Dhampur Sugar Mills Limited
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Website: www.dhampur.com

13.09.2018

To,
Asst. Vice President
National Stock Exchange of India Ltd.
Exchange plaza,Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

Asst. General Manager
Dept of Corp. Services,
BSE Limited
P.J. Towers, Dalal Street, Fort,
Mumbai: 400001.

Dear Sir/Madam,

Sub: Submission of Annual Report

Please find attached copy of Annual Report for the year ended 31st March, 2018 pursuant to Regulation 34 (1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Kindly take the same on record.

Thanking you,

Yours Faithfully
For Dhampur Sugar Mills Limited

Dhampur Sugar Mills Limited New Delhi

Aparna Goel
Company Secretary
M.No : 22787

Dhampur Sugar Mills Limited
Annual Report 2017-18

WIDENING OUR STRENGTHS

What is inside

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

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Widening Our Strengths

In a cyclical business, the enduring company strengthens its competitive advantage in favourable and challenging years.

This has been the story at Dhampur Sugar as well.

The company recognised that the only way to grow faster in good markets and rebound faster from weak markets lay in the ability to strengthen its integrated business model.

Through every initiative.

Through every aspect.

Through every business vertical.

This is what we have always done. This is what we will always do.

6 things you need to know about Dhampur Sugar Mills Limited

1 Our ethical and professionalism

Our vision

Innovate and Optimise for the benefit of all Stakeholders.

Our mission

Making a positive contribution to the Environment we operate in.

Professionalism

- **Integrity:** trusted partnership
- **Commitment:** be Responsive
- **Accountability:** take ownership

Passion to excel

- **Determination:** lead change and walk the extra mile
- **Value Adding Team Work:** build strength through a shared vision
- **Learning & Innovation:** Innovate through learning

Respect

- **Diversity & Inclusiveness:** provide equal opportunity
- **Value time:** punctuality in all areas
- **Humanity:** be sensitive and generate energy

Act responsibly

- **Business Ethics:** apply ethical principles
- **Corporate Citizenship:** fulfil social, economic & legal Responsibilities
- **Corporate Governance:** drive fairness, accountability, responsibility and transparency

2

Our product portfolio

Sugar
- Refined sugar
- White sugar
- Retail sugar

Power
- Power generation

Chemicals
- Ethanol
- Ethyl acetate
- Extra neutral alcohol
- Other Allied Products

Bio-fertiliser
- Bio-compost
- Liquid biofertilisers

3

Our capacities

Aggregate Cane Crushing capacity	Aggregate Distillery capacity per day	Installed power co-generation capacity
45,500 tonnes of cane crushing per day	3,00,000 litres	220.5 megawatts

4

Our listing

The Company's shares are listed and actively traded on the BSE Ltd. and the National Stock Exchange. The market capitalisation of the Company was ₹907.19 crore on BSE, ₹903.87 crore on NSE as on 31 March 2018.

5

Our legacy

Dhampur Sugar is one of the most prominent players in the organized sugar business in India. The Company was founded by Lala Ram Narain in 1933 with a cane crushing capacity of 300 tonnes per day. Today it is one of the nation's oldest integrated sugar companies comprising power generation and ethanol manufacturing capacities in addition to sugar. Dhampur is engaged in sugar manufacturing and marketing, power generation and chemical manufacturing. The Company has five manufacturing facilities in Uttar Pradesh.

Diversified

- Dhampur is one of the largest integrated sugar mills in the country
- Besides sugar, which is the Company's key product, it is also engaged in the manufacturing of ethanol and power generation using by-products
- This diverse basket of product offerings helps Dhampur de-risk from business cyclicality and maximize returns.

Scale

- The Company's integrated facilities are equipped with a cane crushing capacity of 45,500 tonnes per day
- Dhampur's distillery segment has a capacity of 3,00,000 litres per day and the power co-generation segment has a capacity of 220.50 megawatts. The ratio of power generation and ethanol manufacturing vis-a-vis sugar capacity is among the highest in the country.

6

Our focus

- Maintaining core competence in sugar manufacture in the most efficient way and the manufacture of allied products through the optimum utilization of byproducts.
- Recruiting and retaining skilled and experienced human capital
- Building our business around sound governance
- Building the community in the areas of our presence.

These manufacturing capacities represent the heart of our business engine

Located in Western/ Central Uttar Pradesh

Located in cane-rich areas

Built around downstream integration

Multi-product model enhancing counter-cyclicality

Sustainable unit strategy

Dhampur Sugar, Bijnor District, Uttar Pradesh

Cane crushing capacity	Power generation	Distillery	Bio-fertiliser
15,000 metric tonnes per day	65 megawatts 8 megawatts (Slop Boilers based power)	200,000 litres per day	15,000 tonnes per annum
Capability	● One of India's largest single-unit co-generation capacities of 65 megawatts ● Considered among the nation's most efficient co-generation systems ● One of the first units in India to invest in a 105 kilogram per square cm boiler and turbine, strengthening operating efficiency ● 8 megawatts incineration power plant to use effluent from distillery plant as fuel ● Distillery products comprising ethanol, extra neutral alcohol, rectified spirit and ethyl acetate.		

Asmoli, Sambhal District, Uttar Pradesh

Cane crushing capacity	Power generation	Distillery	Bio-fertiliser
9,000 metric tonnes per day	44 megawatts 3.5 megawatts (slop boiler-based power)	100,000 litres per day	5,000 tonnes per annum
Capability	● Defco Remelt Phosphotation (DRP) process with ion exchange deployed to manufacture refined sugar. ● Distillery products comprising ethanol, extra neutral alcohol and rectified spirit. ● 3.50 megawatts incineration power plant to use effluents from distillery plant as a fuel ● Unit comprising a bagasse-fired lime kiln to manufacture high grade quick lime.		

Mansurpur, Muzaffarnagar District, Uttar Pradesh

Cane crushing capacity	Power generation
8,000 metric tonnes per day	33 megawatts
Capability	● This unit also invested in the Defco Remelt Phosphotation (DRP) process in its backend refinery to manufacture refined sugar. ● Marketed 1 kilogram, 5 kilogram and 50 kilogram sugar packets of the brand 'DHAM*pure*' ● Unit is present in one of the prime locations in Uttar Pradesh with proximity to the national highway between Meerut and Muzaffarnagar

Meerganj, Bareilly District, Uttar Pradesh

Cane crushing capacity	Power generation
5,000 metric tonnes per day	19 megawatts

Capability	
	● This unit is engaged in the manufacture of quality crystal white sugar. ● Has a large cane grower community of more than 45,000 farmers. ● Provides extensive training to farmers on Sugarcane agri practices.

Rajpura, Sambhal District, Uttar Pradesh

Cane crushing capacity	Power generation	Liquid bio-fertilizer
8,500 metric tonnes per day	48 megawatts	1,000 literes per day

Capability	
	● A completely automated unit delivering enhanced manufacturing efficiency. ● Achieved steam consumption at one of the lowest levels in the country. ● Engaged in an extensive cane development programme.

Our capacity addition over the years

- One of few Indian companies to have invested across all segments in the last decade
- Strengthened investment in downstream byproduct utilization

Business	2008	2012	2013	2014	2015	2016	2018
Sugar (tonnes of cane per day)	39,500	39,500	44,500	45,500	45,500	45,500	45500
Power (megawatts)	145	150	169	209	209	209	220.5
Distillery (litres per day)	270,000	270,000	300,000	300,000	300,000	300,000	300,000

The story of Dhampur's multi-decade journey

Endured across the decades through a focus on business sustainability

Enhanced capacities ahead of the curve, strengthening economies of scale

Invested in cutting-edge manufacturing technologies, enhancing efficiency

One of the first in the industry to diversify into downstream products

Respected for being one of the most progressive sugar companies in India

1933

Laid the foundation of Dhampur Sugar Mills Limited with an initial capacity of 300 tonnes of cane crushed per day

1987

Leased a sick unit at Mansurpur (1,800 tonnes of cane crushed per day)

1991

Established a chemical unit at Dhampur to process molasses into alcohol and other chemicals (7,600 tonnes per annum)

1993

Increased crushing capacity of the Dhampur unit to 5,000 tonnes of cane crushed per day

1994

Installed a new sugar unit at Asmoli with a crushing capacity of 2,500 tonnes of cane per day

2007

Established the greenfield Rajpura unit with a crushing capacity of 7,500 tonnes of cane per day

Enhanced power generation capacity at the Dhampur unit, the Asmoli unit and Mansurpur unit to 65 megawatts, 40 megawatts and 28 megawatts, respectively

Commissioned a distillery at Asmoli unit with a capacity of 100,000 litres per day through a joint venture

2008

Expanded crushing capacity at the Dhampur unit to 15,000 tonnes of cane per day, at Asmoli to 9,000 tonnes of cane per day and at Mansurpur to 8,000 tonnes of cane per day

2010

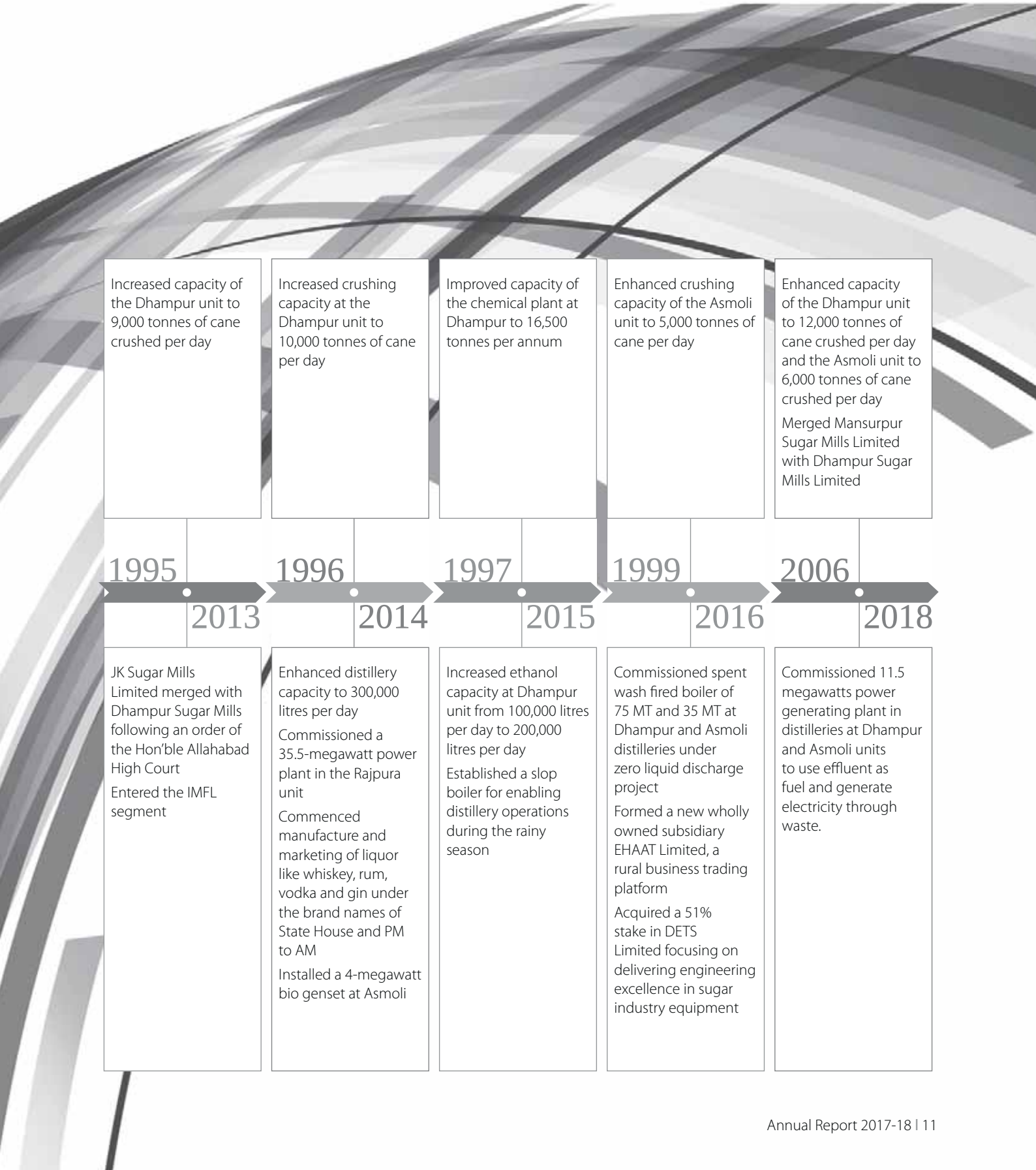
Converted the Asmoli distillery into a wholly owned subsidiary

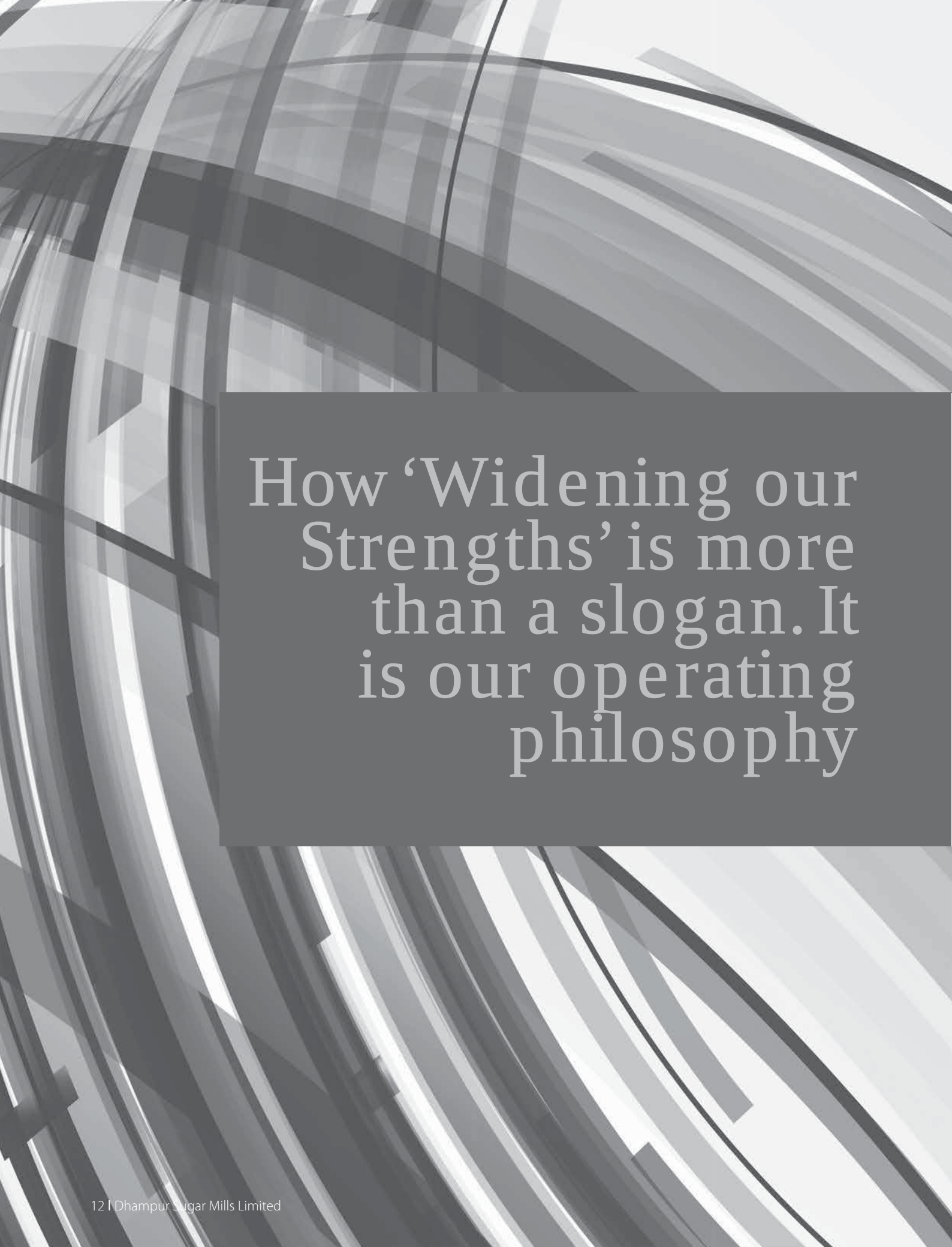
2011

Enhanced power generation capacity at the Mansurpur unit to 33 megawatts

2012

Merged the Asmoli distillery with Dhampur Sugar Mills Limited following an order from the Hon'ble Allahabad High Court


1995
Increased capacity of the Dhampur unit to 9,000 tonnes of cane crushed per day
1996
Increased crushing capacity at the Dhampur unit to 10,000 tonnes of cane per day
1997
Improved capacity of the chemical plant at Dhampur to 16,500 tonnes per annum
1999
Enhanced crushing capacity of the Asmoli unit to 5,000 tonnes of cane per day
2006
Enhanced capacity of the Dhampur unit to 12,000 tonnes of cane crushed per day and the Asmoli unit to 6,000 tonnes of cane crushed per day
Merged Mansurpur Sugar Mills Limited with Dhampur Sugar Mills Limited
2013
JK Sugar Mills Limited merged with Dhampur Sugar Mills following an order of the Hon'ble Allahabad High Court
Entered the IMFL segment
2014
Enhanced distillery capacity to 300,000 litres per day
Commissioned a 35.5-megawatt power plant in the Rajpura unit
Commenced manufacture and marketing of liquor like whiskey, rum, vodka and gin under the brand names of State House and PM to AM
Installed a 4-megawatt bio genset at Asmoli
2015
Increased ethanol capacity at Dhampur unit from 100,000 litres per day to 200,000 litres per day
Established a slop boiler for enabling distillery operations during the rainy season
2016
Commissioned spent wash fired boiler of 75 MT and 35 MT at Dhampur and Asmoli distilleries under zero liquid discharge project
Formed a new wholly owned subsidiary EHAAT Limited, a rural business trading platform
Acquired a 51% stake in DETS Limited focusing on delivering engineering excellence in sugar industry equipment
2018
Commissioned 11.5 megawatts power generating plant in distilleries at Dhampur and Asmoli units to use effluent as fuel and generate electricity through waste.



How 'Widening our Strengths' is more than a slogan. It is our operating philosophy

AT DHAMPUR SUGAR, 'WIDENING OUR STRENGTHS' IS A PHILOSOPHY WE LIVE.

This is derived from our conviction that the Company should never be in the same place across two moments in time.

The result is a differentiated spirit that we bring to our business.

We challenge the status quo. We question practices. We push the envelope.

This spirit is reflected in our conversations.

'I know this is good but can we make it better?'

'I know this is large but can we make it bigger?'

'I know we are respected but can we become a benchmark?'

'I know this is acceptable but can we make it more efficient?'

The result is that Dhampur pioneers. Dhampur focuses on enhancing quality. Dhampur focuses on manufacturing efficiently.

Dhampur focuses on selling prudently.

Across market cycles. Across plants. Across business functions.

Widening our strengths

Through an integrated business model

AT DHAMPUR SUGAR, WE WERE AMONG ONE OF THE FIRST SUGAR MANUFACTURERS IN INDIA TO INVEST IN DOWNSTREAM BYPRODUCT PROCESSING A FEW DECADES AGO.

We believed that integrating the business forwards would strengthen the business in various ways.

One, it would enhance the value of byproducts that we would otherwise have to sell at low prices.

Two, it would enable us to diversify our risk away from sugar and build a more sustainable enterprise.

Three, the integration would enhance our scale, making it possible to cover fixed costs more effectively.

By widening our strengths, Dhampur Sugar is now a combination of three businesses – sugar, ethanol and power generation.

5 ways in which we reinforced business sustainability

The sugar business continues to address the growing needs of India's retail, confectionery and food processing sectors. The ethanol business addresses the country's growing willingness to use this as a fuel blend. The cogeneration business provides us with power to run our mills and market the excess to the grid for additional revenues.

As a responsibly de-risked company, we invested in balanced capacity that made it possible for all the byproducts to be consumed inhouse. Reducing our capital investment on the one hand and raw material costs on the other.

The result is that the larger we have grown, the more sustainable our business model has become, strengthening our counter-cyclicality.

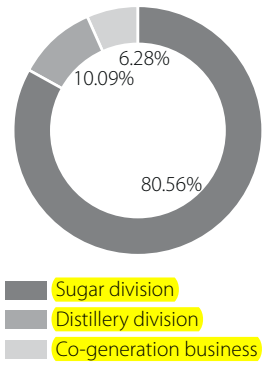
Production capacities, 2017-18

7.48 lac tonnes	660.4 lac bulk litres	73.46 crore units
Sugar production	Ethanol production	Power generation

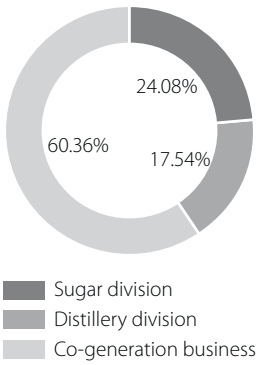
Revenue break-up, 2017-18 (Rs. Crore)*

2735.72	342.56	213.22
Sugar division	Distillery division	Co-generation business

Revenue break-up,* 2017-18 (%)



Contribution towards EBIDTA, 2017-18 (%)



* External revenues

1 Resource security
We strengthened cane management across our command areas and now possess abundant raw material in line with our installed crushing capacities

2 Technology relevance
We invested in cutting-edge technologies to enhance operating efficiencies, cane recovery, ethanol productivity and power utilisation

3 Competencies
We recruited and retained professionals with experience, grooming them around the Dhampur way of doing things, reinforcing our overall culture

4 Relationships
We strengthened relationships with farmers through periodic assessment of crop robustness, seed availability and the use of early maturing cane varieties and better agri practices.

5 Capital access
The company strengthened its bankers' consortium and capital access to modest cost of funds (working capital at 8.35%, one of the lowest in the industry).

Widening our strengths

Strengthening our cane development

AT DHAMPUR SUGAR, WE BELIEVE THAT COMPETITIVENESS IN OUR BUSINESS IS FUNDAMENTALLY DERIVED FROM WHAT WE DO OUTSIDE OUR MANUFACTURING FACILITIES – IN FARMER FIELDS.

The more cane that is grown by farmers, the more sugar we can make, the more ethanol we can produce and the more power we can co-generate.

The result is that our revenue growth (and hence profitability) is influenced directly by the quality and quantity of cane delivered by farmers.

Over the years, Dhampur Sugar has inspired greater farmer confidence through various initiatives.

One, the Company has consistently remunerated farmers, inspiring a larger number of farmers to engage with the Company.

Two, the Company has addressed the challenges of weather, finite land area and legacy agricultural habits with modern farm practices.

Three, the Company has worked with agricultural research institutes

to access advanced cane varieties that are subsidized for farmers, generating a larger cane produce from a given land area (yield). The result has been a significant change in the cane varietal mix, resulting in a larger proportion of early growing varieties.

Four, a superior core product, strengthening supply chain and efficient crushing have translated into increased recoveries.

These initiatives have helped the Company enhance capacity utilisation, feed downstream units and generate the critical mass that has helped cover fixed costs more effectively.

Number of farmers engaged

1.5 lacs	1.90 lacs	26.67
2011-2012	2017-18	Increase (%)

Cane procurement (lac tonnes)

37.54	66.20	76.35
2011-2012	2017-18	Increase (%)

Increase in sugar recoveries (%)

9.23	11.3	207
2011-2012	2017-18	Increase (bps)

Increase in cane yield in U.P. (tonnes/hectare)

56.0	79.2	41.41
2011-2012	2017-18	Increase (%)

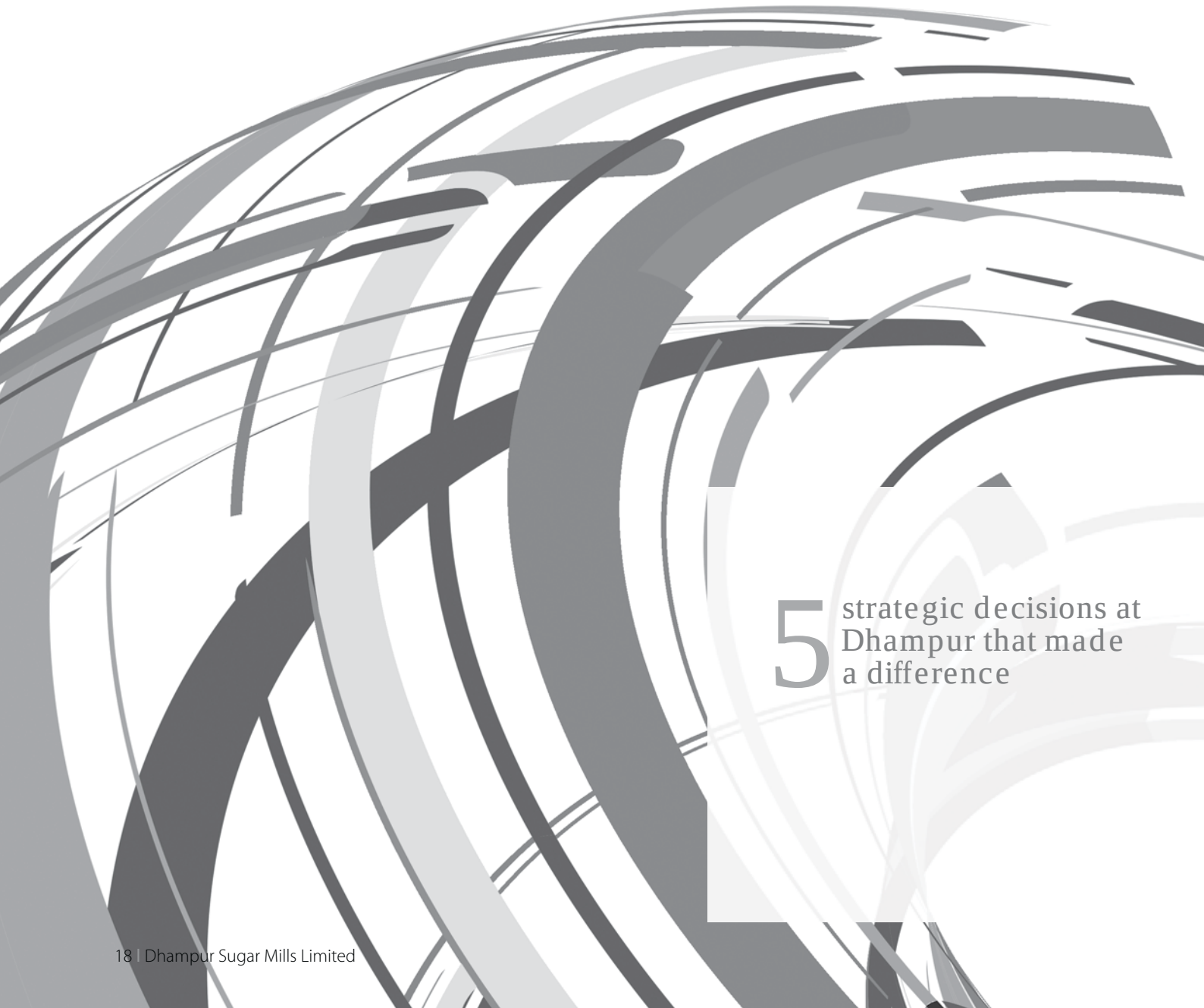
Widening our strengths

Our sound financial structure

IN A CYCLICAL SECTOR, A DEEP INSURANCE IS DERIVED FROM A SOUND BALANCE SHEET.

We believe that the strength of a Balance Sheet is principally derived from low gearing, low debt cost and low receivables.

Over the years, Dhampur Sugar has strengthened the robustness of its Balance Sheet in various ways.



5 strategic decisions at Dhampur that made a difference

The Company repaid long-term debt of ₹ 200 crores during FY18, strengthening its long-term debt gearing to 0.49 as on 31st March 2018.

The Company's credit rating (rated by CARE) improved from BBB+ to A– during the year under review. This, in turn, made it possible for the Company to moderate working capital debt cost by 100 bps to 8.35% in 2017-18.

The result is that Dhampur Sugar is better placed to address the ongoing sectoral slowdown that could make it possible for the Company to capitalize immediately on any sectoral recovery,

A validation of our performance

Total debt-equity ratio (Overall)

2012-13	2017-18
2.95	1.45

Interest cover (x)

2012-13	2017-18
2.03	2.67

Total outstanding debt (Rs. crore)

2012-13	2017-18
1439.12	1448.95

Weighted average cost of working capital debt (%)

2012-13	2017-18
12.00	8.35

1

Integration
The company's decision to integrate and balance operations core and across downstream products resulted in a complete utilization of cane; the decision to expand operations in the power and distillery segments (2007) de-risked the business from a complete dependence on sugar operations.

2

Environment-friendly
The company invested in environment-respecting equipment and practices, empowering the Company to run distillery operations longer (350 days a year).

3

Automation
The company invested in operational automation with minimal human intervention, moderating fixed costs.

4

Gearing
The company selected to moderate debt with all the accruals of 2016-17, right-sizing the Balance Sheet for the next cyclical downtrend.

5

Cane variety switch
The company gradually increased the proportion of the early growing Co 0238 cane variety across its command areas. As a result, yields improved, recoveries strengthen and farmer incomes increased across five years.

Widening our strengths

How we have been transforming lives

The story of Sri Abhisant Thakur

Hailing from Gawan, a small village in Uttar Pradesh, Abhisant had no idea how intercropping can increase his income. He had always perceived it as a risk because the whispers indicated it depletes ground water and interferes with sugarcane yields. Hence he always played safe.

One day a representative from Dhampur turned up at his door step wishing to educate him about the Company's Cane Management Program. Abhisant wondered, '*Ab yeh afsar babu kya sikhaayenge humko*?' But he decided to listen to him anyway.

Today he practices intercropping across his entire field as a result of which he grows more and earns more! Dhampur Sugar helped him to get there.

The story of Ramesh Chand Sharma

"I have been associated with Dhampur Sugar for over 10 years now. I am thankful to the Company for their involvement with us. There was a time when I would never pay any attention to my ratoon crops. I treated them as bonus crop. I attended a farmer workshop organized by Dhampur one day where I learnt that with the right techniques, the ratoon can yield double the produce I was getting from my area. My farm income doubled the next year when I implemented all the techniques I learnt from the Company. With my additional income I have been able to educate my children and buy more farmland. *Yeh sab Dhampur ki badaulat*!"

The story of Bhusankar Gupta

"I was a small farmer from the small village of Saimary, struggling to make a modest living. My story was the same as fifty other farmers in my area. We were growing cane but were failing to grow enough to feed our families.

Most of our crops would rot, get infested with diseases and die. No matter how much pesticides and fertilisers we applied, we could not better our yields. One day a representative from Dhampur Sugar showed up at our village inviting us to join their workshop.

Most of my other farmer friends were skeptical. I thought, '*Jaane mein kya harj hain.*' So I went. After spending ten minutes there I knew how wrong our techniques were. I eventually encouraged a few of my friends to come with me to the next workshop.

Today our yields have more than doubled, our crop is healthy and we have started earning four times what we earned earlier. *Dhampur ne taqdeer badal di*!"

The story of Mahendra Pratap Sashtri

"I have a farm in the Kanhauwa village in Uttar Pradesh. I often came across a blocker whenever I tried to improve my farm yields.

One day I heard an interesting whisper about an educational workshop being held at the neighboring village by some *babus* from Dhampur Sugar. 'What would they know?' I thought. Next month I heard about another meeting being held in another village. This time I went and attended the workshop.

The result was miraculous. I managed to grow double the cane in my field that season. Today I encourage as many farmers that I can to attend these workshops."

The story of Satypal Singh

Fifteen years ago I was a struggling cane grower with 4 mouths to feed. We could only manage one meal a day on most days. My youngest child was extremely weak and needed frequent treatment. I was completely lost as to how to increase my income and manage to grow more cane.

I had heard a lot about Dhampur Sugar helping cane growers and teaching new farming techniques but I was too afraid to get involved with a company. I did not trust them. When I was at my wit's end, I decided to approach them.

I travelled miles to the nearest Dhampur mill. I was immediately attended to by one of their *afsar babus* who promised to visit my farm the next day. From that day I never looked back.

My farm harvest kept growing each year and last year my incomes trebled! I am really grateful to Dhampur for everything they have done for me over the years."

What our employees have to say about us

"I have been associated with the Company for the last ten years. What makes Dhampur different is the friendly atmosphere and the freedom to work at our pace with a commitment to deliver on schedule. Dhampur has a strong ethical mooring, reflected in complete compliance and in the way it treats employees."

– Executive, Secretarial department

"Ekdum ghar jaisa work-culture hain *yahaan*. The best thing I like about Dhampur is that all departments are connected with each other through video calls and meetings. We know everything about operations and progress on a daily basis."

– Executive, Cane management

"I have been at Dhampur for 25 years. Our work culture is like that of a Japanese company where competition is healthy, everyone strives to outperform and multiple generations of employees work in the organization."

– Executive, Business development

"I have been associated with the Company for the last 26 years. The Company believes in continuous up-skilling by encouraging employees to learn operations of other departments. I had joined Dhampur as an engineer and now look after material procurement and stores. There is no end to learning and growing at this Company!"

– Executive, Purchase department

"Our Managing Director believes failures are not final and encourages employees to overcome their fear of failing. He always says '*Galti ho rahi hain matlab kaam bhi ho raha hain*'. Never in my nine years of working for the Company have I heard any employee frustrated or demotivated."

– Executive, Finance department

"I am the Vice President of Business Excellence and HR and joined the Company last year. I am focused on organizational excellence and my job is to take our processes to the next level. The employees enjoy excellent inter-personal relationships. Communication channels are informal; the atmosphere is friendly. These attributes, coupled with streamlined policies, will take the Company to the next level."

– Executive, Business Excellence and Human Resources

"I have been associated with Dhampur for 20 years. What I like best about the culture here is that everyone is driven towards constant innovation and improvement. The internal operational processes are efficient and lean, care is taken to ensure the optimum use of resources and people are driven to try new things to overcome challenges. I believe this culture is what sets our company truly apart."

– Executive, Operations

4 defining cultures at Dhampur

1. **Responsibility**
We make a responsible use of environmental resources and raw materials to minimize losses and wastage.

2. **Empowerment**
We delegate with trust; the result has been sustained outperformance.

3. **Embrace innovation**
We keep ourselves updated with the latest technology advances; we encourage employees to think outside the box and reward them when they bring new ideas to the table.

4. **Family**
We treat cane growers as a part of our family, addressing grievances immediately, strengthening trust

Dear Shareholders,

When the country's sugar industry had strengthened during the last sectoral rebound, there was a general consensus that the recovery would be prolonged, translating into a responsible win-win proposition for farmers, millers and consumers.

The recovery during the period between 2015 to 2017 was abbreviated sharply with an increase in availability of sugar cane quantity. Cane growing became increasingly remunerative even as a number of alternative crops did not register attractive realizations. The result is that India reported its most significant increase in cane output in its recorded history: a sugar output of 202 lac tonnes in 2016-17 sugar season increased by 59.41% to an estimated 322 lac tonnes during the sugar season 2017-18. This substantial increase in sugar output during the course of a single season has transformed sectoral stability into medium-term uncertainty, affecting the interests of all principal players of the sector.

Over the last few years, the sugar industry in Uttar Pradesh had played a responsible cane management role. The industry collaborated with research institutes on the one hand and farmers on the other. The result is that the industry played a seminal role in the introduction of new cane and early-maturing cane varieties. This was done with a dual objective: enhance yields for farmers that would generate a larger income from a finite land area, which we believe is fundamental to the long-term sustainability of India's agricultural incomes. Besides, this was done to enhance our access to cane, which would not only increase our sugar throughput but also provide enhanced raw material for our downstream byproduct processing businesses.

The sustained increase in cane costs on the one hand and the record cane yields combined to substantially increase farmer remuneration. While the country's sugar industry has always been a strong votary of farmer prosperity (on the grounds that this would generate a sustainable increase in raw material for the sugar industry), what now transpired was unprecedented: a larger number of farmer began to grow cane, the mills were compelled to buy whatever was offered, the onward conversion of cane into sugar resulted in an unprecedented increase in sugar output and sugar realisations declined from a stable ₹36 per kg to ₹27 per kg within the space of 4 months.

I mention this with a touch of irony: the sugar industry had keenly invested in enhancing agricultural technology that strengthened farm yields (50-60 per cent in the space of just four years), which eventually rebounded on them through considerably higher payments to be made for raw material on the one hand while being squeezed through low realisations on the other.

As it turns out, India's estimated sugar surplus of 10 mn tonnes as on 1 October 2018 translates into 5 months of the country's sugar consumption, which is a substantial increase when compared with the fact that the country nursed only two months of inventory at the same time in the previous year.

The big question is whether there is any light indeed at the end of this unexpected tunnel. As things stand today, farmers stand to lose substantially if their cane arrears are not liquidated; most millers are unable to cover their sugar conversion costs and hence unable to liquidate farmer dues;

the consumer stands to nominally benefit though the gains could be short-lived and unsustainable.

In our opinion, the Indian government needs to do two things with speed to allocate the pain of all stakeholders.

One, the government needs to announce a sizable export target with a corresponding relief for exports that makes it possible to offset a part of sugar cane cost. We believe that this provision by the government would provide millers with reasonable working capital to recharge their businesses, and sustain the growth of the country's sugar industry.

Two, the government needs to proactively revise the export target in 2018 based on satellite surveys of the extent of cane planted. This would ensure that when the new sugar production of 2018-19 season comes into the market, realisations do not decline even further, affecting the ability of the mills to remunerate farmers for their cane on time.

Three, the government needs to be more responsive to real-time developments within the global sugar sector. For instance, the Pakistan government announced a subsidy of $ 150 per tonne to its sugar industry, which would encourage it to clear its surplus inventory.

Four, the country needs a structured ethanol policy that indicates with clarity the quantum need for the next ten years and the price the government would be willing to pay for ethanol (especially B Heavy variety); purchases. Besides, the government needs to encourage a shift in manufacturing process from the conventional molasses-to-ethanol to the sugarcane/sugar to ethanol process economically, making it possible to circumvent sugar manufacture and potentially reduce the national surplus.

Five, most importantly, we believe that it is imperative for the various state governments to rationalize sugar cane pricing policy and linkage of sugar cane price to sugar price Besides, if a part of the sugar realisations could be factored into the cane price, it would introduce a more equitable cost structure and transform vendors (farmers) into partners.

This trough within the country's sugar industry is unprecedented for its sharpness and there is every possibility that ₹22,000 cr of cane arrears in 2014 will now be exceeded substantially.

The big question: How does Dhampur address this sectoral challenge?

One, by the virtue of our operational integration, the non-sugar businesses of our company should prove to be an effective hedge. The company is addressing this business reality through an increase in distillery capacity from 300 KLPD to 400 KLPD effective from October 2018. Besides, we expect to produce a larger quantum of co-generated energy, which will be fed to the state electricity grid under long term PPAs

Two, the Company will continue to widen its strengths. It reported one of the highest recovery in Uttar Pradesh during the sugar season under review (average recovery of 11.36%), which was 35 bps higher than the regional average. Going ahead, the Company has targeted a higher recovery for the next season. The ability to get more from less will translate into a cost- effective hedge against a decline in sugar realisations, strengthening our overall competitiveness.

Three, we are Balance Sheet-lighter than we ever were in the last number of years. The company restructured its Balance Sheet during the last sectoral rebound, repaying an aggregate ₹424 cr in long-term debt during the last two years. The result is that even as we crushed 37% more cane in 2017-18 from 2015-16, we reduced long-term debt from ₹680.63 to ₹494.35 cr and moderated the average cost of working capital by 100 bps to 8.35% towards the close of the year under review.

While summing up, I must indicate that the ability to generate more than 8 lac tonnes of sugar from an aggregate 45,500 TCD of installed capacity is one of the higher than the sector average, a validation of our competitiveness. Even as sugar realisations could stay subdued across the short-term, our objective will be to moderate costs, enhance efficiencies and strengthen our non-sugar business.

We continue to emphasise that the focus of the Company will be to continue widening strengths, strengthening value in the hands of our stakeholders.

Gaurav Goel and **Gautam Goel**
Managing Directors,
Dhampur Sugar Mills Limited

Strength of our numbers

Key financial ratios

Ratio	2013-14	2014-15	2015-16	2016-17	2017-18
Raw material costs/ Total turnover (%)	79%	78%	77%	66%	77%
Overheads/ Total turnover (%)	26%	25%	22%	22%	16%
PBDIT/ Total turnover (%)	7%	8%	11%	21%	11%
Interest/ Total turnover (%)	8%	8%	7%	6%	4%
Interest cover (times)	0.94%	1.01	1.55	3.21%	2.67
PBDT/ Total turnover (%)	15%	0%	4%	14%	8%
Net profit/ Total turnover (%)	-4%	-1%	1%	9%	4%
Cash profit/ Total turnover (%)	0%	0%	4%	14%	6%
Capital output ratio [Turnover/ Average capital employed] (%)	180%	176%	177%	203%	229%

Balance Sheet ratios

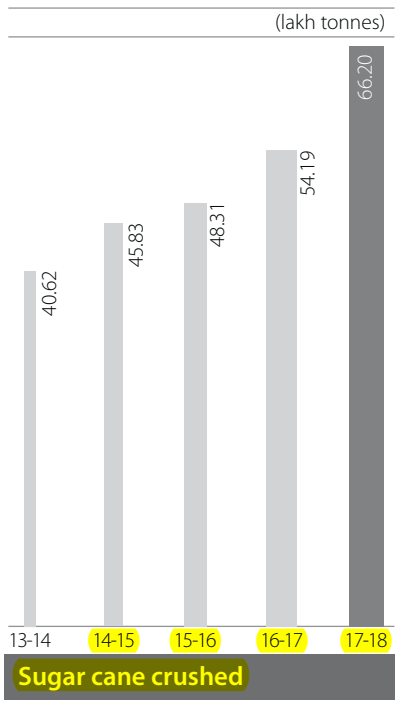
Ratio	2013-14	2014-15	2015-16	2016-17	2017-18
Overall debt gearing	3.01	3.80	2.33	2.04	1.45
Debt-equity ratio	1.51	1.69	1.07	0.69	0.49
Inventory turnover (days)	244	248	204	207	122
Current ratio	0.83	0.85	0.84	1.00	0.91
Quick ratio	0.12	0.22	0.18	0.21	0.21
Asset turnover [Total revenue/ total assets]	0.67	0.59	0.71	0.77	1.09

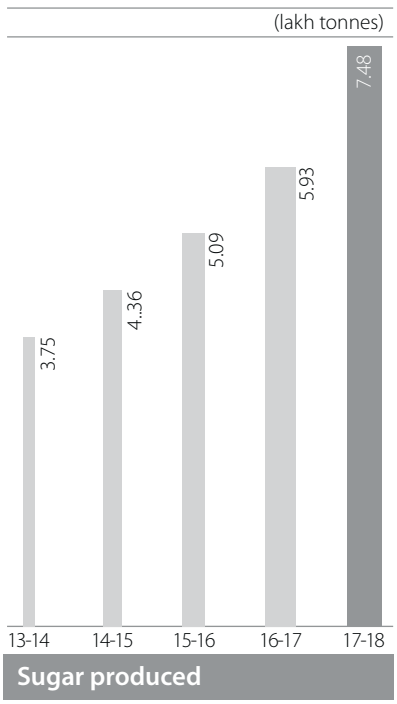
Growth

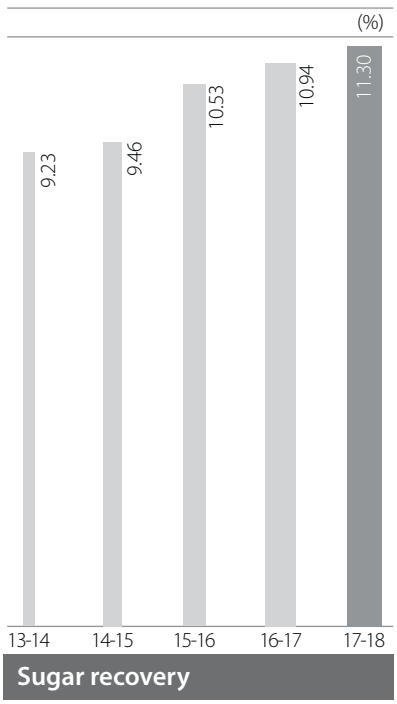
Ratio	2013-14	2014-15	2015-16	2016-17	2017-18
Growth in turnover (%)	23%	-2%	26%	16%	25%
Growth in PBDIT (%)	-41%	12%	63%	119%	-29%
Growth in PAT (%)	-445%	-84%	302%	815%	-34%
Growth in cash profit (%)	-107%	-93%	16426%	145%	-30%

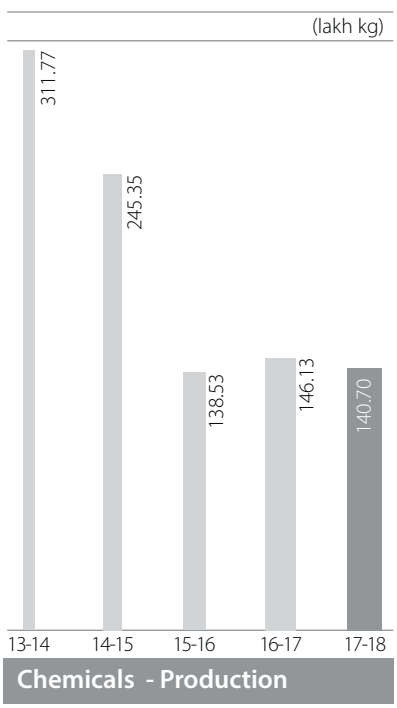
Our numbers

Production growth



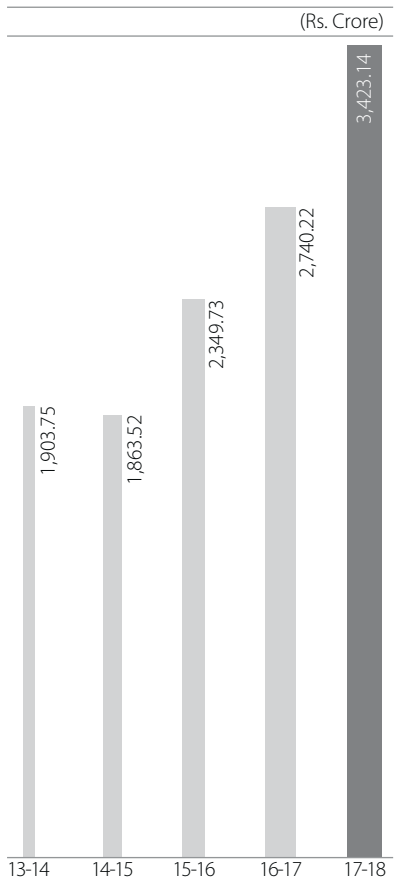






Our numbers

Financial growth

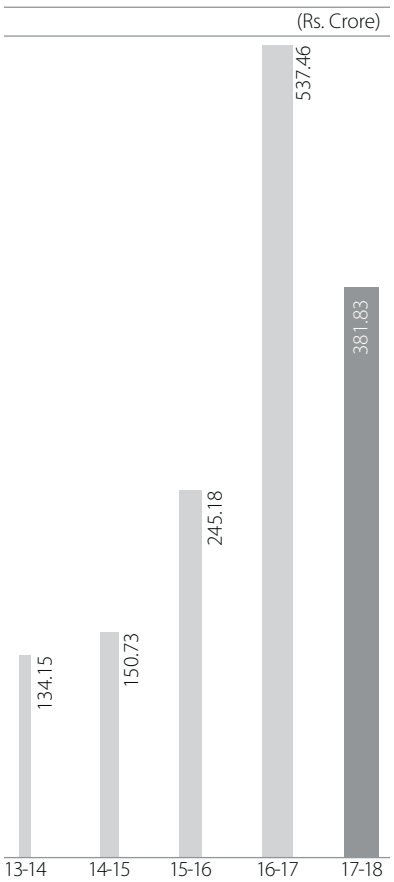


Revenues

Definition
Revenue is the income generated by a business from the main operations of a company before the deduction of costs and expenses.

