreed, in full or in part, anytime during a period commencing from the date of allotment of the NCDs till 29th June, 2024 ("NCD Redemption Period"), in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws. In the event the NCDs (or part thereof) are not redeemed by the Company, during the NCD Redemption Period, such unredeemed NCDs shall be redeemed in 12 structured quarterly installments commencing from 30th June, 2024 and ending on 31st March, 2027, or on such other terms as may be decided by the Board, in accordance with the provisions of the Companies Act, 2013, SEBI Regulations and applicable laws.

Pursuant to the provisions of Sections 42 and 71 of the Act and Rules made thereunder, a company offering or making an invitation to subscribe to Non-Convertible Debentures/Bonds/other instruments on a private placement basis, is required to obtain the prior approval of the Shareholders of the Company by way of a Special Resolution.

Therefore, the approval of the Shareholders of the Company is being sought by way of a Special Resolution at Item No. 14 of the accompanying Notice under Section 42 of the Companies Act, 2013 and Rules made thereunder, and other applicable provisions, if any, of the Companies Act, 2013 to enable the Company to offer or invite subscriptions for NCDs on private placement basis.

The Board believes that the issue of NCDs as per the resolution is in the interest of the Company and, therefore, recommends passing of the Special Resolution at Item No. 14 of the Notice. None of the Directors and Key Managerial Personnel of the Company, and their relatives are in any way concerned or interested in the said Resolution, except and to the extent of their shareholding in the Company.

By Order of the Board of Directors
For **Shree Renuka Sugars Limited**

Rupesh Saraiya
Company Secretary

21st November, 2017, Mumbai

Regd. Office:

BC 105, Havelock Road,
Camp, Belagavi - 590 001.

CIN: L01542KA1995PLC019046

ANNEXURE

Statement pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 with reference to the Resolutions at Item nos. 6, 7 & 8 of the Notice for the AGM of Shree Renuka Sugars Limited is as under:

General Information:

1. Nature of Industry: Manufacturing, producing of Sugar, Power and Ethanol.
2. Date of commencement of commercial activities: Crushing season 1998-99.
3. In case of new companies expected date of commencement of activities as per Project approved by Financial Institutions appearing in the Prospectus: Not applicable.
4. Financial performance based on given indicators:

₹ in Million

Sr. No.	Particulars	Un-audited figures for 3 months period ended 30.06.2017	Audited figures for the year ended 31.03.2017	Audited figures for the year ended 31.03.2016	Audited figures for the year ended 31.03.2015
1.	Total Revenue (Gross)	16,108.11	78,921.39	59,873.00	58,241.05
2.	Profit/ (Loss) before tax	(1,395.62)	(1,998.18)	(4,204.21)	(4,457.83)
3.	Net Profit/ (Loss)	(922.00)	(1,238.90)	(2,781.20)	(2,950.88)
4.	Paid up share capital	945.25	945.25	928.81	928.81
5.	Reserves & Surplus	28,136.55	29,316.14	31,397.86	14,448.95

5. Foreign Investments or Collaborations, if any: Investments in Overseas Companies as on 31st March, 2017 is ₹ 18,255.41 million. There is no foreign Collaborations.

Information about the appointee:

➤ Mrs. Vidya Murkumbi

1. Background details: Mrs. Vidya Murkumbi (Age: 69) is a graduate in Chemistry and spent 24 years in the trading business. She was initially involved in trading and distribution of various TATA and Parle products. Subsequently, she moved into manufacturing and marketing business by venturing into agro processing and chemical formulation business. She is the Promoter Director since the inception of the Company in 1995.
2. Past Remuneration: Basic Salary ₹ 10,50,000 per month and perquisites, reimbursements and allowances as per the terms of appointment and rules of the Company.
3. Recognition or awards: Conferred with Doctorate Degree by Karnataka State Bijapur Women's University.
4. Job Profile and her Suitability: The Executive Chairperson is in-charge of overall operations of the Company with substantial powers of management and general conduct, except in the matters which may be specifically required to be done by the Board either by the Act or by the Articles of Association of the Company and shall also exercise and perform such powers and duties as the Board of Directors of the Company may from time to time determine and perform all other acts and things which in the ordinary course of business may be considered necessary or proper or in the interest of the Company. She looks after efficient running of all the plants, planning, control, expansion, sugarcane development activities, timely completion of the project and general administration of the factory, including labour and other related issues. Under her leadership, the Company has grown from being a local player to become one of the largest sugar companies in the world. Payment of above mentioned remuneration to Mrs. Vidya Murkumbi is considered suitable, considering her qualifications, expert knowledge and her rich experience in the sugar industry.
5. Remuneration proposed/Terms & Conditions of appointment: As detailed in the Explanatory Statement.
6. Comparative remuneration profile: Remuneration is proposed taking into account trend in the industry, appointee's qualification, experience, past assignments and past remuneration.
7. Pecuniary Relationship: Mrs. Vidya Murkumbi is a Promoter Director, holding 1,228,800 equity shares of ₹ 1 each representing 0.13% of the paid-up capital of the Company. She receives lease rent in connection with the properties situated at BC 105 and BC 109, Belagavi given on lease basis to the Company where

the Company's Registered Office and Project office are situated. Apart from receiving remuneration and lease rent as mentioned hereinabove and dividend, if any, on the shares held, she does not receive any other benefits from the Company. The appointee is related to Mr. Narendra Murkumbi, Vice Chairman & Managing Director and promoter of the Company.

8. Directorship and committee membership/ chairmanship of other companies: Mrs. Vidya Murkumbi holds directorship in Ravindra Energy Limited, Shree Renuka Agri Ventures Limited, Gokak Sugars Limited, Khandepar Investments Private Limited and Godavari Biofuel Private Limited. She is also a member of Audit Committee of Ravindra Energy Limited.

➤ **Mr. Vijendra Singh**

1. Background details: Mr. Vijendra Singh (Age: 57) is a Bachelor of Science from Meerut University and has done his Post Graduation in Sugar Technology from the National Sugar Institute. He has rich and varied experience in agro processing industry and his area of expertise includes Planning System Development, Process Simplification, Quality Assurance Management, Project Cycle Management, Cost Control Strategies, Workflow Planning and Manpower Management. He was originally appointed as an Executive Director effective 10th May, 2011.
2. Past Remuneration: Basic Salary ₹ 4,32,044 per month and perquisites, reimbursements and allowances as per the terms of appointment and rules of the Company.
3. Recognition or awards: Nil.
4. Job Profile and his Suitability: Mr. Vijendra Singh is responsible for the Power and Ethanol Sales business of the Company. He played key roles in the implementation of various projects in India as well as outside India. Taking into consideration the qualifications and expertise, he is best suited for the responsibilities assigned to him by the Board of Directors. He is having substantial powers of management and general conduct, except in the matters which may be specifically required to be done by the Board either by the Act or by the Articles of Association of the Company and shall also exercise and perform such powers and duties as the Board of Directors of the Company may from time to time determine and perform all other acts and things which in the ordinary course of business may be considered necessary or proper or in the interest of the Company.
5. Remuneration proposed/Terms & Conditions of appointment: As detailed in the Explanatory Statement.
6. Comparative remuneration profile: Taking into consideration the size and past performance of the Company and the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to Mr. Vijendra Singh is commensurate with the remuneration packages paid to similar senior level appointees in other companies.
7. Pecuniary Relationship: Except remuneration as mentioned above, Mr. Vijendra Singh does not have any pecuniary relationship directly or indirectly with the Company or any relationship with the managerial personnel of the Company.
8. Directorship and committee membership/ chairmanship of other companies: Mr. Vijendra Singh holds directorship in Gokak Sugars Limited, KBK-Chem Engineering Private Limited and Young Star Global Private Limited.