Why is this measured?
It is an index that showcases a company's ability to optimise its income.

Performance
Revenues increased by 24.90% to reach ₹3423.14 crore in FY18.

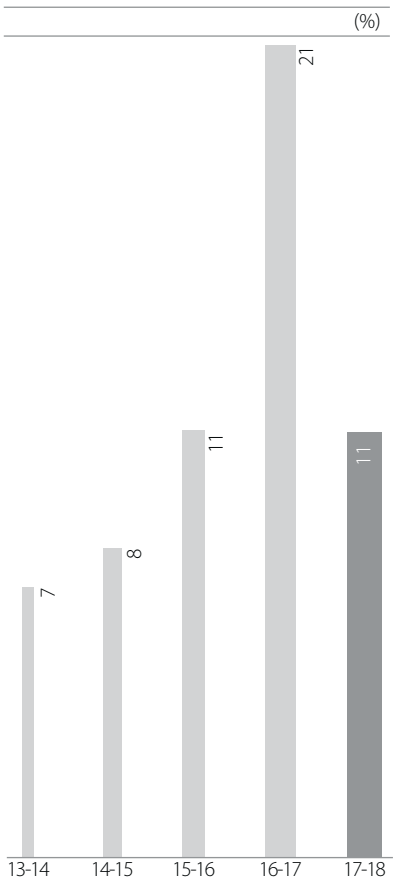


EBIDTA

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

Why is this measured?
It is an index that showcases the Company's ability to optimise operating income despite inflationary pressures and can be easily compared with retrospective averages of sectoral peers.

Performance
The Company reported an EBIDTA of ₹381.83 crore during 2017-18.

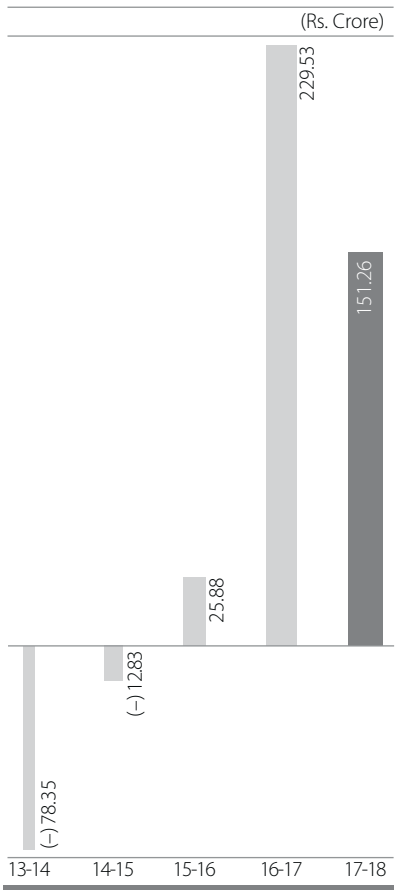


EBIDTA margin

Definition
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency

Why is this measured?
The EBIDTA margin gives an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

Performance
EBIDTA margin declined due to reduced sugar sales realisation.

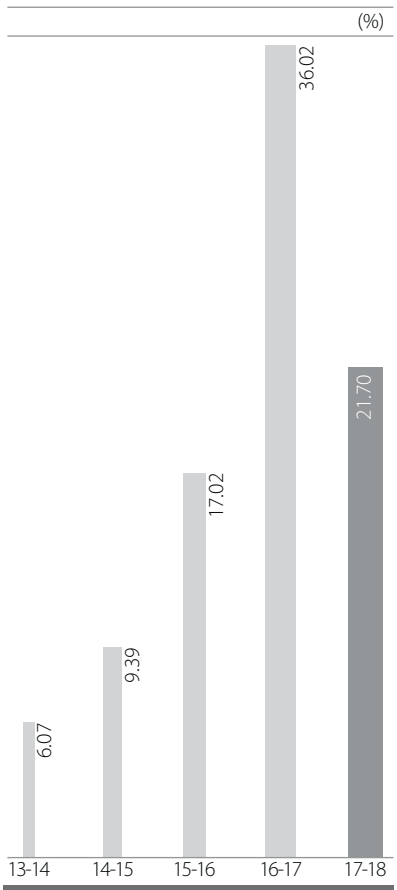


Net profit

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

Why is this measured?
It highlights the strength in the business model in generating value for its shareholders.

Performance
The Company reported a 34% decline in its net profit in FY18 – a result of declining sugar realisations.

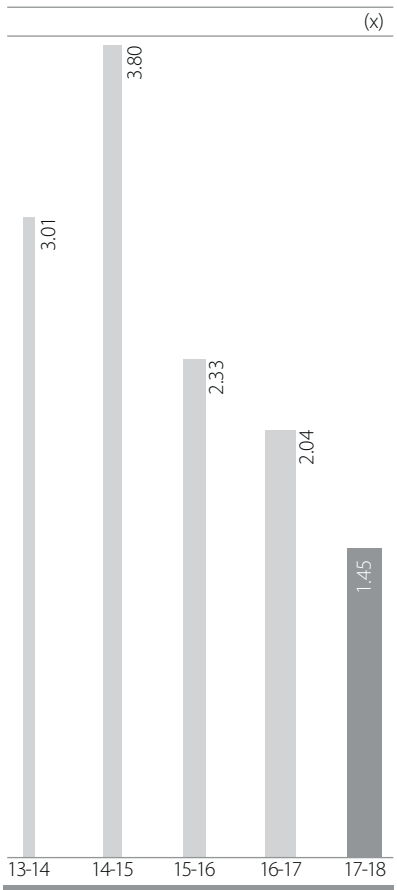


ROCE

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

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

Performance
The Company reported a ROCE in FY18 of 21.70%.



Gearing

Definition
This is derived through the ratio of overall debt to net worth

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

Performance
The Company's gearing strengthened to 1.45 in FY18. Ideally this ratio should be read in conjunction with Dhampur's declining net debt, indicating a growing ability to pay back loans.

Our sugar business

Dhampur Sugars Limited is one of India's largest sugar manufacturing companies with a aggregate crushing capacity of 45,500 tonnes of cane per day spread across five plants in the cane-growing districts of Uttar Pradesh. The plants are strategically located within a 22.5 kilometre radius, resulting in efficient logistic operations.

Big numbers

3,082.17 Revenues in 2017-18 (Rs. crore)	**30.48** Revenue growth (%)
(68.74) Change in EBIT (%)	**26** Increase in sugar production (%)
3.29 Increase in sugar recovery (%)	**80.56** Contribution of sugar business to total revenue, 2017-18 (%)

Dhampur's competitive advantage

- Enhanced manufacturing scale (smallest sugar unit possessing a capacity of 5000 tonnes per day and the largest a capacity of 15000 tonnes of cane per day) translating into attractive economies
- Manufacturing units situated in the cane-rich western/central Uttar Pradesh, marked by progressive agricultural practices
- Command areas contained within 30 km radius of sugar units, moderating logistic costs and enhancing recovery (lower time to reach cane to factory).
- Present in the packaged sugar space (brand Dham*pure*), strengthening the Company's consumer recall.
- Enduring farmer relationships, generating a growing supply of cane, a robust foundation of multi-business sustainability.

Achievements, 2017-18

- Cane crushed increased from 54.19 lakh tonnes in 2016-17 to 66.20 lakh tonnes in 2017-18, an increase of 22%
- Sugar segment sales strengthened 30% from ₹2362.23 crore in 2016-17 to ₹3082.17 crore in 2017-18
- Coverage of early maturing cane variety across Dhampur's command areas increased
- Recoveries improved from 10.94% in 2016-17 to 11.30%, which generated an incremental 0.24 lacs tonnes of sugar.

Outlook, 2018-19

The company intends to increase cane recovery coupled with better capacity utilization.

Transformation story

Strengthening cane management practices

Dhampur recognised the industry curve moving towards early cane varieties. → The Company developed an extensive cane development program → The Company worked closely with farmers → The Company's Integrated Nutrient Management enhanced farm ecology and productivity. → Yields and recoveries improved, strengthening margins.

Our co-generation business

Overview

Dhampur's aggregate co-generation capacity of 220.5 megawatts is fuelled mainly by bagasse, a sugarcane derivative. Of the total power generated, the Company consumes 49% in-house and markets the rest to the state electricity grid at predetermined tariffs protected by multi-year contracts. The Company commenced co-generation two decades ago to monetize bagasse from sugar manufacture and is now respected as one of the largest co-generating companies in the country.

Big numbers

543.81 Revenues in 2017-18 (Rs. crore)	22 Revenue growth (%)
6.28 Contribution towards total revenue, 2017-18 (%)	15.3 Increase in EBIT (%)
9.96 Increase in power export (%)	

Dhampur's competitive edge

- Capitalized on captively-generated bagasse, an eco-friendly fuel to generate power.
- Power sales (determined tariff with a provision for periodic tariff increases) generated 6.28% of the Company's revenues.

Achievements, 2017-18

- Revenues from cogeneration were ₹543.81 crore in 2017-18 as against ₹447.20 crores in 2016-17
- The Company exported 59% of the power generated.
- The average price per unit realized was ₹5 compared to ₹5.09 in the previous year.
- The receivables from this business were 154 days of turnover equivalent (191 in 2016-17)

Outlook, 2018-19

The company intends to operate assets at their optimal level to increase power throughput and realize larger revenues.

Transformation story

Leveraged downstream potential

The Company diversified into co-generation to counter sectoral cyclicality → The company commissioned power co-generation business more than 2 decades ago → All (5) of the Company's sugar manufacturing units are coupled with co-generation units → EBIDTA from this businesses accounted for 61.51% of the total EBIDTA in 2017-18.

Business review

Our distillery business

Overview

The Company ventured into the downstream processing of molasses through a distillery in 1991. In addition to the production of ethanol, the distillery is also engaged in the manufacture of rectified spirit, ENA, special denatured spirit and ethyl acetate. The government's focus on the mandatory ethanol blending in petrol provided an impetus to this business, strengthening asset utilization.

Big numbers

344.86 Revenues in 2017-18 (Rs. crore)	(-)15 Revenue growth (%)
71.76 Revenues earned from chemicals (Rs. crore)	(-)8 Increase in EBIT (%)
82 Ethanol's share in distillery production (%)	

Dhampur's competitive edge

- Sizeable distillery capacity of 300 kilo-litres per day (to be raised to 400 kilo litres per day by October 2018), one of the largest in Uttar Pradesh's sugar sector
- Molasses required covered to the extent of 80% of needs, the rest being procured locally
- Long-standing contracts with oil marketing companies, enhancing revenue visibility.
- Manufacture of ethanol, rectified spirit, ENA, special denatured spirit and ethyl acetate.

Achievements, 2017-18

- Distillery revenues were ₹344.86 crore as against ₹405.25 crores in 2016-17 (8% to the Company's total revenues and 10% of external sales).
- Production cost declined 40% following an extensive fall in molasses price.
- Average realization of ethanol per litre was ₹38.44 compared to Rs. 41.38 in the previous year.
- Two incinerator boilers were installed in Dhampur and Asmoli units, helping the distillery plant run 350 days a year.

Outlook, 2018-19

- Dhampur expects to capitalize by expanding distillery capacity from 300 kilo litres per day to 400 kilo litres per day (effective October 2018), helping scale the business.
- A capacity expansion is being planned for the distillery segment, which will increase the ethanol production capacity by 33.3%.

Transformation story

Investing in distillery operations ahead of the curve

The Company commissioned its first distillery in 1991 → The Company invested in capacity and moderated costs → It progressively emerged as one of the largest distillery players in the country → It installed two incinerator boilers in units Dhampur and Asmoli in 2017-18, enabling the distillery to run 350 days a year. → A capacity expansion will enable the business to capitalize on low raw material costs and growing ethanol demand

Management discussion and analysis

Global economic overview

In 2017, a decade after the global economy spiraled into a meltdown, a revival in the global economy became visible. Consider the realities, every major economy expanded and a growth wave created jobs. This reality was marked by ongoing growth in the eurozone, modest growth in Japan, a late revival in China and improving conditions in Russia and Brazil leading to an estimated 3.7% growth in the global economy in 2017, 60 bps higher than the previous year. Crude oil prices increased in 2017, with a price of US$54.13 per barrel at the beginning of the year, declining to a low of US$46.78 per barrel in June 2017 and closing the year at US$61.02 per barrel, the highest since 2013.

Global economic growth

Year	2014	2015	2016	2017 (e)	2018 (f)	2019 (f)
Real GDP Growth (%)	3.5	3.2	3.1	3.7	3.9	3.0

[Source: World Economic Outlook, January 2018] e: estimated f: forecasted

Outlook

The outlook for advanced economies improved, notably for the eurozone, but in many countries inflation remained weak, indicating that prospects of GDP growth were being held back by weak productivity levels and rising dependency ratios. Prospects of emerging market and developing economies in sub-Saharan Africa, the Middle East, and Latin America remained lacklustre with several countries experiencing stagnant per capita incomes. Fuel exporters were particularly affected by protracted adjustments to lower commodity revenues. Global growth forecasts for 2018 and 2019 were revised upward by 20 bps to 3.9%, reflecting an improved momentum and the impact of tax policy changes in the US. (Source: WEO, IMF)

Indian economic overview

After registering a GDP growth of over 7% for the third year in succession in 2016-17, the Indian economy headed for somewhat slower growth, estimated to be 6.7% in 2017-18. Even with this lower growth for 2017-18, GDP growth averaged 7.3% for the period from 2014-15 to 2017-18, the highest among the major economies. This was achieved on the back of lower inflation, an improved current account balance and a reduction in fiscal deficit-to-GDP ratio .

The year under review was marked by various structural reforms being undertaken by the Central Government. In addition to GST introduction, the year witnessed significant steps towards resolution of problems associated with NPA levels, FDI liberalisation, bank recapitalisation and privatisation of coal mines. After remaining in the negative territory for a couple of years, export growth rebounded during 2016-17 and strengthened in 2017-18. Foreign exchange reserves rose to US$ 414 billion as on January 2018. (Source: CSO, Economic Survey 2017-18)

Outlook

The World Bank projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20. Strong private consumption and a growth in the services sector are expected to continue supporting economic activity. Private investments are expected to revive as the corporate sector adjusts to the GST. Over the medium-term, the introduction of the GST is expected to catalyse economic activity and fiscal sustainability by reducing the cost of tax compliance drawing informal activity into the formal sector and expanding the tax base. The recapitalisation package for public sector banks announced by the Government of India is expected to resolve banking sector balance sheets, enhance credit to the private sector and spur investment inflows. (Source: IMF, World Bank)

Foreign Direct Investment (FDI)

From a macroscopic perspective, India has become more open especially in the financial and technology sectors which have traditionally been protected. This openness has helped the nation to capitalize on growth opportunities and attract more FDI. India has significant new FDI opportunities in the financial, discretionary consumption and infrastructure spaces. It should receive gross FDI inflows amounting to $120 billion by 2027.

Digitalization

Digitalization is one of the main driving forces of the Indian economy. Three important catalysts- accelerating financial inclusion (Jan Dhan), a universal biometric identification system (Aadhaar) and rising smartphone penetration (JAM, or Jan Dhan, Aadhaar, Mobile), coupled with movement towards a fully online goods and services tax (GST) system are fast-tracking India's digitization, bringing about rising financial access and rapid formalization of the India economy.

Demographic dividend

Demography is one of the fundamental drivers of any economy. There is a steady shift of power towards Asia and India is expected to be the biggest winner. India is one of a handful of South Asian countries that sits on a demographic gold mine. India has a median population age of 27.3 years compared to that of 35 years for China and around 47 years for Japan. It is estimated that India has around 390 million millennials and about 440 million in the Gen-Z cohort. About 12 million people are added to the working age population every year.

Rising per capita income

Per-capita growth is a measure of the standards of living in India. Rising per capita incomes mean growing stability and wealth of an economy. In 2017-18, India's per capita income is estimated to be ₹1, 11,782 which is a growth of 8.3% from ₹1, 03,219 in 2016-17.

Key government initiatives

Bank recapitalisation scheme: The Central Government announced capital infusion of ₹2.1 lac crore in public sector banks. The measure entailed a budgetary allocation of ₹76,000 crore by the Central Government, while the remaining amount is to be raised by the sale of recapitalisation bonds. (Source: KPMG)

Expanding road network: To boost road infrastructure in the country and foster job creation, the Government of India announced a ₹6.9 lac crore investment outlay to construct 83,677 kilometres of road network, over a period of five years. The ambitious programme is expected to generate 14.2 crore man-day jobs for the country. (Source: KPMG)

Improving business ecosystem: The country was ranked at the hundredth position, an improvement of 30 places in the World Bank's Ease of Doing Business 2017 report, a result of the Central Government's pro-reform agenda, comprising measures such as passing of Insolvency and Bankruptcy Code, simplifying tax computation and merging applications for PAN and TAN. In addition, Aadhaar-based identification approach could streamline the regulatory regime. (Source: KPMG)

Goods and Services Tax: The Government of India carried out a significant overhaul of the indirect tax regime and launched the GST in July 2017, with the vision of creating a unified market. Under this regime, various goods and services would be taxed as per five slabs (28%, 18%, 12%, 5% and zero tax). To reduce the short-term inflationary effect of GST, the GST Council cut tax rates on more than 250 goods and services by moving them to lower tax slabs in two separate rate cuts. Post-GST implementation, India's tax net expanded, as a 50% increase was recorded in unique indirect taxpayers. (Source: KPMG)

Foreign Direct Investment: The ability to attract large scale Foreign Direct Investment (FDI) into India has been a key driver for policy making by the Government. Foreign direct investment into India steadily increased from approximately USD 24 billion in FY2012 to approximately USD 60 billion in FY2017, which was an all-time high.

Coal mining opened for private sector: Ending state monopoly, the government has opened coal mining to the private sector firms for commercial use. This has been the most ambitious reform for the sector since its nationalization in 1973.

Coal accounts for around 70% of the country's power generation, and the move for energy security through assured coal supply is expected to attract major players, enhance sectoral efficiency, widen competition, increase competitiveness and induct the best technologies. (Source: The Hindu, Business Today)

Doubling farm incomes: To improve the living conditions of farmers, the government initiated a seven-point action plan to double incomes by 2022. The measures: Policy and Governance Reforms, Agriculture Trade Policy and Export Promotion, Market Structure and Marketing Efficiency, Value Chain and Supply Chain Management, Science and Technology and Start-ups in Agriculture, Sustainable and Equitable Development and Efficient Delivery of Services, Capital Investment and Institutional Credit for farmers and Promotion of Livestock, Dairy, Poultry and Fisheries as Engines of Growth (Source: PIB).

Outlook

World Bank projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20. Strong private consumption and services are expected to continue to support economic activity. Private investment is expected to revive as the corporate sector adjusts to the GST. Over the medium-term, GST introduction is expected to catalyse economic activity and fiscal sustainability by reducing the cost of complying with multiple state tax systems, drawing informal activity into the formal sector and expanding the tax base. The recapitalisation package for public sector banks announced by the Government of India is expected to resolve banking sector Balance Sheets, enhance credit to the private sector and spur investment. (Source: IMF, World Bank)

Global sugar sector

2017-18 (October-September) sugar season highlights

The sugar balance is expected to rise by 11.075 million tonnes to a record 179.448 million tonnes following high production in India, European Union, Thailand and China. Brazil is expected to see a significant drop in production with mills changing their production preference from sugar to ethanol.

Stock availability for exports are expected to rise by 0.999 million tonnes to 61.094 million tonnes, the second-highest level in history. Import demand could shrink by 2.57 million tonnes to 57.46 million tonnes as domestic production in importing nations could be high. China remained the world's largest importer of sugar even as its government implemented a safeguard by increasing the duties on out-of-quota sugar from 50% to 95% to protect the nation from rising imports from Australia, Brazil and Thailand. (Source: ISO, USDA)

Worldwide sugarcane production levels (2010-11 to 2017-18)

2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
162.2	172.4	177.8	175.8	177.4	164.7	170.8	179.4*

*estimated (Source: Statista)

The sugar industry's top 10s

Cane sugar producers	Beet sugar producers	Sugar consumers
Brazil	European Union	China
China	Russian Federation	Indonesia
India	United States of America	India
Thailand	Turkey	European Union
Mexico	Ukraine	Brazil
Pakistan	Egypt + Arab Republics	United States of America
Australia	China	Russian Federation
United States of America	Iran	Pakistan
Guatemala	Japan	Mexico
Indonesia	Belarus	Egypt + Arab Republics

(Source: ISO)

Key sugar nation, 2017-18 (October-September) sugar season

Brazil

- Sugar production is expected to decrease to 601 million tonnes due to adverse weather conditions.
- Production mix is also changing with increasing focus on ethanol production due to superior returns from bio-fuels.
- In the total product mix, the share of ethanol production will stay between 40-60%.

China

- Sugar production in Guangxi increased by 9.5% to reach 5.8 million tonnes.
- Imports are expected to be constrained due to the Chinese Government's safeguarding.

Thailand

- The ongoing season is expected to witness record levels of cane and refined sugar output.
- Cane output is estimated to be ~107 million.
- The country keeps ~2.6 million tonnes of sugar per annum for domestic consumption and exports the rest.

(Source: Reuters, Sugar Asia, xinhuanet, indo-Asian Commodities)

Global sugar sector price trends

Sugar was one of the worst performing commodities in the first quarter of CY 2018. Global sugar prices stood at US$ 465.1 per tonne in April 2017 declined by 23.9% to US$ 354.1 per tonne in March 2018. Prices declined in each of the months between April 2017 and March 2018, except for April 2017 when prices improved by 6.1% compared to March 2017. The expected global surplus was the prime reason for this fall in prices. According to November 2017 estimates, while global sugar production is likely to stand at 184.9 million tonnes, consumption is expected to be reach 174.2 million tonnes during 2017-18. While consumption is expected to grow by 1.6%, production is likely to increase by 6.2% creating surplus scenario during 2017-18. (Source: CARE Ratings, United States Department of Agriculture)

Period	International white sugar prices in London (US$ per tonne)	y-o-y change (%)
April 2017	451.1	6.1
May 2017	442.2	-6.7
June 2017	396.5	-24.8
July 2017	397.5	-26.6
August 2017	380.1	-29.4
September 2017	371.9	-34.8
October 2017	374.3	-37.1
November 2017	380.9	-28.8
December 2017	377.5	-24.9
January 2018	371.6	-31.1
February 2018	358.7	-34.1
March 2018	354.1	-29.8

(Source: CMIE)

Indian sugar industry overview

The Indian sugar industry has four major stakeholders – farmers, sugar mills, consumers and the government. Following the partial deregulation of the sugar industry in 2013, India had an installed crushing capacity of 33 million tonnes from 716 mills across private, public and cooperative sectors as on January 31, 2016, while actual output stood at 20.3 million tonnes.

There are six surplus sugar states in India – Haryana, Uttar Pradesh, Uttarakhand, Maharashtra, Tamil Nadu, and Karnataka. Internationally, India is one of the most expensive producers of cane at ₹3 per kilogram (Thailand and Brazil produce it at ₹2 per kilogram). At the same time, the government provided umbrella protection to mills with a 40% import duty. Refineries are also permitted duty-free raw sugar import with export commitments. When sugar production plus the opening balance escalated in sugar seasons of 2012-13, 2013-14, 2014-15 and 2015-16, the Central Government incentivised sugar export by offering a subsidy of ₹3,300 to ₹4,000 per million tonne, pushing export levels up to 5 million tonnes in these four years. (Source: Financial Express)

Major cane-growing regions in India

Region	States	Regions and districts
Sub-tropical	Uttar Pradesh	Gorakhpur, Deoria, Basti and Gonda in Eastern Uttar Pradesh Meerut, Saharanpur, Muzaffarnagar, Bijnor and Moradabad
	Bihar	Darbhanga, Saran, Champaran and Muzaffarpur
	Punjab	Phagwara and Dhuri in Punjab
	Haryana	Ambala, Rohtak and Panipat.
Tropical	Maharashtra	Nasik, Pune, Sastra, Sangli, Kolhapur and Solapur.
	Karnataka	Munirabad, Shimoga and Mandya.
	Tamil Nadu	Nalikupuram, Pugulur, Coimbatore and Pandyarajpuram
	Andhra Pradesh	Nizamabad, Medak, West and East Godavari, Vishakapatnam and Chittoor
	Odisha	Bargarh and Rayagada

The Indian sugar industry in numbers

Parametres	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Number of operational factories	507	529	526	509	538	526	493
Cane acreage (thousand hectares)	4,885	5,100	5,279	5,341	5,307	5,284	4,945
Sugarcane produced (lac tonnes)	3,424	3,538	3,544	3,456	3,668	3,369	3,036

(Source: ISMA)

Key highlights, 2017-18

- Sugarcane yields were higher per hectare in Maharashtra and North Karnataka, raising the nation's sugar production to an estimated 281.82 lakh tonnes, which is 92.95 lakh tonnes higher than the last season
- Upto March 31, 2018, 187 sugar mills which were in operation in Maharashtra have produced 101.27 lakh tonne. Eighty-one sugar mills in the state had closed operations till March 31, 2018.
- The sugar mills in Uttar Pradesh have produced 95.40 lakh tonne upto March 31, 2018.
- The sugar mills in Karnataka have produced 35.56 lakh tonne in the current season upto March 31, 2018.
- Out of the total 524 sugar mills in operation, only 193 mills had stopped crushing by 31st March 2018.
- Surplus sugar production led to ex-mill sugar prices plummeting to ₹3,000 per quintal – ~Rs.600 per quintal below the average manufacturing cost.
- Minimal realisations from domestic sales and a depressed global sugar market entailed that mills were unable to generate sufficient funds for paying back farmers on time. Cane price arrears touched ₹17,000 crore as of 31st March 2018.

(Source: ISMA, Business Standard,www.fnbnews.com)

Domestic sugar sector price trends

High sugar production in the ongoing sugar season led to subdued sugar prices, which impacted sales and profits. Sugar output surged by 49.2% to reach 28.2 million tonnes (between October 2017 and March 2018) compared to 18.9 million tonnes in the previous sugar season. Small grade sugar prices in Mumbai hovered between ₹37 per kilogram and ₹39.5 per kilogram during April-September 2017. In the first month October 2017 of the ongoing sugar season, prices fell to ₹36.9 per kilogram and declined to ₹31.4 per kilogram in March 2018 on a month-on-month basis.

Period	Small grade sugar prices in Mumbai (Rs. per kilogram)	Y-O-Y change (%)
April 2017	39.5	8.9
May 2017	38.8	7.6
June 2017	38.3	5.9
July 2017	37.3	1.4
August 2017	37.4	1.4
September 2017	37.3	2.4
October 2017	36.9	1.4
November 2017	36.0	-0.5
December 2017	33.7	-6.6
January 2018	31.9	-16.5
February 2018	31.8	-20.0
March 2018	31.4	-21.3

(Source: CARE Ratings)

Policies by the Central Government, 2017-18

- In April 2017, the Central Government announced that only a restricted quantity of 5 lac tonnes of raw sugar would be allowed at zero duty through open general licenses.
- In July 2017, the import duty on sugar was hiked from 40% to 50%.
- In August 2017, the Central Government imposed a stockholding limit on sugar that did not allow any sugar manufacturer to hold stocks in >21% and reduced the same to >8% for the months of September and October, respectively.
- In December 2017, this stockholding limit was withdrawn to ensure adequate availability of sugar across India as well as aid traders to increase their sugar stocks, thereby increasing demand and propping up prices.
- In February 2018, the import duty on sugar was increased to 100% and imposed limit on sugar and dictated a retention stock of 83% for February 2018 and 86% for March 2018.
- In March 2018, the Central Government allowed the export of 2 million tonnes of sugar by September 2018 under the minimum indicative export quota.
- In March 2018, the Central Government allowed the export of white sugar till September 2018 under the duty-free import authorisation scheme (valid for all imports till September 2021).
- In March 2018, the Central Government scrapped the 20% export duty on raw, white or refined sugar to encourage exports.

(Source: CARE Ratings)

Impact of GST

S. No.	Components	Pre -GST rates	Post -GST Rates	Impact
1	Sugarcane	Nil	Nil	Purchase Tax on sugarcane subsumed
2	Sugar	Rs.195 per quintal	5%	State Tax levied entry tax subsumed
3	Molasses	Rs. 75 per quintal	28%	No impact on revenues as it is consumed captively
4	Ethnol	12.50%	18%	Purchase tax levied by State Government subsumed
5	Ethyl acetate	12.50%	18%	No impact on Company's revenues
6	Bagasse and Pressmud	Nil	5%	No impact on revenues as it is consumed captively
7	Electricity	The electricity has been kept out of the purview of GST		

Indian ethanol sector overview

Ethanol manufacturers and oil marketing companies finalised supply contracts for a record 1.4 billion litres for 2017 compared to 665 million litres a year ago. India is aiming to boost the use of ethanol, a cleaner fuel option compared to gasoline as far as carbon dioxide emissions are concerned. The main challenge that oil companies face is to locally procure the product at the government-mandated rates as State Governments impose heavy taxes on ethanol which is widely used in the liquor industry.

Sugar mills prefer to sell the ethanol to distilleries as they get better prices. In India, sugar firms produce ethanol from molasses, which is a byproduct of sugar manufacture unlike countries such as Brazil, where ethanol is produced directly from cane juice. Ethanol supply to OMCs for blending is pegged to rise by 71% in 2017-18 to touch a record 113 crore litres, helping sugar mills earn ~Rs.4,500 crore revenue.(Source: ET, Reuters, ISMA)

Indian co-generation sector overview

Co-generation uses fuel to produce two forms of energy (electrical and mechanical). As India is one of the largest sugar producers in the world and the second-largest producer of sugarcane, the nation's agricultural produce drives the cogeneration sector. The sugar mills in India consume their own bagasse to run mills and generate steam to run the boilers and turbines to generate power to run their plants. Excess power is exported to the grid of distribution licensees. Available biomass is estimated at 500 million metric tonnes per annum and an additional 120-150 million metric tonnes per annum is generated from agricultural residues, which puts the potential of cogenerated power in India at ~18,000 megawatts. (Source: Power Line, ISMA, Ministry of New and Renewable Energy)

Analysis of financial statements

Dhampur Sugar Mills accounts were prepared on the basis of accounting standards laid down under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2015.

Particulars	2017-18	2016-17
Income from operations (Rs. crore)	3423.14	2740.73
PBT (Rs. crore)	202.58	319.67
PAT (Rs. crore)	151.26	229.53
EPS (in ₹)	22.85	35.16

Profit and loss statement

- The Company's operating revenue increased from ₹2715.73 crore in 2016-17 to ₹3395.81 crore in 2017- 18. This was mainly due to a marked increase in volume on sugar. Net profit during 2017-18 stood at ₹151.26 crores from ₹229.53 crores in 2016-17.

- Total revenues from the sugar division stood at ₹3082.17 crore, power generation segment revenues were ₹543.81 crore and distillery generated ₹344.86 crore.

- Operating expenses for 2017-18 stood at ₹2997.32 crore as against ₹2067.53 crore in 2016-17, the 45% increase mainly due to increased sugar production.

- The cost of the Company's employee benefits increased from ₹125.36 in 2016-17 to ₹126.54 crore in 2017-18, leading to an increase in operating expenses.

- The Company's depreciation stood at ₹57.73 crore in 2017-18 against ₹54.27crore 2016-17

Capital employed

The total employed capital increased marginally in 2017-18. The return on capital employed decreased to 21.70% in 2017-18.

EBITDA

EBITDA declined from ₹541.14 crore in 2016-17 to ₹381.83 crore in 2017-18 due to lower realisations from the sugar segment.

Balance Sheet

- **Net worth:** The Company's net worth was ₹1001.30 crore as on 31st March 2018, which is an increase of 11% compared to ₹902.02 crore as on 31st March 2017. The increase was due to a rise in reserves and surplus.

- **Share capital:** The share capital stood at ₹66.45 crores as on 31st March, 2018.

- **Reserves and surplus:** The reserves and surplus increased to ₹934.85 crore as on 31st March 2018 from ₹835.57 crore as on 31st March 2017.

- **Borrowings:** The Company's borrowings comprised long-term borrowings (current and non-current) and short-term borrowings, as on 31st March 2018, they stood at ₹1448.95 crore against ₹1914.90 crore on 31st March 2017.

Working capital management

Current assets: Current assets as on 31st March 2018 stood at ₹1487.11 crore against ₹1782.79 crore as on 31st March 2017, a decrease of 16.58%. Current Ratio was .91 as on 31st March 2018 against 1.00 as on 31st March 2017 owing to a decrease in current assets over current liabilities.

Inventories: Inventories (finished and semi-finished goods along with raw materials) for 2017-18 decrease by 22 % from ₹1476.87 crore as on 31st March 2017 to ₹1145.94 crore as on 31st March 2018 due to lower valuation of closing stock of sugar.

Short-term loans and advances: Short-term loans and advances decreased in 2017-18 and stood at ₹2.20 crore compared to ₹2.70 crore in 2016-17.

Current liabilities: Current liabilities decreased 11 % from ₹1840.75 crore as on 31st March 2017 to ₹1639.91 crore as on 31st March 2018, mainly due to a decrease in shott term borrowing and other financial liabilities Short-term Borrowing decreased from ₹1274.16 crore in 2016-17 to ₹930.50 crore in 2017-18, a decline of 27% whereas the other current liabilities decreased by 69%.

Cash and bank balances: Cash and bank balances increased by 68% from ₹27.87 crore as on 31st March 2017 to ₹46.94 crore as on 31st March 2018.

Internal control systems and their adequacy

The Company has a robust internal control system in place to review performance, track operations and gauge liquidity. The system also ensures that all transactions are duly reported and all assets are properly safeguarded. Timely review of operations and the recommendations of the auditors allow the Company to make corrections whenever and wherever necessary.

Human resources

The Company has a streamlined human resource department in order to create an enriching and satisfying environment for the employees. The department, in close association with the senior management, recruits employees, is responsible for their remuneration, rewards and recognition. It is this department's responsibility to identify talent and draw employee attrition and thus protect Dhampur's human capital. During the year under review, there were no material changes in the human resource policies of the Company; as on 31st March 2018, the total strength of the Company stood at 2906.

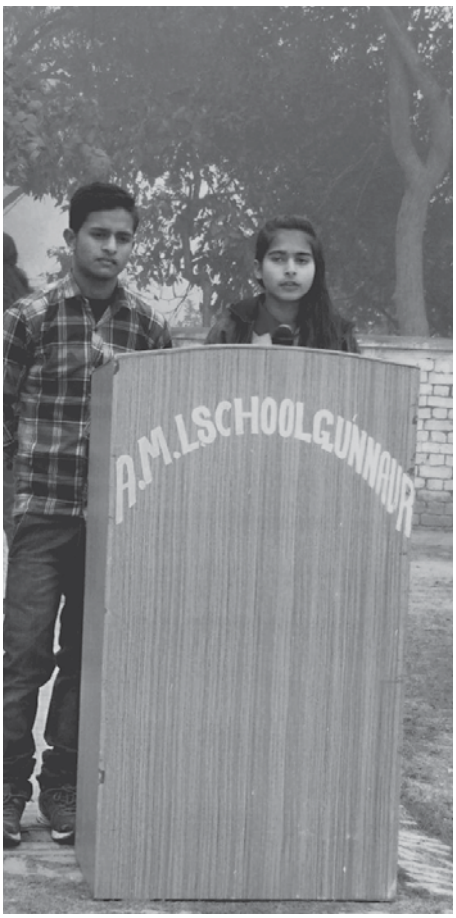
Risk management

Sugar being a global commodity, sugar manufacturing risks can be both local as well as global; hence a dynamic approach is required to run the business. To be able to control the cyclical nature of the business, Dhampur has expanded its presence into other products such as ethanol and co-generation. The Company has accessed key risk factors that could affect the business and undertaken measures to mitigate them.

Locational risk Recovery rates of sugar are directly proportional to the distance between mills and cane fields.	**Mitigation** ● Excellent road connectivity has been established by Dhampur to ensure the quick delivery of cane to mills. ● Cane growing areas are around a 30 kilometer radius of the Company's mills.
Working capital risk The capital-intensive nature of the sugar business can impact organizational liquidity.	**Mitigation** ● The Company ensures that maximum inventory is liquidated at the end of each season so that all its dues are repaid in a timely manner. ● Dhampur's diversification into sectors such as power, ethanol and chemicals has helped it generate steady cash flows and counter industry cyclicality.
Raw material risk Decline in cane availability could directly diminish profitability.	**Mitigation** ● Dhampur has five facilities all of which are located in the cane-rich belt of Uttar Pradesh. ● The Company procures cane from approximately 1,90,000 farmers. ● Dhampur has a dedicated team in their command areas, which looks after cane growth and development. ● The Company also has an active farmer training program. It provides farmers with yielding seeds and other basic amenities.
Industry risk Global factors such as inflation and interest rate changes could impact the business and its profitability adversely.	**Mitigation** ● Dhampur's presence in multiple business segments has helped the Company mitigate this risk to a large extent. The non-sugar revenues stood at 24.90% of the total revenues in 2017-18, indicating a moderate dependence on sugar. ● Dhampur sells packaged sugar, which has helped strengthen margins. ● India's per capita sugar consumption is low, which provides ample room for an established player like Dhampur to grow.

Pricing risk There could be sharp decline in sugar prices due to a global and domestic surplus, affecting the Company's profitability.	**Mitigation** ● Dhampur is focusing on increasing the market share of Institution and Retail segments and has initiated various cost reduction measures at various levels. It has also taken steps to run the distillery segment for more number of days.
Resource risk An inability to procure enough cane could impact the Company's profitability.	**Mitigation** ● Dhampur enjoys enduring relationships with over 190,000 farmers which ensures a steady cane supply. ● Dhampur's dedicated teams help farmers free their land faster post the sugar season and move on to their next crop ● Dhampur has also implemented farmer support programmes and supplied seeds and other agricultural implements
Regulatory risk Regulatory changes could impact operational viability.	**Mitigation** ● The Central / State Government has announced a slew of measures to protect the industry like restricted release and export allowances, among others. ● The Central Government's focus on the ethanol blending programme (EBP) has been extremely helpful for sugar companies.
Quality risk Low quality of cane can adversely impact the bottom-line.	**Mitigation** ● Dhampur has been steadily increasing its share of early variety cane in its command areas. ● The Company crushes disease-free and clean cane to ensure quality crushing.
Finance risk Stretched financials could hamper business sustainability	**Mitigation** ● The Company has reduced its debts using accruals which has strengthened its long-term debt-equity ratio to 0.49 bps in 2017-18. ● CARE has improved Dhampur's credit rating from BBB+ to A– in 2017-18

Corporate social responsibility



Corporate social responsibility is of utmost importance for corporations today. Sustainability is not only of importance for any business but also for people and the planet. At Dhampur, we are focused on CSR activities and believe in giving back what we get from our community. One of our primary focus areas is the environment. Businesses, regardless of their size, tend to leave a carbon footprint. At Dhampur, we find ways to minimise wastage of resources such as water and power. We also focus on imparting quality education to the underprivileged. We developed schools around some of our facilities for the education of rural children. We conduct extra-curricular activities to ensure the all-round development of these children. Besides environment and education, Dhampur focuses on healthcare. We organise healthcare camps that provide free health check-ups in the nearby villages.

Statutory Section

BOARD REPORT

To,
The Members,
Dhampur Sugar Mills Limited

The Directors have pleasure in presenting their Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2018.

Financial Results: (₹ in Crore)

Particulars	Consolidated		Standalone	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Revenue from operations	3,423.14	2,740.73	3,347.49	2,691.15
Profit before finance costs, tax, depreciation and amortisation, exceptional items and other comprehensive income	381.83	541.14	388.68	545.82
Less: Finance costs	121.52	167.2	121.3	167.02
Less: Depreciation and amortisation expense	57.73	54.27	56.69	53.95
Profit Before Tax	202.58	319.67	210.69	324.85
Provision for Tax	51.32	90.14	53.53	89.98
Profit for the year	151.26	229.53	157.16	234.87
Other comprehensive income (net of tax)	(0.71)	(1.5)	(0.43)	(1.47)
Total comprehensive income for the year	150.55	228.03	156.73	233.40

Operational performance:

The key operational data of the Company is as under:

Sugar operations at a glance

	31st March, 2018	31st March, 2017
Cane crushed (in lac quintals)	662.01	541.87
Recovery (%)	11.28	10.94
Sugar Produced From Cane (in lac quintals)	74.82	59.28

Co-generation operations at a glance

	31st March, 2018	31st March, 2017
Power generated (M.W.)	734616	642525
Sale to UPPCL (M.W.)	432766	393630

Chemical operations at a glance

Poduction	31st March, 2018	31st March, 2017
RS/ENA/Ethanol (in lacs BL)	600.40	683.59
Chemicals (net) (in lacs KG)	140.70	146.13

Company's Performance during FY 2018

Revenue of the Company during the year 2017-18 has improved to ₹3347.49 crores as compared to ₹2691.15 crores during the year 2016 17, witnessing increase of 24.4% mainly due to improved sugar sale volume. Total comprehensive income, earned by the Company during the year is ₹156.73 crores as compared to ₹233.40 crores in previous year due to reduction in sugar sale prices.

The Company crushed 66.20 lakh tonnes of sugarcane during the financial year ended 31st March 2018 as compared to 54.19 lakh tonnes last year. The Sugar Recovery improved to 11.28% during the year from 10.94% in previous year. The Company sold 7.7 lakh tonnes of sugar at an average realisation of ₹35.1/kg as against 5.3 lakh tonnes sugar sold at an average realisation of ₹35.9/kg last year. The Company is working closely with farmers to improve sugar cane yield and cane quality and imparting training on modern agricultural practices. The Company expects improvement in supply of quality of cane due to cane development initiatives, thereby reduction in cost of production of sugar.

The Company generated 73.46 crores units of Power during the financial year 2018 as compared to 64.25 crores units in the previous year. Power exported 43.28 crores units during the financial year ended 31st March 2018 to Uttar Pradesh grid as against 39.36 crores units in previous year. The power realisation stood at ₹5/unit as against ₹5.1/unit last year. Revenues from power segment are expected to improve further due to higher availability of bagasse owing to higher cane crushed.

The Company performed satisfactorily. The Company sold 6.67 crores bulk litres of alcohol during the financial year ended 31st March 2018 as against 6.78 crores bulk litres in previous year. The average realisation stood during the financial year ended 31st March 2018 ₹38.40/bulk litre as against 41.40/ bulk litre in the previous year. The Company has installed incinerator boilers successfully at distilleries in order to achieve zero liquid discharge and generate 11.5 MW power out of effluent resulting in higher asset utilisation. The Company expects to improve its performance further due to higher molasses availability and thrust of the Central Government on the Ethanol Blending Programme.

Performance of Subsidiaries

DIPL (Wholly Owned Subsidiary Overseas)

DIPL (Dhampur International Pte. Ltd.) achieved turnover of ₹91.34 crores for the year ended 31st March 2018 as compared to ₹77.33 crores last year with profit after tax of ₹0.76 crores as compared to Loss of ₹6.30 crores last year. DSML infused fresh capital of USD 4 million in DIPL during the year.

Ehaat Ltd (Wholly Owned Subsidiary)

Ehaat Ltd achieved turnover of ₹5.36 crores for the year ended 31st March 2018 as compared to ₹ NIL last year with loss of ₹5.36 crores as compared to Loss of ₹0.25 crores last year. DSML transferred business of rural distribution of consumer products to Ehaat Ltd on a slump sale basis in consideration of ₹1.67 crores and Ehaat Ltd allotted equity share capital for the same. DSML further invested ₹2.00 crores in equity share capital of Ehaat Ltd during the year.