➤ **Mr. Narendra Murkumbi**

1. Background details: Mr. Narendra Murkumbi (Age: 47) is an Electronics Engineer and has completed his MBA from the Indian Institute of Management, Ahmedabad, in 1994. He co-founded Shree Renuka Sugars Limited in 1995 and in the last 18 years, the Company has become a fully integrated sugar manufacturer, which also has large power generation, ethanol and sugar refining capacities. Today, it runs seven integrated sugar mills in India and two sugar refineries, one on each coast. He served as Director of ICICI Bank Limited, ICICI Securities Limited, ICICI Investment Management Company Limited and National Commodity & Derivatives Exchange Limited.
2. Past Remuneration: Basic Salary ₹ 10,00,000 per month and perquisites, reimbursements and allowances as per the terms of appointment and rules of the Company.
3. Recognition or awards: Mr. Narendra Murkumbi was chosen as the "Entrepreneur of the Year - 2010" by The Economic Times Awards, 2010 for creating a highly successful modern agri business, creating a unique sugar company and making bold acquisition in the world's largest sugar producing country, Brazil. Under his leadership the Company also lifted ET's 'Emerging Company of the Year - 2011'.

4. **Job Profile and his Suitability:** The Managing Director is in-charge of overall operations of the Company with substantial powers of management and general conduct, except in the matters which may be specifically required to be done by the Board either by the Companies Act, 2013 or by the Articles of Association of the Company and shall also exercise and perform such powers and duties as the Board of Directors of the Company may from time to time determine and shall also do and perform all other acts and things which in the ordinary course of business may be considered necessary or proper or in the interest of the Company. Under his guidance, the Company has grown rapidly, through organic and inorganic means, to become one of the largest sugar & ethanol producers in the world today. The Company is one among the youngest sugar companies in India becoming a global agri-business and bio-energy corporation. Payment of above mentioned remuneration to Mr. Narendra Murkumbi is considered suitable, considering his qualifications, expert knowledge and his experience in sugar sector.
5. **Remuneration proposed/Terms & Conditions of appointment:** As detailed in the Explanatory Statement.
6. **Comparative remuneration profile:** Taking into consideration the size and past performance of the Company and the responsibilities shouldered by him and as per the industry benchmarks, the remuneration paid to Mr. Narendra Murkumbi is commensurate with the remuneration packages paid to similar senior level appointees in other companies.
7. **Pecuniary Relationship:** Mr. Narendra Murkumbi is a Promoter Director, holding 10,812,905 equity shares of ₹ 1 each representing 1.14% of the paid-up capital of the Company. Apart from receiving remuneration and dividend, if any declared, on the shares held, he does not receive any other benefits from the Company. The appointee is related to Mrs. Vidya Murkumbi, Executive Chairperson and promoter of the Company.
8. **Directorship and committee membership/chairmanship of other companies:** Mr. Narendra Murkumbi holds directorship in Agri Ventures Trading and Investment Private Limited and Indian Sugar Exim Corporation Limited.

Other Information:

1. **Reasons for loss or inadequate profits:** During the financial year ended 31st March, 2017, the Company has incurred net loss of ₹ 1,238.90 million due to surplus availability of sugar, lower realisations coupled with relatively lower sugar recoveries and higher cane prices which severely impacted the sugar margins of the Company.
2. **Steps taken or proposed to be taken for improvement:** Recently, in view of increase in the sugar prices, the Company has witnessed improvement in operational income. This trend is expected to continue resulting in better financial performance of the Company. The government has also taken various initiatives which may result in reviving the growth in sugar industry.
3. **Expected increase in productivity and profits in measurable terms:** In the recent developments of increase in the sugar prices and implementation of government policies are expected to result in increasing the operational income of the Company.

Disclosures:

The following disclosures mentioned in the Board's report under the heading "Corporate Governance Report" of the Company:

1. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;
2. Details of fixed component and performance linked incentives along with the performance criteria;
3. Service contracts, notice period, severance fees;
4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.



Registered Office

BC 105, Havelock Road, Camp, Belagavi - 590 001.

Tel: 91-831-2404000 | Fax: 91-831-2469891

www.renukasugars.com