DETS Ltd (Subsidiary)

DETS Ltd achieved turnover of ₹3.69 crores for the year ended 31st March 2018 as compared to ₹14.13 crores last year with loss of ₹0.91 crores as compared to Profit of ₹0.74 crores last year.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form AOC-1 as Annexure-2 and forms an integral part of this Report.

Material Changes and Commitments during the Year

There are no material changes and commitments affecting the financial position of the Company which have occurred between 31st March, 2018 and at the date of the Report, as required under Section 134(3)(l) of the Companies Act, 2013.

However, the Company has transferred its Rural Distribution Business of Consumer Products to its wholly owned subsidiary Ehaat Limited vide Slump Sale Agreement dated 25th May, 2017. The transaction is not material in terms of Company Law Provisions and Listing Regulations.

Change in the Nature of Business

During the year, there was no material change in the nature of business of the Company.

Dividend

The Board of Directors (at its meeting held on 31st January, 2018), had declared interim dividend at 30% i.e. ₹3.00 per Equity Share of ₹10 each.

The Interim Dividend declared by the Board of Directors is proposed to be confirmed as final by Shareholders in the ensuing Annual General Meeting.

Reserves & Surplus

The Company has earned a Net Profit after tax of 157.16 Crores which has been adjusted as per the head Reserve and Surplus and is given in the notes to Financial Statements forming part of this Report.

Directors

Shri Gautam Goel and Shri Sandeep Kumar Sharma shall retire at the ensuing Annual General Meeting and being eligible have offered themselves for their respective re-appointment.

Independent Directors Shri M.P Mehrotra, Shri Priya Brat and Shri Harish Saluja are more than 75 years of age. In terms of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 dated 9th May, 2018 (effective from 01st April, 2019), their continuation as Independent Directors need approval of Shareholders. Accordingly the special resolutions have been placed for approval by shareholders in the ensuing Annual General Meeting.

Profile and other information regarding the directors seeking appointment/reappointment or continuation of term in case of attaining age of more than 75 years as required under Listing Regulations(as amended from time to time) and Secretarial Standards have been given in the Notice convening the Annual General Meeting of the Company.

Key Managerial Personnel

Mr. Arhant Jain retired as Chief financial Officer (CFO) and Company Secretary (CS) of the Company w.e.f. 3rd April, 2017. The Board appreciates his valuable contribution to the Company.

Mr. Nalin Kumar Gupta was appointed as Chief Financial Officer of the Company w.e.f. 25.05.2017.

Ms. Aparna Goel, a member of The Institute of Company Secretaries of India, has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 25.05.2017.

Deposits

1. Accepted during the year: ₹7.95 crores
2. Remained unpaid or unclaimed (excluding interest thereon) as at the end of the year ₹0.70 Crores
3. If there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:
   a. At the beginning of the year; NIL
   b. Maximum during the year; NIL
   c. At the end of the year. NIL

Deposits not in compliance with Chapter V of the Act

The Company has not accepted any deposit, not in compliance with Chapter V of the Act.

Particulars of Loans, Guarantees or Investment

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements forming part of this annual report.

Related Party Transactions

All the transactions carried out with Related parties for the year under review were on arm's length basis and are in compliance with the applicable provisions of the Act and Listing Regulations.

There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at http://www.dhampur.com

Your Directors draw attention of the members to Note No. 44 of the Financial Statement which sets out related party disclosures.

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 and Rules made there under are not attracted. Thus disclosure in Form AOC 2 in terms of Section 134 of Companies Act, 2013 is not required.

Credit Rating:

CARE Ratings, a Credit Rating Agency vide its letter dated 23rd August, 2017 has revised and upgraded the Credit Rating of the Company from Care BBB+ (Triple B Plus)" with Stable Outlook to Care A- (Single A Minus;) with Stable Outlook for Long Term/Short Term Credit Facilities from banks and Fixed Deposits accepted by the Company respectively.

Auditors :-

Statutory Auditors and their Audit Report:

M/s. TR Chadha & Co., Chartered Accountants (ICAI Firm Registration number 006711N/N500028) and M/s. Atul Garg & Associates, Chartered Accountants, (ICAI Firm Registration number 01544C)

are Joint Statutory Auditors of the Company and shall continue to be Statutory Auditors till the conclusion of Eighty Seventh Annual General Meeting to be held in the year 2022. The report given by the Auditors on the Standalone and Consolidated Financial Statements of the Company for the year ended 31st March, 2018 forms part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their reports.

The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Companies Act, 2013 and therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Companies Act, 2013.

Cost Auditors

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, The Board of Directors, on the recommendation of Audit Committee, has re-appointed Shri S.R. Kapur, Cost Accountant, Khatauli as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2018-19. As required under Companies Act, 2013 the remuneration payable to Cost Auditor is required to be placed before the members in Annual General Meeting for their ratification. Accordingly, a resolution seeking members ratification for the remuneration payable to Shri. S. R. Kapur, Cost Auditor is included in the Notice convening Annual General Meeting.

Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013, The Board of Directors, on the recommendation of Audit Committee has re-appointed M/s D.C Chhajed, Chartered Accountants, New Delhi as Internal Auditors of the Company for the Financial Year 2018-19.

Internal Control Systems And Their Adequacy

The details in respect of Internal Control system and their adequacy are included in the Management Discussion and analysis, report which is a part of this report.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of Companies Act, 2013 and rules made there under, the Company has appointed M/s. GSK & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure 3 and forms an integral part of this report.

There is no secretarial audit qualification for the year under review.

Management Discussion and Analysis

The Management Discussion and Analysis Report on the operations of the Company, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report.

Corporate Governance

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Section on Corporate Governance practices followed by the Company, together with a certificate from M/s. GSK & Associates, a firm of Company Secretaries in Practice, confirming compliance forms an integral part of this Report.

Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 your directors state that:

(a) In the preparation of the annual accounts, the Company has adopted Ind AS notified under Companies (Indian Accounting Standard) Rule, 2015. The adoption of Ind AS was carried out in accordance with Ind AS using April 01,2016 as the transition date. Restatement of previous year figures presented in the Financial Statements in accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs,. Accordingly, the Financial Statements, forming part of the Annual Report, have been prepared in accordance with Ind AS prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards).

(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 at the end of the financial year and of the Profit and Loss (including other comprehensive income) of the Company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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 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.

Declaration by Independent Directors

The Company has received declaration from all Independent Directors as under in accordance with the provisions of Section 149(6) of Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Shri M.P Mehrotra
2. Shri Priya Brat
3. Shri Ashwani K Gupta
4. Shri Harish Saluja
5. Shri Rahul Bedi
6. Smt Nandita Chaturvedi

Committees of the Board

The Board of Directors has the following Committees:

Mandatory Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee (CSR Committee)

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report forming part of this report.

Non Mandatory Committees:

1. The Company has also constituted a committee named Finance Sub Committee, in order to carry out routine functions of the Company. The Committee met 11 (eleven) times during the year 2017-18.
2. The Company has also formed Risk Management Committee for the purpose of Risk Management by the Company.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the evaluation of its own performance and that of the Board Committees, viz. Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholders' Relationship Committee as well as evaluation of the performance of Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, corporate governance practices and stakeholders' interests, etc. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, meeting risk management and competition challenges, compliance and due diligence, financial control, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of all the Directors including Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The Nomination and Remuneration Committee also carried out evaluation of every Director's performance, after laying down criteria for evaluation by way of the aforesaid structured questionnaire. The Directors expressed satisfaction with the evaluation process and results thereof.

Nomination and Remuneration Policy:

The Board of Directors have framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. Details of this policy are set out in the Corporate Governance Report which forms a part of this Report. The remuneration policy is in consonance with the existing policy of the Company.

Risk Management Policy

Risk Management Policy of the Company is in place for Risk assessment and mitigation. Risk procedures are periodically reviewd to ensure control on Risk through properly defined framework. The Companies Risk Management strategy is integrated with its overall business strategies and is communicated throughout the organisation. The Policy facilitates in identification of risks at appropriate time and ensures necessary steps to be taken to mitigate the risks.

Vigil Mechanism/Whistle Blower Policy

The Company has formulated Vigil Mechanism /Whistle Blower Policy for employees and Directors in order to keep high standards of ethical behaviour and provide safeguards to whistle blower.

The Vigil Mechanism/Whistle Blower Policy as approved by the Board is uploaded on the Company's website at http://www.dhampur.com

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed during the year 2017-18.

No. of complaints received	Nil
No. of complaints disposed	Nil

Corporate Social Responsibility (CSR)

The composition of CSR committee is as under:

1. Shri V.K Goel, Chairman
2. Shri Gaurav Goel, Member
3. Shri M.P. Mehrotra, Member

The Annual Report on CSR activities is attached as per Annexure – 4

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure-5 and forms an integral part of this Report.

Extract of Annual Return

According to the provisions of Section 92(3) of the Companies Act, 2013 the prescribed Form MGT-9 (Extract of Annual Return) is attached as per Annexure-6.

Details of Board Meetings held during the year

The Board of Directors met four times during the Financial Year 2017-18. Details of the Board Meetings and attendance at the meetings held during the Financial Year 2017-18 forms part of the Corporate Governance Report.

Significant and Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operations In Future

There was no such order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Statutory Information

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure 1 and forms an integral part of this Report. A statement furnishing the names of Top Ten employees in terms of remuneration drawn and persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure -7 and forms an integral part of this Report.

The above annexure is not being sent along with this Annual Report to the Members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered office of the Company, twenty one days before and upto the date of the ensuing Annual General Meeting during the business hours on working days.

None of the employees listed in the said annexure is a relative of any Director of the Company. None of the employees hold (by himself or alongwith his spouse and dependent children) more than two percent of the Equity Shares of the Company.

Acknowledgements:

Your Directors place on record their acknowledgement and sincere appreciation to the shareholders for their confidence in the Management of the Company, the Central Government, the State Government, banks and financial institutions for their continued support, the cane growers for their efforts in ensuring timely cane supply, the Company's officers and staff for their relentless and dedicated efforts, resulting in the Company's growth and look forward to a bright future.

For and on behalf of the Board

Place: New Delhi
Dated: 9th May, 2018

V. K. Goel
Chairman
(DIN:-00075317)

Annexure – 1

Disclosure in Boards' Report pursuant to Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year

Name of the Director	Designation	DIN	Ratio
Shri Vijay Kumar Goel	Promoter, Chairman and Whole-time Director	00075317	65.36:1
Shri Ashok Kumar Goel	Promoter, Vice Chairman and Whole-time Director	00076553	57.06:1
Shri Gaurav Goel	Promoter and Managing Director	00076111	57.05:1
Shri Gautam Goel	Promoter and Managing Director	00076326	50.52:1
Shri Sandeep Kumar Sharma	Whole Time Director	06906510	27.86:1
Shri Mahesh Prasad Mehrotra	Independent Director	00016768	NA
Shri Priya Brat	Independent Director	00041859	NA
Shri Ashwani Kumar Gupta	Independent Director	00108678	NA
Shri Anoop Kumar Wahi	Nominee Director	07542990	NA
Shri Harish Saluja	Independent Director	01233800	NA
Shri Rahul Bedi	Independent Director	02573535	NA
Smt. Nandita Chaturvedi	Independent Director	07015079	NA

2. Percentage increase in remuneration of each Director, CFO and CS in the financial year

Name of the Director/CEO/CFO/CS	Designation	DIN/PAN	Percentage increase
Shri Vijay Kumar Goel	Promoter, Chairman and Whole-time Director	00075317	49.67%
Shri Ashok Kumar Goel	Promoter, Vice Chairman and Whole-time Director	00076553	53.60%
Shri Gaurav Goel	Promoter and Managing Director	00076111	58.79%
Shri Gautam Goel	Promoter and Managing Director	00076326	56.06%
Shri Sandeep kumar Sharma	Whole Time Director	06906510	336.23%
Shri Mahesh Prasad Mehrotra	Independent Director	00016768	NA
Shri Priya Brat	Independent Director	00041859	NA
Shri Ashwani Kumar Gupta	Independent Director	00108678	NA
Shri Anoop Kumar Wahi	Nominee Director	07542990	NA
Shri Harish Saluja	Independent Director	01233800	NA
Shri Rahul Bedi	Independent Director	02573535	NA
Smt. Nandita Chaturvedi	Independent Director	07015079	NA
Shri Nalin Kumar Gupta	Chief Financial Officer	AAOPG5264E	48.73%
Ms. Aparna Goel	Company Secretary	ALYPG4814H	56.40%

3. Percentage increase in the median remuneration of employees in the financial year: 4%

4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 36.3 : 56.2 (Excluding commission on profits).

   Justification: Remuneraion paid to the managerial personnel are as per recommendation of Nomination and Remuneration committee and as approved by the Board and Shareholders of the Company.

5. Number of permanent employees on the rolls of company: Permanent Employees –"2906"

6. The key parameters for any variable component of remuneration availed by the Directors: Commission on Net Profits of the Company to be paid to Promoter Directors : ₹1100 Lacs

7. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that the remuneration is as per the remuneration policy of the Company.

Annexure – 2

Form No. AOC-1

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures.
(Pursuant to first proviso to Sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Crores)

1. Name of the subsidiary: Dhampur International PTE Limited, Ehaat Limited and DETS Limited
2. Reporting period for the subsidiaries concerned: - 1st April, 2017 to 31st March, 2018.
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries:- USD (1 USD = ₹65.04)
4. Other Information:-

Particulars	Dhampur International PTE Limited * (₹ in Crores)	DETS Limited ** (₹ In Crores)	EHAAT Limited *** (₹ In Crores)
Share capital (including share application money)	36.82	0.84	3.77
The date since when subsidiary was Acquired	09.07.2009 (Since incorporation)	03.10.2016	24.10.2016 (Since incorporation)
Shareholding (in Percentage)	100%	51%	100%
Reserves & surplus	9.28	1.72	(5.62)
Total assets	73.67	3.60	4.12
Total Liabilities	53.57	1.04	5.97
Investments	NIL	NIL	NIL
Turnover(Previous Year)	91.34 (77.33)	3.69 (14.13)	5.36 (NIL)
Profit/(Loss) before taxation	0.93	(1.21)	(7.28)
Provision for taxation	NIL	NIL	NIL
Profit after taxation	0.93	(0.91)	(5.37)
Proposed Dividend	NIL	NIL	NIL
% of shareholding	100%	51%	100%

i) Name of subsidiaries which are yet to commence operations: N.A

ii) Name of Subsidiaries which have been liquidated or sold during the year: NA

* Based at Singapore, Trading in Commodities.

** Manufacturing and fabricating plant and machineries and other engineering goods and equipments.

*** Trading in Consumer Products.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

The Company has no associate or joint venture.

Annexure – 3

SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED 31ST MARCH, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Dhampur Sugar Mills Limited
Distt. Bijnor
Dhampur – 246761
Uttar Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by DHAMPUR SUGAR MILLS LIMITED (CIN: L15249UP1933PLC000511) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the year ended 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended 31stMarch, 2018 according to the provisions of:

I.

- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder.
- 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.
- 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, as amended from time to time;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (Not applicable to the Company during the audit period);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);

f. The Securities and Exchange Board of India (Registrar 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 (Not applicable to the Company during the audit period); and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).

i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015; as amended from time to time

II.

- Sugar Cess Act, 1982
  (Applicable till 30th June 2017 i.e. before the applicability of GST)
- Food Safety and Standards Act, 2006
- Essential Commodities Act, 1955
- Sugar Development Fund Act, 1982
- Export (Quality Control and Inspection) Act, 1963
- Agricultural and Processed Food Products Export Act, 1986
- Indian Boilers Act, 1923

During the year under review, the Company has made all compliances under Sector specific laws mentioned above.

III.

- The Air (Prevention & Control of Pollution) Act, 1981 [Read with the Air (Prevention & Control of Pollution) Rules, 1982]
- The Environment (Protection) Act, 1986 [Read with the Environment (Protection) Rules, 1986]
- The Water (Prevention & Control of Pollution) Act, 1974 [Read with the Water (Prevention & Control of Pollution) Rules, 1975
- The Hazardous Waste (Management, Handling And Transboundry Movement) Rules, 2008
- The Factories Act, 1948
- The Industrial Disputes Act, 1947
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Employees' State Insurance Act, 1948
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Maternity Benefit Act, 1961
- The Child Labour(Prohibition and Regulation) Act, 1986
- The Industrial Employment (Standing Orders) Act, 1946
- The Employees' Compensation Act, 1923 (earlier known as Workmen's Compensation Act, 1923
- The Apprentices Act, 1961
- The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956

During the year under review the Company has filed periodical returns and has not received any show cause notice and has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation made by the Company and its officers on systems and mechanism formed by the Company for compliance under other Act, Laws and Regulations to the Company.

We have also examined compliance with the applicable clauses of the following:-

a. Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Central Government.
b. The Listing Agreements entered into by the Company with Stock Exchanges.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, etc. mentioned above.

We 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 year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while there has been no member dissenting from the decisions arrived.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the Company has adopted new set of Articles of Association in conformity with the Companies Act, 2013 at its Annual General Meeting held on 28th August, 2017.

We further report that Mr. Arhant Jain retired from the post of Company Secretary and Chief Financial Officer of the Company on 3rd April 2017. Ms. Aparna Goel was appointed as Company Secretary and Compliance Officer of the Company and Mr. Nalin Kumar Gupta was appointed as Chief Financial Officer of the Company, with effect from 25th May 2017.

For GSK & Associates
(Company Secretaries)

Saket Sharma
Partner
(Membership No.: F4229)
(CP No.: 2565)

Date: 9th May, 2018
Place: New Delhi

Annexure – 4

ANNUAL REPORT ON CSR INITIATIVES

A. Brief outline of the Company's CSR policy, including overview of projects or programs undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR policy was approved by the Board of Directors at its meeting held on 21st May, 2014 and has been uploaded on the Company's website under the link http://dhampur.com/Policies.aspx

The Company had proposed to undertake activities relating to promoting education, sports, good agricultural practices, skill development, women empowerment etc.

The Company through its various programmes will be investing the resources allocated for CSR for undertaking one or more of the following activities:

1. Eradication of hunger, poverty and malnutrition
2. Promotion of preventive health care and sanitation
3. Promotion of education
4. Promotion of gender equality
5. Reducing social and economic inequality
6. Ensuring environmental sustainability
7. Protection of Flora and Fauna
8. Protection of National Heritage, art and culture
9. Measures for the benefit of armed forces veterans, war widows and their dependents
10. Promoting sports
11. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
12. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
13. Rural development projects

B. The composition of CSR Committee is as under:

Shri V.K Goel, Chairman

Shri Gaurav Goel, Member

Shri M. P. Mehrotra, Member

A. Average Net Profit of the Company for last 3 financial years. – ₹125.11 Crores

B. Prescribed CSR Expenditure (2% of the amount as mentioned in point C above) : ₹2.50 Crores

C. Details of CSR spent during the financial year 2017-18:

a Total amount to be spent for the financial year; - ₹2.50 Crores

b. Amount spent : ₹3.52 Crores

c. Amount unspent, if any; Nil

d. Manner in which the amount spent during the financial year as detailed below:

(Amount in ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or others (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) Project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implement-ing agency
1	Setting up a Vocational Training Institute	Promoting Education & Health Care	Local Area , Noida, Distt. Ghaziabad, U.P	2,00,00,000	1,96,20,000	1,96,20,000	Through Academy of Modern Learning (Trust)
2	Education - Support to Schools in rural areas	Promoting Education	In proximity to factory Areas at Asmoli and Rajpura (Units of the Company) Distt. Sambhal, U.P	80,00,000	77,36,500	77,36,500	Through Academy of Modern Learning (Trust)
3	Contribution to PSRI (Padmavati Singhania Research Institute)	Promoting Health care	Press Enclave Marg, Phase II, Sheikh Sarai, New Delhi, Delhi 110017	44,00,000	44,00,000	44,00,000	Direct
4	Contribution towards Medical aid (Medical Van providing medical services in Villages.)	Promoting Health care	In proximity to factory Area at Asmoli (a Unit of the Company) Distt. Sambhal, U.P	10,00,000	10,00,000	10,00,000	Through PHD Rural Development Foundation (Trust)
5	Upliftment through support for Sports	Promoting Sports	Dhampur, Distt Bijnor U.P.	7,00,000	6,88,220	6,88,220	Direct
6	Education- For building enhancement at a School (Sahu Gopi Nath Kanya Inter College)	Promoting Education	Bareilly U.P.	15,00,000	15,00,000	15,00,000	Direct
7	Education Employment enhancing Special and vocational Education	Promoting Education	Kolkata, West Bengal	1,00,000	1,00,000	1,00,000	Through Vedanta Institute, Kolkata
8	Miscellaneous	Promoting Health care, Sports and Education	Dhampur Distt Bijnor U.P., one of the unit of the Company	217277	217277	217277	Direct

F. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report. N.A

G. Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, we hereby confirm that the CSR Committee has implemented and monitored the CSR initiatives of Dhampur Sugar Mills Limited in line with CSR objectives and policy of the Company.

On behalf of the CSR Committee

Chairman of CSR Committee Managing Director

Annexure – 5

THE DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNINGS AND OUTGO ARE AS FOLLOWS:

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2018 is given below and forms part of Directors' Report.

A) Conservation of energy:

i. **the steps taken or impact on conservation of energy;**
The Company is continuously working on conservation of energy through innovative measures. It is taking regular steps by way of regular repair and maintenance and replacement of inefficient parts in all the plants to reduce energy consumption.

The Company has installed Juice Heaters, Evaporators, A.C. VFDs in Shredder Application, A.C.Drives for savings in energy consumption.

The Company is encouraging use of Solar Energy, CFL and LEDs. The abovementioned measures have resulted in reduction in fuel and power consumption and thereby reduction in cost involved.

ii. **the steps taken by the Company for utilising alternate sources of energy;**
The Company has installed 11.5 MW power generating units in Distillery/Chemical Plants with Slop fired Incinerator at two units. Spent Wash, an effluent of Distillery plants is being used alongwith other auxiliary fuel(s) in Incinerators to generate power out of waste.

The Company is producing renewable energy not only for its captive consumption, but is also exporting power to state.

iii. **the capital investment on energy conservation equipment's:** H122.67 crores.

B) Technology Absorption:

i. **the efforts made towards technology absorption;**
1. Mechanical Harvester introduced.
2. Training and awareness programs for seed treatment and utilisation of single bud cane seed.
3. Installation of Micro and macro nutrient analysis lab.
4. Distribution of improved Varieties of Seeds
5. Rearing of cane seed nurseries of improved varieties
6. Dissemination of technique of tranche and paired row planting
7. Distribution of fertilizers and bio manures for healthy growth of sugar cane

ii. **The benefits derived like product improvement, cost reduction, product development or import substitution.**
Due to the abovementioned measures, healthy cane with higher recovery will be available to the Company and enhanced income to farmers too.

iii. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)** – Not applicable

iv. **The expenditure incurred on Research and Development:** The Company has incurred an expenditure of H9.11 crores towards Research and development.

C. Foreign exchange earnings and Outgo:
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Total foreign exchange used and earned:

Particulars	(H in crores)	
	Current Year	Previous Year
Export and foreign exchange earnings	30.46	35.99
Imports and expenditure in foreign currency	13.13	23.90

Annexure – 6

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2018

[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: L15249UP1933PLC000511

ii. Registration Date: 22.05.1933

iii. Name of the Company: Dhampur Sugar Mills Limited

iv. Category / Sub-Category of the Company: Public Company/Limited by shares

v. Address of the Registered office and contact details: Dhampur, Distt. Bijnor- 246761, U.P., Ph: 01344-220006, Email: investordesk@dhampur.com

vi. Whether listed company: Yes, with BSE Limited and National Stock Exchange of India Limited

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:
Alankit Assignments Limited
Alankit House, 1E/13, Jhandewalan Extension, New Delhi-110055
Ph: 011-42541234, 23541234, E-mail: rta@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Sugar	2060	80.56
2	Power	4390	6.28
3	Chemical: Rectified Spirit Ethyl Acetate	 2200 3007	10.09

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	Name And Address of the Company	CIN/ GLN/Foreign Registration Number	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Dhampur International Pte Limited 39 Amoy street, Singapore 069865	200912388N	Foreign Subsidiary	100%	2(87)
2	DETS Limited c/o Dhampur Sugar Mills Limited, Sugar Mills Compound, Dhampur - 246761, U.P	U74900UP2011PLC045167	Subsidiary	51%	2(87)
3	EHAAT Limited c/o Dhampur Sugar Mills Limited, Sugar Mills Compound, Dhampur - 246761, U.P	U74999UP2016PLC087282	Subsidiary	100%	2(87)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				No. of Shares held at the end of the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/ HUF	9212604	0	9212604	13.88	9212604	0	9212604	13.88	0.00
b. Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt. (s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corp.	14047273	0	14047273	21.16	14047273	0	14047273	21.16	0.00
e. Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f. Any Other.								0.00	
(i) Directors & Relatives	85364	0	85364	0.13	85364	0	85364	0.13	0.00
(ii) Person Acting in Concert	9240396	0	9240396	13.92	9240396	0	9240396	13.92	0.00
Sub-total (A) (1)	**32585637**	**0**	**32585637**	**49.08**	**32585637**	**0**	**32585637**	**49.08**	**0.00**
(2) Foreign									
a. NRIs – Individuals	0	0	0	0.00	0	0	0	0	0
b. Other – Individuals	0	0	0	0.00	0	0	0	0	0
c. Bodies Corp.	0	0	0	0.00	0	0	0	0	0
d. Banks / FI	0	0	0	0.00	0	0	0	0	0
e. Any Other....	0	0	0	0.00	0	0	0	0	0
Sub-total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	**32585637**	**0**	**32585637**	**49.08**	**32585637**	**0**	**32585637**	**49.08**	**0.00**
B. Public Shareholding	**Demat**	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	**No. of Shares held at the end of the year**
(1) Institutions									
a. Mutual Funds	1103225	3374	1106599	1.67	141	524	665	0.00	-1.67
b. Banks/FI	175070	331	175401	0.26	137494	331	137825	0.21	-0.06
c. Central Govt	6	0	6	0.00	131148	0	131148	0.20	0.20
d. State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g. FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h. Foreign Portfolio Investors	2056637	650	2057287	3.10	2477444	100	2477544	3.73	0.63
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				No. of Shares held at the end of the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i. Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	3334932	4355	3339287	5.03	2746227	955	2747182	4.14	-0.89
(2) Non-Institutions									
a. Bodies Corp.						0			0.00
i) Indian	4966865	13040	4979905	7.50	3409604	10955	3420559	5.15	-2.35
ii) Overseas	191812	0	191812	0.29	191812	0	191812	0.29	0.00
b. Individuals									
i) Individual shareholders holding nominal share capital upto H2 lakh	9362953	449233	9810081	14.77	8831172	320580	9151752	13.79	-0.99
ii) Individual shareholders holding nominal share capital in excess of H2 lakh	14766047	0	14766047	22.24	16729753	0	16729753	25.20	2.96
c.NBFC registered with RBI	58848	0	58848	0.09	54060	0	54060	0.08	-0.01
d. Others (specify)									
(i) Non Resident Indian	635176	88	635264	0.96	230838	88	230926	0.35	-0.61
(ii) Trust	20709	0	20709	0.03	18112	0	18112	0.03	0.00
(iii) Clearing Member	0	0	0	0.00	276888	0	276888	0.42	0.42
(iv) Hindu Undivided Family (HUF)	0	0	0	0.00	980909	0	980909	1.48	1.48
Sub-total (B)(2)	30002410	462361	30462666	45.88	30723148	331623	31054771	46.78	0.89
Total Public Shareholding (B) = (B)(1) + (B)(2)	33337342	466716	33801953	50.92	33469375	332578	33801953	50.92	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**65922979**	**464611**	**66387590**	**100**	**66055012**	**332578**	**66387590**	**100**	**0.00**

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Share holding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged/ encumbered to total shares	
1	Ashok Kumar Goel	298000	0.45	0.00	298000	0.45	0.00	0.00
2	Deepa Goel	10370	0.02	0.00	10370	0.02	0.00	0.00
3	Gaurav Goel	4211379	6.34	0.00	4211379	6.34	0.00	0.00
4	Gautam Goel	4242339	6.39	0.00	4242339	6.39	0.00	0.00
5	Vijay Kumar Goel	425466	0.64	0.00	425466	0.64	0.00	0.00
6	Vinita Goel	25050	0.04	0.00	25050	0.04	0.00	0.00
7	Aparna Jalan	46100	0.07	0.00	46100	0.07	0.00	0.00
8	Asha Kumari Swaroop	4	0.00	0.00	4	0.00	0.00	0.00
9	Ritu Sanghi	7500	0.01	0.00	7500	0.01	0.00	0.00
10	Shefali Poddar	31760	0.05	0.00	31760	0.05	0.00	0.00
11	Shudh Edible Products Limited	4299680	6.48	0.00	4299680	6.48	0.00	0.00
12	Sonitron Limited	4940716	7.44	0.00	4940716	7.44	0.00	0.00
13	Ujjwal Rural Services Limited	125000	0.19	0.00	125000	0.19	0.00	0.00
14	Goel Investments Limited	10655515	16.05	0.38	10655515	16.05	0.38	0.00
15	Saraswati Properties Limited	3266758	4.92	0.00	3266758	4.92	0.00	0.00
	Total	**32585637**	**49.08**	**0.38**	**32585637**	**49.08**	**0.38**	**0.00**

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	32585637	49.08	32585637	49.08
2	Allotment on Preferential basis	0	0	0	0
3	At the End of the year	32585637	49.08	32585637	49.08

iv. **Shareholding Pattern of top ten shareholders** (other than Directors, Promoters and holders of GDR's and ADR's):

Sl. No.	Shareholder's Name	Date	Reason	Share holding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	**Mr. Anil Kumar Goel**						
	At the Beginning of the year			4080000	6.15	4080000	6.15
	Date wise Increase/Decrease in Share holding during the year	26.05.2017	Purchase	80000	0.12	4160000	6.27
		02.06.2017	Purchase	500000	0.75	4660000	7.02
		09.06.2017	Purchase	13500	0.02	4673500	7.04
		16.06.2017	Purchase	2252	0.00	4675752	7.04
		23.06.2017	Purchase	4248	0.01	4680000	7.05
		07.07.2017	Purchase	3000	0.00	4683000	7.05
		14.07.2017	Purchase	57000	0.09	4740000	7.14
		21.07.2017	Purchase	45000	0.07	4785000	7.21
		11.08.2017	Purchase	185000	0.28	4970000	7.49
		18.08.2017	Purchase	105000	0.16	5075000	7.64
		25.08.2017	Purchase	19000	0.03	5094000	7.67
		08.09.2017	Purchase	37500	0.06	5131500	7.73
		15.09.2017	Purchase	12500	0.02	5144000	7.75
		22.09.2017	Purchase	8000	0.01	5152000	7.76
		30.09.2017	Purchase	1000	0.00	5153000	7.76
		17.11.2017	Purchase	35000	0.05	5188000	7.81
		22.12.2017	Purchase	3000	0.00	5191000	7.82
		05.01.2018	Purchase	2481	0.00	5193481	7.82
		12.01.2018	Purchase	17519	0.03	5211000	7.85
		19.01.2018	Purchase	72000	0.11	5283000	7.96
		26.01.2018	Purchase	219000	0.33	5502000	8.29
		02.02.2018	Purchase	22000	0.03	5524000	8.32
		09.02.2018	Purchase	100000	0.15	5624000	8.47
		16.02.2018	Purchase	5000	0.01	5629000	8.48
		23.02.2018	Purchase	34000	0.05	5663000	8.53

Sl. No.	Shareholder's Name	Date	Reason	Share holding 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
		02.03.2018	Purchase	6100	0.01	5669100	8.54
		09.03.2018	Purchase	71900	0.11	5741000	8.65
		16.03.2018	Purchase	6000	0.01	5747000	8.66
		31.03.2018	Purchase	384000	0.58	6131000	9.24
	At the end of the year			6131000	9.24		
2	**Ms. Seema Goel**						
	At the Beginning of the year			1080000	1.63	1080000	1.63
	Date wise Increase/Decrease in Share holding during the year						
		07.04.2017	Purchase	22483	0.03	1102483	1.66
		14.04.2017	Purchase	18517	0.03	1121000	1.69
		21.04.2017	Purchase	10000	0.02	1131000	1.70
		12.05.2017	Purchase	1000	0.00	1132000	1.71
		19.05.2017	Purchase	37500	0.06	1169500	1.76
		26.05.2017	Purchase	4500	0.01	1174000	1.77
		02.06.2017	Purchase	86000	0.13	1260000	1.90
		09.06.2017	Purchase	4000	0.01	1264000	1.90
		16.06.2017	Purchase	5000	0.01	1269000	1.91
		23.06.2017	Purchase	215500	0.32	1484500	2.24
		30.06.2017	Purchase	5500	0.01	1490000	2.24
		14.07.2017	Purchase	31000	0.05	1521000	2.29
		21.07.2017	Purchase	19000	0.03	1540000	2.32
		28.07.2017	Purchase	2900	0.00	1542900	2.32
		04.08.2017	Purchase	100	0.00	1543000	2.32
		11.08.2017	Purchase	83000	0.13	1626000	2.45
		08.09.2017	Purchase	33000	0.05	1659000	2.50
		15.09.2017	Purchase	31500	0.05	1690500	2.55
		22.09.2017	Purchase	33500	0.05	1724000	2.60
		17.11.2017	Purchase	10000	0.02	1734000	2.61
		22.12.2017	Purchase	23000	0.03	1757000	2.65
		30.12.2017	Purchase	20000	0.03	1777000	2.68
		05.01.2018	Purchase	63000	0.09	1840000	2.77
		12.01.2018	Purchase	99000	0.15	1939000	2.92
		19.01.2018	Purchase	24000	0.04	1963000	2.96
		26.01.2018	Purchase	52000	0.08	2015000	3.04
		02.02.2018	Purchase	15000	0.02	2030000	3.06
		16.02.2018	Purchase	5700	0.01	2035700	3.07
		23.02.2018	Purchase	8300	0.01	2044000	3.08

Sl. No.	Shareholder's Name	Date	Reason	Share holding 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
		02.03.2018	Purchase	5000	0.01	2049000	3.09
		09.03.2018	Purchase	87000	0.13	2136000	3.22
		16.03.2018	Purchase	16000	0.02	2152000	3.24
	At the end of the year			2152000	3.24		
3	**Ms. Dolly Khanna**						
	At the Beginning of the year			786272	1.18	786272	1.18
	Date wise Increase/Decrease in Share holding during the year						
		14.04.2017	Purchase	2300	0.00	788572	1.19
		21.04.2017	Purchase	2250	0.00	790822	1.19
		28.04.2018	Purchase	17595	0.03	808417	1.22
		02.06.2017	Sell	-14570	-0.02	793847	1.20
		09.06.2017	Sell	-17385	-0.03	776462	1.17
		16.06.2017	Sell	-2760	0.00	773702	1.17
		07.07.2017	Sell	-24382	-0.04	749320	1.13
		28.07.2017	Purchase	22529	0.03	771849	1.16
		04.08.2017	Purchase	3700	0.01	775549	1.17
		11.08.2017	Purchase	12581	0.02	788130	1.19
		18.08.2017	Purchase	2000	0.00	790130	1.19
		25.08.2017	Purchase	1985	0.00	792115	1.19
		30.09.2017	Purchase	31622	0.05	823737	1.24
		06.10.2017	Purchase	7200	0.01	830937	1.25
		03.11.2017	Purchase	1550	0.00	832487	1.25
		10.11.2017	Purchase	2211	0.00	834698	1.26
		17.11.2017	Sell	-7315	-0.01	827383	1.25
		01.12.2017	Sell	-5000	-0.01	822383	1.24
		08.12.2017	Sell	-3500	-0.01	818883	1.23
		15.12.2017	Sell	-5597	-0.01	813286	1.23
		22.12.2017	Sell	-21900	-0.03	791386	1.19
		30.12.2017	Sell	-19792	-0.03	771594	1.16
		05.01.2018	Sell	-3740	-0.01	767854	1.16
		19.01.2018	Sell	-15800	-0.02	752054	1.13
		26.01.2018	Sell	-6650	-0.01	745404	1.12
		09.02.2018	Purchase	4000	0.01	749404	1.13
		23.02.2018	Sell	-14440	-0.02	734964	1.11
		02.03.2018	Sell	-22550	-0.03	712414	1.07
		09.03.2018	Sell	-36247	-0.05	676167	1.02
		16.03.2018	Sell	-22000	-0.03	654167	0.99

Sl. No.	Shareholder's Name	Date	Reason	Share holding 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
		23.03.2018	Sell	-50705	-0.08	603462	0.91
		31.03.2018	Sell	-3510	-0.01	599952	0.90
	At the end of the year			599952	0.90		
4	**HSBC Global Investment funds- Asia Ex Japan Equity Smaller Companies**						
	At the Beginning of the year			743429	1.12	743429	1.12
	Date wise Increase/Decrease in Share holding during the year	02.06.2017	Sell	-685168	0.09	58261	0.09
		09.06.2017	Sell	-58261		0	0.00
	At the end of the year			0	0.00		
5	**Ms. Sabitha Chandan**				0.00		
	At the Beginning of the year			715089	1.08	715089	1.08
	Date wise Increase/Decrease in Share holding during the year	14.07.2017	Purchase	15000	0.02	730089	1.10
		09.03.2018	Purchase	63000	0.09	793089	1.19
	At the end of the year			793089	1.19		
6	**Ithought Wealth Analytics LLP**				0.00		
	At the Beginning of the year			700858	1.06	700858	1.06
	Date wise Increase/Decrease in Share holding during the year	22.09.2017	Sell	-10000	-0.02	690858	1.04
		30.09.2017	Sell	-7000	-0.01	683858	1.03
	At the end of the year			683858	1.03		
7	**Government Pension Fund Global**						
	At the Beginning of the year			600000	0.90	600000	0.90
	Date wise Increase/Decrease in Share holding during the year						
		07.04.2017	Sell	-100000	-0.15	500000	0.75
		14.04.2017	Sell	-4625	-0.01	495375	0.75
		21.04.2017	Sell	-75000	-0.11	425000	0.64
		28.04.2017	Sell	-130000	-0.20	295000	0.44
		05.05.2017	Sell	-14069	-0.02	280931	0.42
		15.05.2017	Sell	-20931	-0.03	260000	0.39
		19.05.2017	Sell	-20000	-0.03	240000	0.36
		26.05.2017	Sell	-40000	-0.06	200000	0.30

Sl. No.	Shareholder's Name	Date	Reason	Share holding 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
		02.06.2017	Sell	-21048	-0.03	178952	0.27
		09.06.2017	Sell	-78952	-0.12	100000	0.15
		16.06.2017	Sell	-25000	-0.04	75000	0.11
		23.06.2017	Sell	-4901	-0.01	70099	0.11
		30.06.2017	Sell	-45099	-0.07	25000	0.04
		07.07.2017	Sell	-25000	-0.04	0	0.00
	At the end of the year			0	0		
8	**Mr. Koushik Sekhar**						
	At the Beginning of the year			600000	0.90	600000	0.90
	Date wise Increase/Decrease in Share holding during the year						0.00
		26.01.2018	Purchase	40000	0.06	640000	0.96
	At the end of the year			640000	0.96		
9	**Mr. S. Shyam**						
	At the Beginning of the year			400000	0.60	400000	0.60
	Date wise Increase/Decrease in Share holding during the year	26.05.2017	Sell	-115000	-0.17	285000	0.43
		11.08.2017	Sell	-12500	-0.02	272500	0.41
		22.09.2017	Sell	-7000	-0.01	265500	0.40
		30.09.2017	Sell	-2000	0.00	263500	0.40
		06.10.2017	Sell	-1000	0.00	262500	0.40
		13.10.2017	Sell	-8000	-0.01	254500	0.38
		27.10.2017	Sell	-5000	-0.01	249500	0.38
	At the end of the year			249500	0.38		
10	**Mr. Anil Kumar Goel**						
	At the Beginning of the year			360000	0.54	360000	0.54
	Date wise Increase/Decrease in Share holding during the year	26.05.2017	Purchase	180000	0.27	540000	0.81
	At the end of the year			540000	0.81		

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Shri Vijay Kumar Goel, Chairman**				
	At the beginning of the year	425466	0.64	425466	0.64
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0		0	
	At the End of the year	425466	0.64	425466	0.64
2	**Shri Ashok Kumar Goel, Vice Chairman**				
	At the beginning of the year	298000	0.45	298000	0.45
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0		0	
	At the End of the year	298000	0.45	298000	0.45
3	**Shri Gaurav Goel, Managing Director**				
	At the beginning of the year	4211379	6.34	4211379	6.34
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0		0	
	At the End of the year	4211379	6.34	4211379	6.34
4	**Shri Gautam Goel, Managing Director**				
	At the beginning of the year	4242339	6.39	4242339	6.39
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0		0	
	At the End of the year	4242339	6.39	4242339	6.39
5	**Shri Ashwani K Gupta, Independent Director**				
	At the beginning of the year	400	0	400	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	(400)	0	0	0
	At the End of the year	0	0	0	0

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
6	**Shri Harish Saluja, Independent Director**				
	At the beginning of the year	3000	0	3000	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	(3000)	0	0	0
	At the End of the year	0	0	0	0
7	**Shri Mahesh Prasad Mehrotra, Independent Director**				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
8	**Shri Sandeep Kumar Sharma, Whole Time Director**				
	At the beginning of the year	755	0	755	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	755	0	755	0
9	**Shri Nalin Kumar Gupta, Chief Financial Officer**				
	At the beginning of the year	1126	0	1126	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	1126	0	1126	0
10	**Ms. Aparna Goel, Company Secretary**				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in crores)

	Secured Loans	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the financial year				
i) Principal Amount	617.83	8.7	30.13	656.66
ii) Interest due but not paid	0.1	0	0.00	0.1
iii) Interest accrued but not due	3.48		0.10	3.58
Total (i+ii+iii)	**621.41**	**8.70**	**30.23**	**660.34**
Change in Indebtedness during the financial year				
● Addition Principal	62.62		8.66	71.28
● Addition Interest				4.21
● Reduction Principal				(207.11)
● Reduction Interest	(188.36)	(8.7)	(10.05)	(3.68)
Net Change				**(135.30)**
Indebtedness at the end of the financial year				
i) Principal Amount	492.09	0	28.74	520.83
ii) Interest due but not paid	3.72	0	0.00	3.72
iii) Interest accrued but not due	0.41	0	0.08	0.49
Total (i+ii+iii)	**496.22**	**0.00**	**28.82**	**525.04**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in crores)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,25,00,000	1,25,00,000	1,25,00,000	1,25,00,000	5,00,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	36,95,808	16,37,870	16,36,848	16,769	69,87,295
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others, specify...	2,75,00,000	2,75,00,000	2,75,00,000	2,75,00,000	11,00,00,000
5.	Others, please specify					
	- Provident Fund	0	0	0	0	0
	Total (A)	**43,695,808**	**4,16,37,870**	**4,16,36,848**	**4,00,16,769**	**1,66,98,729**
	Ceiling as per the Act					

*The Company is paying remuneration and commission to the Executive Directors as per Schedule V of Companies Act, 2013.

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

Sl. no.	Particulars of Remuneration	Total Amount (in ₹)	
		Shri Sandeep Kumar Sharma	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64,18,947	64,18,947
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	4,83,821	4,83,821
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify - Provident Fund	-	-
	Total (A)	**69,02,768**	**69,02,768**
	Ceiling as per the Act		

C. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Total Amount (in ₹)			
		Shri A.K. Gupta	Shri Rahul Bedi	Shri Harish Saluja	Total Amount
1.	**Independent Directors**				
	● Fee for attending board Committee Meetings	2,60,000	70,000	1,00,000	4,30,000
	● Commission	3,00,000	3,00,000	3,00,000	9,00,000
	● Others, please specify				
	Total (1)	5,60,000	3,70,000	4,00,000	13,30,000
2	**Other Non-Executive Directors**				
	● Fee for attending board committee meetings				
	● Commission				
	● Others, please specify				
	Total (2)				
	Total (B) = (1 + 2)	**5,60,000**	**3,70,000**	**4,00,000**	**1,330,000**
	Total Managerial Remuneration	**5,60,000**	**3,70,000**	**4,00,000**	**13,30,000**

Overall Ceiling as per the Act- The Company is paying sitting fees and commission (as determined) to its Non-Executive, Independent directors.

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount (in ₹)
		Shri M. P. Mehrotra	Shri Priya Brat	Smt. Nandita Chaturvedi	Shri Anoop Kumar Wahi	
1.	Independent Directors					
	● Fee for attending board committee meetings	190000	230000	90000		5,10,000
	● Commission	300000	300000	300000		900000
	● Others, please specify					
	Total (1)	**490000**	**530000**	**390000**		**14,10,000**
2.	Other Non-Executive Directors					
	● Fee for attending board committee meetings				40,000	40,000
	● Commission					
	● Others, please specify					
	Total (2)				40,000	40,000
	Total (B) = (1 + 2)	**490000**	**530000**	**390000**	**40000**	**14,50,000**
	Total Managerial Remuneration	**490000**	**530000**	**390000**	**40000**	**14,50,000**

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

Total Amount (in ₹)

Sl. no.	Particulars of Remuneration	Shri Nalin Kumar Gupta	Ms Aparna Goel
		Chief Financial Officer	Company Secretary
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,38,108	7,66,397
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify...	0	0
5.	Others, please specify - Provident Fund		
	- Bonus	16800	16800
	Total	**18,54,908**	**7,83,197**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
B. DIRECTORS					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
C. OTHER OFFICERS IN DEFAULT					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

Corporate governance is the method of governing the corporate entity which includes set of systems, procedures and practices to ensure that the entity is managed in the best interest of all stakeholders. Fundamentals of Corporate Governance include Transparency in policies and action, Independence to develop and maintain a healthy work culture, Accountability for performance, Responsibility towards the society and for its core values, Growth for stakeholders, etc. The Company makes an honest endeavour to uphold these fundamentals in all its operational aspects and its structure, dealings, administration and disclosure practices are in line with achieving good corporate governance.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

Board of Directors

The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

As on 31st March, 2018, the Company's Board comprises of 12 Directors. Besides Chairman, Vice Chairman, two Managing Directors who are Executive Promoter Directors, the Board has One Whole Time Director, Six Non- Executive Independent Directors including One Woman Director and One Nominee Director. The Composition of the Board is in conformity with section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations (as amended) from time to time.

Composition of the Board of Directors as on 31st March, 2018, number of other directorships and Committees of which a Director is the Member/Chairperson and attendance of each Director at Board meetings and the last Annual General Meeting of the Company are given below:

Name of Director(s)	Category	No. of Board meeting attended	Last AGM attended	No. of Directorships and Committee Memberships/Chairmanships		
				Directorships	Committee Memberships	Committee Chairmanships
Shri V. K. Goel	P, C & ED	4	No	2	None	None
Shri A. K. Goel	P & VC	3	No	1	None	None
Shri Gaurav Goel	P & MD	3	Yes	2	2	1
Shri Gautam Goel	P & MD	4	No	1	None	None
Shri A. K. Gupta	ID & NED	4	No	2	2	1
Shri Priya Brat	ID & NED	4	Yes	3	2	2
Shri M. P. Mehrotra	ID & NED	4	No	4	1	3
Shri Harish Saluja	ID & NED	3	No	1	1	None
Shri Rahul Bedi	ID & NED	3	No	1	None	None
Shri Sandeep Sharma	WTD	4	Yes	1	None	None
Smt. Nandita Chaturvedi	ID & NED	4	No	1	None	None
Shri. Anoop Kumar Wahi	Nominee Director	2	Yes	1	None	None

P, C & ED : Promoter, Chairman and Executive Director;
VC : Vice Chairman;
MD : Managing Director;
ID : Independent Director;
WTD : Whole-time Director;
NED : Non-Executive Director;
ND : Nominee Director.

I. Directorship includes the one in Listed Entity including the Company. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies including Dhampur Sugar Mills Limited.

II. As mandated by Regulation 26 (1)(b) of the Listing Regulations, None of the Directors has membership of more than ten Board-level Committees or Chairman of more than five such Committees

III. The Non- Executive Directors fulfil the conditions of Independence specified in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1)(b) of the Listing Regulations.

IV. Shri V.K Goel, Shri A.K Goel, Shri Gaurav Goel and Shri Gautam Goel are related to each other. Brief profile of each of the above Directors is available on the Company's website: www.dhampur.com

V. None of the Non-Executive Directors hold Equity Shares and convertible Instruments in the Company.

During the period from 1st April, 2017 to 31st March, 2018, four Board meetings were held (one meeting was held in every quarter) and time gap between two consecutive board meetings did not exceed 120 days during the year 2017-18. The details are as under:

Sl. no.	Date of Meetings	No. of Directors Present
1	25th May, 2017	10
2	08th August, 2017	12
3	07th November, 2017	10
4	31st January, 2018	10

Brief profile of the Directors being reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and the membership of committees of the Board are furnished here under:

a) Shri Gautam Goel, Managing Director of the Company. He has been associated with the Company and is on the Board since 1994. He has over two decades of experience in the sugar industry and was elected as President of the Indian Sugar Mills Association during the year 2011-2012.
Age : 44 Years
Experience : 24 years .

Directorship in other companies: 1) Goel Investments Limited 2) Shudh Edible Products Ltd. 3) Saraswati Properties Ltd 4) Sonitron Ltd. 5) Dhampur International Pte. Ltd. (Singapore), 6) Dhampur Global Pte Ltd. (Singapore).

Committee/Executive position held in other Companies: - Nil

b) Shri Sandeep Kumar Sharma, is a Whole Time Director of the our Company. He has been associated with the Company since 1980 and has over three decades of experience in administration and operations of sugar mills, power generation plants and chemical plants.

Age : 60 Years
Experience : 38 years.

Committee/Executive position held in other Companies: - Nil

Policy on Board diversity

The Board of Directors shall have the optimum combination of Directors from different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. or as may be considered appropriate.

Information placed before the Board:

The Company provides information to the Board and Board Committees as set out in Regulation 17 read with Part A of Schedule II of SEBI Listing Regulations, 2015 and as amended to the extent applicable and relevant. Such information is submitted either as part of the agenda papers of the respective meeting or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/ divisions. For follow up/ compliances.

Board Support

The Company Secretary attends the Board and Committee meetings and advises the Board on compliances with applicable laws and governance.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and applicable provisions of the Listing Regulations, the Board has carried out the evaluation of its own performance and that of the Board Committees, viz. Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholders' Relationship Committee as well as evaluation of the performance of Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, corporate governance practices and stakeholders' interests, etc. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, meeting risk management and competition challenges, compliance

and due diligence, financial control, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of all the Directors including Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and Non-Independent Directors as also of the Board was carried out by the Independent Directors. The Nomination and Remuneration Committee also carried out evaluation of every Director's performance after laying down criteria for evaluation by way of the aforesaid structured questionnaire. The Directors expressed satisfaction with the evaluation process and results thereof.

Independent Directors Meeting

During the year under review, The Independent Directors met on 31st January, 2018, interalia, to:

1. Review the performance of Non-Independent Directors and the Board as a whole,
2. Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Familiarisation Programme For Directors:

The Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The newly appointed Director is appraised of his/her role, duties, functions and responsibilities expected of him/her while acting as Director of the Company.

The Directors have been explained the compliance required from them under Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of Familiarisation programme for Directors are available on the Company's website www.dhampur.com.

Insider Trading Code:

The SEBI (Prohibition of Insider Trading) Regulations, 2015 which is effective from 15th May, 2015 is applicable to Promoters and Promoters Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance officer for monitoring adherence to the said regulations.

The Company has also formulated The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is displayed on the Company's website i.e. www.dhampur.com.

AUDIT COMMITTEE:

The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated by the Board from time to time. The powers include investigating any activity within its terms of reference; seeking information from any employee; obtaining outside legal or other professional advice; and securing attendance of outsiders with relevant expertise, if considered necessary. The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible; recommending the appointment, re-appointment, if required, replacement or removal of statutory auditors, fixation of audit fees and approval of payment for any other services, as permitted; reviewing the adequacy of internal audit function; discussing with internal auditors any significant findings and follow-up thereon; reviewing with the management annual and quarterly financial statements before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the Auditors independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of internal financial controls and risk management system; and reviewing the functioning of the Whistle blower mechanism.

The constitution of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013. The members of the Audit Committee comprise Managing Director and three Independent Non-Executive Directors.

During the period from 1st April, 2017 to 31st March, 2018, four committee meetings were held on 25th May, 2017, 08th August, 2017, 07th November, 2017 and 31st January, 2018.

Details of the composition of the Audit Committee and the attendance at the meetings held are as follows:

Sl. No.	Name of Directors	Position	Category	Meetings attended
1	Shri M. P. Mehrotra	Chairman	Independent Director	4
2	Shri Gaurav Goel	Member	Managing Director	3
3	Shri A. K. Gupta	Member	Independent Director	4
4	Shri Priya Brat	Member	Independent Director	4

The Company Secretary acts as the Secretary to the Committee.

The Meetings were attended by the Statutory Auditors and Chief Financial Officer of the Company as invitees.

The Committee, inter-alia, reviewed the Financial Statements including Auditors' Reports for the year ended 31st March, 2018 and recommended its adoption, records of related party transactions, reports related to compliance of laws and risk management.

NOMINATION AND REMUNERATION COMMITTEE

The powers, role and terms of reference of the Nomination and Remuneration Committee cover the areas as contemplated under Regulation 19 of the Securities and Exchange Board of India (Listing obligation and Disclosure requirements) Regulation 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy, relating to the remuneration of Directors, Key Managerial Personnel and other employees; formulation of criteria for evaluation of all Directors including Independent Directors, Chairman of the Board and the Board itself and its committees; devising a policy on Board diversity; and identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment and removal.

Remuneration Policy

The objective and broad framework of the Remuneration Policy is to consider and determine the remuneration, based on the fundamental principles of performance, potential and growth. The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasising on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and achievement of superior operational results. The Nomination and Remuneration Committee recommends the remuneration of Directors which is approved by the Board of Directors, subject to approval of shareholders, where necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and other employees and to ensure high standard of quality and efficiency required to run the Company successfully. The relationship of remuneration to performance is clearly framed in order to meet appropriate performance benchmarks. The remuneration to Directors, Key Managerial Personnel and senior management personnel is also intended to ensure a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

During the period from 1st April, 2017 to 31st March, 2018, two Committee Meetings were held on 25th May, 2017 and 31st January, 2018.

Details of the composition of Nomination and Remuneration Committee and the attendance at the meetings held is as follows:

Sl. No.	Name of Directors	Position	Category	Meetings attended
1	Shri M. P. Mehrotra	Chairman	Independent Director	2
2	Shri Harish Saluja	Member	Independent Director	1
3	Shri A. K. Gupta	Member	Independent Director	2
4	Shri Priya Brat	Member	Independent Director	2

The Company Secretary acts as the Secretary to the Committee.

Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees for each Meeting of the Board or Committee of Directors attended by them and commission as determind by the Board. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman, Vice Chairman, Managing Director and Whole-time Director are governed by the recommendation of the Nomination & Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration

package of Chairman and Managing Director and Whole-time Director comprises salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are considered by the Nomination & Remuneration Committee and recommended to the Board for approval and to Shareholders, where necessary.

Commission is also paid to Executive Promoter Director of the Company.
Presently, the Company does not have any Stock Options Scheme for its Directors or Employees.

Details of remuneration to the Directors for the year ended 31st March, 2018:

Name of the Directors	Salary (H)	Benefits (H)	Bonus (H)	Commission (H)	Sitting Fees (H)	Service Contract/Notice Period/ Severance Fees
Shri V. K Goel	1,25,00,000.00	36,95,808.00		2,75,00,000.00	-	Term Valid till 31.03.2020, No Notice period and no severance fees.
Shri A.K Goel	1,25,00,000.00	16,37,870.00		2,75,00,000.00	-	Term Valid till 31.03.2020, No Notice period and no severance fees.
Shri Gaurav Goel	1,25,00,000.00	16,36,848.00		2,75,00,000.00	-	Term Valid till 31.03.2020, No Notice period and no severance fees.
Shri Gautam Goel	1,25,00,000.00	16,769.00		2,75,00,000.00	-	Term Valid till 31.03.2020, No Notice period and no severance fees.
Shri Sandeep Kumar Sharma	64,18,947.00	4,83,821.00	-	-	-	Term Valid till 31.03.2020, No Notice period and no severance fees.
Shri A.K. Gupta				3,00,000.00	2,60,000.00	Appointed as Independent Director upto 25.09.2019.
Shri M.P. Mehrotra				3,00,000.00	1,90,000.00	Appointed as Independent Director upto 25.09.2019.
Shri Harish Saluja				3,00,000.00	1,00,000.00	Appointed as Independent Director upto 25.09.2019.
Shri Rahul Bedi				3,00,000.00	70,000.00	Appointed as Independent Director upto 25.09.2019.
Shri Priya Brat				3,00,000.00	2,30,000.00	Appointed as Independent Director upto 25.09.2019.
Ms. Nandita Chaturvedi				3,00,000.00	90,000.00	Appointed as Independent Director upto 11.11.2019.
Shri Anoop Kumar Wahi					40,000.00	Nominee Director

STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Committee looks into redressal of Shareholder's/Investors' complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, among others. It also reviews issue of duplicate share certificates and oversees and reviews all matters connected with the Company's transfers of securities. It oversees the performance of the Company's Registrar and Transfer Agent, and recommends measures for overall improvement in the quality of investor services. Besides, it monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board has delegated the power of approving transfer of securities to Shri Gaurav Goel, the Company's Managing Director.

Besides, the Committee has such term of reference, role, responsibility and powers as specified in Section 178 of the Companies Act, 2013 and in the Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulation, 2015, as amended from time to time.

During the period from 1st April, 2017 to 31st March, 2018, four Committee meetings were held on 25th May, 2017, 08th August, 2017, 7th November, 2017 and 31st January, 2018.

Details of the composition of the Stakeholder's Relationship Committee and the attendance at the meetings held is as follows:

Sl. No.	Name of Directors	Position	Category	Meetings attended
1	Shri A. K. Gupta	Chairman	Independent Director	4
2	Shri Priya Brat	Member	Independent Director	4
3	Shri Harish Saluja	Member	Independent Director	3

The Company Secretary also acts as the Secretary to the Committee.

Status of Investors' Grievances:

The total number of correspondence/complaints received during the year were 284 and all of them have been dealt with to the satisfaction of shareholders during the period ended 31st March, 2018 and no demat request/transfer was pending as on that date.

Compliance Officer

Ms. Aparna Goel, Company Secretary, is the Compliance Officer of the Company.

The Company has made a separate e- mail id i.e. investordesk@dhampur.com for the benefit of investors, which is also displayed at the website of the Company.

FINANCE SUB COMMITTEE

The Company has formed a Non-Mandatory Committee named Finance- Sub Committee of Directors comprising Shri. Vijay Kumar Goel, Chairman, Shri Gaurav Goel, Managing Director, Shri Gautam Goel, Managing Director and Shri M.P Mehrotra, Independent Director.

Terms of Reference of the Committee includes the following:

- To borrow money/monies, from time to time, for the requirements of the Company from Banks / Financial Institutions.
- To enter into any agreements for subscription of Shares, Debentures/ Preference Shares by way of Private Placement,
- To authorize any person(s) on behalf of the Company to appear before any statutory authority/authorities and to take necessary action in that matter.
- To open and close bank account(s) of the Company and pass necessary resolutions with respect to their operations, modifications and operating authority and closure of the account(s),
- To authorize affixing of common seal as may be required for execution of any document/agreement.
- To make allotment of issued securities and do all acts and deeds as may be required including Listing of securities, Dematerialization, etc
- To perform such other function in order to facilitate business affairs of the Company.

During the period from 1st April, 2017 to 31st March, 2018, eleven Committee meetings were held on 5th May, 2017, 3rd July, 2017, 31st July, 2017, 10th August, 2017, 2nd November, 2017, 20th November, 2017, 26th December, 2017, 28th December, 2017, 31st January, 2018, 13th February, 2018 and 26th February, 2018.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the requirement of Companies Act, 2013, the Committee named as Corporate Social Responsibility Committee (CSR Committee) was constituted on 21st May, 2014 which was further re-constituted on 31st January, 2018, comprsing three directors Shri. V.K. Goel, Chairman, Shri. Gaurav Goel, Managing Director and Shri. M. P. Mehrotra, Independent Director.

The Committee's responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of Corporate Social Responsibility policy as specified in Schedule VI of the Companies Act, 2013.

The Company formulated CSR policy, which is uploaded on the website of the Company (web link http://dhampur.com/Policies.aspx).

The CSR committee met three times during the year on 25th August, 2017, 8th August, 2017 and 7th November, 2017.

DISCLOSURES AND AFFIRMATION

a. **Compliance with Mandatory Requirements:**

The Company is in compliance with all requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

b. **Related Party Transactions**

All transactions entered into with related parties during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant related party transactions during the year.

Related Party transactions have been disclosed in the notes

to accounts forming part of financial statements. A statement detailing transactions with related parties in the ordinary course of business and on arm's length basis is placed before the Audit Committee periodically for its review.

Pursuant to the requirement of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at http://www.dhampur.com.

None of the transactions of the Company with related parties was in conflict with the interest of the Company.

c. **Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:**
The Company has complied with all the requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchange or any statutory authority, on any matter related to capital markets, during the last three years.

d. **Whistle Blower policy/ Vigil Mechanism**
The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters are to be disclosed to the Whistle Blower Committee formed for the purpose. Employees can also report such matter to the Chairman of the Audit Committee. During the year under review, no such report was received by the Whistle Blower Committee neither was any employee denied access to the Audit Committee.

e. **Disclosure of Accounting Treatment:**
The Company has followed the Accounting Standards referred to in Section 133 of Companies Act, 2013 and other applicable laws and regulations for the preparation of financial Statements. The Significant accounting policies applied have been set out in the notes to the financial statements.

f. **Risk Management:**
The Company has laid down procedures for Risk Assessment and Minimization, and the same are periodically reviewed by the Board. The Company has adequate internal control systems to identify risk and ensuring their effective mitigation.

g. **Commodity Price Risks and Commodity Hedging Activities:**
The Company's operations are mainly in India and therefore are not in foreign exchange, except import of raw material, stores and spares and liabilities against imports of capital goods. The Company has some exports which provide natural hedge against the forex exposure.

h. **Compliance with Secretarial Standards**
The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

i. **Code of Conduct:**
The Company has adopted a code of conduct for its Board of Directors and Senior Management personnel and the same has been posted on the Company's website http://www.dhampur.com.

j. **Non- Mandatory Requirements:**
Adoption of non- mandatory requirements of the Listing Regulations is being reviewed by the Board from time to time.

k. **Discretionary Requirements**
   i. The Board: The Company does not bear any expenses of Non-Executive Chairman's Office. Since the Company has an Executive Chairman.
   ii. Shareholders Rights: The quarterly/half-yearly results are published in the newspapers and hosted on the Company's website www. dhampur.com and are filed to the Stock Exchanges electronically through NEAPS portal on NSE and BSE listing Centre with BSE Limited. The same are not sent to shareholders individually.
   iii. Audit Qualifications: The Company strives towards ensuring unqualified financial statements. There are no qualifications to the Auditor's Report for the year under review.
   iv. Separate posts of Chairman and Managing Director / CEO: The Company has different persons for the post of Chairman and Managing Director.
   v. The Internal Auditors of the Company report directly to the Audit Committee.

SUBSIDIARY:

The Company does not have any material subsidiary as defined under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However Policy for Determining Material subsidiaries has been formulated and uploaded on the website of the Company i.e. http://www.dhampur.com.

SHAREHOLDER'S INFORMATION:

GENERAL MEETINGS:

Details of last three Annual General Meetings are as follows:

AGM	Financial Year	Location	Date and Time	Details of Special Resolution Passed
82nd	2016-17	Registered office of the Company at Dhampur, Distt. Bijnor, UP.	28th August, 2017, 2.00 p.m	• Invitation and Acceptance of Fixed Deposits from the Members and Public. • Payment of Commission to Non-Executive Directors of the Company. • Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013. • Re-appointment of Shri V.K. Goel, Chairman and Executive Director of the Company and to fix his remuneration. • Re-appointment of Shri A.K. Goel, Vice Chairman and Executive Director of the Company and to fix his remuneration. • Re-appointment of Shri Gaurav Goel, Managing Director of the Company and to fix his remuneration. • Re-appointment of Shri Gautam Goel, Managing Director of the Company and to fix his remuneration. • Re-appointment of Shri Sandeep Sharma, Whole Time Director of the Company and to fix his remuneration.
81st	2015-16	Registered office of the Company at Dhampur, Distt. Bijnor, UP.	30th August, 2016, 2.00 p.m	• Invitation and Acceptance of Fixed Deposits from the members and public.
80th	2014-15	Registered office of the Company at Dhampur, Distt. Bijnor, UP.	11th September, 2015, 2.00 p.m	• Invitation and Acceptance of Fixed Deposits from the members and public. • Reappointment of Shri V. K. Goel, Chairman and Executive Director of the Company and to fix his remuneration. • Reappointment of Shri A. K. Goel Vice Chairman and Executive Director of the Company and to fix his remuneration. • Reappointment of Shri Gaurav Goel as Managing Director of the Company and to fix his remuneration. • Reappointment of Shri Gautam Goel as Managing Director of the Company and to fix his remuneration. • Borrowing powers of the Company.

Postal Ballot

During the year under review, No resolution was passed through postal ballot and is not proposed to be conducted through postal ballot this year.

ANNUAL GERNERAL MEETING FOR THE FINANCIAL YEAR 2017-18:

Day and Date of 83rd AGM	Thursday, 30th August, 2018
Time	2.00 p.m.
Venue(Registered office)	Dhampur, Dist. Bijnor, U.P.
Financial Year	April 01, 2017 to March 31, 2018.
Book Closure	Thursday 23rd August, 2018 to Thursday 30th August, 2018 (both days inclusive)
Last Date of receipt of Proxy Form	28th August, 2018 before 2.00 p.m.

Tentative financial calendar for the Financial year ending March 31st, 2019:

The tentative dates for Board meetings for consideration of quarterly financial results are as follows:

S. No.	Particulars of quarters	Tentative Dates
1	30th June, 2018	In or after last week of July, 2018
2	30th September, 2018	In or after last week of October, 2018
3	31st December, 2018	In or after last week of January, 2019
4	31st March, 2019	In or before last week of May, 2019

Dividend

The Board of Directors, had declared interim dividend at 30% i.e. ₹3.00 per Equity Share of ₹10 each at its meeting held on 31st January, 2018.

The Interim Dividend declared by the Board of Directors is being proposed to be confirmed by the Shareholders in the ensuing Annual General Meeting as final Dividend for the financial year 2017-18.

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

In terms of the provisions of the Section 124(6) of the Act, read with Investor Education and Protection fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) ("the rules") and other applicable rules, notifications and circulars, if any, requiring every Company to transfer the shares, in respect of which dividend remains unpaid/unclaimed for a period of seven (7) consecutive years to the Demat account of the IEPF authority ("the IEPF Demat Account"). The Company has given individual as well as newspaper notices to the shareholders holding shares relating to which they have not encashed their dividend since 2009-11 stating, that such shares are liable to be transferred by the Company to IEPF under the said Rules. The Company has also uploaded the necessary details in this respect on its website at www.dhampur.com. Hence such shareholders are requested to take necessary actions to avoid transfer of their shares.

Mandatory PAN and Bank Details

SEBI vide its circular SEBI/HO/MIRSD/DOPI/CIR/P/2018/73 dated April 20, 2018 has mandated that Companies through their RTA shall collect copy of PAN and bank account details of all securities holders holding securities in physical form. Accordingly shareholders are requested to take note and do the needful, in case not already updated.

Distribution of Shareholding as on March 31, 2018:

Sl. No.	Shareholding (No. of Shares)	No. of Share Holders	Percentage of Total Shareholders	Share Holding	Percentage of Total Equity
1	1 to 5000	41187	98.744	8257517	12.438
2	5001 to 10000	246	0.59	1797786	2.708
3	10001 to 20000	122	0.292	1749474	2.635
4	20001 to 30000	38	0.091	948599	1.429
5	30001 to 40000	22	0.053	766901	1.155
6	40001 to 50000	16	0.038	721220	1.086
7	50001 to 100000	30	0.072	2031177	3.06
8	100001 to ABOVE	50	0.12	50114916	75.488
	Total	**41711**	**100**	**66387590**	**100.00**

Shareholding pattern as on 31st March, 2018.

Particulars		31st March, 2018	
CATEGORY		HOLDING	%
1	Promoter (including individuals, HUF, corporate bodies)	32585637	49.08
2	Mutual Funds	665	0.001
3	Banks/FI	137825	0.21
4	Central Govt	131148	0.20
5	Foreign Portfolio Investors	2477544	3.73
6	Corporate Bodies	3612371	5.43
7	Resident Indian Public	25881505	38.98
8	NRI/OCB/Foreign Nationals	1488723	2.25
9	NBFC	54060	0.08
10	Trust	18112	0.03
	Grand Total	**66387590**	**100**

DEMATERIALISATION OF SHARES AND LIQUIDITY

Over 99.31 per cent of the outstanding shares have been dematerialized up to 31st March, 2018. Trading in equity shares of the Company is permitted only in dematerialised form w.e.f October/November, 2000 as per notification issued by the Securities and Exchange Board of India (SEBI).

The Equity Shares having ISIN No. INE041A01016 are available for dematerialisation with either of the depositories i.e. NSDL and CDSL.

The Company has no Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.

The company's Shares are listed on the following Stock Exchanges and the Listing fees have been paid to the Exchanges:

Stock Exchange	Stock Code
BSE Limited P.J. Towers, Dalal Street, Mumbai- 400001	500119
National Stock Exchange of India Limited (NSE) Exchange plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	DHAMPURSUG

Stock market data from 1st April, 2017 to 31st March, 2018

Months	National Stock Exchange		Bombay Stock Exchange	
	High (H)	Low (H)	High (H)	Low (H)
March, 2018	194.90	133.00	193.8	133.1
February, 2018	218.40	171.15	218.3	174.95
January, 2018	232.45	178.35	233	178.7
December,2017	291.85	210.00	304.00	210.00
November, 2017	330.5	265.00	330.85	265.00
October, 2017	325	257.55	324.95	257.65
September, 2017	280.5	253.3	280.55	253.65
August, 2017	289.40	220	289.45	220
July,2017	247.10	182.65	248	185
June, 2017	198.30	178	198.3	178
May, 2017	243.75	176.3	243.2	176.15
April, 2017	256	212	256.60	209
March, 2017	241.9	182.1	241.50	182.70

Share price performance in comparison to broad based indices-BSE Sensex and NSE as on 01st April, 2017 and 31st March 2018.

FY 17-18	BSE		NSE	
	DSML	Sensex	DSML	Sensex
01.04.2017	217.00	29737.73	218.40	9220.60
31.03.2018	136.65	32968.68	136.15	10113.70

MEANS OF COMMUNICATION

I. The Company's Quarterly Financial results in the proforma prescribed by the Stock Exchanges pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are approved and taken on record by the Board of Directors and submitted to the Stock Exchanges.

II. The results are normally published in Business Standard/ Financial Express/Economic Times (in English) and Jan Satta/ Amar Ujala/Veer Arjun (in Hindi).

III. The Company's financial results and official press releases are displayed on Company's website (www.dhampur.com) within the time prescribed in this regard.

IV. The Company's website also displays presentations, if any made to the media, analysts, institutional investors, Fund Managers, etc. from time to time.

V. The quarterly results, shareholding patterns, periodical compliances and all other corporate communications to the Stock Exchanges viz. National Stock Exchange of India Limited and BSE Limited are filed electronically to them through NEAPS portal on NSE and BSE listing Centre with BSE.

SHARE TRANSFER SYSTEM

At present, the share transfers which are received in physical form are processed and the share certificates returned within the stipulated period from the date of receipt, subject to the documents being valid and complete in all respects.

As per the SEBI circular, it has become mandatory for transferee(s) to furnish a copy of his/her/their PANCARD for registration of transfer of shares in Physical form.

ADDRESS FOR INVESTORS CORRESPONDENCE:

CORRESPONDENCE WITH COMPANY

Ms Aparna Goel
Company Secretary
Dhampur Sugar Mills Limited,
241 Okhla Industrial Estate,Phase – III, New Delhi 110 020
Ph.: 011-30659400, Fax: 011-26935697
E-mail: investordesk@dhampur.com

CORRESPONDENCE WITH REGISTRAR AND
SHARE TRANSFER AGENTS

M/s Alankit Assignments Limited, Alankit House,
1E/13 Jhandewalan Extension, New Delhi 110 055
Ph: 011 – 42541234, 23541234
Fax : 011- 42541201
E- mail : rta@alankit.com

PLANT LOCATIONS:

Unit	Location	Division
1	Dhampur, Dist. Bijnor (U.P.)	Sugar, Co-generation and Distillery
2	Asmoli, Dist. Moradabad (U.P.)	Sugar, Co-generation and Distillery
3	Mansurpur, Dist. Muzaffarnagar (U.P.)	Sugar and Co-generation
4	Rajpura, Dist. Budaun (U.P.)	Sugar and Co-generation
5	Meerganj, Dist. Bareilly (U.P)	Sugar and Co-generation

Declaration regarding Compliance with Code of Conduct

As provided under Regulation 26 (3) of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015, all the Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct and ethics of the Company for the year ended 31st March, 2018.

For **Dhampur Sugar Mills Limited**

Gaurav Goel
Managing Director

Date: 9th May, 2018
Place: New Delhi

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

We undersigned, in our respective capacities as Managing Director and Chief Financial officer of Dhampur Sugar Mills Limited, to the best of our knowledge and belief, certify that;

a. We have reviewed the Balance Sheet, Profit and Loss Account, Cash Flow Statement and the Board's report for the period from 1st April, 2017 to 31st March, 2018 and based upon our knowledge and information certify that :-

   i. These statements do not contain any materially untrue statement or omit any material fact or contain the statement that might be misleading,

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards and other applicable laws and regulations.

b. There are, to best of our knowledge and belief, no transactions entered into by the Company during the Year, which are fraudulent, illegal or violative of the Companies Code of Conduct.

c. We accept the responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of Internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or to take to rectify these deficiencies.

d. We have indicated to Auditors and the Audit Committee of the Board that there have been:

   i. no significant changes in internal control over the financial reporting during the period,

   ii. no significant changes in accounting policies during the year and same have been disclosed in the notes to the Financial Statements.

   iii. no instances 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.

For **Dhampur Sugar Mills Limited**

Place: New Delhi
Date: 9th May, 2018

Gaurav Goel
Managing Director

Nalin K Gupta
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Dhampur Sugar Mills Limited

1. This certificate is issued in accordance with the terms of our engagement confirmation with Dhampur Sugar Mills Limited ('the Company') dated 9th May 2018.

2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31st March 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Company Secretaries of India.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2018.

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

Restrictions on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **GSK & Associates**
(Company Secretaries)

Saket Sharma
Partner
(C.P. No.: 2565)

Date: 09th May, 2018
Place: New Delhi

Independent Auditors' Report

To

The Members of
Dhampur Sugar Mills Ltd.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Dhampur Sugar Mills Limited** (hereinafter referred to as 'the Holding Company'), its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2018, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as " the consolidated financial statement.

Management's Responsibility for the consolidated financial statements

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the state of affairs (financial position), consolidated profit or loss (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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Consolidated 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 these consolidated 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 of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated 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 consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Group as at March 31, 2018, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

We did not audit the Financial Results/statements and other financial information's of three subsidiaries of the Company viz Dhampur International Pvt. Ltd., EHAAT Ltd. and DETS Limited considered in

the preparation of the Consolidated Financial Statement and which constitutes total assets of ₹79.15 crores as at March 31, 2018 and total revenue of ₹103.51 crores for the year ended March 31, 2018. These above Financial Results and other financial information have been audited by other auditor whose reports have been furnished to us and our opinion is solely based on the report of such auditors.

The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 25, 2017 and May 10, 2016 respectively expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. As required by Section143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of a subsidiary, as noted in the 'Other Matter' paragraph, we report that

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 15 of the Companies (Indian Accounting Standard) Rules, 2015.

   (e) On the basis of the relevant assertion contained in the audit reports on standalone financial statements of each subsidiary company which are incorporated in India none of the Directors of any such company is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such Controls, refer to our separate report in Annexure – 'A'

   (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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of a subsidiary, as noted in the 'Other Matter' paragraph:

      i. The consolidated financial statements disclosed the impact of pending litigations on its financial position in its financial statements.

      ii. The Holding Company and subsidiary company do not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

      iii. As explained, there has been no amount required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

For **Atul Garg & Associates**
Chartered Accountants
Firm Regn. No. 001544C

Atul Garg
Partner
Membership No. 070757

Place: New Delhi
Date: May 09, 2018

For **T R Chadha & Co LLP**
Chartered Accountants
Firm Regn. No. 006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: May 09, 2018

Annexure - 'A' to the Independent Auditor's Report

(The Annexure – 'A' referred to in our Independent Auditors' Report to the members of the Company on the consolidated financial statements for the year ended March 31, 2018)

Report on the Internal Financial Control under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial control over financial reporting of **Dhampur Sugar Mills Limited** ("the Holding Company") as of March 31, 2018 in conjunction with our audit of the consolidated financial statements of the company for the year ended on that date.

We have not audited the internal financial control over financial reporting of Subsidiary Company, which is a company not incorporated in India, as of March 31, 2018.

Management's Responsibility for internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Group considering the essential components of internal controls 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 polices, 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 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control 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 Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statement for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 disposition of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of consolidated financial statement in accordance with generally accepted accounting principles, and that receipt and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition , use ,or disposition of the company's assets that could have a material effect on the consolidated financial statement.

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

For **Atul Garg & Associates**
Chartered Accountants
Firm Regn. No. 001544C

Atul Garg
Partner
Membership No. 070757

Place: New Delhi
Date: May 09, 2018

For **T R Chadha & Co LLP**
Chartered Accountants
Firm Regn. No. 006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: May 09, 2018

Consolidated Balance Sheet as at March 31, 2018

(₹ in crore)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
(1) Non - current assets				
(a) Property, plant and equipment	4	1,594.13	1,491.32	1,495.73
(c) Capital work - in - progress	5	24.13	27.13	28.17
(b) Other Intangible assets	6	3.28	2.58	-
(d) Biological asset	7	0.42	0.40	0.36
(e) Financial assets				
(i) Investments	8 (i)	1.94	1.82	1.31
(ii) Loans	9 (i)	3.15	3.28	2.63
(iii) Other financial assets		-	-	-
(f) Deferred tax asset (net)		-	-	-
(g) Other non - current assets	10 (i)	21.56	17.48	7.21
Total Non current assets		**1,648.61**	**1,544.01**	**1,535.41**
(2) Current assets				
(a) Inventories	11	1,145.94	1,476.87	1,261.12
(b) Financial assets				
(i) Investments	8 (ii)	-	1.32	-
(ii) Trade receivables	12	245.16	216.02	251.23
(iii) Cash and cash equivalents	13	38.79	20.23	18.50
(iv) Bank Balances other than (iii) above	14	8.15	7.64	7.30
(v) Loans	9 (ii)	2.20	2.70	0.26
(vi) Other financial assets	15	2.26	3.23	7.37
(c) Other current assets	10 (ii)	44.61	54.78	68.35
Total Current assets		**1,487.11**	**1,782.79**	**1,614.13**
(d) Asset held for sale	16	-	4.58	-
Total assets		**3,135.72**	**3,331.38**	**3,149.54**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	17	66.45	66.45	60.28
(b) Other equity	18	934.85	835.57	574.60
Equity attributable to the owners of the parent		1,001.30	902.02	634.88
Non- Controlling Interest		1.24	1.68	-
Total equity		**1,002.54**	**903.70**	**634.88**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	19 (i)	422.98	523.05	546.34
(ii) Trade payables		-	-	-
(iii) Other financial liabilities	20(i)	-	-	0.99
(b) Provisions	21 (i)	26.27	24.99	20.82
(c) Deferred tax liabilities (net)	22	37.27	30.76	6.27
(d) Other non - current liabilities	23 (i)	6.75	8.13	3.75
Total non current liabilities		**493.27**	**586.93**	**578.17**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	19 (ii)	930.50	1,274.16	928.47
(ii) Trade payables	24	525.08	263.08	465.00
(iii) Other financial liabilities	20 (ii)	136.16	173.15	220.99
(b) Provisions	21 (ii)	8.96	5.78	8.53
(c) Other current liabilities	23 (ii)	39.21	124.58	309.39
(d) Current tax liabilities (net)	25	-	-	4.11
Total current liabilities		**1,639.91**	**1,840.75**	**1,936.49**
Total equity & liabilities		**3,135.72**	**3,331.38**	**3,149.54**
Corporate information	1			
Significant accounting policies and estimates	2-3			
Other disclosures	37-54			

The accompanying notes form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Atul Garg & Associates
Chartered Accountants
Firm Registration No. 001544C

Atul Garg
Partner
Membership No. 070757

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place : New Delhi
Dated : May 09, 2018

For and on behalf of the Board of Directors

V. K. Goel	A. K. Goel	Gautam Goel	Gaurav Goel
Chairman	*Vice Chairman*	*Director*	*Director*
M. P. Mehrotra	**A. K. Gupta**	**Nalin K. Gupta**	**Aparna Goel**
Director	*Director*	*Chief Financial Officer*	*Company Secretary*

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(₹ in crore)

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
I Revenue from operations	26	3,395.81	2,715.73
II Other income	27	27.33	25.00
III Total income (I + II)		**3,423.14**	**2,740.73**
IV Expenses			
Cost of materials consumed	28	2,294.75	1,815.16
Excise duty on sale of goods	29	43.99	132.06
Purchase of stock-in-trade	30	90.07	95.40
Changes in inventories of finished goods, stock - in - trade and work - in - progress	31	255.37	(198.69)
Employee benefits expenses	32	126.54	125.36
Finance costs	33	121.52	167.20
Depreciation and amortization expenses	34	57.73	54.27
Other expenses	35	230.59	230.30
Total expenses (IV)		**3,220.56**	**2,421.06**
V Profit / (loss) before exceptional items and tax (III - IV)		**202.58**	**319.67**
VI Exceptional items			
VII Profit / (loss) before tax (V - VI)		**202.58**	**319.67**
VIII Tax expense			
1 Current tax	36	44.55	64.42
2 Deferred tax	36	6.77	25.72
		51.32	**90.14**
IX Profit / (loss) for the period (VII - VIII)		**151.26**	**229.53**
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
-- Remeasurement of Post-Employment Benefits Obligation		(0.64)	(3.55)
-- Change in Fair value of FVOCI equity investments		0.12	0.85
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.09	1.23
B (i) Items that will be reclassified to profit or loss		(0.28)	(0.03)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		(0.71)	**(1.50)**
XI Total comprehensive income for the period (IX + X)		**150.55**	**228.03**
Profit for the year attributable to			
a) Owners of the parent		151.70	228.55
b) Pre acquisition profit attributable to owners		-	0.35
c) Non- controlling interest		(0.44)	0.63
Other comprehensive income for the year attributable to:-			
a) Owners of the parent		(0.71)	(1.50)
b) Non- controlling interest		-	-
Total comprehensive income for the year attributable to:-			
a) Owners of the parent		150.99	227.05
b) Pre acquisition profit attributable to owners		-	0.35
c) Non- controlling interest		(0.44)	0.63
XII Earning per equity share (Face Value of ₹ 10 each)			
(i) Basic (₹)	37	22.85	35.16
(ii) Diluted (₹)		22.85	35.16
Corporate information	1		
Significant accounting policies and estimates	2-3		
Other disclosures	37-54		

The accompanying notes form an integral part of the financial statements

This is the Profit & Loss Statement referred to in our report of even date

For Atul Garg & Associates
Chartered Accountants
Firm Registration No. 001544C

Atul Garg
Partner
Membership No. 070757

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place : New Delhi
Dated : May 09, 2018

For and on behalf of the Board of Directors

V. K. Goel	A. K. Goel	Gautam Goel	Gaurav Goel
Chairman	*Vice Chairman*	*Director*	*Director*
M. P. Mehrotra	**A. K. Gupta**	**Nalin K. Gupta**	**Aparna Goel**
Director	*Director*	*Chief Financial Officer*	*Company Secretary*

Consolidated Statement of changes in equity for the year ended March 31, 2018

A. Equity share capital

(₹ in crore)

For the year ended March 31, 2017			For the year ended March 31, 2018		
Balance as at April 1, 2016	Changes in equity share capital during the year	As at March 31, 2017	Balance as at April 1, 2017	Changes in equity share capital during the year	As at March 31, 2018
60.28	6.17	66.45	66.45	-	66.45

B. Other equity

(₹ in crore)

Particulars	Attributable to the equity shareholder of the parent									Non Controlling interest	Total other equity
	Reserves & Surplus						Others Reserves				
	Capital Reserve	Securities Premium reserve	Storage fund/ reserve for molasses	Capital redemption reserve	General reserve	Retained earnings	FVOCI equity investment reserve	Foreign Currency translation reserve	Total		
Restated Balance as at April 1, 2016	**7.23**	**326.86**	**1.22**	**3.72**	**46.24**	**188.80**	**0.53**	**-**	**574.60**	**-**	**574.60**
Profit for the year						228.55			**228.55**	0.63	**229.18**
Other Comprehensive Income						(2.32)	0.85	(0.03)	(1.50)		(1.50)
Total comprehensive income for the year	-	-	-	-	-	226.23	0.85	(0.03)	227.05	0.63	227.68
Molasses fund created during the year			0.18						**0.18**		**0.18**
Premium on shares issued during the year		54.74							**54.74**		**54.74**
Expenses on issue of shares during the year		(1.66)							**(1.66)**		**(1.66)**
On consolidation of subsidiary	0.33								**0.33**	**1.05**	**1.38**
Transfer to General Reserve					75.00	(75.00)			-		-
Interim dividend, inclusive of taxes						(19.98)			**(19.98)**		**(19.98)**
Pre acquisition profit of the subsidiary company						0.31			**0.31**		**0.31**
Balance as at March 31, 2017	**7.56**	**379.94**	**1.40**	**3.72**	**121.24**	**320.36**	**1.38**	**(0.03)**	**835.57**	**1.68**	**837.25**
Profit for the year						151.70			151.70	(0.44)	**151.26**
Other Comprehensive Income						**(0.55)**	**0.12**	**(0.28)**	**(0.71)**		**(0.71)**
Total comprehensive income for the year	-	-	-	-	-	151.15	0.12	(0.28)	150.99	(0.44)	150.55
Molasses fund created during the year			0.22						0.22		**0.22**
Dividend paid, inclusive of taxes						(27.97)			(27.97)		**(27.97)**
Interim dividend, inclusive of taxes						(23.96)			(23.96)		(23.96)
Balance as at March 31, 2018	**7.56**	**379.94**	**1.62**	**3.72**	**121.24**	**419.58**	**1.50**	**(0.31)**	**934.85**	**1.24**	**936.09**

The accompanying notes form an integral part of the financial statements

This is the Statement of Change in Equity referred to in our report of even date

For Atul Garg & Associates
Chartered Accountants
Firm Registration No. 001544C

Atul Garg
Partner
Membership No. 070757

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Neena Goel
Partner
Membership No. 057986

For and on behalf of the Board of Directors

V. K. Goel	A. K. Goel	Gautam Goel	Gaurav Goel
Chairman	*Vice Chairman*	*Director*	*Director*
M. P. Mehrotra	A. K. Gupta	Nalin K. Gupta	Aparna Goel
Director	*Director*	*Chief Financial Officer*	*Company Secretary*

Place : New Delhi
Dated : May 09, 2018

Consolidated Cash Flow Statement for the year ended March 31, 2018

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A Cash flow from operating activities		
Net profit before tax as statement of Profit & Loss	202.58	319.67
Adjustments to reconcile profit before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :		
Depreciation and impairment of property, plant and equipment	57.73	54.27
(Gain) / Loss on disposal of property, plant and equipment	(0.04)	(0.58)
Interest costs	121.52	167.20
Transfer to storage fund for molasses	0.22	0.18
Government grant	(2.16)	(14.05)
Finance income	(3.54)	(3.28)
Dividend income	(0.03)	(0.02)
Provision for impairment of investment reversed	0.50	-
Provision for employee benefits	3.73	2.05
Foreign currency translation income	(0.28)	(0.03)
Profit on sale on investment	(0.04)	(0.01)
Operating profit before working capital adjustments	**380.19**	**525.40**
Working capital adjustments		
(Increase) /Decrease in trade receivables	(29.14)	35.21
(Increase) /Decrease in other receivables	0.07	4.09
(Increase) /Decrease in other financial assets	(0.01)	(3.35)
(Increase) /Decrease in Government grant	15.26	33.95
(Increase) /Decrease in asset held for sale	4.58	(4.58)
(Increase) /Decrease in inventories	330.93	(215.75)
Increase / (Decrease) in trade and other financial liabilities	245.42	(162.97)
Increase / (Decrease) in Provisions and other liabilities	(86.22)	(189.63)
Cash generated from operations	**861.08**	**22.37**
Tax expenses	(55.93)	(70.59)
Net cash from operating activities	**805.15**	**(48.22)**
B Investing activities		
Purchase of property, plant and equipment	(146.51)	(56.60)
Sale of property, plant and equipment	1.51	1.47
Sale /(Purchase) of financial instruments	0.86	(0.97)
Interest received	5.07	0.76
Pre-acquisition profit of subsidiary company		
Purchase/maturity of fixed deposit (Net)	(0.81)	(0.43)
Dividend received	0.03	0.02
Net cash flow from / (used in) investing activities	**(139.85)**	**(55.75)**
C Financing activities		
Proceed from issuance of equity share including securities premium	-	60.91
Equity shares issue expenses	-	(1.66)
Repayments of long term borrowings (including preference shares)	(190.80)	(318.27)
Receipt of long term borrowings	68.32	218.32
Proceeds from short term borrowings (net)	(343.66)	345.69
Dividend including dividend distribution tax	(51.33)	(19.80)
Finance cost paid	(129.27)	(179.52)
Net cash flow from / (used in) financing activities	**(646.74)**	**105.58**
Net increase in cash and cash equivalents (A+B+C)	**18.56**	**1.70**
Opening cash & cash equivalents	**20.23**	**18.50**
Opening cash & cash equivalents of Subsidiary Company (i.e. DETS Limited)	**-**	**0.03**
Closing cash and cash equivalents for the purpose of Cash Flow Statement (Refer note 13)	**38.79**	**20.23**

Consolidated Cash Flow Statement for the year ended March 31, 2018

Notes:

1 The above cash flow statement has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7

2 Figures in brackets indicate cash outflow from respective activities.

3 Cash and cash equivalents as at the Balance Sheet date consists of:

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks :		
-On current account	37.73	19.10
Cash on hand	1.06	1.13
Total	38.79	20.23

Reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities : (₹ in crore)

Particulars	Long-term Borrowings	Short-term Borrowings	Total
Opening balance as on April 01, 2017	645.23	1,274.16	1,919.39
Financial cash flows (Net)	(122.48)	(343.66)	(466.14)
Interest accrued	1.70	-	1.70
Closing balance as at March 31, 2018	524.45	930.50	1,454.95

The accompanying notes form an integral part of the financial statements

This is the Cash Flow Statement referred to in our report of even date

For Atul Garg & Associates
Chartered Accountants
Firm Registration No. 001544C

Atul Garg
Partner
Membership No. 070757

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Neena Goel
Partner
Membership No. 057986

For and on behalf of the Board of Directors

V. K. Goel	A. K. Goel	Gautam Goel	Gaurav Goel
Chairman	*Vice Chairman*	*Director*	*Director*
M. P. Mehrotra	A. K. Gupta	Nalin K. Gupta	Aparna Goel
Director	*Director*	*Chief Financial Officer*	*Company Secretary*

Place : New Delhi
Dated : May 09, 2018

Notes forming part of the Consolidated Financial Statements

Notes to the Financial Statements for the year ended March 31, 2018

1) **Corporate Information:**

The consolidated financial statements comprise financial statements of Dhampur Sugar Mills Limited ("DSML" or "the Company" or "the Parent") and its Subsidiaries Company, Dhampur International Pte Ltd., EHAAT Limited & DETS Limited ("the Subsidiary Company") (collectively referred to as "the Group") for the year ended March 31, 2018.

The Company having CIN No. L15249UP1933PLC000511 is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India and has its registered office at Bijnor, Uttar Pradesh, India.

The Company's shares are listed on two stock exchanges in India namely, National Stock Exchange of India and Bombay Stock Exchange of India.

The company is engaged mainly in the manufacturing and selling of sugar, chemicals, ethanol and co-generation of power.

Its allied business consists of :

(a) Business if importers, exporters of white crystal sugar, ethyl acetate, ethyl alcohol and yellow soybeans,

(b) E-commerce business and,

(c) Sale of machinery and providing services related with theses machineries.

The consolidated financial statements for the year ended March 31, 2018 was approved for issue by the Board of Directors of the Company on May 09, 2018 and is subject to the adoption by the shareholders in the ensuing Annual General Meeting.

2) **Consolidated Significant Accounting Policies:**

i. **Compliance with Ind AS**

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant accounting principles generally accepted in India.

The consolidated financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Previous year numbers in the consolidated financial statements have been restated in accordance with Ind AS. Reconciliations and descriptions of the effect of the transition has been summarized in Note 50.

These consolidated financial statements are the first consolidated financial statements of the Group under Ind AS. The date of transition to Ind AS is April 01, 2016. Refer note 50 for the details of first-time adoption (Ind AS 101) exemptions availed by the Group and an explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

The significant accounting policies applied by the Group in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2016 for the purpose of transition to Ind AS, unless otherwise indicated.

ii. **Basis of preparation and presentation**

a) **Basis of Preparation**

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including derivative instruments, refer accounting policy regarding financial instruments) and assets for defined benefit plans that are measured at fair value and less cost of sale wherever require. The methods used to measure fair values are discussed further in notes to financial statements.

The consolidated financial statements are presented in Indian rupees (₹) and all values are rounded to the nearest crores and two decimals thereof, except if otherwise stated.

b) Basis of Consolidation

The consolidated financial statements related to Dhampur Sugar Mills Limited ("The Company" and its Subsidiaries (Collectively referred as the "Group").

In the case of subsidiaries, control is achieved when the group is exposed, or has right, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The group re-assesses whether or not it controls an investee if facts and circumstances indicates that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Assets, Liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statement in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year ended on March 31.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

c) Consolidation procedure

The consolidated financial statements relate to Dhampur Sugar Mills Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

(ii) Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

(iii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

(iv) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(v) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

(vi) Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to owners of the Company.

(vii) Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the owners of the Company.

iii. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it satisfies any of the following criteria:-

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

The Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

iv. Property, Plant and Equipment & Capital work-in-progress

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is being recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Freehold lands are stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes less accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of material, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at the lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

Transition to Ind AS

On transition to Ind AS, the Group has elected to adopt carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

v. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

vi. Depreciation and Amortization

The classification of plant and machinery into continuous and non-continuous process is done as per their use and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the Straight line method to allocate their cost, net of their residual values, over their estimated useful lives in respect of majority of assets except assets having varying amount of ₹0.22 crores, which are depreciated on WDV method.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II of the Companies Act, 2013.

The Group has used the following useful lives to provide depreciation on its fixed assets:

Assets	Useful Lives
Building	03-60 years
Plant & equipment	15-40 years
Furniture & fixtures	10 years
Railway sidings	15 years
Weighbridge	15 years
Computers	03 years
Office equipment	05 years
Electrical appliances	15 years
Vehicles	08 years
Farm asset and equipment	15 years

Intangible assets are amortized on a straight line basis over the estimated useful economic life of the assets. The Group uses a rebuttable presumption that the useful life of intangible assets is ten years from the date when the assets is available for use.

vii. Foreign currency translations

Functional and presentation currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

viii. Inventories

Raw material, process chemicals, stores and packing material are not measured at weighted average cost.

Work in progress, traded and finished goods (other than by products and scraps) are measured at lower of cost or net realizable value.

By products and scrap are carried at estimated Net Realizable Value.

Cost of finished goods and work in progress comprises of raw material cost (net of realizable value of By-products), variable and fixed production overhead, which are allocated to work in progress and finished goods on full absorption cost basis. Cost of inventory also includes all other cost incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

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

ix. Biological Assets

Biological assets comprises of standing crop and livestock.

Biological assets are measured at fair value less cost to sell. Changes in fair value of biological assets is recognised in the statement of profit and loss account

The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For Standing crop, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date.

When harvested, crop is transferred to inventory at fair value less costs to sell.

x. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue are inclusive of excise duty and excluding estimated customer returns, rebates, other similar allowances and service tax, value added taxes, service tax and amounts collected on behalf of third parties or government, if any.

Recognising revenue from major business activities

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Contract Revenue

Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable that such cost will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

i. the amount of revenue can be measured reliably;

ii. it is probable that the economic benefits associated with the contract will flow to the Group;

iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and

iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Sale of Renewable Energy Certificates (REC's)

Income from sale of RECs is recognised on transfer of RECs to the customers' account

Dividend Income

Dividend income is recognised when the Group's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance Claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Export Incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

xi. Expenses

All expenses are accounted for on accrual basis.

xii. Long term Borrowings

Long term borrowings are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these cumulative preference shares is recognised in Statement of Profit and Loss as finance costs.

xiii. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred. Transaction costs incurred for long term borrowing until are not material are expensed in the period in which they are incurred.

xiv. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to the transition date, i.e. April 01, 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

(i) As a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Rental payables under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(ii) As a lessor

Lease rental income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless receipt are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

xv. Provision for Current and Deferred Tax

(i) Current Income Tax :

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

(ii) Deferred Tax :

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Minimum Alternate Tax (MAT) credits is recognised as deferred tax assets in the Balance Sheet only when the asset can be measured reliably and to the extent there is convincing evidence that sufficient taxable profit will be available against which the MAT credits can be utilised by the company in future.

xvi. Impairment of non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/

external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. Impairment is charged to the profit and loss account in the year in which an asset is identified as impaired.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xvii. 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.

Government grants related to assets, including non-monetary grants recorded at fair value, are treated as deferred income and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

xviii. Provisions, Contingent Liabilities and Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

xix. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which are subject to an insignificant risk of changes in value.

xx. Dividend Payable

Dividends and interim dividends payable to a Group's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

xxi. Non-current assets (or disposal group) held for sale and discontinued operations:

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the consolidated statement of profit and loss, with all prior periods being presented on this basis.

xxii. Equity Issue Expenses

Expenses incurred on issue of equity shares are charged in securities premium reserve account in the year in which it is incurred.

xxiii. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value of the financial assets, as appropriate, on initial recognition.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income for these financial assets is included in other income using the effective interest rate method.

c) Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

B. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL.

The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

C. Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Note 47 details how the group determines whether there has been significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected life time losses to be recognised from initial recognition of receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed

D. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of borrowings, net of directly attributable transactions cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method or at FVTPL.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

E. Derecognition of financial liabilities:

The Group derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when, and only when the obligation specified in the contract is discharged or cancelled or expires.

F. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xxiv. Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or

- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

xxv. Employees Benefits

a) Short-term obligations

Short-term obligations Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

b) Post-employment obligations

i. Defined contribution plans

The eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make contribution at a specified percentage of the covered employees' salary. The contributions, as specified under Defined Contribution Plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period in the statement of profit and loss.

ii. Defined benefits plans

• **Non-Funded Defined Benefits Plans :** The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Group. The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation.

The service cost and net interest on the net defined benefit liability/(asset) is included in employees benefits expenses in the statement of profit and loss.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

- **Funded Defined Benefits Plans:** The Group's also made contribution to the provident fund set up as irrevocable trust by the Group. The Group generally liable for monthly contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

c) Compensated absences

The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation.

Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

d) Voluntary Retirement Scheme

Compensation to employees who have opted for retirement under the "Voluntary Retirement scheme" is charged to the profit and loss account in the year of retirement.

xxvi. Operating Segments

The Group's operating segments are established on the basis of those components of the group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

xxvii.Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

xxviii. Earnings Per Share

Basic earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting

the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

3. Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the Group to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

The areas involving critical judgement are as follows:

i. Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv. Income Taxes

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Notes forming part of the Consolidated Financial Statements

"4" - Property, plant & equipment

(₹ in crore)

Particulars	Land	Building	Plant & equipment's	Furniture & fixtures	Computers	Office equipments	Electrical appliances	Vehicles	Farm assets & equipment	Total (2016-17)
Gross carrying cost										
As on April 01, 2016	346.64	172.05	1,672.07	11.76	9.88	2.60	11.05	21.62	0.89	2,248.56
Additions during the year	-	1.17	43.49	0.17	0.65	0.08	0.32	4.74	-	50.62
Disposals/deductions during the year	-	(0.10)	(0.57)	(0.21)	(0.30)	(0.01)	(0.05)	(4.52)	-	(5.76)
Other adjustments: - Exchange differences	-	-	0.07	-	-	-	-	-	-	0.07
As at March 31, 2017	**346.64**	**173.12**	**1,715.06**	**11.72**	**10.23**	**2.67**	**11.32**	**21.84**	**0.89**	**2,293.49**
Depreciation										
As on April 01, 2016	-	52.20	658.55	9.23	8.59	2.31	8.27	13.26	0.42	752.83
Charges for the year	-	5.83	45.67	0.33	0.49	0.10	0.39	1.36	0.04	54.21
Disposals/deductions during the year	-	0.09	(0.60)	(0.18)	(0.29)	(0.01)	(0.08)	(3.80)	-	(4.87)
As at March 31, 2017	**-**	**58.12**	**703.62**	**9.38**	**8.79**	**2.40**	**8.58**	**10.82**	**0.46**	**802.17**
Net carrying cost										
As at March 31, 2017	**346.64**	**115.00**	**1,011.44**	**2.34**	**1.44**	**0.27**	**2.74**	**11.02**	**0.43**	**1,491.32**
As at April 01, 2016	**346.64**	**119.85**	**1,013.52**	**2.53**	**1.29**	**0.29**	**2.78**	**8.36**	**0.47**	**1,495.73**

"4"- Property, plant & equipment

(₹ in crore)

Particulars	Land	Building	Plant & equipment's	Furniture & fixtures	Computers	Office equipments	Electrical appliances	Vehicles	Farm assets & equipment	Total (2017-18)
Gross carrying cost										
Cost as on April 01, 2017	346.64	173.12	1,715.06	11.72	10.23	2.67	11.32	21.84	0.89	2,293.49
Additions during the year	-	3.08	149.93	0.22	0.93	0.72	0.27	6.58	0.03	161.76
Disposals /deductions during the year	-	(0.33)	(0.03)	(0.06)	(0.67)	(0.02)	(0.16)	(2.67)	-	(3.94)
As at March 31, 2018	**346.64**	**175.87**	**1,864.96**	**11.88**	**10.49**	**3.37**	**11.43**	**25.25**	**0.92**	**2,451.31**
Depreciation										
As on April 01, 2017	**-**	**58.12**	**703.62**	**9.38**	**8.79**	**2.40**	**8.58**	**10.82**	**0.46**	**802.17**
Charges for the Year	-	6.02	47.89	0.36	0.61	0.13	0.39	2.04	0.04	57.48
Disposals /deductions during the year	-	-	(0.16)	(0.05)	(0.40)	(0.01)	(0.02)	(1.83)	-	(2.47)
As at March 31, 2018	**-**	**64.14**	**751.25**	**9.69**	**9.00**	**2.52**	**8.95**	**11.03**	**0.50**	**857.18**
Net carrying cost										
As at March 31, 2018	**346.64**	**111.73**	**1,113.61**	**2.19**	**1.44**	**0.85**	**2.48**	**14.17**	**0.42**	**1,594.13**
As at March 31, 2017	**346.64**	**115.00**	**1,011.44**	**2.34**	**1.49**	**0.27**	**2.74**	**11.02**	**0.43**	**1,491.32**

Notes:

(i) Contractual commitment towards purchase of property, plant and equipment, refer note -38(iii)

(ii) The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer Note 19 for detailed security terms).

Notes forming part of the Consolidated Financial Statements

"5" - Capital work in progress (₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017	
Plant and equipment / Civil work - in - progress				
Additions during the year		132.21		38.98
(A)		**132.21**		**38.98**
Preoperative expenses/ trial run expenses				
Additions during the year :				
Cost of materials consumed		7.22		-
Employee benefits expense		0.05		-
Salaries and wages				
Finance costs (Refer note 5.a)		4.71		2.40
Interest				
Depreciation expense				
Other expenses				
Consumption of stores and spare parts	0.29			-
Power and fuel	0.25			-
Insurance	0.01			-
Rates and taxes (excluding taxes on income)	0.01			-
Miscellaneous expenses	0.02	0.58		-
(B)		**12.56**		**2.40**
Income during trial run :				
Inter division transfers				
Steam	9.19			
Power	2.80	11.99		
(C)		**11.99**		**-**
Total additions during the year D= (A+B-C)		132.78		41.38
Balance brought forward				
Plant and equipment/ Civil work - in- progress (E)		27.13		28.17
F = (D+E)		**159.91**		**69.55**
Capitalised during the year (G)		135.78		42.42
Capital work-in-progress at the end of the year H= (F-G)		**24.13**		**27.13**

Note 5.a

The finance costs on specific borrowings capitalised during the year amounted to ₹4. 64 crore (March 31, 2017 : ₹NIL crore) using the capitalization rate of 9.06 % (March 31, 2017: 9.56 %) per annum which is the effective interest rate of the specific borrowings.
Further, the Company has also capitalised borrowing costs on its general borrowings amounting to ₹0.07 crore (March 31, 2017: ₹2.40 crore) using the weighted average capitalisation rate of 8.35% (March 31, 2017: 10.05%) per annum.

"6" - Intangible assets (₹ in crore)

Particulars	Computer Software Licenses
Gross carrying cost	
As on April 01, 2016	-
Additions during the year	2.64
Disposals/deductions during the year	-
As at March 31, 2017	**2.64**
Amortisation	
As on April 01, 2016	-
Charges for the year	0.06
Disposals/deductions during the year	-
As at March 31, 2017	**0.06**
Net carrying cost	
As at March 31, 2017	**2.58**
As at April 01, 2017	**-**

Notes forming part of the Consolidated Financial Statements

"6" - Intangible assets (Contd.) (₹ in crore)

Particulars	Computer Software Licenses
Gross carrying cost	
As on April 01, 2017	2.64
Additions during the year	0.95
Disposals/deductions during the year	-
As at March 31, 2018	**3.59**
Amortisation	
As on April 01, 2017	0.06
Charges for the year	0.25
Disposals/deductions during the year	-
As at March 31, 2018	**0.31**
Net carrying cost	
As at March 31, 2018	**3.28**
As at March 31, 2017	**2.58**

"7" - Biological assets (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Standing crop (Refer note -2)	0.39	0.35
Add: Change in fair value *	0.64	0.98
Less: Harvested during the year *	0.61	0.94
Closing balance of standing crops (a)	0.42	0.39
Live stock (Refer note -2)	0.01	0.01
Live stock (Loss)	(0.01)	-
Closing balance of live stock (b)	#	0.01
Total (a+b)	**0.42**	**0.40**

* excludes fair value of self consumed sugar cane of ₹2.11 crore (Previous Year ₹1.03 crore)

"8" - Financial assets - Investments

(i) Non - current investments

(₹ in crore)

Particulars	Face Value	No. of Shares/Units	As at March 31,2018	No. of Shares/Units	As at March 31,2017	No. of Shares/Units	As at April 01, 2016
(I) Equity Instruments (Carried at deemed cost)							
Ramganga Sanyukta Sahkari Kheti Samiti Limited (Unquoted)	₹100	1	-	1	-	1	-
(Carried at fair value through other comprehensive income)			-		-		
VLS Finance Limited (Quoted)	₹10	263142	1.75	263142	1.64	263142	0.82
South Asian Enterprises Limited (Quoted)	₹10	250000	0.19	250000	0.18	250000	0.15
Total Investment in Equity Shares			**1.94**		**1.82**		**0.97**
(II) Investment in Mutual Funds							
(Carried at fair value through profit or loss)							
Baroda Pioneer Income Fund - Dividend Reinvestment Plan (Quoted)		-	-		-	160174	0.34
Total			1.94		1.82		1.31

(₹ in crore)

Disclosure of non-current investments	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Aggregate amount of quoted investments and market Value	1.94	1.82	1.31
Aggregate amount of unquoted investments	-	-	-

(ii) Current investments

(₹ in crore)

Particulars	Face Value	No. of Shares/Units	As at March 31,2018	No. of Shares/Units	As at March 31,2017	No. of Shares/Units	As at April 01, 2016
Reliance Money Manager Fund		NIL	-	5,917.25	1.30	NIL	-
Fair Value Gain/(Loss)			-	-	0.02		-
		NIL	-	5,917.25	1.32	NIL	-

Notes forming part of the Consolidated Financial Statements

"9" - Financial assets - Loans

(i) Non-current loans (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
Security deposits			
- to Related parties	2.27	2.12	1.81
- to others	0.88	1.10	0.82
Other loans and advances:			
Advances recoverable in cash or kind	-	0.06	-
Total	3.15	3.28	2.63

(ii) Current loans (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
Security deposits			
- to others	0.41	0.08	0.26
Other loans and advances :			
Advances recoverable in cash or in kind	1.79	2.62	-
Total	2.20	2.70	0.26

"10" - Other assets

(i) Other non-current assets (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured considered good unless otherwise stated)			
Capital advance	4.52	12.31	5.64
Non-current income tax*	13.44	2.22	-
Payment of taxes under protest/appeal	3.60	2.95	1.57
Total	21.56	17.48	7.21

* Non-current income tax (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance tax paid	57.99	66.64	-
Less : Provision for tax	44.55	64.42	-
Total	13.44	2.22	-

(ii) Other current assets (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance to suppliers	15.18	13.02	18.56
Advances to employees	0.52	0.47	0.46
Balance with revenue authorities	12.66	14.09	11.13
Subsidy receivable from Government/Government Authority	7.81	17.34	32.88
Prepaid expenses	2.50	2.30	3.25
Advance recoverable - Other	3.42	5.72	-
Other loans & advances	2.16	1.31	1.69
Advance rent	0.36	0.53	0.38
Total	44.61	54.78	68.35

Notes forming part of the Consolidated Financial Statements

"11" - Inventories (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Refer Note No. - '2' for Mode of Valuation)			
Raw materials	16.85	16.42	17.92
Goods-in-process	25.88	21.47	35.91
Finished goods	1,053.05	1,389.73	1,148.09
Stock in trade	1.49	6.98	22.39
Stores & Spare parts	48.50	42.15	36.64
Loose Tools	0.17	0.12	0.17
Total	**1,145.94**	**1,476.87**	**1,261.12**
Carrying amount of inventories pledged as security for borrowings	1,145.94	1,476.87	1,261.12

"12" - Trade receivables (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables			
- Unsecured, considered good unless otherwise stated	245.16	216.02	251.23
Total	**245.16**	**216.02**	**251.23**

"13" - Cash and cash equivalents (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks :			
-On current account	37.73	19.10	16.82
Cash on hand	1.06	1.13	1.68
Total	**38.79**	**20.23**	**18.50**

"14" - Bank balances other than cash and cash equivalents (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks :			
-unpaid dividend account	0.65	0.35	0.26
Other bank balances :			
Deposits earmarked for fixed deposit	6.23	6.23	6.25
Deposits earmarked for molasses storage fund	1.27	1.06	0.79
Total	**8.15**	**7.64**	**7.30**

Notes forming part of the Consolidated Financial Statements

"15" - Other current financial assets (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Insurance claim receivable	0.41	0.42	6.79
Interest receivable	1.28	2.81	0.29
Other recoverable	0.57	-	0.29
Total	**2.26**	**3.23**	**7.37**

"16" - Assets held for sale (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Property, plant and equipment (under chemical segment)		4.58	
Total	**-**	**4.58**	**-**

"17" - Share capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No.	(₹ in crore)	No.	(₹ in crore)	No.	(₹ in crore)
Authorized shares						
Equity shares of ₹10/- each	113826000	113.83	113826000	113.83	113826000	113.83
Preference shares of ₹100/- each	6917400	69.17	6917400	69.17	6917400	69.17
Issued, subscribed and paid-up shares						
Equity						
Equity shares of ₹10/- each fully paid-up	66387590	66.38	66387590	66.38	60214935	60.21
Equity shares forfeited	325496	0.07	325496	0.07	325496	0.07
Less : Calls in arrears	2105	#	2105	#	2105	#
Total		**66.45**		**66.45**		**60.28**

"17 a" - Reconciliation of shares outstanding at the beginning and at the end of the reporting period is set out below :

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No.	(₹ in crore)	No.	(₹ in crore)	No.	(₹ in crore)
Issued, subscribed and paid-up shares						
Equity shares						
At the beginning of the period	66387590	66.38	60214935	60.21	58714935	58.71
Issued during the period	-	-	6172655	6.17	1500000	1.50
Outstanding at the end of the period	66387590	66.38	66387590	66.38	60214935	60.21

Notes forming part of the Consolidated Financial Statements

17 - Share capital (Contd.)

"17 b" - Details of shareholders holding more than 5% shares :

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No.	% holding	No.	% holding	No.	% holding
Equity shares of ₹10 each fully paid-up						
Goel Investments Ltd.	10655515	16.05	10655515	16.05	11255515	18.69
Anil Kumar Goel	6671000	10.05	4080000	6.15	0	0.00
Sonitron Ltd.	4940716	7.44	4940716	7.44	4940716	8.21
Shudh Edible Products Ltd.	4299680	6.48	4299680	6.48	4549680	7.56
Mr. Gautam Goel	4242339	6.39	4242339	6.39	4242339	7.05
Mr. Gaurav Goel	4211379	6.34	4211379	6.34	4211379	6.99
Saraswati Properties Limited	3266758	4.92	3266758	4.92	3416758	5.67

"17 c" - Calls unpaid of equity shares (₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No.	Amt. (in ₹)	No.	Amt. (in ₹)	No.	Amt. (in ₹)
i) Calls unpaid by directors and officers	Nil	Nil	Nil	Nil	Nil	Nil
ii) Calls unpaid by others	2105	10705	2105	10705	2105	10705

Note 17 d - Terms/right attached to equity shares

i) The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

ii) The company declares and pays dividend in Indian rupees. The dividend if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Note 17 e - During the previous year 2016-17, the company has issued and allotted 61,72,655 equity shares of ₹10 each at a premium of ₹88.68 per equity share by way of Qualified Institutional Placement.

"18" - Other equity (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital redemption reserve	3.72	3.72	3.72
Capital reserve	7.56	7.56	7.23
General reserve	121.24	121.24	46.24
Retained earnings	419.58	320.36	188.80
Securities premium	379.94	379.94	326.86
Storage fund/reserve for molasses	1.62	1.40	1.22
FVOCI equity reserve	1.50	1.38	0.53
Foreign currency translation reserve	(0.31)	(0.03)	-
Total	**934.85**	**835.57**	**574.60**

Notes forming part of the Consolidated Financial Statements

18 - Other equity (Contd.)

A. Reserve and surplus

(i) Capital redemption reserve (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	3.72	3.72
Closing balance	**3.72**	**3.72**

(ii) Capital reserve (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	7.56	7.23
Add: On consolidation of subsidiary	-	0.33
Closing balance	**7.56**	**7.56**

(iii) General reserve (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	121.24	46.24
Add: Addition during the year	-	75.00
Closing balance	**121.24**	**121.24**

(iv) Securities premium reserve (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	379.94	326.86
Add: Premium on shares issued during the year	-	54.74
Less: Expenses on issue of shares during the year	-	1.66
Closing balance	**379.94**	**379.94**

(v) Statuory reserve (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	1.40	1.22
Add: Molasses fund created during the year	0.22	0.18
Less: Molasses fund utilised during the year		-
Closing balance	**1.62**	**1.40**

18 - Other equity (Contd.)

(vi) Retained earnings (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	320.36	188.80
Add:		-
Net Profit for the period	151.70	228.55
Remeasurement of post employment benefit obligation (See Note 18.1)	(0.55)	(2.32)
Add/Less: Appropriations		
Interim dividend inclusive of dividend distribution tax	(23.96)	(19.98)
Final dividend inclusive of dividend distribution tax	(27.97)	-
Pre acquisition profit of the subsidiary company	-	0.31
Transfer to general reserve	-	(75.00)
Closing balance	**419.58**	**320.36**

Note 18.1: This is item of other comprehensive income arising from remeasurement of defined benefit obligation net of income tax, which is directly recognised in retained earning.

B. Other reserves

(i) FVOCI equity reserve (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	1.38	0.53
Add: Addition during the year	0.12	0.85
Closing balance	**1.50**	**1.38**

(ii) Foreign currency translation reserve (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(0.03)	-
Add: Addition during the year	(0.28)	(0.03)
Closing balance	**(0.31)**	**(0.03)**

Note 18.2 : **Nature and purpose of reserves**

Capital Redemption reserve

Capital redemption reserve of ₹3.72 crores was created against the redemption of cumulative preference shares

Capital reserve

Capital reserve was created against amalgamation.

Securities premium reserves

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

FVOCI equity investment

The company has elected to recognise changes in fair value of certain investments in equity securities through OCI as Other Reserves. The company transfers amount from this reserves to retained earnings when the relevant investment is sold and realised.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies

to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

Statutory reserve

The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974.

General reserve

This represents appropriation of profit after tax by the company.

Retained earnings

This comprise company's undistributed profit after taxes.

Note 19 - Financial Liabilities "Borrowings" (₹ in crore)

(i) Non-current

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
Carried at amortized cost						
Term loans						
Secured						
From banks						
Rupee term loans from banks		373.81		467.12		515.84
(For Security refer Note 19.b)						
From entities other than banks						
Rupee Loans :						
Sugar Development Fund (SDF)		31.87		32.97		18.24
(For Security refer Note 19.b)						
Unsecured :						
Deposit - from related parties	10.24		12.08		4.13	
- from public	7.06		5.33		4.76	
Buyers' credit from bank	0.00	17.30	5.59	23.00	3.37	12.26
Total		**422.98**		**523.05**		**546.34**

(ii) Current (₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
Carried at amortized cost						
Unsecured						
Deposits :						
- from related parties	-		0.20		3.30	
- from public	2.85	2.85	10.36	10.56	5.26	8.56
Short term loans and advances :						
- from related parties	-		0.08		0.59	
- from others	0.00	-	0.00	0.08	0.00	0.59
Working capital loans						
From banks						
Secured						
Punjab National Bank	540.91		629.90		416.69	
Bank of Baroda	34.10		25.18		28.50	
Central Bank of India	7.11		69.48		40.84	
District Co-operative Bank	197.90		394.05		277.55	
U.P. Co-operative Bank	-		0.52		77.91	
Prathma Bank	112.86		84.41		69.87	
Sarva U.P. Gramin Bank	10.05		9.98		7.97	
State Bank of India	24.72	927.65	50.00	1,263.52	0.00	919.32
(For Security refer Note 19.c)						
Total		**930.50**		**1,274.16**		**928.47**

b) Terms of repayment :

(₹ in crore)

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2018		Amount outstanding as at March 31, 2017		Amount outstanding as at April 01, 2016		Period of maturity w.r.t the Balance Sheet date as at March 31, 2018	Number of Installments outstanding as at March 31, 2018	Amount of each Installment (₹ in crore)	Details of security offered
		Current (₹ in crore)	Non Current (₹ in crore)	Current (₹ in crore)	Non Current (₹ in crore)	Current (₹ in crore)	Non Current (₹ in crore)				
1) Punjab National Bank											
Term loan from bank under GOI (SEFASU) Scheme, 2014	12.00%*	30.43	0.00	36.51	30.43	36.51	66.94	10 Months	10 Monthly Installment	3.04	Refer note no. 19 (i) (b) (i) below
Term loan from bank (Soft Loan)	8.65%	4.95	59.69	9.91	79.51	0.00	94.37	4 Year,2 Months,30 Days	13 Quarterly Installments #	4.95	Refer note no. 19 (i) (b) (ii) below
Term loan from bank	8.45%	10.23	7.66	10.21	17.90	23.21	63.79	1 Year,9 Months	7 Quarterly Installments	2.56	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	8.45%	12.75	31.24	5.33	0.00	0.00	0.00	4 Year,5 Months,30 Days	18 Quarterly Installments	3.19	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	8.45%	6.75	19.27	3.38	2.73	0.00	0.00	4 Year,5 Months,30 Days	18 Quarterly Installments	1.69	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	8.65%	8.33	25.00	16.67	58.33	8.33	91.67	1 Year,9 Months	4 Quarterly Installments #	8.33	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	8.65%	3.79	49.34	7.59	64.52	0.00	75.91	4 Year,2 Months,30 Days	14 Quarterly Installments #	3.80	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	7.50	7.50	-	-	-	
Term loan from bank	ROI - N.A. since repaid	0.00	0.00	3.00	3.30	9.00	15.30	-	-	-	
Term loan from bank	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	9.71	0.00	-	-	-	
	Sub-Total	**77.23**	**192.20**	**92.60**	**256.72**	**94.26**	**415.48**				
2) Bank of Baroda											
	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	7.50	2.50	-	-	-	
	Sub-Total	**0.00**	**0.00**	**0.00**	**0.00**	**7.50**	**2.50**				
3) Central Bank of India											
	10.30%	8.12	29.79	2.13	40.61	5.42	51.45	3 Year,6 Months	14 Quarterly Installments	2.71	Refer note no. 19 (i) (b) (iv) below
	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	2.50	4.86	-	-	-	
	ROI - N.A. since repaid	0.00	0.00	0.00	6.00	4.00	14.00	-	-	-	
	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	0.00	4.72	-	-	-	
	Sub-Total	**8.12**	**29.79**	**2.13**	**46.61**	**11.92**	**75.03**				
4) Prathma Bank											
	ROI - N.A. since repaid	0.00	0.00	1.25	12.75	7.25	21.25	-	-	-	
	Sub-Total	**0.00**	**0.00**	**1.25**	**12.75**	**7.25**	**21.25**				

Notes forming part of the Consolidated Financial Statements

b) Terms of repayment : (contd.)

(₹ in crore)

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2018		Amount outstanding as at March 31, 2017		Amount outstanding as at April 01, 2016		Period of maturity w.r.t the Balance Sheet date as at March 31, 2018	Number of Installments outstanding as at March 31, 2018	Amount of each Installment (₹ in crore)	Details of security offered
		Current (₹ in crore)	Non Current (₹ in crore)	Current (₹ in crore)	Non Current (₹ in crore)	Current (₹ in crore)	Non Current (₹ in crore)				
5) UCO Bank											
	10.40%	0.00	150.00	0.00	150.00	0.00	0.00	8 Years	28 Quarterly Installments	5.375 except last four installment of ₹5.25	Refer note no. 19 (i) (b) (v) below
	Sub-Total	**0.00**	**150.00**	**0.00**	**150.00**	**0.00**	**0.00**				
6) Car Loan from Bank		1.08	1.82	1.18	1.03	0.97	1.58		Monthly	various	
7) Government of India, Sugar Development Fund											
	4.00%	0.00	31.20	0.00	30.00	0.00	0.00	7 Year, 3 Days	10 Half Yearly Installments	3.57	Refer note no. 19 (i) (b) (vi) below
	7.00%	0.49	0.00	0.70	0.49	0.70	1.19	5 Months, 26 Days	2 Quarterly Installments	2nd last Installment - 0.35 & Last Installment - 0.14	Refer note no. 19 (i) (b) (vii) below
	7.00%	0.67	0.34	0.67	1.01	0.67	1.69	1 Year,1 Months,13 Days	3 Half Yearly Installments	0.34	Refer note no. 19 (i) (b) (viii) below
	7.00%	0.40	0.00	0.82	0.40	0.82	1.22	5 Months,27 Days	1 Quarterly Installment	0.40	Refer note no. 19 (i) (b) (ix) below
	7.00%	0.67	0.33	0.67	1.00	0.67	1.66	1 Year,1 Months,13 Days	3 Half Yearly Installments	0.33	Refer note no. 19 (i) (b) (x) below
	ROI - N.A. since repaid	0.00	0.00	12.48	0.00	22.51	12.48	-	-	-	
	Sub-Total	**2.23**	**31.87**	**15.34**	**32.93**	**25.37**	**18.24**				
Unsecured :											
1) 8% Cumulative Redeemable Preference shares to JK Sugar Ltd. Pursuant to scheme of amalgamation		-	-	-	-	18.91	-	-	-	-	-
Deposit - from related parties	10.25 to 12.00%	4.30	10.24	0.01	12.08	2.68	4.13	Payable on different due dates	-	-	-
- from public	10.25 to 12.00%	2.50	7.06	2.15	5.33	2.08	4.76	Payable on different due dates	-	-	-
Buyers' credit from bank		0.00	0.00	3.03	5.59	29.67	3.37	-	-	-	-
	Sub-Total	**6.80**	**17.30**	**5.19**	**23.00**	**53.34**	**12.26**				
	Total	**95.47**	**422.98**	**117.69**	**523.05**	**200.61**	**546.34**				

* Under subvention scheme into maximum of 12% per annum

Under these loans, the installments due upto December 31, 2018 have been pre-paid as on March 31,2018.

b) Nature of security in respect of long term borrowings :

(i) Rupee term loan from PNB under the Government sponsored subvention Scheme for Extending Financial Assistance to Sugar Undertakings (SEFASU), 2014 are secured by third parri passu charge on block of fixed assets of Company and personal guarantee of promoter directors.

(ii) Rupee term loan from PNB under the Government sponsored Scheme for Extending Soft loan to sugar mills are secured by third parri passu charge on block of fixed assets of five units of the Company and personal guarantee of promoter directors.

(iii) Rupee term loan from PNB are secured by first parri passu charge on block of fixed assets of the Company and personal guarantee of promoter directors.

(iv) Rupee term loan from CBOI are secured by first parri passu charge on block of fixed assets of the Company and personal guarantee of promoter directors.

(v) Rupee term loan from UCO Bank are secured by subservient charge over land and building, plant & machinery and other immovable and movable fixed assets of the Company present and future and personal guarantee of two promoter directors.

(vi) Rupee term loan from Sugar Development Fund (SDF) are secured by first pari passu charge over the movable and immovable properties of DSM Sugar Rajpura, a unit of the Company, situated at Rajpura.

(vii) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable properties of one of its unit i.e. Dhampur sugar unit, situated at Dhampur.

(viii) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Asmoli, situated at Asmoli.

(ix) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Rajpura, situated at Rajpura.

(x) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Mansurpur, situated at Mansurpur.

(xi) All other term loans from banks are secured by first parri passu charge on all movable and immovable assets except book debts, stock in trade, raw material, spare parts and other current assets and are guaranted by promoter directors.

c) Nature of security in respect of short term borrowings :

Working capital loans from Punjab National Bank are secured :

- by way of first parri passu charge and pledge of stocks of sugar and sugar-in-process both preseent and future.
- by way of first parri passu charge and hypothecation of molasses, bagasse, general stores, chemicals unit raw material, co-geneartion unit raw material, book debts etc. both present and future of the Company.
- by way of third parri passu charge on the block of fixed assets/immovabale properties of the Company
- by personal guarantee of promoter directors of the Company

Working capital loans from Bank of Baroda are secured :

- by way of pledge of stocks of sugar and sugar-in-process both preseent and future on parri passu basis with other banks.
- by way of hypothecation of stocks and other current assets both preseent and future of the Cogen-Amoli unit of the Company.
- by way of First parri passu charge on the book debts of the Company
- by way of Third parri passu charge on the block of fixed assets of the Company
- by personal guarantee of promoter directors of the Company

Working capital loans from Central Bank of India are secured :

- by way of pledge of stocks of sugar and sugar-in-process both preseent and future on parri passu basis with other banks.

- by way of hypothecation of molasses, bagasse, general stores both present and future on parri passu basis of the Company.
- by way of first parri passu charge on the current assets of the Company
- by way of third parri passu charge on the land and buildings of the Company

Working capital loans from all District Co-operative Banks are secured :

- by way of pledge of stocks of sugar
- by personal guarantee of promoter directors of the Company

Working capital loans from Prathma Bank are secured :

- by way of pledge of stocks of sugar and sugar-in-process
- by way third parri passu charge on the block of fixed assets , both present and future, of the Company
- by personal guarantee of promoter directors of the Company

Working capital loans from Sarva U.P. Gramin Bank are secured :

- by way of first parri passu charge and pledge of stocks of sugar and sugar-in-process both present and future.
- by way of hypothecation of molasses, bagasse, general stores both preseent and future on parri passu basis of the Company.
- by way of third parri passu charge on the immovable properties of the Company

Working capital Demand loans from State Bank of India against Warehouse receipts of NBHC are secured :

- by way of first and exclusive charge on the stocks of sugar
- by personal guarantee of promoter directors of the Company

"20" - Other financial liabilities

(i) Non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Interest accrued but not due on borrowings	-	-	0.99
Total	**-**	**-**	**0.99**

(ii) Current liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of long term borrowings (Refer Note 19.a)	95.47	117.69	200.61
Interest accrued but not due on borrowings	3.72	3.58	2.94
Interest accrued and due on borrowings*	0.49	0.10	5.31
Provision for DDT on Preference Shares	-	-	0.79
Other payables	0.16	0.02	0.01
Unpaid matured deposits and interest accrued thereon	1.79	0.81	0.20
Employee benefits	9.67	15.75	6.45
Unpaid liability	20.81	31.13	-
Security deposits	3.40	3.72	4.42
Unclaimed dividend	0.65	0.35	0.26
Total	**136.16**	**173.15**	**220.99**

* Represents interest debited by banks on loans at the close of business hours as at March 31, 2018 which has been repaid by the company on next working day.

"21" - Provisions

(i) Long term provision (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provison for employee benefits	-	-	
Gratuity (Refer note 45.a)	26.27	24.99	20.82
Total	26.27	24.99	20.82

(ii) Short term provision (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provison for employee benefits	-	-	
Gratuity (Refer note 45.a)	3.77	2.51	1.88
Others (Refer note below)	5.19	3.27	6.65
Total	8.96	5.78	8.53

Note : Movement of provisions other than gratuity (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Carrying amount at the beginning	3.27	6.65	6.65
Add: Additional provisions made during the period, including increases to existing provision	8.60	3.59	-
Less: Amount used during the period	6.68	6.97	-
Carrying amount at the end	5.19	3.27	6.65

"22" - Deferred tax asset/ (liability) (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax asset :			
- On account of carried forward losses and unabsorbed depreciation	48.41	85.21	183.64
- On account of difference in the tax base value and carrying amount of Investments	2.39	2.49	2.49
- On account of government grants	1.28	1.30	1.33
- On account of temporary differences on allowablility of expenses for tax purposes	11.41	29.44	16.05
- MAT credit entitlement	120.25	75.54	11.28
	183.74	193.98	214.79
Deferred tax liability :			
On account of property, plant & equipment (other than land)	204.23	184.63	168.15
On account of difference in the tax base value and carrying amount of land	16.78	40.12	52.91
	221.01	224.74	221.06
Net deferred tax assets/(liabilities)	(37.27)	(30.76)	(6.27)

22.2 : Movement in deferred tax Liabilities/ deferred tax assets (₹ in crore)

Particulars	Carried forward losses & unabsorbed depreciation	Property plant & equipment	Other items	MAT credit entitlement	Total
At April 1, 2016	183.64	(168.15)	(33.04)	11.28	(6.27)
(Charged)/credited:-					
-to profit & loss	(98.43)	(3.68)	12.13	64.26	(30.76)
-to other Comprehensive Income			1.23	-	1.23
At March 31, 2017	85.21	(171.83)	(19.68)	75.54	(30.76)
(Charged)/credited:-					
-to profit & loss	(36.80)	(19.60)	5.10	44.71	(6.60)
-to other Comprehensive Income		-	0.09	-	0.09
At March 31, 2018	(36.80)	3.73	(18.24)	120.25	(37.27)

"23" - Other liabilities

(i) Non-current liabilities (₹ in crore

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred Govt. Grants (Refer note no 39)	6.75	8.13	3.75
Total	6.75	8.13	3.75

(ii) Current liabilities (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred Govt. Grants (Refer note no 39)	1.38	1.27	0.10
Advance to customers	12.05	2.38	1.52
Statutory dues payable	24.95	91.86	68.59
Others	0.83	29.07	239.18
Total	39.21	124.58	309.39

"24" - Trade payables (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	2.32	4.28	5.22
Total outstanding dues of creditors other than micro enterprises and small enterprises	522.76	258.80	459.78
Total	525.08	263.08	465.00

"24" - Trade payables (Contd.)

Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	2.32	4.28	5.22
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
c) The amount of interest paid by the company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	Nil	Nil	Nil
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	Nil	Nil	Nil
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil	Nil
f) The amount of further interest remaining due and payable even in succeeding years	Nil	Nil	Nil

The above mentioned outstandings are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

"25" - Current tax liabilities (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for tax	44.55	64.42	4.11
Less: Advance tax paid	44.55	64.42	-
Total	-	-	**4.11**

"26" - Revenue from operation (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
i. Sale of Products:		
a) Manufactured goods		
Sugar	2,722.79	2,013.96
Chemicals	319.54	364.22
Power	216.56	200.63
Others	0.93	10.60
b) Traded goods		
Others	121.19	102.48
Sub-Total (i)	3,381.01	2,691.89

"26" - Revenue from operation (Contd.)

ii. Other Operating Income		
Scrap sale	2.21	1.28
Liabilities/ Provisions no longer required written back	4.83	1.37
Insurance claim received	0.56	0.76
Purchase tax	2.19	-
Government Grant (refer note 39)	2.06	13.95
Fair value gain on re-measurement of biological assets through profit or loss *	0.64	0.98
Duty Drawback	1.24	1.50
Miscellaneous income	1.07	4.00
Sub-Total (ii)	**14.80**	**23.84**
Total (i+ii)	**3,395.81**	**2,715.73**

*excludes fair value of self consumed sugar cane of ₹2.11 crore (Previous Year ₹1.03 crore)

"27" - Other income (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income		
- from financial assets carried at amortized cost	0.21	0.37
- from banks and others	3.33	2.91
Deferred Government grant (refer note no. 39)	0.10	0.10
Dividend income	0.03	0.02
Others		
- Income from rent	1.49	1.24
- Profit/(Loss) on sales of fixed assets	0.04	0.58
- Sales of REC (Net)	18.37	19.63
- Income from consultancy services	0.06	-
- Other miscellaneous income	0.87	0.12
- Profit on sale of investment	0.04	0.01
- Provision for impairment of investment reversed	0.50	-
- Gain/(Loss) on fair valuation	-	0.02
- Foreign exchange fluctuation difference	2.29	-
Total	**27.33**	**25.00**

"28" - Cost of materials consumed (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cost of material consumed		
- Sugar cane *	2,202.86	1,739.82
- Molasses	26.89	27.55
- Bagasse and other fuel	13.64	12.85
- Chemicals and others	51.36	34.94
Total	**2,294.75**	**1,815.16**

* excludes fair value of self consumed sugar cane of ₹2.11 crore (Previous Year ₹1.03 crore)

"29" - Excise duty on sale of goods (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Excise duty on sale of goods	43.99	132.06
Total	**43.99**	**132.06**

"30" - Purchase of stock-in-trade (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Purchase of stock-in-trade	90.07	95.40
Total	**90.07**	**95.40**

"31" - Changes in inventories of finished goods & work in progress (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Closing stock: :		
Finished stock	1,053.05	1,389.73
Work-in-progress	25.88	21.47
Stock-in-trade	1.49	6.98
Total	**1,080.42**	**1,418.18**
Less: Opening stock :		
Finished stock	1,389.73	1,148.09
Work-in-progress	21.47	35.91
Stock-in-trade	6.98	22.39
Total	**1,418.18**	**1,206.39**
Less: Excise duty and others	(82.39)	13.10
Net (Increase)/Decrease in stock	**255.37**	**(198.69)**

Note : The amount of loss due to write down the inventories at net realisable value recognised during the year ended March 31, 2018 as expenses and included in change in inventories in ₹179.96 crore.

"32" - Employees benefits expense (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and wages	111.62	112.68
Contribution to provident & other funds	8.91	7.76
Gratuity	4.09	3.54
Voluntary retirement compensation	0.33	0.17
Workmen & staff welfare expenses	1.59	1.21
Total	**126.54**	**125.36**

"33" - Finance costs (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expenses on financial liabilities measured at amortize cost	125.81	168.13
Other borrowing cost	3.97	5.82
Foreign exchange difference (Net)	0.02	0.01
	129.80	**173.96**
Less : Interest capitalized during the period	4.71	2.40
Less : Interest subsidy claimed under UPSIPP 2013	3.57	4.36
Total	**121.52**	**167.20**

"34" - Depreciation and amortisation expenses (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipment (Refer note 4)	57.48	54.21
Amortisation of intangible assets (Refer note 6)	0.25	0.06
Total	**57.73**	**54.27**

"35" - Other expense (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Consumption of stores, spares & other manufacturing expenses	46.65	46.16
Packing material expenses	31.08	28.53
Expenditure on crop	1.22	0.79
Power and fuel	21.45	15.91
Repair & maintenance : -		
- Plant & machinery	26.55	31.00
- Building	2.47	2.41
- Others	4.48	4.16
Rent	8.34	6.29
Rates and taxes	0.91	3.95
Charity and donation (Refer note 35.1)	1.28	0.56
Insurance	2.73	2.25
Molasses fund	0.22	0.18
Selling expenses :	-	-
- Commission to selling agents	10.51	8.92
- Other selling expenses	21.77	14.58
Payment to auditors :	-	-
- Audit fees	0.28	0.26
- Tax audit fees	0.04	0.07
- Management and other services	-	0.10
- Reimbursement of expenses	0.03	0.02

Notes forming part of the Consolidated Financial Statements

"35" - Other expense (contd.) (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Miscellaneous expenses	33.34	32.58
Cane commission subsidy written off	-	13.06
CSR Expenses (Refer note 35.2)	3.52	-
Cane development expenses	9.11	7.69
Balance written-off	4.44	3.74
Director sitting fees	0.10	0.11
Reimbursement of loss on export obligation	-	5.93
Foreign exchange difference (net)	0.07	1.05
Total	**230.59**	**230.30**

Note 35.1 - Charity and donations

Charity and donation includes ₹ 1 crore (PY ₹ NIL) to Bharatiya Janata Party as political contribution.

Note 35.2 - Corporate social responsibility (CSR) (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a) As per section 135 of the Companies Act, 2013 read with Schedule VII thereof Gross amount required to be spent by the company	2.50	NIL
b) Amount spent during the year :		
i) Construction/acquisition of any assets		
- in cash	2.21	-
- yet to be paid in cash		
ii) On purpose other than (i) above		
- in cash	1.31	-
- yet to be paid in cash		

The Various heads which the CSR expenditure were incurred in cash is detailed as follows :-

(₹ in crore)

Particulars	Relevant clause of Schedule VII to the Companies Act, 2013	2017-2018	2016-2017
(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water	Clause (i)	0.55	-
(ii) Promoting education, including special education and employment enhancing vocational training and livelihood enhancement project	Clause (ii)	2.89	
(iii) promoting gender equality and empowering women	Clause (iii)	#	-
(iv) Promoting rural sports, nationally recognised sports, Paralympic sports and Olympic sports	Clause (vii)	0.08	-

"36" - Tax expense

(a) Income tax expenses (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current tax	44.55	64.42
Deferred tax	6.77	25.72
Total Income tax expenses	**51.32**	**90.14**

(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate: (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit for the year (before income tax expense)	202.58	319.67
Applicable tax rate	34.944%	34.608%
Computed tax expenses	**70.79**	**110.63**
Income Exempt from tax purposes	(0.43)	(6.96)
Expenses not allowed for tax purposes	2.60	0.19
Additional allowances for tax purposes	(0.17)	(2.06)
Deferred Tax on non-depreciable assets and investment (Net)	(23.21)	(12.79)
Other temporary differences	1.75	1.13
At the effective income tax rate of 25.33% (Previous year 28.20%)	**51.32**	**90.14**

"37" - Earnings per share (EPS) :

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
i) Net Profit/ Loss(-) available to equity shareholders	₹ in crores	151.70	228.55
(Used as numerator for calculating EPS)			
ii) Weighted average No. of equity shares outstanding during the period:			
(Used as denominator for calculating EPS)			
- for Basic EPS	No.	66387590	65000857
- for Diluted EPS	No.	66387590	65000857
iii) Earning per share			
- Basic	₹	22.85	35.16
- Diluted	₹	22.85	35.16
(Equity share of face value of ₹10 each)			

"38" - Contingent liabilities and commitments : not provided for in respect of :

I. Contingent liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
i) Demands being disputed by the Company :			
a) Excise duty and service tax demands	41.97	42.89	44.51
b) Trade tax and entry tax demands	38.15	44.82	49.34
c) Other demands	28.53	11.57	8.08
d) Estimated amount of interest on above	118.35	111.63	112.87
ii) Claims against the company not acknowledged as debts :			
a) Statutory liability being disputed by authorities	6.35	7.05	0.36
b) Income tax demand on processing of TDS returns	0.06	0.06	0.25
c) Other liabilities	5.17	4.68	26.17
d) In respect of some pending cases of employees under labour laws	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

The Group has initiated steps for revising the TDS forms to remove various defects due to which demands were raised by authorities and is confident that the demand will be substantially reduced after these rectification.

The decision taken by the government of Uttar Pradesh to waive liability on interest payable by the sugar industry on delayed payment of cane price for the sugar seasons 2012-13, 2013-14 and 2014-15 is remanded back for reconsideration by honorable Allahabad High Court. The sugar industry and the Group believes that UP Government will not reverse its decision for waiver of interest.

The amount shown above represents the best possible estimates arrived on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal process which have been invoked by the Group or the claimants as the case may be, therefore it cannot be estimated accurately. The Group does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome.

II. Corporate guarantees

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Corporate guarantees given by the Group on behalf of third parties to the banks	NIL	75.00	325.00

III. Capital commitment

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for	4.93	54.31	12.78

"39" - The Group is eligible to receive various specific grants announced by Central and UP State Government for Sugar Industry by way of prduction subsidy, reimbursement of society commission and interest subvention on certain term loan, Loans at concessional rate etc. The Group is also eligible to receive grant announced by U.P State Government for promotion of industry in general under UPSIPP Scheme 2013. The Group has recognised these Government grants in the following manners:

S.No.	Particulars	Treatment in Accounts	2017-18	2016-17
1	**Revenue related Government grants:**			
i	Production subsidy from Government (Refer note a)	Shown as separate line items "Government grant" under other operating income	-	13.95
ii	Incentive claim on society commission under UPSIPP Scheme 2013 (Refer note b)	Shown as separate line items "Government grant" under other operating income	2.06	-
iii	Interest subsidy claimed under UPSIPP Scheme 2013 (Refer note b)	Deducted from finance cost	3.57	4.36
iv	Interest subvention on term loan (Refer note c)	Deducted from finance cost	6.05	10.53
2	**Deferred Government grants:**			
i	Deferred income relating to term loans on concessional rate	Deducted from finance cost	1.17	0.90
ii	Deferred income relating grant on property, plant and equipment	Shown as separate line item "Deferred Government grant" under Other income	0.10	0.10

Notes :

a) The Central Government vide its Notification No. 1(10)/2015-SP-I dated September 18, 2015 announced Minimum Indicative Export Quota (MIEQ) under tradeable export scrip scheme in order to export surplus sugar inventory out of the country. Under the said scheme, the Group was allotted quota of 65488.20 MT for export in respect of its all five sugar units. Further, the Central government vide its Notification No. 20(43)/2015-SP-I dated December 2, 2015 announced a scheme for extending production subsidy @ ₹4.50 per quintal of actual cane crushed during sugar season 2015-16 or the proportionate cane crushed for average sugar production of the Group's each units in the last three sugar seasons, whichever is lower for the Group who fulfilled 75% of its export obligation.

b) Under the UPSIPP scheme 2013, the Group is eligible for the reimbursement of interest payable on loans obtained from banks/ financial institutions/ sugar development fund on account of setting up of plant and machinery in an existing sugar mill @ 5% p.a.

Further the Group is also eligible for the reimbursement of society commission based on the criteria specified in the scheme.

c) Under Interest Subvention Scheme of Extending Financial Assistance to Sugar Undertaking 2014, the Group is eligible for the reimbursement of interest payable on loan from banks taken against last three sugar seasons's excise duty, cess and surcharge paid on sugar by the Group.

d) "The Group was eligible for government grant by way of reimbursement of Society Cane Commission @ ₹3.00 per quintal of cane for the sugar season 2015-16 in accordance with the notification issued by the Government of Uttar Pradesh and accordingly had accounted for cane commission receivable aggregating to ₹13.06 crore during the year ended March 31, 2016. However, the Group has written off the said amount in accordance with the notification dated December 28, 2016 issued by the Government of Uttar Pradesh as the same is no more receivable during the year ended March 31, 2017.

The said write off of cane commission has been included under "Cane commission subsidy written off " under note 35 - "Other expenses".

e) The Group had availed government grant by way of reduction of cane society commission for sugar season 2012-13 to 2014-15 as per the notifications dated June 12, 2015 and for the sugar season 2015-16 for retrospective effect. The Hon'ble Allahabad High Court vide Order dated December 21, 2017 quashed the UP State Government notifications order for reduction in cane commission rate to

societies from retrospective against which UP State Government has preferred appeal before Supreme Court. Pending final decision in the matter, the Group has not recognised such claims estimated at ₹47.04 crore as debts by the Group.

f) The Group was eligible for various incentives under U.P. Sugar Incentive Promotion Policy, 2004 (the scheme) which was subsequently scrapped by the State Government. The Group has filed writ petition before Hon'ble Allahabad High Court (Lucknow Bench) for enforcement of the scheme and settlement of incentive claims. As per the erstwhile scheme, the Group was eligible for capital subsidy of ₹89.89 crores i.e. @10% of the investments made (already vetted ₹50.80 crores) and revenue subsidy for reimbursement of taxes and other charges aggregating to ₹60.50 crores upto the prescibed period of ten years for incentive. The Group has not recognised these grants.

"40" Details of loans and advances; investment made; guarantee given and security provided as required to be disclosed as per provision of section 186(4) of Companies Act, 2013 have been disclosed in Note. No. 8, Note No. 9.

"41" Operating Lease

I **Operating lease obligation (As a lessee): -** The Group has taken various premises on operating lease for lease period of 1 year to 3 years from the date of lease. The lease period may be further extended as per mutual decision of the parties. In all the leases,there is escalation clause for increase in rentals yearly or alternative year. Details of future minimum lease payments under non cancellable operating lease are as follows:

(₹ in crore)

Particulars	2017-18	2016-17
(A) Future minimum lease payment		
Not later than one year	4.32	4.50
Later than one year but not later than five year	3.15	0.00
Later than five year	0.00	0.00
(B) Lease payments recognized in the statement of Profit & Loss during the year		
Minimum lease payment (Rental income)	4.95	3.85

II **Operating lease recognized (As a lessor):** The Group has given various premises on operating lease for lease period of 1 year to 15 years from the date of lease.The lease period may be further extended as per mutual decision of the parties.In all the leases,there is escalation clause for increase in rentals yearly or alternative year or after 5 years. Details of future minimum lease rentals to be received under non cancellable operating lease are as follows:

(₹ in crore)

Particulars	2017-18	2016-17
(A) Future minimum lease payment		
Not later than one year	0.01	0.94
Later than one year but not later than five year	0.07	0.03
Later than five year	0.03	0.01
(B) Lease payments recognized in the statement of Profit & Loss during the year		
Minimum lease payment (Rental income)	0.97	0.95

"42" In the opinion of the Board, current assets and loans and advances have realisable value in the ordinary course of business at least equal to the value at which they are stated in the balance sheet. The Board is also of opinion that the diminution in the value of investments in EHAAT Limited (wholly owned subsidiary) and DETS Limited (Holding 51% of Equity Shares), is due to initial losses of new start up businesses, which is of temporary nature.

Notes forming part of the Consolidated Financial Statements

"43" Disclosures as required by indian accounting standard (Ind AS) 108 operating segments

Identification of segments

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments').

The Chief Operational Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by Business Segment. Segment performance is evaluated based on their revenue growth, operating income and return on capital employeed. Operating Segments have been identified by the management and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure, and the internal financial reporting systems.

Operating segments

The Group is organized into three main business segments based on the products include :

- Sugar which consists of manufacture and sale of Sugar and its byproducts and,
- Chemicals/Distillery which consists of manufacture and sale of RS, SDS, ENA, Ethanol, Ethyl Acetate, IMFL etc.
- Power which consists of co-generation and sale of power

No operating segments have been aggregated in arriving at the reportable segments of the Group.

Geographical segments

Since the Group's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

Segment accounting policies: In addition to the significant accounting policies applicable to the operating segments as set out in note 2, the accounting policies in relation to segment accounting are as under:

a. Segment revenue and results:

Revenue and expenses directly attributable to segments are reported under each reportable segment.

Other expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

b. Segment assets and liabilities:

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment.

Unallocated assets include deferred tax, investments, interest bearing deposits loans to subsidiary and income tax refund.

Unallocated liabilities include interest bearing liabilities, tax provisions and deferred tax.

Capital expenditure pertains to additions made to fixed assets during the year and includes capital work in progress.

c. Inter segment sales/transfer:

Transactions between segments are primarily for materials which are transferred at cost /market determined prices. These transactions are eliminated in consolidation.

A. Information about business segments

Particulars	Sugar	Chemicals	Power	Others	Total
1. Segment revenue (including excise duty)					
a) External Ssales	2,735.72	342.56	213.22	104.31	3,395.81
Previous year (March 31, 2017)	*2,035.90*	*402.02*	*196.37*	*81.44*	*2,715.73*
b) Inter segment sales	346.45	2.30	330.59	29.21	708.55
Previous year (March 31, 2017)	*326.33*	*3.23*	*250.83*	*51.20*	*631.59*
c) Total revenue	3,082.17	344.86	543.81	133.52	4,104.36
Previous year (March 31, 2017)	*2,362.23*	*405.25*	*447.20*	*132.64*	*3,347.32*
2. Segment results					
(Profit(+)/Loss(-) before tax and interest from each segment)	87.67	63.87	219.74	(7.22)	364.06

A. Information about business segments (Contd.)

Particulars	Sugar	Chemicals	Power	Others	Total
Previous year (March 31, 2017)	*280.47*	*69.36*	*190.59*	*(10.61)*	*529.81*
Less : Finance costs					121.52
Previous year (March 31, 2017)					*167.20*
Less/ Add :Other unallocable expense/income net off Unallocable income/expenses					39.96
Previous year (March 31, 2017)					*42.94*
Net Profit(+)/loss(-) before tax					202.58
Previous year (March 31, 2017)					*319.67*
Less: Tax expense (Net)					(51.32)
Previous year (March 31, 2017)					*(90.14)*
Net profit after tax (Before adjustment of minority interest)					151.26
Previous year (March 31, 2017)					*229.53*
Share of Profit/Loss of Non-controlling interest					0.44
Previous Year (March 31, 2017)					*(0.63)*
Pre-Acquisition profit of the subsidiary company					
Previous Year (March 31, 2017)					*(0.35)*
Net Profit after Tax (after adjustment of minority interest)					151.70
Previous Year (March 31, 2017)					*228.55*
3. Other Information					
a) Segment Assets	2,020.87	312.06	698.71	82.51	3,114.15
Previous Year (March 31, 2017)	*2,340.93*	*335.44*	*607.62*	*30.22*	*3,314.21*
Prior Previous Year (April 01, 2016)	2,095.19	339.85	674.15	24.34	3,133.53
Unallocable Corporate Assets					21.57
Previous Year (March 31,2017)					*17.17*
Prior Previous Year (April 01, 2016)					16.01
Total Assets					3,135.72
Previous Year (March 31,2017)					*3,331.38*
Prior Previous Year (April 01, 2016)					3,149.54
b) Segment Liabilities	547.44	31.59	21.33	24.51	624.87
Previous Year (March 31, 2017)	*429.71*	*22.36*	*17.28*	*13.28*	*482.63*
Prior Previous Year (April 01, 2016)	782.93	11.63	7.68	16.55	818.79
Unallocable Corporate Liabilities					1,508.31
Previous Year (March 31, 2017)					*1,945.05*
Prior Previous Year (April 01, 2016)					1,695.87
Total Liabilities					2,133.18
Previous Year (March 31, 2017)					*2,427.68*
Prior Previous Year (April 01, 2016)					2,514.66
c) Capital Expenditure	53.77	8.30	93.19	10.45	165.71
Previous Year (March 31, 2017)	*31.28*	*19.05*	*0.45*	*3.52*	*54.30*
Prior Previous Year (April 01, 2016)	21.96	22.13	5.20	0.68	49.97
d) Depreciation	30.92	10.45	15.13	1.23	57.73
Previous Year (March 31, 2017)	30.20	9.40	14.05	0.62	54.27
e) Non Cash Expenditure other than Depreciation	2.97	1.61	-	0.11	4.69
Previous Year (March 31, 2017)	*13.27*	*2.12*	-	*3.64*	*19.03*
Prior Previous Year (April 01, 2016)	0.34	#	-	#	0.34

B. Geographical segments:

Segment revenue & non current assets by location:

Particulars	Period	India	Outside India	Total
External revenue	2017-18	3,295.79	100.02	3,395.81
	2016-17	2,637.71	78.02	2,715.73
Non current assets (other than financial assets)	March 31, 2018	1,648.61	-	1,648.61
	March 31, 2017	1,544.01		1,544.01
	April 01, 2016	1,535.41		1,535.41

C. Information about major customer

No single customers contributed 10% or more of the total revenue of the Company for the year ended March 31, 2018 and March 31, 2017.

"44" Related party disclosures:

A. List of related parties with whom transactions have taken place and relationships:

I) Key Management Personnel (KMP)

1 Mr. Vijay Kumar Goel, Executive Director
2 Mr. Ashok Kumar Goel, Vice Chairman
3 Mr. Gaurav Goel, Managing Director
4 Mr. Gautam Goel, Managing Director
5 Mr. Arhant Jain, Executive President (Finance) & Company Secretary (resign w.e.f. April 03, 2017)
6 Mr. Sandeep Sharma, Chief Operating Officer & Director
7 Mr. Nalin Gupta, Chief Financial Officer (appointed w.e.f. May 25, 2017)
8 Mrs Aparna Goel, Company Secretary (appointed w.e.f. May 25, 2017)
9 Mr. Priya Brat, Independent Director
10 Mr. M. P. Mehrotra, Independent Director
11 Mr. Harish Saluja, Independent Director
12 Mr. Ashwani Kumar Gupta, Independent Director
13 Mrs Nandita Chaturvedi, Independent Director
14 Mr. Rahul Bedi, Independent Director

II) Close member of Key Management Personnel

Mrs Deepa Goel (Relative of Mr.Vijay Kumar Goel)
Mrs Vinita Goel (Relative of Mr. Ashok Kumar Goel)
Mrs Priyanjali Goel (Relative of Mr. Gaurav Goel)
Mrs Bindu Vashist Goel (Relative of Mr. Gautam Goel)
Mrs Brij Bala Jain, Mr. Arvind Jain , Mrs Anita Jain, Mr. Anubhav Jain,
Mrs Ankita Jain, Mrs Shruti Jain, Mr. Ashish Jain. (Relative of Mr. Arhant Jain)
Mrs Poonam Sharma, Mr. Rahul Sharma, Ms. Sona Sharma (Relative of Mr. Sandeep Sharma)
Mrs Rakhi Gupta, Mr. Sidharth Gupta, Mr. Sanjay Gupta (Relative of Mr. Nalin Gupta)
Master Advay Goel (Relative of Mrs Aparna Goel)
Mrs Shakuntala Brat & Ms. Anu Mahendru (Relative of Mr. Priya Brat)

"44" - Related party disclosures: (contd.)

III)	Enterprises which have significant influence and also owned or significantly influenced by Key Management Personnel	1 Goel investments Limited 2 Ujjwal Rural Services Limited 3 Saraswati Properties Limited 4 V. K. Goel, H.U.F 5 A.K. Goel, H.U.F. 6 Gaurav Goel, H.U.F 7 Gautam Goel, H.U.F 8 Nalin Kumar Gupta (HUF) 9 Arhant Jain (HUF), Anubhav Jain (HUF), Ashish Jain (HUF), Arvind Jain (HUF). 10 Sandeep Sharma (HUF) 11 Dhampur Sugar Mill Provident Fund 12 Pushp Niketan School Samiti 13 Academy of Modern Learning Turst 14 Shudh Edible Products Limited 15 India Green Fuel Private Limited 16 Eternity Impex Private Limited

B. Disclosure of transactions between the Company and related parties and the status of outstanding balances as on March 31, 2018

(₹ in crore)

S.No.	Particulars	2017-2018	2016-2017
Transactions during year ended March 31, 2018			
1	**Loans/advances given**	**0.02**	**0.46**
	Shudh Edible Products Limited	-	#
	Sonitron Limited	-	#
	Pushp Niketan School Samiti	0.02	0.46
2	**Reciepts towards loan /advances given**	**0.05**	**-**
	Goel Investment Limited	0.05	-
	Sonitron Limited	-	#
	Ujjwal Infracon Limited	-	#
3	**Loans taken**	**-**	**1.91**
	Goel Investment Limited	-	#
	Saraswati Properties Limited	-	0.01
	Shudh Edible Products Limited	-	0.85
	Ujjwal Rural Services Limited	-	#
	Mr. V.K. Goel	-	0.14
	Mr. Gautam Goel	-	0.60
	Mr. Gaurav Goel	-	0.31
4	**Loans repaid**	**-**	**2.42**
	Goel Investment Limited	-	0.51
	Saraswati Properties Limited	-	0.01
	Shudh Edible Products Limited	-	0.85
	Ujjwal Rural Services Limited	-	#
	Mr. V.K. Goel	-	0.14

Notes forming part of the Consolidated Financial Statements

"44" - Related Party Disclosures: (contd.)

B. Disclosure of transactions between the Company and related parties and the status of outstanding balances as on March 31, 2018

(₹ in crore)

S.No.	Particulars	2017-2018	2016-2017
	Mr. Gautam Goel	-	0.60
	Mr. Gaurav Goel	-	0.31
5	**Unsecured deposits taken (Fixed deposit)**	**2.30**	**8.03**
	Mr. Ashok Kumar Goel	-	1.09
	Mr. Arhant Jain	-	0.32
	Mr. Sandeep Sharma	-	#
	Mrs Aparna Goel	0.01	-
	Mr. Priya Brat	-	0.08
	V.K. Goel (HUF)	-	0.15
	A.K. Goel (HUF)	-	0.17
	Gaurav Goel (HUF)	-	0.17
	Gautam Goel (HUF)	-	0.17
	Arhant Jain (HUF)	-	0.17
	Sandeep Sharma (HUF)	-	0.05
	Relatives of KMP	2.29	5.66
6	**Unsecured deposits matured (Fixed deposit)**	**0.05**	**5.88**
	Mr. Ashok Kumar Goel	-	0.88
	Mr. Arhant Jain	-	0.13
	Mr. Sandeep Sharma	-	0.01
	V.K. Goel (HUF)	-	0.12
	A.K. Goel (HUF)	-	0.14
	Gaurav Goel (HUF)	-	0.14
	Gautam Goel (HUF)	-	0.14
	Arhant Jain (HUF)	-	0.15
	Sandeep Sharma (HUF)	-	0.05
	Relatives of KMP	0.05	4.12
7	**Purchase of fixed assets**	**-**	**0.73**
	Eternity Impex Private Limited	-	0.73
8	**Rent paid**	**4.50**	**3.83**
	Goel Investment Limited	0.12	0.12
	Saraswati Properties Limited	1.96	1.60
	Shudh Edible Products Limited	2.40	2.09
	Ujjwal Rural Services Limited	0.02	0.02
9	**Remuneration paid (including commission)**	**17.07**	**23.12**
	Mr. Vijay Kumar Goel	4.00	7.26
	Mr. Ashok Kumar Goel	4.00	7.26
	Mr. Gaurav Goel	4.00	7.26
	Mr. Gautam Goel	4.00	0.80
	Mr. Arhant Jain	-	0.10
	Mr. Sandeep Sharma	0.64	0.15
	Mr. Nalin Gupta	0.19	0.12

"44" - Related party disclosures: (contd.)

B. Disclosure of transactions between the Company and related parties and the status of outstanding balances as on March 31, 2018

(₹ in crore)

S.No.	Particulars	2017-2018	2016-2017
	Mrs Aparna Goel	0.08	0.05
	Relatives of KMP	0.16	0.12
10	**Sitting fees and commission to Independent Directors**	**1.08**	**0.10**
11	**Directors prerequisite (As per Income Tax Act)**	**0.76**	**0.53**
	Mr. Vijay Kumar Goel	0.37	0.28
	Mr. Ashok Kumar Goel	0.17	0.12
	Mr. Gaurav Goel	0.17	0.12
	Mr. Gautam Goel	#	#
	Mr. Sandeep Sharma	0.05	0.01
12	**Interest expense**	**1.77**	**1.37**
	Mr. Ashok Kumar Goel	0.16	0.16
	Mr. Arhant Jain	0.04	0.03
	Mr. Sandeep Sharma	-	#
	Mr. Nalin Gupta	#	-
	Mrs Aparna Goel	#	-
	Mr. Priya Brat	0.01	-
	V.K. Goel (HUF)	0.06	0.04
	A.K. Goel (HUF)	0.07	0.06
	Gaurav Goel (HUF)	0.07	0.06
	Gautam Goel (HUF)	0.07	0.06
	Arhant Jain (HUF)	0.06	0.05
	Sandeep Sharma (HUF)	0.01	0.01
	Nalin Gupta (HUF)	0.02	-
	Relatives of KMP	1.20	0.90
13	**Contribution to defined contributions plan**	**5.47**	**3.92**
	Dhampur Sugar Mill Provident Fund	5.47	3.92
14	**Corporate social responsibilities**	**2.72**	**-**
	Academy of Modern Learning Trust	2.72	-

S.No.	Particulars	2017-2018	2016-2017	April 01, 2016
	Amount due to/ from related parties:			
1	**Deposits from related parties**	**14.71**	**12.46**	**10.11**
	Mr. Ashok Kumar Goel	1.39	1.39	1.18
	Mr. Arhant Jain	0.32	0.32	0.13
	Mr. Sandeep Sharma	-	-	0.01
	Mr. Nalin Gupta	0.02	0.02	-
	Mrs Aparna Goel	0.01	-	-
	Mr. Priya Brat	0.08	0.08	-
	V.K. Goel (HUF)	0.41	0.41	0.38
	A.K. Goel (HUF)	0.48	0.48	0.44
	Gaurav Goel (HUF)	0.47	0.47	0.44

"44" - Related Party Disclosures: (contd.)

S.No.	Particulars	2017-2018	2016-2017	April 01, 2016
	Gautam Goel (HUF)	0.47	0.47	0.44
	Arhant Jain (HUF)	0.42	0.42	0.41
	Sandeep Sharma (HUF)	0.05	0.05	0.05
	Nalin Gupta (HUF)	0.11	0.11	-
	Relatives of KMP	10.48	8.25	6.63
2	**Unsecured loans and advances from related parties**	**-**	**0.08**	**0.58**
	Goel Investment Limited	-	0.06	0.56
	India Green Fuel Private Limited	-	0.02	0.02
3	**Unsecured loans and advances to related parties**	**0.54**	**0.52**	**0.06**
	Pushp Niketan School Samiti	0.54	0.52	0.06
4	**Payables**	**0.92**	**0.41**	**1.03**
	Goel Investment Limited	0.05	-	-
	Saraswati Properties Limited	#	0.12	0.31
	Shudh Edible Products Limited	0.11	0.08	0.01
	Ujjwal Rural Services Limited	0.04	0.02	0.01
	Mr. Ashok Kumar Goel	0.06	0.02	0.09
	Mr. Gaurav Goel	0.01	0.04	0.18
	Mr. Gautam Goel	0.62	0.12	0.33
	Mr. Vijay Kumar Goel	0.03	0.01	0.10
5	**Security deposits**	**2.65**	**2.65**	**2.19**
	Goel Investment Limited	0.50	0.50	0.50
	Saraswati Properties Limited	0.90	0.90	0.65
	Shudh Edible Products Limited	1.20	1.20	0.99
	Ujjwal Rural Services Limited	0.05	0.05	0.05

(₹ in crore)

Particulars	2017-18	2016-17
Short term benefits #	16.97	23.12
Defined contribution plan	0.01	0.01
Defined benefit plan (contribution to Dhampur Sugar Mill Provident Fund Trust)*	0.69	0.40
Total	17.67	23.53

Short term benefits Including remunerations, bonus, due leave, sitting fee, commission on accrual basis and value of perquisites.

* As the liability for gratuity is provided on actuarial basis for the Group, amounts accrued pertaining to key managerial personnel are not included above.

C. Terms and conditions and settlement

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances at the year end are un-secured and settlement occurs in cash.

"45" Employees benefits :

The required disclosures of employees benefits as per Indian Accounting Standard (Ind AS) -19 are given hereunder :-

(I) Defined contribution plan :

Details of contribution to defined contribution plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period are as under :

(₹ in crore)

Particulars	2017-2018	2016-2017
Employer's contribution to provident fund :	3.19	2.65
Employer's contribution to pension fund :	3.33	3.27

(ii) Defined benefit plan :

(a) In respect of Non funded defined benefit scheme of gratuity (based on actuarial valuation) :

The gratuity plan is governed by the payment of grauity Act,1972. Under the said Act an employee who has completed five years of services is entitled to specific benefit. The Gratuity plans provide a lumpsum payments to emplyees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service & salary at retirement age.

The Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest rate risk : The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary escalation risk : The present value of the defined benefit plan is calculated with the assumption of salary increase 0.50% per annum of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Actual mortality & disability : deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

The following tables summarise the components of net benefit expense recognised in the statement of Profit and Loss

(₹ in crore)

Particulars	2017-2018	2016-2017
a) Details of non funded post retirement plans are as follows:		
I. Expenses recognised in the Statement of Profit and Loss:		
Current service cost	1.53	1.44
Past service cost	0.44	-
Net interest on the net defined benefit liability	2.06	1.82
Curtailment/settlement	0.06	0.28
Expense recognised in the statement of profit and loss	**4.09**	**3.54**
II. Other comprehensive income		
Actuarial gain / (loss) arising from:		
. Change in financial assumptions	(0.54)	(0.02)
. Change in experience adjustments	1.18	3.57
Components of defined benefit costs recognised in other comprehensive income	**0.64**	**3.55**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit & loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

Notes forming part of the Consolidated Financial Statements

(₹ in crore)

Particulars	2017-2018	2016-2017
a) Details of Non funded post retirement plans are as follows:		
III. Change in present value of defined benefit obligation:		
Present value of defined benefit obligation at the beginning of the year	27.49	22.71
Interest expense/income	2.06	1.82
Past service cost	0.44	-
Curent service cost	1.53	1.44
Benefits paid	(2.13)	(2.02)
Acturial gain/ (loss) arising from:		
. Change in financial assumptions	(0.54)	(0.02)
. Change in experience adjustment	1.18	3.57
Present value of Defined Obligation at the end of the year	**30.04**	**27.49**
IV. Net liability recognised in the Balance Sheet as at the year end:		
Present value of defined benefit obligation	**30.04**	**27.49**
Funded status (surplus / (deficit))	(30.04)	(27.49)
Net liability recoginsed in balance sheet	30.04	27.49
Current liability (Short term)	3.77	2.51
Non- current liablity (long term)	26.27	24.99
VI. Actuarial Assumptions:		
Discount Rate (per annum)%	7.75%	7.50%
Expected rate of salary increase %	5.00%	5.00%
Retirement / superannuation Age (year)	60	60
Mortality rates	100% of IALM (2006-08)	100% of IALM (2006-08)
VII. Maturity profile of defined benefit obligation:		
Expected cah flows (valued on undiscounted basis):		
With in 0 to 1 Year	3.64	2.30
With in 1 to 2 Year	2.06	1.06
With in 2 to 3 Year	1.24	0.83
With in 3 to 4 Year	1.36	0.79
With in 4 to 5 Year	1.24	1.13
With in 5 to 6 Year	1.42	1.06
6 Year onwards	16.94	16.48
Total expected payments	27.90	23.65
The average duration of the defined benefit plan obligationat the end of the balancesheet date (in years)	11.59	11.81
VIII. Sensitivity analysis on present value of defined benefit obligations:		
a) Discount rates		
0.50% increases	-3.90%	-4.16%
0.50% decreases	4.16%	4.45%
b) Salary growth rate :		
0.50% increases	4.54%	4.54%
0.50% decreases	-4.28%	-4.28%

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring as at the balance sheet date.

All senstivites are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

The history of experience adjustments for non-funded retirement plans are as follows : (₹ in crores)

Particulars	Gratuity (Non funded)				
	2017-18	2016-17	2015-16	2014-15	2013-14
Present value of obligation as at the end of the year	30.04	27.49	22.70	22.45	21.56
Fair value of plan assets as at the end of the year	0.00	0.00	0.00	0.00	0.00
Net asset/(liability) recognized in the balance sheet	30.04	27.49	22.70	22.45	21.56
Net acturial (gain)/loss recognized	(0.64)	(3.57)	1.27	1.27	0.45

b) In respect of funded defined benefit scheme of provident fund (Based on actuarial valuation) :

The Group's Contribution to defined benefit plan to the irrecoverable trust, set up by The Group aggregating to ₹5.47 crore (P. Y. ₹3.91 crore) has been recognised in statement of profit and loss account. The Group is under obligation to mark-up any short fall in the fund.

The following table sets out the status of Provident Fund as per the actuarial valuation by the independent Actuary appointed by The Group:

(₹ in crore)

Particulars	2017-2018	2016-2017
A) Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation at beginning of the year	59.73	54.91
Current service cost	2.39	1.84
Adjustment in defined benefit obligation in opening balance	-	0.06
Interest cost	4.48	4.40
Employee contribution	4.64	4.02
Actuarial (Gain)/loss	0.51	0.33
Benefits paid	7.84	5.83
Closing defined benefit obligation at end of the year	63.92	59.73
B) Change in plan assets:		
Opening fair value of plan assets as at beginning of the year	61.09	55.64
Adjustment in fair value of plan assets in opening balance	0.36	0.45
Expected Return on plan assets	4.60	4.94
Contributions	7.03	5.86
Benefits paid	7.84	5.83
Actuarial Gain/(Loss) on plan assets	(0.40)	0.03
Closing fair value of plan assets as at end of the year	64.84	61.09

(₹ in crore)

Particulars		2017-2018	2016-2017
C)	**Reconciliation of present value of the obligation and fair value of the plan assets:**	63.92	59.73
	Present value of Funded obligation at end of the year	64.84	61.09
	Fair Value of plan assets atend of the year	(0.92)	(1.36)
	Deficit/(Surplus)	(0.92)	(1.36)
	Net Asset not recognised in balance sheet		
D)	**Net Cost recognised in the profit and loss account:**		
	Current Service Cost	2.39	1.84
	Interest Cost	4.48	4.40
	Expected return on plan assets	4.60	4.94
	Interest shortfall reversed	0.12	0.54
	Total costs of defined benefit plans included in "Payments to and provisions for employees	2.39	1.84
E)	**Principal actuarial assumptions:**		
	(i) Economic assumptions		
	(a) Expected statutory interest rate	8.55%	8.65%
	(b) Expected short fall in interest earnings on the fund	0.05%	0.05%
	(ii) Demographic assumptions		
	(a) Mortality	IALM (2006-08)	IALM (2006-08)
	(b) Disability	None	None
	(c) Withdrawal rate (Age related)		
	Up to 30 Years	3.00%	3.00%
	Between 31 - 44 Years	2.00%	2.00%
	Above 44 Years	1.00%	1.00%
	(d) Normal retirement age (in Years)	60	60

The history of experience adjustments for funded retirement plans are as follows : ₹ in crores)

Particulars	Provident Fund (Funded)				
	2017-18	2016-17	2015-16	2014-15	2013-14
Present value of obligation as at the end of the year	63.92	59.73	54.91	51.83	NA
Fair value of plan assets as at the end of the year	64.84	61.09	55.64	52.98	NA
Deficit/(Surplus)	0.92	1.36	0.73	1.15	NA
Surplus not recognised in Balance Sheet	0.92	1.36	0.73	1.15	NA

Notes forming part of the Consolidated Financial Statements

"46" - Financial Instruments - Accounting, classification and fair value measurements

Financial instruments by category

The criteria for recognition of financial instruments is explained in accounting policies of the Group.

(₹ in crore)

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Financial Asset									
Investments									
-Investments in equity instruments	-	-	1.94	-	-	1.82	-	-	0.97
-Investments in mutual funds	-	-	-	-	-	-	-	0.34	
Trade receivables	245.16			216.02			251.23		-
Loans	5.35	-	-	5.98	-	-	2.89	-	-
Cash and cash equivalents and bank balances	46.94	-	-	27.87	-	-	25.8	-	-
Others	2.26			3.23	-	-	7.37	-	-
Total Financial Assets	**299.71**	**-**	**1.94**	**253.10**	**-**	**1.82**	**287.29**	**0.34**	**0.97**
Financial Liabilities									
Borrowings	1448.95	-	-	1,914.90	-	-	1,675.42	-	-
Trade payables	525.08	-	-	263.08	-	-	465.00	-	-
Other Financial Liabilities	40.69	-	-	55.46	-	-	21.37	-	-
Total Financial Liabilities	**2,014.72**	**-**	**-**	**2,233.44**	**-**	**-**	**2,161.79**	**-**	**-**

Note : The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

(i) Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Method and assumptions used to estimate fair values:

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

The following table provides the fair value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(₹ in crore)

Particulars	Carrying value March 31, 2016	Fair value measurement using (Level 1)	(Level 2)	(Level 3)
(A) Financial assets at fair value				
Investments				
-Investments in equity instruments	0.97	0.97	-	-
-Investments in mutual funds	0.34	0.34	-	-
Total	**1.31**	**1.31**	**-**	**-**

(₹ in crore)

Particulars	Carrying value March 31, 2017	Fair value measurement using (Level 1)	(Level 2)	(Level 3)
(A) Financial assets at fair value				
Investments				
-Investments in equity instruments	1.82	1.82	-	-
Total	**1.82**	**1.82**	**-**	**-**

(₹ in crore)

Particulars	Carrying value March 31, 2018	Fair value measurement using (Level 1)	(Level 2)	(Level 3)
(A) Financial assets at fair value				
Investments				
-Investments in equity instruments	1.94	1.94	-	-
Total	1.94	1.94	-	-

"47" - Financial Risk Management

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group principal financial asset includes loan, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Group's activities are exposed to market risk, credit risk and liquidity risk.

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to The Group's borrowings obligations with floating interest rates.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates is limited to the Group's operating activities (when revenue or expense is denominated in a foreign currency), which are not material.

(₹ in crore)

Foreign currency exposure as at March 31, 2018	INR equivalent to foreign currency		
	CNY	EURO	USD
Trade receivables	-	-	0.45
Loan/trade payables	0.25	-	-
Net Exposure to foreign currency risk (assets/liabilities)	(0.25)	-	0.45

Foreign currency exposure as at March 31, 2017	INR equivalent to foreign currency		
	CNY	EURO	USD
Trade Receivables	-	0.76	-
Loan Payables	-	5.36	2.91
Net Exposure to foreign currency risk (assets/liabilities)	-	(4.60)	(2.91)

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on Profit.

(c) Regulatory risk

Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations affects the Sugar industry and the Group's operations and profitability. Distillery business is also dependent on the Government policy.

(d) Commodity price risk

Sugar industry being cyclical in nature, realisations get adversly affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Group has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's sugar sales are mostly on cash. Power and ethanol are sold to State Government entities, thereby the credit default risk is significantly mitigated.

The impairment for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on The Group's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

The Group major exposure of credit risk is from trade receivables, which are unsecured and derived from external customers.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

(₹ in crore)

	Carrying Value	Less than 6 months	6- 12 months	More than 12 months	Total
As at April 01, 2016					
Gross carrying amount	251.23	249.36	1.87	-	251.23
Expected credit loss	-	-	-	-	-
Carrying amount (net of impairment)	251.23	249.36	1.87	-	251.23
As at March 31, 2017					
Gross carrying amount	216.02	215.33	0.69	-	216.02
Expected credit loss	-	-	-	-	-
Carrying amount (net of impairment)	216.02	215.33	0.69	-	216.02
As at March 31, 2018					
Gross carrying amount	245.16	239.67	5.49	-	245.16
Expected credit loss	-	-	-	-	-
Carrying amount (net of impairment)	245.16	239.67	5.49	-	245.16

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. In case of probability of non collection, default rate is 100%.

There is no change in the loss allowances measured using expected credit loss model (ECL)

III. Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities and short term loans.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in crore)

As at March 31, 2018	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	1,025.97	348.28	74.70	1,448.95
Trade payables	525.08			525.08
Other liabilities	40.69			40.69
Total	**1,591.74**	**348.28**	**74.70**	**2,014.72**

As at March 31, 2017	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	1,391.85	415.68	107.37	1,914.90
Trade payables	263.08	-	-	263.08
Other liabilities	55.46	-	-	55.46
Total	**1,710.39**	**415.68**	**107.37**	**2,233.44**

As at April 1, 2016	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	1,129.08	500.59	45.75	1,675.42
Trade payables	465.00	-	-	465.00
Other liabilities	20.38	0.99	-	21.37
Total	**1,614.46**	**501.58**	**45.75**	**2,161.79**

Note 48 - Capital management

(a) Risk management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Group. The Group's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimization of the debt and equity balance.

The Group manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Group has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2018 and March 31, 2017.

(b) Dividends (₹ in crore)

Particulars	Recognized in the year ending	
	March 31, 2018	March 31, 2017
(i) Dividends recognized		
Final dividend for the year ended March 31, 2017 of ₹ 3.5/ per equity share (March 31, 2016 NIL /- per equity share)	23.24	0.00
Interim dividend for the year ended March 31, 2018 of ₹ 2.5 /- per equity share (March 31, 2017 ₹ 2.5/- per equity share)	19.92	16.60
(ii) Dividend proposed but not recognised in the books of accounts*		
In addition to the above dividends, for the year ended March 31, 2018 the directors have recommended the payment of a final dividend of ₹ NIL /-equity share. (March 31, 2017- ₹3.50/- per equity share)	0.00	23.24

Notes forming part of the Consolidated Financial Statements

Note 49 - Transition to Ind AS

These financial statements for the year ended March 31,2018 are the first Ind AS financials prepared in accoradnce with Ind AS notified under Companies (Indian Accounting Standards) Rules, 2015. The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2016 as the transition date. Ind AS 101 requires that all Ind AS standards and interpretations that are effective for the Ind AS financial statements for year ended March 31, 2018, be applied consistently and retrospectively for all fiscal years presented. All applicable Ind AS have been applied consistently and retrospectively wherever required.

For the periods upto and including the year ended March 31, 2017, the Group prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Group has prepared its financial statement to comply with the Ind AS for the year ending March 31, 2018, together with the comparative date as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, Company's opening balance sheet was prepared as at April 01, 2016, the date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

"49 A" - Exemptions and Exceptions opted by the Group on the date of transition:-

Ind AS 101 allows first-time adopters certain exemptions and exceptions from the retrospective application of certain requirements under Ind AS. The Compnay has applied the following exemptions and exceptions:

a) **Exemptions and Exceptions from retrospective application**

1. The Group has elected not to apply Ind AS 103- Business Combinations, retrospectively to past business combinations that occurred before April 01, 2016. Consequent to use of this exemption from retrospective application:

   i) The carrying amount of assets and liabilities acquired pursuant to past business combinations and recognised in the financial statements prepared under Previous IGAAP, are considered to be the deemed cost under Ind AS, on the date of acquisition. After the date of acquisition, measurement of such assets and liabilities is in accordance with respective Ind AS. Also, there is no change in classification of such assets and liabilities;

   ii) The Group had not recognised assets and liabilities that neither were recognised in the financial statements prepared under Previous IGAAP nor qualify for recognition under Ind AS in the Balance Sheet of the acquiree;

   iii) The Group had excluded from its opening Balance Sheet (As at April 1, 2016), those assets and liabilities which were recognised in accordance with Previous IGAAP but do not qualify for recognition as an asset or liability under Ind AS.

2 The Group has elected to continue with carrying value of all Property, plant and equipment under the previous IGAAP as deemed cost as at the transition date i.e. April 01, 2016. Under the previous IGAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation, amortization and impairment), if any, adjusted by revaluation of certain assets.

   The Group has elected to continue with the carrying value of Capital work in progress as recognized under the previous IGAAP as deemed cost as at the transition date.

   The Group has elected to continue with the carrying value for intangible assets (computer softwares) as recognized under the previous IGAAP as deemed cost as at the transition date. Under the previous IGAAP, Computer Software was stated at its original cost, net of accumulated amortization.

3. Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'FVTOCI' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

   Accordingly, the Group has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed as at the date of transition to Ind AS.

4. The requirements of Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance and Ind AS 109 - Financial Instruments, in respect of recognition and measurement of interest free loans from Government authorities is opted to be applied prospectively to all grants received after the date of transition to Ind AS. Consequently, the carrying amount of such interest free loans as per the financial statements of the Group prepared under Previous GAAP is considered for recognition in the opening Ind AS Balance Sheet.

5. Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.

6. Ind AS 21 requires exchange differences arising on translation of foreign operations to be recognised in other comprehensive income and then recognise as income or expenses on disposal of foreign entity to which they relates. However, the Company used Ind AS 101 contains as exemption for retrospective application of Ind AS 21 to determine cumulative translation difference.

7. Designation of previously recognised financial instruments : Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

b) Estimates

The estimates as at April 01, 2016 and as at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

Notes forming part of the Consolidated Financial Statements

"50" : Reconciliation between balance sheet, statement of profit and loss and cash flow statement prepared under pevious IGAAP and those presented under Ind AS

(a) Effect of Ind AS adoption on the Balance Sheet as at April 1, 2016 (₹ in crores)

Particulars	Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
(1) Non - current assets				
(a) Property, plant and equipment		1,495.73	-	1,495.73
(b) Other intangible assets		28.17	-	28.17
(c) Capital work - in - progress		-	-	-
(d) Biological asset		0.36	-	0.36
(e) Financial assets				
(i) Investments	1	0.80	0.51	1.31
(ii) Loans	7	3.01	(0.38)	2.63
(iii) Other financial assets		-	-	-
(f) Deferred tax asset (net)	3	46.50	(46.50)	-
(g) Other non - current assets		7.21	-	7.21
Sub total non current assets		**1,581.78**	**(46.37)**	**1,535.41**
(2) Current assets				
(a) Inventories		1,261.12	-	1,261.12
(b) Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables		251.23	-	251.23
(iii) Cash and cash equivalents		18.50	-	18.50
(iv) Bank Balances other than (iii) above		7.30	-	7.30
(v) Loans		0.26	-	0.26
(vi) Other financial assets		40.25	(32.88)	7.37
(c) Other current assets	7	35.09	33.26	68.35
Sub total current assets		**1,613.75**	**0.38**	**1,614.13**
(d) Asset held for sale				
Total assets		**3,195.53**	**(45.99)**	**3,149.54**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital		60.28	-	60.28
(b) Other equity		635.39	(60.79)	574.60
Equity attributable to the owners of the parent		695.67	(60.79)	634.88
Non- Controlling Interest		-	-	-
Sub total equity		**695.67**	**(60.79)**	**634.88**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	6	546.34	-	546.34
(ii) Trade payables		-	-	-
(iii) Other financial liabilities		0.99	-	0.99

(a) Effect of Ind AS adoption on the Balance Sheet as at April 1, 2016 (Contd.) (₹ in crores)

Particulars	Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
(b) Provisions		20.82	-	20.82
(c) Deferred tax liabilities (net)	3	-	6.27	6.27
(d) Other non - current liabilities	5,6	-	3.75	3.75
Sub total non current liabilities		**568.15**	**10.02**	**578.17**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	9	924.58	3.89	928.47
(ii) Trade payables		465.00	-	465.00
(iii) Other financial liabilities	9	220.20	0.79	220.99
(b) Other current liabilities		8.53	-	8.53
(c) Provisions	5,6	309.29	0.10	309.39
(d) Current tax liabilities (net)		4.11	-	4.11
Sub total current liabilities		**1,931.71**	**4.78**	**1,936.49**
Total equity & liabilities		**3,195.53**	**(45.99)**	**3,149.54**

The Previous GAAP figures have been reclassified to confirm the Ind AS presentation requirements for the purpose of this note.

(b) Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 (₹ in crores)

Particulars	Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
(1) Non - current assets				
(a) Property, plant and equipment		1,491.32	-	1,491.32
(b) Capital work - in - progress		27.13	-	27.13
(c) Other intangible assets		2.58	-	2.58
(d) Biological asset		0.40	-	0.40
(e) Financial assets				
(i) Investments	1	0.44	1.38	1.82
(ii) Loans	7	3.66	(0.38)	3.28
(iii) Other financial assets		-	-	-
(f) Deferred tax asset (net)	3	32.62	(32.62)	-
(g) Other non - current assets		17.48	-	17.48
Sub total non current assets		**1,575.63**	**(31.62)**	**1,544.01**
(2) Current assets				
(a) Inventories		1,476.87	-	1,476.87
(b) Financial assets				
(i) Investments	1	1.30	0.02	1.32
(ii) Trade receivables		216.02	-	216.02
(iii) Cash and cash equivalents		20.23	-	20.23
(iv) Bank Balances other than (iii) above		7.64	-	7.64

(b) Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 (Contd.) (₹ in crores)

Particulars	Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
(v) Loans		2.70	-	2.70
(vi) Other financial assets		3.23	-	3.23
(c) Other current assets	7	54.40	0.38	54.78
Sub total current assets		**1,782.39**	**0.40**	**1,782.79**
(d) Asset held for sale		4.58	-	4.58
Total assets		**3,362.60**	**(31.22)**	**3,331.38**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital		66.45	-	66.45
(b) Other equity		873.33	(37.76)	835.57
Equity attributable to the owners of the parent		939.78	(37.76)	902.02
Non-Controlling Interest		1.68		1.68
Sub total equity		**941.46**	**(37.76)**	**903.70**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	6	528.70	(5.65)	523.05
(ii) Trade payables		-	-	-
(iii) Other financial liabilities		-	-	-
(b) Provisions		24.99	-	24.99
(c) Deferred tax liabilities (net)	3	-	30.76	30.76
(d) Other non - current liabilities	5,6	-	8.13	8.13
Sub total non current liabilities		**553.69**	**33.24**	**586.93**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	9	1,274.16	-	1,274.16
(ii) Trade payables		263.08	-	263.08
(iii) Other financial liabilities	9	173.15	-	173.15
(b) Provisions	8	33.75	(27.97)	5.78
(c) Current tax liabilities (net)	5,6	123.31	1.27	124.58
Sub total current liabilities		**1,867.45**	**(26.70)**	**1,840.75**
Total equity & liabilities		**3,362.60**	**(31.22)**	**3,331.38**

The Previous GAAP figures have been reclassified to confirm the Ind AS presentation requirements for the purpose of this note.

Notes forming part of the Consolidated Financial Statements

(c) Reconciliation to statement of profit and loss as previously reported as on March 31, 2017 under IGAAP to Ind AS

(₹ in crores)

Particulars				Notes to first time adoption	IGAAP Year ended March 31, 2017	Ind AS Adjustments	Ind AS Year ended March 31, 2017
ASSETS							
I	Revenue from operations			4	2,583.67	132.06	2,715.73
II	Other income			1(a), 5	24.49	0.51	25.00
III	**Total income (I + II)**				**2,608.16**	**132.57**	**2,740.73**
IV	Expenses						
	Cost of materials consumed				1,815.16	-	1,815.16
	Excise Duty on sale of goods				-	132.06	132.06
	Purchase of goods for resale			2	95.40	-	95.40
	Erection & civil cost			6		-	
	Changes in inventories of finished goods, stock-in-trade				(198.69)	-	(198.69)
	Employee benefits expenses			4	128.91	(3.55)	125.36
	Finance costs				167.20	-	167.20
	Depreciation and amortization expenses				54.27	-	54.27
	Other expenses			3	229.92	0.38	230.30
	Off-season Expenses(Net)						
	Total expenses (IV)				**2,292.17**	**128.89**	**2,421.06**
V	**Profit / (loss) before exceptional items and tax (III - IV)**			3	**315.99**	**3.68**	**319.67**
VI	Exceptional items				-		-
VII	Profit / (loss) before tax (V - VI)				315.99	3.68	319.67
VIII	Tax expense						
	1. Current tax				0.15	64.27	64.42
	2. Deferred tax			1(b)	78.16	(52.44)	25.72
IX	**Profit / (loss) for the period (VII - VIII)**			3	**78.31**	**11.83**	**90.14**
					237.68	**(8.15)**	**229.53**
X	**Other comprehensive income**						
	A	(i)	Items that will not be reclassified to profit or loss				
			--Remeasurement Benefit of defined obligation		-	(3.55)	(3.55)
			--Change in Fair value of FVOCI equity investments		-	0.85	0.85
		(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	1.23	1.23
	B	(i)	Items that will be reclassified to profit or loss		-	(0.03)	(0.03)
		(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-	-
					-	(1.50)	(1.50)
					237.68	**(9.65)**	**228.03**

(c) Reconciliation to statement of profit and loss as previously reported as on March 31, 2017 under IGAAP to Ind AS (Contd.)

(₹ in crores)

Particulars	Notes to first time adoption	IGAAP Year ended March 31, 2017	Ind AS Adjustments	Ind AS Year ended March 31, 2017
XI Total comprehensive income for the period (IX + X)				
Profit for the year attributable to:-				
a. Owners of the parent		236.70	(8.15)	228.55
b. Pre acquisition profit attributable to owners		0.35	-	0.35
c. Non- controlling interest		0.63	-	0.63
Other comprehensive income for the year attributable to:				
a. Owners of the parent		-	(1.50)	(1.50)
b. Non- controlling interest		-	-	-
Total comprehensive income for the year attributable to:				
a. Owners of the parent		236.70	(9.65)	227.05
b. Pre acquisition profit attributable to owners		0.35	-	0.35
c. Non- controlling interest		0.63	-	0.63

The Previous GAAP figures have been reclassified to confirm the Ind AS presentation requirements for the purpose of this note.

(d) Other Equity Reconciliation previously reported under IGAAP to Ind AS

(₹ in crore)

Particulars	Notes to first time adoption	As at March 31, 2018	As at April 1, 2016
Balance as per Indian GAAP		**873.33**	**635.39**
Adjustments under Ind AS			
Dividend on preference shares, including dividend distribution tax	9	-	(4.69)
Grant on capital asset recognised	5	(3.75)	(3.85)
Deferred Tax on Ind AS adjsutments	3	(63.38)	(52.77)
Derecognition of proposed dividend including DDT	8	27.97	-
Fair valuation of security deposits	7	(0.53)	(0.38)
Prepaid rent	7	0.53	0.38
Fair valuation of investments	1	0.02	(0.02)
Fair valuation of investments in equity through OCI	1	1.38	0.53
Total balance as per Ind AS		**835.57**	**574.60**

(e) Total Comprehensive Income Reconciliation previously reported under IGAAP to Ind AS

(₹ in crore)

Particulars	Notes to first time adoption	Year ended March 31,2017
Net Profit as per previous GAAP (Indian GAAP)		**237.68**
Ind AS Adjustments : add/(less)		
i) Gain/(Loss) on fair valuation of investment	1	0.04
ii) Reclassification of actuarial gain/loss on employee defined benefit plan recognised in other comprehensive income	2	3.55
ii) Interest income on financial assets	7	0.37
iii) Revision in accounting of government grants	6	0.10
iv) Prepaid rent	7	(0.38)
v) Deferred Tax adjustments	3	(11.82)
vi) Other Comprehensive Income		
- Reclassification of actuarial gain/loss on employee defined benefit plan recognised to other comprehensive income	3	(3.55)
- Fair valuation of equity investment through other comprehensive income	1	0.85
- Foreign currency translation reserve	13	(0.03)
- Tax effect of OCI adjustments		1.23
Total comprehensive income as per Ind AS		**228.04**

Notes forming part of Consolidated Financial Statements

*Notes to the first time adoption of Ind AS

1) Fair value of Investments

Under the previous GAAP, Long term investments were carried at cost less provision for other than temporary diminution in the value of such investment. Current investment were carried at lower of cost and fair value. Under Ind AS, the Group has the option to designate such investments either as FVTOCI or FVTPL investments.

a) Under Ind AS, financial assets designated at fair value through profit and loss (FVTPL) are fair valued at each reporting date with changes in fair value recognized in the statement of profit and loss. Mutual fund investments have been classified as FVTPL.

b) Under Ind AS, financial assets designated at fair value through other comprehensive income (FVTOCI) are fair valued at each reporting date with changes in fair value (net of deferred taxes) recognized directly in other comprehensive income. The Group has make an irrevocable election to measure its certain equity Investments through OCI. Consequently, fair value of such equity instruments designated at FVTOCI has resulted in an increase in other comprehensive income.

2) Defined benefit liabilities

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/ asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of the statement of profit and loss.

3) Deferred tax

Under previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as other non-financial assets.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

4) Sale of goods

Under previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is presented as a part of other expenses in statement of profit and loss.

5) Government grant- Related to assets

Under previous GAAP, grants received related to assets has been deducted from the carrying cost of related assets. Under Ind AS, grants related to assets shall be presented in balance sheet by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit and loss on systematic basis over the useful life of assets. Consequently the Group has presented the grant as deferred income and recognised in profit and loss.

6) Borrowings and Government grant

Under Ind AS when loans or similar assistance are provided by Governments or other related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a Government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

7) Security Deposits

Under previous GAAP ,interest free lease security deposits(that are refundable in cash on completion of lease term) are recorded at their transaction value. Under Ind AS all financial assets are required to be recognised at fair value. Accordingly, the Group has fair valued these security deposits under Ind AS. Differnece between fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased as at the date of transition to Ind AS with corresponding increase in prepaid rent.

Notes forming part of Consolidated Financial Statements

*Notes to the first time adoption of Ind AS

8) Equity dividend

Under previous GAAP, proposed dividends including Dividend Distribution Tax (DDT) are recognised as a liability in the period to which it relate, irrespective of when it is are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the Group (usually when approved by shareholders in a general meeting) or paid.

Therefore, the liability for the year ended on March 31, 2016 recorded for dividend has been derecognised against retained earnings on April 01, 2016. The proposed dividend for the year ended on March 31, 2017 recognized under Indian GAAP was reduced with a corresponding impact in the retained earnings.

9) Preference share capital and dividend thereon

Under previous GAAP, the cumulative redeemable preference shares issued by the Group are treated as part of share capital and cumulative dividend which is not declared has been shown as contingent liability. Under Ind AS the same are classified as liabilities. The dividend including DDT on preference shares is recognised in Statement of Profit and Loss as finance costs.

10) Retained earnings

Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

11) Cash flow statement

The transition from the previous GAAP to Ind AS has not had a material impact on Cash Flow Statement

12) Total comprehensive income and other comprehensive income

Under the previous GAAP, the Group did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

13) Foreign currency translation difference

Under the previous GAAP, the Group adjust exchange difference arising on translation of foreign operation through profit and loss accounts. Under Ind AS exchange differnces arinsing on translation of foreign operations to be recognised in other comprehensive income.

51 - Interest in other entities

The Group's subsidiaries at March 31, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration and principal place of business is mentioned as below:-

(₹ in crores)

Particulars	Year	EHAAT Limited	DETS Limited	Dhampur International Pte. Limited
Principal Activities		e-commerce business	Sale of machinery and providing services related with these machineries.	Business of importers, exporters of white crystal sugar, ethyl acetate, ethyl alcohol and yellow soybeans.
Place of Business/ Country of Incorporation		India	India	Singapore
Ownership interest held by the group	March 31, 2018	100%	51%	100%
	March 31, 2017	100%	51%	100%
	April 01, 2016	-	-	100%
Ownership interest held by non-controlling interest	March 31, 2018	0%	49%	0%
	March 31, 2017	0%	49%	0%
	April 01, 2016	-	100%	0%

There is no significant impact of the subsidiaries having non-controlling interests on consolidated financial statement of the Company and accordingly, financial information of the subsidiaries has not been disclosed.

Notes forming part of the Consolidated Financial Statements

Note 52: Additional Information as required under Schedule III to the Companies Act, 2013 :

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated other comprehensive income	Amount (₹ in crores)	As % of consolidated total comprehensive income	Amount (₹ in crores)
As at March 31, 2018	100.00%	1,001.30	100.00%	151.26	100.00%	(0.71)	100.29%	150.55
Parent								
Dhampur Sugar Mills Ltd	97.92%	980.50	103.90%	157.16	60.56%	(0.43)	104.10%	156.73
Subsidiaries- Indian								
EHAAT Limited	(0.18%)	(1.85)	(3.55%)	(5.37)	0.00%	-	(3.57%)	(5.37)
DETS Limited	0.38%	3.79	(0.68%)	(1.03)	0.00%	-	(0.68%)	(1.03)
Subsidiaries- Foreign								
Dhampur International Pte. Ltd.	2.01%	20.10	0.62%	0.94	39.44%	(0.28)	0.44%	0.66
Non- Controlling interest in subsidiary	(0.12%)	(1.24)	(0.29%)	(0.44)	0.00%		(0.29%)	(0.44)
As at March 31, 2017	100.00%	902.02	100.00%	229.18	100.00%	(1.50)	100.00%	227.68
Parent								
Dhampur Sugar Mills Ltd	100.37%	905.39	102.48%	234.87	98.00%	(1.47)	102.51%	233.40
Subsidiaries- Indian								
EHAAT Limited	(0.02%)	(0.15)	(0.11%)	(0.25)	0.00%	-	(0.11%)	(0.25)
DETS Limited	0.57%	5.14	0.09%	0.20	0.00%	-	0.09%	0.20
Subsidiaries- Foreign								
Dhampur International Pte. Ltd.	(0.74%)	(6.68)	(2.74%)	(6.28)	2.00%	(0.03)	(2.77%)	(6.31)
Non- Controlling interest in subsidiary	(0.19%)	(1.68)	0.27%	0.63	0.00%	-	0.28%	0.63

Note 53: Recent Accounting Pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.The amendment will come into force from April 1, 2018. The Group is evaluating the effect of this on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customer The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

Notes forming part of the Consolidated Financial Statements

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Group will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Group is evaluating the effect on adoption of Ind AS 115.

Note 54: The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

This is the Notes to Consolidated Financial Statement referred to in our report of even date

For Atul Garg & Associates	**For T R Chadha & Co LLP**		**For and on behalf of the Board of Directors**		
Chartered Accountants	*Chartered Accountants*				
Firm Registration No. 001544C	Firm Registration No. 006711N/N500028				
Atul Garg	**Neena Goel**	**V. K. Goel**	**A. K. Goel**	**Gautam Goel**	**Gaurav Goel**
Partner	*Partner*	*Chairman*	*Vice Chairman*	*Director*	*Director*
Membership No. 070757	*Membership No. 057986*				
Place : New Delhi		**M. P. Mehrotra**	**A. K. Gupta**	**Nalin K. Gupta**	**AparnaGoel**
Dated : May 09, 2018		*Director*	*Director*	*Chief Financial Officer*	*Company Secretary*

STANDALONE SECTION

Independent Auditors' Report

To
The Members of
Dhampur Sugar Mills Ltd.

Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Dhampur Sugar Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

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

Auditors' Responsibility

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

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

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended March 2017 and the transition date opening balance sheet as at April 01, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 25, 2017 and May 10, 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order ;
2. As required by Section143(3) of the Act, we report that

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and 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 Indian Accounting Standards prescribed under section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such Controls, refer to our separate report in Annexure – 'B'

(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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.

ii. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

iii. As explained, there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Atul Garg
Partner
Membership No. 070757

Place: New Delhi
Date: May 09, 2018

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: May 09, 2018

Annexure – 'A' to the Independent Auditors' Report

The Annexure – 'A' referred to in our Independent Auditors' Report of even date to the members of the Company on the standalone financial statements for the year ended March 31, 2018:

(i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a phased program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. The management has verified major fixed assets during the year and as explained there is no material discrepancy on such verification.

(c) The title deeds of the immovable properties, as disclosed in the financial statements, are held in the name of the company.

(ii) The inventories except goods in transit have been physically verified by the management at reasonable interval during the year. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to book records.

(iii) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not granted any loan secured or unsecured to the companies, firms, limited liability partnership and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly paragraph 3(iii) of the order is not applicable to the company.

(iv) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the company has not granted any loans, or provided any security or guarantee to the parties covered under Section 185 of the Companies Act, 2013. The Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investment made or loans or guarantee or security provided to the parties covered under section 186 of the Companies Act, 2013.

(v) According to the information and explanations given to us, in our opinion, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed there under in respect of deposits accepted during the year. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this connection.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost records and Audit) Rules, 2014 under section 148 of the Companies Act and are of the opinion that, prima facie, the prescribed cost record have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities except for demand raised by Income Tax Authorities at the time of processing of TDS return. There are no undisputed statutory dues as referred to above as at March 31, 2018 outstanding for a period of more than six months from the date they become payable except for demand raised by Income Tax Authorities at the time of processing of TDS return aggregating to ₹ 0.06 Crores. We have been informed by the Company that they are in process of getting these returns rectified and are hopeful that these demands will be substantially reduced after rectification.

(b) According to the information and explanations given to us, the particulars of Income tax, Service-tax, Sales-tax, Custom Duty, Excise Duty, Entry tax, Value Added Tax, which have not been deposited on account of any dispute, are as referred to Annexure – 'A1'.

(viii) According to the information and explanations given to us, in our opinion, the Company has not defaulted in repayment of loans and borrowings to any financial institution, bank and government during the period. The Company has not borrowed any money by way of issue of debentures.

(ix) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the money raised by the Company by way of term loans have been applied for the purposes for which they were obtained.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company by its officers or employees was noticed or report during the year.

(xi) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company is not a Nidhi Company. Accordingly, the paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Act where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (IndAS 24), Related Party Disclosures specified under Section 133 of the Act, read with Rule 15 of the Companies (Indian Accounting Standards) Rules, 2015.

(xiv) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not raised funds by way of Private placement of Preferential Issues during the year.

xv) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not entered into any non-cash transactions as specified u/s 192 of the Act, with its directors or persons connected to him. Accordingly, the paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Atul Garg
Partner
Membership No. 070757
Place: New Delhi
Date: May 09, 2018

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
Place: New Delhi
Date: May 09, 2018

Annexure – 'A1' to the Independent Auditors' Report

(The Annexure - 'A1' referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2018)

(₹ in crores)

S. No.	Name of the Statute	Nature of Dues	Amount in ₹	Period to which the amount relates	Forum where the dispute is pending
1	Central Excise Act, 1944	Excise Duty	0.01	2003-04	Supreme Court
2	Central Excise Act, 1944	Excise Duty	0.02	2005-06	Supreme Court
3	Central Excise Act, 1944	Excise Duty	0.01	2012-13	Supreme Court
4	Central Excise Act, 1944	Excise Duty	#	2012-13	Supreme Court
	Sub-total		**0.04**		
1	Central Excise Act, 1944	Excise Duty	#	1998-99	High Court
2	Central Excise Act, 1944	Excise Duty	0.01	2001-02	High Court
3	Central Excise Act, 1944	Excise Duty	#	2004-05	High Court
4	Central Excise Act, 1944	Excise Duty	#	2004-05	High Court
5	Central Excise Act, 1944	Excise Duty	0.01	2004-05	High Court
6	Central Excise Act, 1944	Excise Duty	0.02	2005-06	High Court
7	Central Excise Act, 1944	Excise Duty	0.04	2010-11	High Court
8	Central Excise Act, 1944	Excise Duty	10.73	2011-12	High Court
	Sub-total		**10.81**		
1	Central Excise Act, 1944	Excise Duty	0.04	1995-96	CESTAT
2	Central Excise Act, 1944	Excise Duty	#	1996-97	CESTAT
3	Central Excise Act, 1944	Excise Duty	0.26	2005-06	CESTAT
4	Central Excise Act, 1944	Excise Duty	8.59	2006-07	CESTAT
5	Central Excise Act, 1944	Excise Duty	1.36	2007-08	CESTAT
6	Central Excise Act, 1944	Excise Duty	0.23	2007-08	CESTAT
7	Central Excise Act, 1944	Excise Duty	0.17	2007-08	CESTAT
8	Central Excise Act, 1944	Excise Duty	2.49	2008-09	CESTAT
9	Central Excise Act, 1944	Excise Duty	0.04	2009-10	CESTAT
10	Central Excise Act, 1944	Excise Duty	0.04	2009-10	CESTAT
11	Central Excise Act, 1944	Excise Duty	#	2009-10	CESTAT
12	Central Excise Act, 1944	Excise Duty	2.89	2010-11	CESTAT
13	Central Excise Act, 1944	Excise Duty	4.75	2010-11	CESTAT
14	Central Excise Act, 1944	Excise Duty	3.09	2010-11	CESTAT
15	Central Excise Act, 1944	Excise Duty	0.03	2010-11	CESTAT
16	Central Excise Act, 1944	Excise Duty	0.02	2010-11	CESTAT
17	Central Excise Act, 1944	Excise Duty	0.15	2011-12	CESTAT
18	Central Excise Act, 1944	Excise Duty	0.02	2011-12	CESTAT
19	Central Excise Act, 1944	Excise Duty	0.05	2011-12	CESTAT
20	Central Excise Act, 1944	Excise Duty	0.05	2011-12	CESTAT

Annexure – 'A1' to the Independent Auditors' Report

Contd.

(₹ in crores)

S. No.	Name of the Statute	Nature of Dues	Amount in ₹	Period to which the amount relates	Forum where the dispute is pending
21	Central Excise Act, 1944	Excise Duty	2.08	2014-15	CESTAT
22	Central Excise Act, 1944	Excise Duty	0.65	2014-15	CESTAT
23	Central Excise Act, 1944	Excise Duty	0.45	2015-16	CESTAT
11	Central Excise Act, 1944	Excise Duty	0.06	2017-18	CESTAT
12	Central Excise Act, 1944	Excise Duty	0.33	2017-18	CESTAT
3	Central Excise Act, 1944	Excise Duty	0.02	2017-18	CESTAT
4	Central Excise Act, 1944	Excise Duty	0.05	2017-18	CESTAT
5	Central Excise Act, 1944	Excise Duty	0.02	2017-18	CESTAT
6	Central Excise Act, 1944	Excise Duty	0.07	2017-18	CESTAT
	Sub-total		**28.00**		
1	Central Excise Act, 1944	Excise Duty	#	2001-02	Commissioner (Appeals)
2	Central Excise Act, 1944	Excise Duty	0.05	2001-02	Commissioner (Appeals)
3	Central Excise Act, 1944	Excise Duty	#	2004-05	Commissioner (Appeals)
4	Central Excise Act, 1944	Excise Duty	0.05	2009-10	Commissioner (Appeals)
5	Central Excise Act, 1944	Excise Duty	0.02	2011-12	Commissioner (Appeals)
6	Central Excise Act, 1944	Excise Duty	0.29	2011-12	Commissioner (Appeals)
7	Central Excise Act, 1944	Excise Duty	0.13	2015-16	Commissioner (Appeals)
8	Central Excise Act, 1944	Excise Duty	0.01	2015-16	Commissioner (Appeals)
9	Central Excise Act, 1944	Excise Duty	0.01	2015-16	Commissioner (Appeals)
10	Central Excise Act, 1944	Excise Duty	0.13	2016-17	Commissioner (Appeals)
	Sub-total		**0.69**		
1	Central Excise Act, 1944	Excise Duty	1.39	2017-18	Additional Commissioner (Appeals)
2	Central Excise Act, 1944	Excise Duty	0.45	2017-18	Additional Commissioner (Appeals)
			1.84		
	Total Excise duty demands		**41.38**		
1	Service Tax Law	Service Tax	0.56	2009-10	CESTAT
2	Service Tax Law	Service Tax	0.03	2010-11	CESTAT
	Total Service tax demands		**0.59**		
	Total Excise duty & Service tax demands		**41.97**		

Annexure – 'A1' to the Independent Auditors' Report

Contd.

(₹ in crores)

S. No.	Name of the Statute	Nature of Dues	Amount in ₹	Period to which the amount relates	Forum where the dispute is pending
1	U.P. Trade Tax Act, 1948	Trade Tax	0.01	1993-94	High Court
2	U.P. Trade Tax Act, 1948	Trade Tax	0.01	1994-95	High Court
3	U.P. Trade Tax Act, 1948	Trade Tax	0.04	1995-96	High Court
4	U.P. Trade Tax Act, 1948	Trade Tax	0.09	1996-97	High Court
5	U.P. Trade Tax Act, 1948	Trade Tax	0.10	1996-97	High Court
6	U.P. Trade Tax Act, 1948	Trade Tax	0.18	1997-98	High Court
7	U.P. Trade Tax Act, 1948	Trade Tax	0.35	1998-99	High Court
8	U.P. Trade Tax Act, 1948	Trade Tax	0.75	1999-00	High Court
9	U.P. Trade Tax Act, 1948	Trade Tax	0.04	1999-00	High Court
10	U.P. Trade Tax Act, 1948	Trade Tax	0.40	2000-01	High Court
11	U.P. Trade Tax Act, 1948	Trade Tax	0.02	2000-01	High Court
12	U.P. Trade Tax Act, 1948	Trade Tax	0.41	2001-02	High Court
13	U.P. Trade Tax Act, 1948	Trade Tax	0.16	2001-02	High Court
14	U.P. Trade Tax Act, 1948	Trade Tax	0.73	2002-03	High Court
15	U.P. Trade Tax Act, 1948	Trade Tax	0.15	2002-03	High Court
16	U.P. Trade Tax Act, 1948	Trade Tax	0.49	2003-04	High Court
17	U.P. Trade Tax Act, 1948	Trade Tax	0.07	2003-04	High Court
18	U.P. Trade Tax Act, 1948	Trade Tax	0.59	2004-05	High Court
19	U.P. Trade Tax Act, 1948	Trade Tax	0.26	2011-12	High Court
20	U.P. Trade Tax Act, 1948	Trade Tax	0.64	2011-12	High Court
	Sub-total		**5.49**		
1	U.P. Trade Tax Act, 1948	Trade Tax	0.72	1999-00	Commercial Tax Tribunal
2	U.P. Trade Tax Act, 1948	Trade Tax	1.12	1999-00	Commercial Tax Tribunal
3	U.P. Trade Tax Act, 1948	Trade Tax	0.43	2001-02	Commercial Tax Tribunal
4	U.P. Trade Tax Act, 1948	Trade Tax	2.65	2001-02	Commercial Tax Tribunal
5	U.P. Trade Tax Act, 1948	Trade Tax	5.49	2005-06	Commercial Tax Tribunal
6	U.P. Trade Tax Act, 1948	Trade Tax	0.05	2005-06	Commercial Tax Tribunal
7	U.P. Trade Tax Act, 1948	Trade Tax	2.75	2006-07	Commercial Tax Tribunal
8	U.P. Trade Tax Act, 1948	Trade Tax	0.04	2006-07	Commercial Tax Tribunal
5	U.P. Trade Tax Act, 1948	Trade Tax	0.63	2007-08	Commercial Tax Tribunal
6	U.P. Trade Tax Act, 1948	Trade Tax	0.60	2007-08	Commercial Tax Tribunal
7	U.P. Trade Tax Act, 1948	Trade Tax	1.18	2008-09	Commercial Tax Tribunal
8	U.P. Trade Tax Act, 1948	Trade Tax	1.77	2008-09	Commercial Tax Tribunal
9	U.P. Trade Tax Act, 1948	Trade Tax	0.66	2009-10	Commercial Tax Tribunal
10	U.P. Trade Tax Act, 1948	Trade Tax	1.08	2009-10	Commercial Tax Tribunal
	Sub-total		**19.17**		

Annexure – 'A1' to the Independent Auditors' Report

Contd.

(₹ in crores)

S. No.	Name of the Statute	Nature of Dues	Amount in ₹	Period to which the amount relates	Forum where the dispute is pending
1	U.P. Trade Tax Act, 1948	Trade Tax	0.01	2009-10	Additional Commissioner (Appeals)
2	U.P. Trade Tax Act, 1948	Trade Tax	0.07	2012-13	Additional Commissioner (Appeals)
3	U.P. Trade Tax Act, 1948	Trade Tax	0.73	2012-13	Additional Commissioner (Appeals)
4	U.P. Trade Tax Act, 1948	Trade Tax	0.10	2013-14	Additional Commissioner (Appeals)
5	U.P. Trade Tax Act, 1948	Trade Tax	1.77	2013-14	Additional Commissioner (Appeals)
6	U.P. Trade Tax Act, 1948	Trade Tax	0.35	2014-15	Additional Commissioner (Appeals)
7	U.P. Trade Tax Act, 1948	Trade Tax	0.65	2014-15	Additional Commissioner (Appeals)
	Sub-total		**3.68**		
	Total Trade tax demands		**28.34**		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.82	1994-95	High court
2	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	1.06	1994-95	High court
3	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	1.25	1995-96	High court
4	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.37	1995-96	High court
5	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.88	2001-02	High court
			4.38		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.02	2000-01	Commercial Tax Tribunal
2	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.51	2005-06	Commercial Tax Tribunal
3	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.43	2006-07	Commercial Tax Tribunal
4	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.02	2007-08	Commercial Tax Tribunal
5	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.21	2008-09	Commercial Tax Tribunal
6	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.89	2009-10	Commercial Tax Tribunal
	Sub-total		**2.08**		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.02	2010-11	Additional Commissioner (Appeals)

Annexure – 'A1' to the Independent Auditors' Report

Contd.

(₹ in crores)

S. No.	Name of the Statute	Nature of Dues	Amount in ₹	Period to which the amount relates	Forum where the dispute is pending
2	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	2.85	2012-13	Additional Commissioner (Appeals)
3	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.43	2013-14	Additional Commissioner (Appeals)
4	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.05	2014-15	Additional Commissioner (Appeals)
	Sub-total		**3.35**		
	Total Entry Tax demands		**9.81**		
	Total Trade Tax and Entry Tax demands		**38.15**		

Annexure - 'B' to the Independent Auditor's Report

(The Annexure – 'B' referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2018)

Report on the Internal Financial Control under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial control over financial reporting of Dhampur Sugar Mills Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone 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 controls over financial reporting criteria established by the Company considering the essential components of internal controls 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 polices, 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 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control 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 Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 disposition of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipt and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition , use ,or disposition of the company's assets that could have a material effect on the financial statement.

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 controls 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 control system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For Atul Garg & Associates	**For T R Chadha & Co LLP**
Chartered Accountants	*Chartered Accountants*
Firm Registration No.001544C	**Firm Registration No.006711N/N500028**
Atul Garg	**Neena Goel**
Partner	Partner
Membership No. 070757	Membership No. 057986
Place: New Delhi	Place: New Delhi
Date: May 09, 2018	Date: May 09, 2018

Balance Sheet as at March 31, 2018

(₹ in crores)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
(1) Non - current assets				
(a) Property, plant and equipment	4	1,588.86	1,489.42	1,493.81
(b) Capital work - in - progress	5	24.13	27.12	28.17
(c) Other intangible assets	6	3.27	2.58	-
(d) Biological asset	7	0.42	0.40	0.36
(e) Financial assets				
(i) Investments	8	7.12	3.33	1.31
(ii) Loans	9 (i)	8.73	3.28	2.63
(iii) Other financial assets	10 (i)	26.13	-	-
(f) Deferred tax asset (net)		-	-	-
(g) Other non - current assets	11 (i)	21.36	17.14	7.21
Total non current assets		**1,680.02**	**1,543.27**	**1,533.49**
(2) Current assets				
(a) Inventories	12	1,145.57	1,476.86	1,261.60
(b) Financial assets				
(i) Trade receivables	13	242.88	224.98	256.26
(ii) Cash and cash equivalents	14	2.22	10.78	10.98
(iii) Bank Balances other than (ii) above	15	8.15	7.64	7.15
(iv) Loans	9 (ii)	0.07	0.73	0.12
(v) Other financial assets	10 (ii)	1.89	3.16	7.37
(c) Other current assets	11 (ii)	41.80	53.15	58.15
Total current assets		**1,442.58**	**1,777.30**	**1,601.63**
(d) Asset held for sale	16	-	4.58	-
Total assets		**3,122.60**	**3,325.15**	**3,135.12**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	17	66.45	66.45	60.28
(b) Other equity	18	949.66	844.63	577.95
Total equity		**1,016.11**	**911.08**	**638.23**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	19 (i)	421.19	522.73	545.79
(ii) Other financial liabilities	20 (i)	-	-	0.99
(b) Provisions	21 (i)	26.27	24.99	20.82
(c) Deferred tax liabilities (net)	22	37.16	28.27	3.78
(d) Other non - current liabilities	23 (i)	6.75	8.13	3.75
Total Non current liabilities		**491.37**	**584.12**	**575.13**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	19 (ii)	930.50	1,274.16	928.47
(ii) Trade payables	24	501.70	252.63	450.44
(iii) Other financial liabilities	20 (ii)	135.13	173.09	220.82
(b) Provisions	21 (ii)	8.96	5.78	8.53
(c) Other current liabilities	23 (ii)	38.83	124.29	309.39
(d) Current tax liabilities (net)	25	-	-	4.11
Total current liabilities		**1,615.12**	**1,829.95**	**1,921.76**
Total equity & liabilities		**3,122.61**	**3,325.15**	**3,135.12**
Corporate information	1			
Significant accounting policies and estimates	2-3			
Other disclosures	37-53			

The accompanying notes form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

For and on behalf of the Board of Directors

Atul Garg
Partner
Membership No. 070757

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: May 09, 2018

V.K. Goel *Chairman*
A.K. Goel *Vice Chairman*
Gautam Goel *Director*
Gaurav Goel *Director*
M.P. Mehrotra *Director*
A.K. Gupta *Director*
Nalin K. Gupta *Chief Financial Officer*
Aparna Goel *Company Secretary*

Statement of Profit and Loss for the year ended March 31, 2018

(₹ in crores)

Particulars		Note No.	Year ended March 31, 2018	Year ended March 31, 2017
I	Revenue from operations	26	3,322.52	2,666.08
II	Other income	27	24.97	25.07
III	**Total income (I + II)**		**3,347.49**	**2,691.15**
IV	Expenses			
	Cost of materials consumed	28	2,294.69	1,844.98
	Excise duty on sale of goods	29	43.99	132.06
	Purchase of Stock-in-Trade	30	23.99	45.08
	Changes in inventories of finished goods, stock - in - trade and work - in - progress	31	255.73	(-216.65)
	Employee benefits expenses	32	118.14	121.08
	Finance costs	33	121.30	167.02
	Depreciation and amortization expenses	34	56.69	53.95
	Other expenses	35	222.27	218.78
	Total expenses (IV)		**3,136.80**	**2,366.30**
V	**Profit / (loss) before exceptional items and tax (III - IV)**		210.69	324.85
VI	Exceptional items		-	-
VII	Profit / (loss) before tax (V - VI)		210.69	324.85
VIII	Tax expense			
	(1) Current tax	36	44.55	64.26
	(2) Deferred tax	36	8.98	25.72
			53.53	89.98
IX	**Profit / (loss) for the period (VII - VIII)**		157.16	234.87
X	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	-- Remeasurement of post-employment benefits obligation		(0.64)	(3.55)
	-- Change in Fair value of FVOCI equity investments		0.12	0.85
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.09	1.23
XI	**Total comprehensive income for the period (IX + X)**		**156.73**	**233.40**
XII	**Earning per equity share (face value of ₹ 10 each)**	37		
	(i) Basic (₹)		23.67	36.13
	(ii) Diluted (₹)		23.67	36.13
	Corporate information	1		
	Significant accounting policies and estimates	2-3		
	Other disclosures	37-53		

The accompanying notes form an integral part of the financial statements

This is the Profit & Loss Statement referred to in our report of even date

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

For and on behalf of the Board of Directors

Atul Garg
Partner
Membership No. 070757

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: May 09, 2018

V.K. Goel *Chairman*	**A.K. Goel** *Vice Chairman*	**Gautam Goel** *Director*	**Gaurav Goel** *Director*
M.P. Mehrotra *Director*	**A.K. Gupta** *Director*	**Nalin K. Gupta** *Chief Financial Officer*	**Aparna Goel** *Company Secretary*

Statement of changes in equity for the year ended March 31, 2018

A. Equity share capital

(₹ in crores)

For the year ended March 31, 2017			For the year ended March 31, 2018		
Balance as at April 1, 2016	Changes in equity share capital during the year	As at March 31, 2017	Balance as at April 1, 2017	Changes in equity share capital during the year	As at March 31, 2018
60.28	6.17	66.45	66.45	-	66.45

B. Other equity

(₹ in crores)

	Reserve & Surplus						Other Reserve	
Particulars	Capital reserve	Securities premium reserve	Storage fund/ reserve for molasses	Capital redemption reserve	General reserve	Retained earnings	FVOCI equity investment reserve	Total other equity
Restated balance as at April 1, 2016	7.23	326.86	1.22	3.72	46.24	192.15	0.53	577.95
Profit for the year						234.87		234.87
Other comprehensive income						(2.32)	0.85	(1.47)
Total comprehensive income for the year	-	-	-	-	-	232.55	0.85	233.40
Molasses fund created during the year			0.18					0.18
Premium on shares issued during the year		54.74						54.74
Expenses on issue of shares during the year		(1.66)						(1.66)
Transfer to general reserve					75.00	(75.00)		-
Interim dividend, inclusive of taxes						(19.98)		(19.98)
Balance as at March 31, 2017	7.23	379.94	1.40	3.72	121.24	329.72	1.38	844.63
Profit for the year						157.16		157.16
Other comprehensive income						(0.55)	0.12	(0.43)
Total comprehensive income for the year	-	-	-	-	-	156.61	0.12	156.73
Molasses fund created during the year			0.22					0.22
Dividend paid, inclusive of taxes						(27.96)		(27.96)
Interim dividend, inclusive of taxes						(23.96)		(23.96)
Balance as at March 31, 2018	7.23	379.94	1.62	3.72	121.24	434.41	1.50	949.66

The accompanying notes form an integral part of the financial statements

This is Statement of Change in Equity referred to in our report of even date

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

For and on behalf of the Board of Directors

Atul Garg
Partner
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Neena Goel
Partner
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Place: New Delhi
Date: May 09, 2018

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Gaurav Goel *Director*
M.P. Mehrotra *Director*
A.K. Gupta *Director*
Nalin K. Gupta *Chief Financial Officer*
Aparna Goel *Company Secretary*

Cash Flow Statement for the year ended March 31, 2018

(₹ in crores)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A	**Cash flow from operating activities**		
	Net Profit before tax as Satement of Profit and Loss	210.69	324.85
B	**Adjustments to reconcile profit before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :**		
	Depreciation and impairment of property, plant and equipment	56.69	53.95
	(Gain) / Loss on disposal of property, plant and equipment	(0.04)	(0.58)
	Interest costs	121.30	167.02
	Transfer to storage fund for molasses	0.22	0.18
	Government grant	(2.16)	(14.05)
	Finance income	(3.34)	(2.57)
	Dividend income	(0.03)	(0.02)
	Provision for impairment of investment reversed	(0.50)	-
	Provision for employee benefits	4.46	1.42
	Profit on sale on investment	-	(0.01)
	Operating profit before working capital adjustments	**387.29**	**530.19**
	Working capital adjustments		
	(Increase) /Decrease in trade receivables	(17.90)	31.28
	(Increase) /Decrease in other financial assets	(5.21)	5.40
	(Increase) /Decrease in other assets	1.17	(11.92)
	(Increase) /Decrease in Government grants	15.26	33.95
	(Increase) /Decrease in asset held for sale	4.58	(4.58)
	(Increase) /Decrease in inventories	330.49	(215.26)
	Increase / (Decrease) in trade and other financial liabilities	231.95	(158.87)
	Increase / Decrease in provision and other liabilities	(86.31)	(189.92)
	Cash generated from operations	**861.32**	**(20.27**)
	Tax expenses	(55.91)	(70.24)
	Net cash generated from operating activities	**805.41**	**(49.97)**
B	**Investing activities**		
	Purchase of property, plant and equipment	(142.82)	(56.30)
	Sale of property, plant and equipment	0.64	1.47
	Purchase of financial instruments in subsidiaries including share application money	(29.80)	(1.51)
	Sale of financial instruments	2.17	0.35
	Interest received	5.03	0.12
	Purchase / maturity of fixed deposits (Net)	(0.81)	(0.58)
	Dividend received	0.03	0.02
	Net cash flow from / (used in) investing activities	**(165.56)**	**(56.43)**
C	**Financing activities**		
	Proceed from issuance of equity share including securities premium	-	60.91
	Equity shares issue expenses	-	(1.66)
	Repayments of long term borrowings (including preference shares)	(192.70)	(317.92)
	Receipt of long term borrowings	68.32	218.32
	Proceeds from short term borrowings (net)	(343.66)	345.69
	Dividend including dividend distribution tax	(51.32)	(19.80)
	Finance cost paid	(129.05)	(179.34)
	Net cash flow from / (used in) financing activities	**(648.41)**	**106.20**
	Net increase in cash and cash equivalents (A+B+C)	**(8.56)**	**(0.20)**
	Opening cash & cash equivalents	10.78	10.98
	Closing cash and cash equivalents for the purpose of Cash Flow Statement (refer note 14)	2.22	10.78

Notes:

1 The above cash flow statement has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7

2 Figures in brackets indicate cash outflow from respective activities.

3 Cash and cash equivalents as at the Balance Sheet date consists of :

Cash Flow Statement for the year ended March 31, 2018

(₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks :	-	-
-On current account	1.38	9.73
Cash on hand	0.84	1.05
Total	**2.22**	**10.78**

Reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities :

(₹ In Crore)

Particulars	Long-Term Borrowings	"Short-term Borrowings"	Total
Opening balance as on April 01, 2017	644.86	1274.16	1,919.02
Financial cash flows (Net)	(124.38)	(343.66)	(468.04)
Interest accrued	1.70	-	1.70
Closing balance as at March 31, 2018	**522.18**	**930.50**	**1,452.68**

The accompanying notes form an integral part of the financial statements
This is the Cash Flow Statement referred to in our report of even date

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Atul Garg
Partner
Membership No. 070757

Place: New Delhi
Date: May 09, 2018

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

For and on behalf of the Board of Directors

V.K. Goel *Chairman*	**A.K. Goel** *Vice Chairman*	**Gautam Goel** *Director*	**Gaurav Goel** *Director*
M.P. Mehrotra *Director*	**A.K. Gupta** *Director*	**Nalin K. Gupta** *Chief Financial Officer*	**Aparna Goel** *Company Secretary*

1) Corporate Information:

DhampurSugar Mills Limited ("DSML" or "the Company") having CIN No. L15249UP1933PLC000511 is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India and has its registered office at Dhampur, Uttar Pradesh, India.

Its shares are listed on two stock exchanges in India namely, National Stock Exchange of India and Bombay Stock Exchange of India.

The company is engaged mainly in the manufacturing and selling of sugar, chemicals, ethanol and co-generation of power.

2) Significant accounting policies:

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below.Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2016 for the purpose of transition to Ind AS, unless otherwise indicated.

i. Basis of preparation and presentation

a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified undersection 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended)and other relevant accounting principles generally accepted in India.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).Previous year numbers in the financial statements have been restated in accordance with Ind AS. Reconciliations and descriptions of the effect of the transition has been summarized in Note 51.

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is April 1, 2016. Refer note 51for the details of first-time adoption (Ind AS 101)exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including derivative instruments, refer accounting policy regarding financial instruments) and assets for defined benefit plans that are measured at fair value and less cost of sale wherever require. The methods used to measure fair values are discussed further in notes to financial statements.

c) The financial statements are presented in Indian rupees (₹) and all values are rounded to the nearest crores and two decimals thereof, except if otherwise stated.

ii. Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it satisfies any of the following criteria:-

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:—

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

iii. Property, plant and equipment & capital work-in-progress

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is being recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land sare stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxesless accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of material, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at the lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

Transition to Ind AS

On transition to Ind AS, the company has elected to adopt carrying valueof all of its property, plant and equipment recognized as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

iv. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

v. Depreciation and amortization

The classification of plant and machinery into continuous and non-continuous process is done as per their use and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II of the Companies Act, 2013.

The Company has used the following useful lives to provide depreciation on its tangible assets:

Assets	Useful Lives
Building	03-60 years
Plant & equipment	15-40 years
Furniture & fixtures	10 years
Railway sidings	15 years
Weighbridge	15 years
Computers	03 years
Office equipment	05 years
Electrical appliances	15 years
Vehicles	08 years
Farm asset and equipment	15 years

Intangible assets are amortized on a straight line basis over the estimated useful economic life of the assets. The Company uses a rebuttable presumption that the useful life of intangible assets is ten years from the date when the assets is available for use.

vi. Foreign currency translations

Functional and presentation currency

Standalone financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

vii. Inventories

Raw material, process chemicals, stores and packing material are measured at weighted average cost.

Work in progress, traded and finished goods (other than by products and scraps) are measured at lower of cost or net realizable value.

By products and scrap are carried at estimated Net Realizable Value.

Cost of finished goods and work in progress comprises of raw material cost (net of realizable value of By-products), variable and fixed production overhead, which are allocated to work in progress and finished goods on full absorption cost basis. Cost of inventory also includes all other cost incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

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

viii. Biological assets

Biological assets comprises of standing crop and livestock.

Biological assets are measured at fair value less cost to sell. Changes in fair value of biological assets is recognised in the statement of profit and loss account

The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For Standing crop, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date.

When harvested, crop is transferred to inventory at fair value less costs to sell.

ix. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue are inclusive of excise duty and excluding

estimated customer returns, rebates, other similar allowances and service tax, value added taxes, goods and service tax and amounts collected on behalf of third parties or government, if any.

Recognising revenue from major business activities

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Sale of Renewable Energy Certificates (REC's)

Income from sale of RECs is recognised on transfer of RECs to the customers' account.

Dividend income

Dividend income is recognised when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Export Incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

x. Expenses

All expenses are accounted for on accrual basis.

xi. Long term borrowings

Long term borrowings are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on cumulative preference shares is recognised in Statement of Profit and Loss as finance costs.

xii. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred. Transaction costs incurred for long term borrowing until are not material are expensed in the period in which they are incurred.

xiii. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to the transition date, i.e. April 1, 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

(i) As a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Lease Rental payables under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(ii) As a lessor

Lease rental income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless receiptare structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

xiv. Provision for current and deferred tax

(i) Current income tax :

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

(ii) Deferred tax :

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Minimum Alternate Tax (MAT) credits is recognised as deferred tax assets in the Balance Sheet only when the asset can be measured reliably and to the extent there is convincing evidence that sufficient taxable profit will be available against which the MAT credits can be utilised by the company in future.

xv. Impairment of non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. Impairment is charged to the profit and loss account in the year in which an asset is identified as impaired.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xvi. 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.

Government grants related to assets, including non-monetary grants recorded at fair value,are treated as deferred income and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

xvii. Provisions, contingent liabilities and assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognised but disclosed, when possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

xviii. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which are subject to an insignificant risk of changes in value.

xix. Dividend payable

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

xx. Non-current assets (or disposal group) held for sale and discontinued operations:

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the consolidated statement of profit and loss, with all prior periods being presented on this basis.

xxi. Equity issue expenses

Expenses incurred on issue of equity shares are charged in securities premium reserve account in the year in which it is incurred.

xxii. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value of the financial assets, as appropriate, on initial recognition.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income for these financial assets is included in other income using the effective interest rate method.

c) Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

d) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Further, in case of a subsidiary, the Company has the option to account for investment in shares either at cost/deemed cost or FVTOCI or FVTPL as at the transition date. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

The company elected to measure the investment in subsidiary at cost.

Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected life time losses to be recognised from initial recognition of receivables.The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed

Derecognition of financial assets:

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

B. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of borrowings, net of directly attributable transactions cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method or at FVTPL.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities:

A financial liability (ora part of a financial liability) is derecognized from the Company's Balance Sheet when, and only when the obligation specified in thecontract is discharged or cancelled or expires.

C. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xxiii. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or

- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

xxiv. Employees benefits

a) Short-term obligations

Short-term obligations Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of

employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

b) Post-employment obligations

i. Defined contribution plans

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make contribution at a specified percentage of the covered employees' salary. The contributions, as specified under Defined Contribution Plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period in the statement of profit and loss.

ii. Defined benefit plans

- **Non-funded defined benefits plans :**The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the company.The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

  The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date.

  The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation.

  The service cost and net interest on the net defined benefit liability/(asset) is included in employees benefits expenses in the statement of profit and loss.

  Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised,whichever is earlier.

  Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

- **Funded defined benefits plans:** The Company's also madecontribution to the provident fund set up as irrevocable trust by the Company. The Company generally liable for monthly contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

c) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation.

Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

d) Voluntary retirement scheme

Compensation to employees who have opted for retirement under the "Voluntary Retirement scheme" is charged to the profit and loss account in the year of retirement.

xxv. Operating segments

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

xxvi. Cash flow statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxvii. Earnings per share

Basic earnings per share are calculated by dividing the profit/(loss) for the year(before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

3. Use of estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets,liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

The areas involving critical judgement are as follows:

i. Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Notes forming part of the Standalone Financial Statements

Note 4 - Property, plant & equipment

(₹ in crores)

Particulars	Freehold land	Building	Plant & equipment	Furniture & fixtures	Computers	Office equipment	Electrical appliances	Vechicles	Farm assets and equipment	Total (2016-17)
Gross Carrying Cost										
As on April 01, 2016	346.64	172.05	1,672.06	11.65	9.86	2.53	11.05	19.56	0.89	2,246.29
Additions during the year	-	1.17	43.26	0.15	0.62	0.04	0.32	4.74	-	50.30
Diposals / deduction during the year	-	(0.10)	(0.57)	(0.21)	(0.30)	(0.01)	(0.05)	(4.52)	-	(5.76)
Exchange Difference	-	-	0.07	-	-	-	-	-	-	0.07
As at March 31, 2017	**346.64**	**173.12**	**1,714.82**	**11.59**	**10.18**	**2.56**	**11.32**	**19.78**	**0.89**	**2,290.90**
Depreciation										
As on April 01, 2016	-	52.20	658.55	9.21	8.59	2.28	8.27	12.96	0.42	752.48
Charges for the year	-	5.84	45.62	0.32	0.48	0.06	0.39	1.12	0.04	53.87
Diposals / deduction during the year	-	0.09	(0.60)	(0.18)	(0.29)	(0.01)	(0.08)	(3.80)	-	(4.87)
As at March 31, 2017	**-**	**58.13**	**703.57**	**9.35**	**8.78**	**2.33**	**8.58**	**10.28**	**0.46**	**801.48**
Net Carrying Cost										
As at March 31, 2017	346.64	114.99	1,011.25	2.24	1.40	0.23	2.74	9.50	0.43	1,489.42
As at April 01, 2017	346.64	119.85	1,013.51	2.44	1.27	0.25	2.78	6.60	0.47	1,493.81

(₹ in crores)

Particulars	Freehold land	Building	Plant & equipment	Furniture & fixtures	Computers	Office equipment	Electrical appliances	Vechicles	Farm assets and equipment	Total (2017-18)
Gross Carrying Cost										
As on April 01, 2017	346.64	173.12	1,714.82	11.59	10.18	2.56	11.32	19.78	0.89	2,290.90
Additions during the year	-	2.69	149.77	0.09	0.79	0.40	0.27	3.31	0.03	157.35
Diposals / deduction during the year	-	(0.33)	(0.03)	(0.06)	(0.67)	(0.02)	(0.16)	(2.67)	-	(3.94)
As at March 31, 2018	346.64	175.48	1,864.56	11.62	10.30	2.94	11.43	20.42	0.92	2,444.31
Depreciation										
As on April 01, 2017	-	58.13	703.57	9.35	8.78	2.33	8.58	10.28	0.46	801.48
Charges for the Year	-	5.71	47.88	0.34	0.45	0.07	0.39	1.56	0.04	56.44
Diposals / deduction during the year	-	-	(0.16)	(0.05)	(0.40)	(0.01)	(0.02)	(1.83)	-	(2.47)
As at March 31, 2018	-	63.84	751.29	9.64	8.83	2.39	8.95	10.01	0.50	855.45
Net Carrying Cost										
As at March 31, 2018	346.64	111.64	1,113.27	1.98	1.47	0.55	2.48	10.41	0.42	1,588.86
As at April 01, 2017	346.64	114.99	1,011.25	2.24	1.40	0.23	2.74	9.50	0.43	1,489.42

Notes:

(i) Contractual commitment towards purchase of property, plant and equipment, 38 (iii)

(ii) The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer note 19 for detailed security terms).

5 - Capital work in progress

(₹ in crores)

Particulars	As at March 31, 2018		As at March 31, 2017	
Plant and equipment / Civil work - in - progress				
Additions during the year		132.21		38.98
(A)		**132.21**		**38.98**
Preoperative expenses/ trial run expenses				
Additions during the year :				
Cost of materials consumed		7.22		-
Employee benefits expense				
Salaries and wages	0.05	0.05		-
Finance costs (refer note 5.a)				
Interest		4.71		2.40
Depreciation expense				-
Other expenses				
Consumption of stores and spare parts	0.29			-
Power and fuel	0.25			-
Insurance	0.01			-
Rates and taxes (excluding taxes on income)	0.01			-
Miscellaneous expenses	0.02	0.58		-
(B)		**12.56**		**2.40**
Income during trial run :				
Inter division transfers				
Steam	9.19			
Power	2.80	11.99		
(C)		**11.99**		**-**
Total additions during the year D= (A+B-C)		132.78		41.38
Balance brought forward				
Plant and equipment/ Civil work - in- progress (E)		27.12		28.17
F = (D+E)		**159.90**		**69.55**
Capitalised during the year (G)		135.77		42.43
Capital work-in-progress at the end of the year H= (F-G)		**24.13**		**27.12**

Note 5.a

The finance costs on specific borrowings capitalised during the year amounted to ₹ 4. 64 crore (March 31, 2017 : ₹ NIL crore) using the capitalization rate of 9.06 % (March 31, 2017: 9.56 %) per annum which is the effective interest rate of the specific borrowings. Further, the Company has also capitalised borrowing costs on its general borrowings amounting to ₹ 0.07 crore (March 31, 2017: ₹ 2.40 crore) using the weighted average capitalisation rate of 8.35% (March 31, 2017: 10.05%) per annum.

Note 6 - Intangible assets

(₹ in crores)

Particulars	Computer software licenses
Gross carrying cost	
As on April 01, 2016	-
Additions during the year	2.64
Disposals / deduction during the year	-
As at March 31, 017	**2.64**
Amortisation	
As on April 01, 2016	-
Charges for the year	0.06
Disposals / deduction during the year	-
As at March 31, 2017	0.06
Net Carrying Cost	
As at March 31, 2017	2.58
As at April 01, 2016	-

Note 6 - Intangible Assets (contd.)

(₹ in crores)

Particulars	Computer software licenses
Gross carrying cost	
As on April 01, 2017	2.64
Additions during the year	0.94
Disposals / deduction during the year	-
As at March 31, 2018	**3.58**
Amortisation	
As on April 01, 2017	**0.06**
Charges for the year	0.25
Disposals / deduction during the year	-
As at March 31, 2018	**0.31**
Net carrying cost	
As at March 31, 2018	3.27
As at March 31, 2017	2.58

Note 7 - Biological assets

(₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Standing crop (refer note. 2)	0.39	0.35
Add: Change in fair value *	0.64	0.98
Less: Harvested during the year *	0.61	0.94
Closing balance of standing crops (a)	0.42	0.39
Live stock (refer note. 2)	0.01	0.01
Live stock (loss)	(0.01)	-
Closing balance of live stock (b)	#	0.01
Total (a+b)	**0.42**	**0.40**

* excludes fair value of self consumed sugar cane of ₹ 2.11 crore (Previous Year ₹ 1.03 crore)

Note 8 - Financial assets - Investments

(i) Non - Current Investments

(₹ in crores)

Particulars	Face Value	No. of shares/ Units	As at March 31, 2018	No. of shares/ Units	As at March 31, 2017	No. of shares/ Units	As at April 01, 2016
(I) Equity Instruments							
(i) Investment in subsidiary (Unquoted)							
(Carried at deemed cost)							
Dhampur International Pte Ltd.							
(wholly owned subsidiary) (refer note 8(a)							
	SG$ 1	10000	#	10000	#	10000	#
	US $ 1	2000000	#	2000000	#	2000000	#
Carried at cost							
EHAAT Limited (wholly owned subsidiary)							
(refer note 8 (b)	₹ 10	3770000	3.77	100000	0.10	NIL	-
DETS Limited (having controlling stake							
of 51%) (refer note 8 (c)	₹ 10	428400	1.41	428400	1.41	NIL	-
(ii) Investment in others (Unquoted)							
(Carried at deemed cost)							
Rāmgangā Sanyukta Sahkari Kheti Samiti							
Limited (Unquoted)	₹ 100	1	-	1	-	1	
(Carried at fair value through other							
comprehensive income)							
VLS Finance Limited (Quoted)	₹ 10	263142	1.75	263142	1.64	263142	0.82
South Asian Enterprises Limited (Quoted)	₹ 10	250000	0.19	250000	0.18	250000	0.15
Total Investment in Equity Shares			**7.12**		**3.33**		**0.97**
(II) Investment in Mutual Funds							
(Carried at fair value through profit or loss)							
Baroda Pioneer Income Fund - Dividend							
Reinvestment Plan (Quoted)			-		-		0.34
Total			**7.12**		**3.33**		**1.31**

(₹ in crores)

Disclosure of non-current investments	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Aggregate amount of quoted investments and market Value	1.94	1.82	1.31
Aggregate amount of unquoted investments	5.18	1.51	-

8 (a) The Company has fair valued its investments in its subsidiary "Dhampur International PTE Ltd." and use that fair value as deemed cost for measuring such investments at the time of transition to Ind AS i.e. At April 01, 2016

The investment is valued at ₹ 1/-

8 (b) During the previous year the Company has promoted and incorporated a Wholly Owned Subsidiary in the name of of EHAAT Limited and subscribed the 1,00,000 Equity Share Capital of the Company on October 22, 2016.

During the current financial year, the Company has been alloted 16,70,000 Equity Shares of EHAAT Limited of ₹ 10/- each fully paid up against the sale consideration of receivable in respect of transfer of Rural Distribution Division of Consumer Products through Slump Sale agreement. The Company has further subscribed 20,00,000 Equity Shares of EHAAT Limited of ₹ 10/- each fully paid up under right issue.

8 (c) During the previous year, the Company has acquired 4,28,400 equity shares of DETS Limited (Constituting 51% of Equity Share Capital of DETS Limited) and became the holding Company of the DETS Limited w.e.f. October 03, 2016.

Note 9 - Financial assets - loans

(i) Non-current loans (Unsecured, considered good)

(₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at amortised cost			
Security deposits			
- to related parties	2.27	2.12	1.81
- to others	0.88	1.10	0.82
Loans and advances to wholly owned subsidiary Company	5.58	0.06	-
Total	**8.73**	**3.28**	**2.63**

(ii) Current loans (Unsecured, considered good)

(₹ In Crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at amortised cost			
Security deposits			
- to others	0.01	-	0.12
Other loans and advances :	-	-	-
Advances recoverable in cash or in kind	0.06	0.73	-
Total	**0.07**	**0.73**	**0.12**

Note 10 - Other financial assets

(i) Other non- current financial assets (₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at cost			
Share application money paid - pending for allotment*	26.13	-	
Total	**26.13**	**-**	**-**

* Amount paid towards investment in Dhampur International Pte Limited (Wholly owned subsidiary) amounting to ₹ 26.13 crore (equivalent to USD Four Million) for the subscription of Four Million Equity Shares of USD 1 each fully paid up of which shares is alloted on May 08, 2018.

(ii) Other current financial assets (₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at cost			
(Unsecured, considered good)			
Insurance claim receivable	0.41	0.42	6.79
Interest receivable	1.05	2.74	0.29
Other recoverable	0.43	-	0.29
Total	**1.89**	**3.16**	**7.37**

Note 11 - Other assets

(i) Other non-current assets (₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(Unsecured considered good unless otherwise stated)			
Capital advance	4.52	12.31	5.64
Non-current income tax (Refer note below)	13.24	1.88	-
Payment of taxes under protest/appeal	3.60	2.95	1.57
Total	**21.36**	**17.14**	**7.21**

Note Non-current income tax (₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance tax paid	57.79	66.14	-
Less : Provision for tax	44.55	64.26	-
Total	**13.24**	**1.88**	**-**

(ii) Other non-current assets

(₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance to suppliers	15.08	13.02	10.07
Advances to employees	0.52	0.47	0.46
Balance with revenue authorities	12.19	13.80	11.13
Subsidy receivable from Government/Government Authority	7.81	17.34	32.88
Prepaid expenses	2.42	2.27	3.23
Advance recoverable - other	3.42	5.72	-
Advance rent	0.36	0.53	0.38
Total	**41.80**	**53.15**	**58.15**

Note 12 - Inventories

(₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(refer note no. - ' 2 ' for mode of valuation)			
Raw materials	16.85	16.42	36.37
Goods-in-process	25.88	21.47	35.91
Finished goods	1,053.05	1,389.73	1,148.09
Stock in trade	1.12	6.97	4.42
Stores & Spare parts	48.50	42.15	36.64
Loose tools	0.17	0.12	0.17
Total	**1,145.57**	**1,476.86**	**1,261.60**
Carrying amount of inventories pledged as security for borrowings	1,145.57	1,476.86	1,261.60

Note 13 - Trade receivables

(₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Carried at amortised cost			
Trade receivables			
- Unsecured, considered good unless otherwise stated	242.88	224.98	256.26
Total	**242.88**	**224.98**	**256.26**

Note 14 - Cash and cash equivalents

(₹ in crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with banks :			
-On current account	1.38	9.73	9.42
Cash on hand	0.84	1.05	1.56
Total	**2.22**	**10.78**	**10.98**

Note 15 - Bank Balances other than cash and cash equivalents

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with banks :			
-In unpaid dividend account	0.65	0.35	0.26
Other bank balances :			
Deposits earmarked for fixed deposit	6.23	6.23	6.10
Deposits earmarked for molasses storage fund	1.27	1.06	0.79
Total	**8.15**	**7.64**	**7.15**

Note 16 - Assets held for sale

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Property, plant and equipment (under chemical segment)	-	4.58	-
Total	**-**	**4.58**	**-**

Note 17 - Share capital

(₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No.	(₹ in Crore)	No.	(₹ in Crore)	No.	(₹ in Crore)
Authorized shares						
Equity shares of ₹ 10/- each	113826000	113.83	113826000	113.83	113826000	113.83
Preference shares of ₹ 100/- each	6917400	69.17	6917400	69.17	6917400	69.17
Issued , subscribed and paid-up shares						
Equity						
Equity shares of ₹ 10/- each fully paid-up	66387590	66.38	66387590	66.38	60214935	60.21
Equity shares forfeited	325496	0.07	325496	0.07	325496	0.07
Less : Calls in arrears	2105	#	2105	#	2105	#
Total		**66.45**		**66.45**		**60.28**

Note 17. a - Reconciliation of shares outstanding at the beginning and at the end of the reporting period is set out below :

(₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017	
	No.	(₹ in Crore)	No.	(₹ in Crore)
Issued , subscribed and paid-up shares				
Equity shares				
At the beginning of the period	66387590	66.38	60214935	60.21
Issued during the period	-	-	6172655	6.17
Outstanding at the end of the period	66387590	66.38	66387590	66.38

Note 17. b - Details of shareholders holding more than 5% shares :

(₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No.	(% holding)	No.	(% holding)	No.	(% holding)
Equity shares of ₹ 10 each fully paid-up						
Goel Investments Ltd.	10655515	16.05	10655515	16.05	11255515	18.69
Anil Kumar Goel	6671000	10.05	4080000	6.15	0	0.00
Sonitron Ltd.	4940716	7.44	4940716	7.44	4940716	8.21
Shudh Edible Products Ltd.	4299680	6.48	4299680	6.48	4549680	7.56
Mr. Gautam Goel	4242339	6.39	4242339	6.39	4242339	7.05
Mr. Gaurav Goel	4211379	6.34	4211379	6.34	4211379	6.99
Saraswati Properties Limited	3266758	4.92	3266758	4.92	3416758	5.67

Note 17. c - Calls unpaid of equity shares

(₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No.	Amt. (in ₹)	No.	Amt. (in ₹)	No.	Amt. (in ₹)
i) Calls unpaid by directors and officers	Nil	Nil	Nil	Nil	Nil	Nil
ii) Calls unpaid by others	2105	10705	2105	10705	2105	10705

Note 17. d - Terms/right attached to equity shares

i) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

ii) The Company declares and pays dividend in Indian rupees. The dividend if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 17.e - During the previous year 2016-17, the Company has issued and allotted 61,72,655 equity shares of ₹ 10 each at a premium of ₹ 88.68 per equity share by way of Qualified Institutional Placement.

Note 18 - Other equity

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Capital redemption reserve	3.72	3.72	3.72
Capital reserve	7.23	7.23	7.23
FVOCI equity reserve	1.50	1.38	0.53
General reserve	121.24	121.24	46.24
Retained earnings	434.41	329.72	192.15
Securities premium	379.94	379.94	326.86
Storage fund/reserve for molasses	1.62	1.40	1.22
Total	**949.66**	**844.63**	**577.95**

A. Reserve and surplus

(i) Capital redemption reserve

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
As per last account	3.72	3.72
Closing balance	**3.72**	**3.72**

(ii) Capital reserve

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
As per last account	7.23	7.23
Closing balance	**7.23**	**7.23**

(iii) General Reserve

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
As per last account	121.24	46.24
Add: transfer from retained earnings		75.00
Closing Balance	**121.24**	**121.24**

(iv) Securities premium reserve

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
As per last account	379.94	326.86
Add: Premium on shares issued during the year		54.74
Less: Expenses on issue of shares during the year		1.66
Closing Balance	**379.94**	**379.94**

(v) Storage fund/reserve for molasses

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
As per Last account	1.40	1.22
Add: molasses fund created during the year	0.22	0.18
Closing Balance	**1.62**	**1.40**

(vi) Retained earnings (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
As per last account	329.72	192.15
Add:	-	
Net Profit for the period	157.16	234.87
Remeasurement of post employment benefit obligation (See Note 18.1)	(0.55)	(2.32)
Less: Appropriations		
i) Interim dividend inclusive of dividend distribution tax	23.96	19.98
ii) Final dividend inclusive of dividend distribution tax	27.96	
iii) Transfer to general reserve		75.00
Closing balance	**434.41**	**329.72**

Note 18.1: This is item of other comprehensive income arising from remeasurement of defined benefit obligation net of income tax, which is directly recognised in retained earning.

B. Other reserves

(i) FVOCI equity reserve (₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance	1.38	0.53
Add: Addition during the year	0.12	0.85
Less: Utilised during the year	-	
Closing Balance	1.50	1.38

Note 18.2 : Nature and purpose of reserves

Capital redemption reserve
Capital redemption reserve of ₹ 3.72 crores was created against the redemption of cumulative preference shares

Capital reserve
Capital reserve was created against amalgamation.

Securities premium reserves
Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

FVOCI equity investment
The Company has elected to recognise changes in fair value of certain investments in equity securities through OCI as Other Reserves. The Company transfers amount from this reserves to retained earnings when the relevant investment is sold and realised.

Storage fund/reserve for molasses
The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under UttarPradesh Sheera Niyantran (Sansodhan) Adesh, 1974.

General reserve
This represents appropriation of profit after tax by the Company.

Retained earnings
This comprise Company's undistributed profit after taxes.

Note 19 - Financial Liabilities "Borrowings"

(i) Non-current

(₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
Carried at amortized cost						
Term loans						
Secured						
From banks						
Rupee term loans from banks		372.02		466.80		515.29
(For security refer note 19.b)						
From entities other than banks						
Rupee Loans :						
Sugar Development Fund (SDF)		31.87		32.93		18.24
(For security refer note 19.b)						
Unsecured :						
Deposit - from related parties	10.24		12.08		4.13	
'- from public	7.06		5.33		4.76	
Buyers' credit from bank	0.00	17.30	5.59	23.00	3.37	12.26
Total		**421.19**		**522.73**		**545.79**

(ii) Current

(₹ in crore)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
Carried at amortized cost						
Unsecured						
Deposits :						
- from related parties	-		0.20		3.30	
- from public	2.85	2.85	10.36	10.56	5.26	8.56
Short term loans and advances :						
- from related parties	0.00		0.08		0.59	
- from others	0.00	0.00	0.00	0.08	0.00	0.59
Working capital loans						
From banks						
Secured						
Punjab National Bank	540.91		629.90		416.69	
Bank of Baroda	34.10		25.18		28.50	
Central Bank of India	7.11		69.48		40.84	
District Co-operative Bank	197.90		394.05		277.55	
U.P. Co-operative Bank	-		0.52		77.90	
Prathma Bank	112.86		84.41		69.87	
Sarva U.P. Gramin Bank	10.05		9.98		7.97	
State Bank of India	24.72	927.65	50.00	1,263.52	0.00	919.32
(For security refer note 19.c)						
Total		**930.50**		**1,274.16**		**928.47**

a) Terms of repayment :

Name of Banks / entities	Rate of interest (ROI) % p.a	Amount outstanding as at March 31, 2018		Amount outstanding as at March 31, 2017		Amount outstanding as at April 01, 2016		Period of maturity w.r.t the Balance Sheet date as at March 31, 2018	Number of Installments outstanding as at March 31, 2018	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ in Crore)	Non Current ₹ in Crore)	Current (₹ in Crore)	Non Current ₹ in Crore)	Current (₹ in Crore)	Non Current ₹ in Crore)				
1) Punjab National Bank											
Term loan from bank under GOI (SEFASU) Scheme, 2014	12.00%*	30.43	0.00	36.51	30.43	36.51	66.94	10 Months	10 Monthly Installment	3.04	Refer note no. 19 (i) (b) (i) below
Term loan from bank (Soft Loan)	8.65%	4.95	59.69	9.91	79.51	0.00	94.37	4 Year, 2 Months, 30 Days	13 Quarterly Installments #	4.95	Refer note no. 19 (i) (b) (ii) below
Term loan from bank	8.45%	10.23	7.66	10.21	17.90	23.21	63.79	1 Year,9 Months	7 Quarterly Installments	2.56	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	8.45%	12.75	31.24	5.33	0.00	0.00	0.00	4 Year,5 Months ,30 Days	18 Quarterly Installments	3.19	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	8.45%	6.75	19.27	3.38	2.73	0.00	0.00	4 Year,5 Months 30 Days	18 Quarterly Installments	1.69	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	8.65%	8.33	25.00	16.67	58.33	8.33	91.67	1 Year,9 Months	4 Quarterly Installments #	8.33	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	8.65%	3.79	49.34	7.59	64.52	0.00	75.91	4 Year,2 Months, 30 Days	14 Quarterly Installments #	3.80	Refer note no. 19 (i) (b) (iii) below
Term loan from bank	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	7.50	7.50	-	-	-	
Term loan from bank	ROI - N.A. since repaid	0.00	0.00	3.00	3.30	9.00	15.30	-	-	-	
Term loan from bank	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	9.71	0.00	-	-	-	
	Sub-Total	77.23	192.20	92.60	256.72	94.26	415.48				
2) Bank of Baroda	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	7.50	2.50	-	-	-	
	Sub-Total	**0.00**	**0.00**	**0.00**	**0.00**	**7.50**	**2.50**				
3) Central Bank of India	10.30%	8.12	29.79	2.13	40.61	5.42	51.45	3 Year,6 Months	14 Quarterly Installments	2.71	Refer note no. 19 (i) (b) (iv) below

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

a) Terms of repayment :

Name of Banks / entities	Rate of interest (ROI) % p.a	Amount outstanding as at March 31, 2018		Amount outstanding as at March 31, 2017		Amount outstanding as at April 01, 2016		Period of maturity w.r.t the Balance Sheet date as at March 31, 2018	Number of Installments outstanding as at March 31, 2018	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ in Crore)	Non Current ₹ in Crore)	Current (₹ in Crore)	Non Current ₹ in Crore)	Current (₹ in Crore)	Non Current ₹ in Crore)				
	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	2.50	4.86	-	-	-	
	ROI - N.A. since repaid	0.00	0.00	0.00	6.00	4.00	14.00	-	-	-	
	ROI - N.A. since repaid	0.00	0.00	0.00	0.00	0.00	4.72	-	-	-	
	Sub-Total	8.12	29.79	2.13	46.61	11.92	75.03				
4) Prathma Bank	ROI - N.A. since repaid	0.00	0.00	1.25	12.75	7.25	21.25	-	-	-	
	Sub-Total	0.00	0.00	1.25	12.75	7.25	21.25				
5) UCO Bank	10.40%	0.00	150.00	0.00	150.00	0.00	0.00	8 Years	28 Quarterly Installments	5.375 except last four installment of ₹ 5.25	Refer note no. 19 (i) (b) (v) below
	Sub-Total	0.00	150.00	0.00	150.00	0.00	0.00				
6) Car Loan from Bank		0.60	0.03	1.13	0.72	0.80	1.03		Monthly	various	
7) Government of India, Sugar Development Fund	4.00%	0.00	31.20	0.00	30.03	0.00	0.00	7 Year, 3 Days	10 Half Yearly Installments	3.57	Refer note no. 19 (i) (b) (vi) below
	7.00%	0.49	0.00	0.70	0.49	0.70	1.19	5 Months, 26 Days	2 Quarterly Installments	2nd last Installment - 0.35 & Last Installment - 0.14	Refer note no. 19 (i) (b) (vii) below
	7.00%	0.67	0.34	0.67	1.01	0.67	1.69	1 Year, 1 Months, 13 Days	3 Half Yearly Installments	0.34	Refer note no. 19 (i) (b) (viii) below
	7.00%	0.40	0.00	0.82	0.40	0.82	1.22	5 Months, 27 Days	1 Quarterly Installment	0.40	Refer note no. 19 (i) (b) (ix) below
	7.00%	0.67	0.33	0.67	1.00	0.67	1.66	1 Year, 1 Months, 13 Days	3 Half Yearly Installments	0.33	Refer note no. 19 (i) (b) (x) below
	ROI - N.A. since repaid	0.00	0.00	12.48	0.00	22.51	12.48	-	-	-	
	Sub-Total	2.23	31.87	15.34	32.93	25.37	18.24				

a) Terms of repayment :

Name of Banks / entities	Rate of interest (ROI) % p.a	Amount outstanding as at March 31, 2018		Amount outstanding as at March 31, 2017		Amount outstanding as at April 01, 2016		Period of maturity w.r.t the Balance Sheet date as at March 31, 2018	Number of Installments outstanding as at March 31, 2018	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ in Crore)	Non Current ₹ in Crore)	Current (₹ in Crore)	Non Current ₹ in Crore)	Current (₹ in Crore)	Non Current ₹ in Crore)				
Unsecured : 1) 8% Cumulative Redeemable Preference shares to JK Sugar Ltd. Pursuant to scheme of amalgamation		-	-	-	-	18.91	-	-	-	-	-
Deposit - from related parties	10.25 to 12.00%	4.30	10.24	0.01	12.08	2.68	4.13	Payable on different due dates	-	-	-
'- from public	10.25 to 12.00%	2.50	7.06	2.15	5.33	2.08	4.76	Payable on different due dates	-	-	-
Buyers' credit from bank		0.00	0.00	3.03	5.59	29.67	3.37	-	-	-	-
	Sub-Total	6.80	17.30	5.19	23.00	53.34	12.26				
	Total	**94.99**	**421.19**	**117.64**	**522.73**	**200.44**	**545.79**				

* Under subvention scheme into maximum of 12% per annum
# Under these loans, the installments due upto December 31, 2018 have been pre-paid as on March 31,2018.

b) Nature of security in respect of long term borrowings :

(i) Rupee term loan from PNB under the Government sponsored subvention Scheme for Extending Financial Assistance to Sugar Undertakings (SEFASU), 2014 are secured by third parri passu charge on block of fixed assets of Company and personal guarantee of four directors.

(ii) Rupee term loan from PNB under the Government sponsored Scheme for Extending Soft loan to sugar mills are secured by third parri passu charge on block of fixed assets of five units of the Company and personal guarantee of promoter directors.

(iii) Rupee term loan from PNB are secured by first parri passu charge on block of fixed assets of the Company and personal guarantee of promoter directors.

(iv) Rupee term loan from CBOI are secured by first parri passu charge on block of fixed assets of the Company and personal guarantee of promoter directors.

(v) Rupee term loan from UCO Bank are secured by subservient charge over land and building, plant & machinery and other immovable and movable fixed assets of the Company present and future and personal guarantee of two promoter directors.

(vi) Rupee term loan from Sugar Development Fund (SDF) are secured by first pari passu charge over the movable and immovable assets of DSM Sugar Rajpura, a unit of the Company, situated at Rajpura.

(vii) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable assets of one of its unit i.e. Dhampur sugar unit, situated at Dhampur.

(viii) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable assets of one of its unit i.e. DSM Sugar Asmoli, situated at Asmoli.

(ix) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable assets of one of its unit i.e. DSM Sugar Rajpura, situated at Rajpura.

(x) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable assets of one of its unit i.e. DSM Sugar Mansurpur, situated at Mansurpur.

(xi) All other term loans from banks are secured by first parri passu charge on all movable and immovable assets except book debts, stock in trade, raw material, spare parts and other current assets and are guaranteed by promoter directors.

c) Nature of security in respect of short term borrowings :

Working capital loans from Punjab National Bank are secured :

- by way of first parri passu charge and pledge of stocks of sugar and sugar-in-process both preseent and future.
- by way of first parri passu charge and hypothecation of molasses, bagasse, general stores, chemicals unit raw material, co-geneartion unit raw material, book debts etc. both present and future of the Company.
- by way of third parri passu charge on the block of fixed assets/immovabale propoerties of the Company
- by personal guarantee of promoter directors of the Company

Working capital loans from Bank of Baroda are secured :

- by way of pledge of stocks of sugar and sugar-in-process both preseent and future on parri passu basis with other banks.
- by way of hypothecation of stocks and other current assets both preseent and future of the Cogen-Amoli unit of the Company.
- by way of First parri passu charge on the book debts of the Company
- by way of Third parri passu charge on the block of fixed assets of the Company
- by personal guarantee of promoter directors of the Company

Working capital loans from Central Bank of India are secured :

- by way of pledge of stocks of sugar and sugar-in-process both preseent and future on parri passu basis with other banks.

- by way of hypothecation of molasses, bagasse, general stores both present and future on parri passu basis of the Company.
- by way of first parri passu charge on the current assets of the Company
- by way of third parri passu charge on the land and buildings of the Company

Working capital loans from all District Co-operative Banks are secured :

- by way of pledge of stocks of sugar
- by personal guarantee of promoter directors of the Company

Working capital loans from Prathma Bank are secured :

- by way of pledge of stocks of sugar and sugar-in-process
- by way third parri passu charge on the block of fixed assets , both present and future, of the Company
- by personal guarantee of promoter directors of the Company

Working capital loans from Sarva U.P. Gramin Bank are secured :

- by way of first parri passu charge and pledge of stocks of sugar and sugar-in-process both preseent and future.
- by way of hypothecation of molasses, bagasse, general stores both preseent and future on parri passu basis of the Company.
- by way of third parri passu charge on the immovable properties of the Company

Working capital Demand loans from State Bank of India against Warehouse receipts of NBHC are secured :

- by way of first and exclusive charge on the stocks of sugar
- by personal guarantee of promoter directors of the Company

Note 20 - Other Financial Liabilities

(i) Non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Carried at amortised cost			
Interest accrued but not due on borrowings	-	-	0.99
Total	**-**	**-**	**0.99**

(ii) Current liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Carried at amortised cost			
Current maturities of long term borrowings (Refer Note 19.a)	94.99	117.64	200.44
Interest accrued but not due on borrowings	3.72	3.58	2.94
Interest accrued and due on borrowings*	0.49	0.10	5.31
Provision for DDT on preference shares	-	-	0.79
Other payables	0.01	0.01	0.01
Unpaid matured deposits and interest accrued thereon	1.79	0.81	0.20
Unpaid liability	20.81	31.13	
Employee benefits	9.27	15.75	6.45
Security deposits	3.40	3.72	4.42
Unclaimed dividend	0.65	0.35	0.26
Total	**135.13**	**173.09**	**220.82**

* Represents interest debited by banks on loans at the close of business hours as at March 31, 2018 which has been repaid by the Company on next working day.

Note 21 - Provisions

(i) Long term provision

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits			
Gratuity (Refer note 46.a)	26.27	24.99	20.82
Total	**26.27**	**24.99**	**20.82**

(ii) Short term provision

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits			
- Gratuity (Refer note 46.a)	3.77	2.51	1.88
- Others (Refer note below)	5.19	3.27	6.65
Total	**8.96**	**5.78**	**8.53**

Note : Movement of provisions other than gratuity

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Carrying amount at the beginning	3.27	6.65
Add: Additional provisions made during the period, including increases to existing provision	8.60	3.59
Less: Amount used during the period	6.68	6.97
Carrying amount at the end	**5.19**	**3.27**

Note 22 - Deferred tax asset/ (Liability)

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax asset :			
• On account of carried forward losses and unabsorbed depreciation	48.69	87.71	186.13
• On account of difference in the tax base value and carrying amount of Investments	2.39	2.49	2.49
• On account of government grants	1.28	1.30	1.33
• On account of temporary differences on allowablility of expenses for tax purposes	11.41	29.44	16.05
• MAT credit entitlement	120.08	75.53	11.28
	183.85	196.47	217.28
Deferred tax liability :			
• On account of property plant & equipment (other then land)	204.23	184.63	168.15
• On account of difference in the tax base value and carrying amount of land	16.78	40.12	52.91
	221.01	224.74	221.06
Net deferred tax assets / liabilities	**(37.16)**	**(28.27)**	**(3.78)**

Note 22.1 : Movement in deferred tax Liabilities/ deferred tax assets

(₹ in crore)

Particulars	Carried forward losses & Unabsorbed Depreciation	Property Plant & Equipment	Other items	Mat Credit entitlement	Total
At April 01, 2016	**186.13**	**(168.15)**	**(33.04)**	**11.28**	**(3.78)**
(Charged)/credited:-					
-to profit & loss	(98.42)	(3.68)	12.13	64.25	(25.72)
-to other comprehensive income			1.23	-	1.23
At March 31, 2017	**87.71**	**(171.83)**	**(19.68)**	**75.53**	**(28.27)**
(Charged)/credited:-					
-to profit & loss	(39.02)	(19.61)	5.10	44.55	(8.98)
-to other comprehensive income		-	0.09	-	0.09
At March 31, 2018	**48.69**	**(191.44)**	**(14.49)**	**120.08**	**(37.16)**

Note 23 - Other Liabilities

(i) Non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred government grants (refer note no. 39)	6.75	8.13	3.75
Total	**6.75**	**8.13**	**3.75**

(ii) Current liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred government grants (refer note 39)	1.38	1.27	0.10
Advance from customers	11.86	2.38	1.52
Statutory dues payable	24.76	91.85	68.59
Others	0.83	28.79	239.18
Total	**38.83**	**124.29**	**309.39**

Note 24 - Trade payables

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	2.42	4.28	5.22
Total outstanding dues of creditors other than micro enterprises and small enterprises	499.28	248.35	445.22
Total	**501.70**	**252.63**	**450.44**

Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in crore)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	2.42	4.28	5.22
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
c) The amount of interest paid by the Company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	Nil	Nil	Nil
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	Nil	Nil	Nil
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil	Nil
f) The amount of further interest remaining due and payable even in succeeding years	Nil	Nil	Nil

The above mentioned outstanding's are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 25 - Current tax liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for tax	44.55	64.26	4.11
Less: Advance tax paid	44.55	64.26	-
Total	**-**	**-**	**4.11**

Note 26 - Revenue From operation (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
i. Sale of Products:		
a) Manufactured goods		
Sugar	2,722.79	2,013.96
Chemicals	343.62	386.62
Power	216.56	200.63
Others	0.54	0.22
b) Traded goods		
Others	24.41	44.01
Sub-Total (i)	**3,307.92**	**2,645.44**
ii. Other operating revenue		
Scrap sale	2.17	1.28
Liabilities/ provisions no longer required written back	4.83	1.37
Insurance claim received	0.56	0.76
Purchase tax	2.19	-
Government grant (refer note 39)	2.06	13.95
Fair value gain on re-measurement of biological assets through profit or loss *	0.64	0.98
Duty drawback	1.24	1.50
Miscellaneous income	0.91	0.80
Sub-Total (ii)	**14.60**	**20.64**
Total (i+ii)	**3,322.52**	**2,666.08**

* excludes fair value of self consumed sugar cane of ₹ 2.11 crore (Previous Year ₹ 1.03 crore)

Note 27 - Other income (₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income		
- from financial assets carried at amortized cost	0.21	0.37
- from banks and others	3.13	2.20
Deferred Government grant (refer note 39)	0.10	0.10
Dividend income	0.03	0.02
Others		
- Income from rent	1.85	1.24
- Profit/(Loss) on sales of fixed assets	0.04	0.58
- Income from REC (net of expenses)	18.37	19.63
- Income from consultancy services	0.09	0.80
- Other miscellaneous income	-	0.12
- Provision for impairment of investment reversed	0.50	-
- Foreign exchange fluctuation difference	0.65	-
- Profit on sale on investment	-	0.01
Total	**24.97**	**25.07**

Note 28 - Cost of materials consumed

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cost of material consumed		
- Sugar cane *	2,202.86	1,739.82
- Molasses	26.89	27.55
- Bagasse and other fuel	13.64	12.85
- Chemicals and others	51.30	64.76
Total	**2,294.69**	**1,844.98**

* excludes fair value of self consumed sugar cane of ₹ 2.11 crore (Previous Year ₹ 1.03 crore)

Note 29 - Excise duty on sale of goods

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Excise duty on sale of goods	43.99	132.06
Total	**43.99**	**132.06**

Note 30 - Purchase of stock in trade

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Purchase of stock-in-trade	23.99	45.08
Total	**23.99**	**45.08**

Note 31 - Changes in inventories of finished goods & work in progress

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Closing stock: :		
Finished stock	1,053.05	1,389.73
Work-in-progress	25.88	21.47
Stock-in-trade	1.12	6.97
Total	**1,080.05**	**1,418.17**
Less: Opening stock :		
Finished stock	1,389.73	1,148.09
Work-in-progress	21.47	35.91
Stock-in-trade	6.97	4.42
Total	**1,418.17**	**1,188.42**
Less: Excise duty and others	**(82.39)**	**13.10**
Net(Increase)/decrease in stock	**255.73**	**(216.65)**

Note : The amount of loss due to write down the inventories at net realisable value recognised during the year ended March 31, 2018 as expenses and included in change in inventories is ₹ 179.96 crore.

Note 32 - Employees benefits expense

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and wages	103.40	108.40
Contribution to provident & other funds	8.91	7.76
Gratuity	4.09	3.54
Voluntary retirement compensation	0.33	0.17
Workmen and staff welfare expenses	1.41	1.21
Total	**118.14**	**121.08**

Note 33 - Finance costs

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expenses on financial liabilities measured at amortize cost	125.77	167.95
Other borrowing cost	3.79	5.82
Foreign exchange difference (net)	0.02	0.01
	129.58	173.78
Less : Interest capitalized during the period	4.71	2.40
Less : Interest subsidy claimed under UPSIPP 2013	3.57	4.36
Total	**121.30**	**167.02**

Note 34 - Depreciation and amortisation expenses

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipment (refer note 4)	56.44	53.89
Amortisation of intangible assets (refer note 6)	0.25	0.06
Total	**56.69**	**53.95**

Note 35 - Other expense

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Consumption of stores, spares & other manufacturing expenses	46.38	43.76
Packing material expenses	31.08	28.53
Expenditure on crop	1.22	0.79
Power and fuel	21.35	15.85
Repair & Maintenance : -		
- Plant & Machinery	26.55	30.95
- Building	2.47	2.41
- Others	4.33	3.72
Rent	7.51	5.70
Rates and taxes	0.90	3.94
Charity and donations (refer note 35.1)	1.28	0.16
Insurance	2.70	2.23
Transfer to storage fund for molasses	0.22	0.18
Selling Expenses :		
- Commission to selling agents	9.92	8.18
- Other selling expenses	22.35	14.53
Payment to auditor's	-	-
- Audit fees	0.19	0.20
- Tax audit fees	0.04	0.07
- Other services	-	0.10
- Reimbursement of expenses	0.03	0.02
Miscellaneous Expenses	26.61	29.61
Cane commission Subsidy written off	-	13.06
CSR Expenses (refer note 35.2)	3.52	-
Cane development expenses	9.11	7.69
Balance written-off	4.34	0.10
Director sitting fees	0.10	0.11
Loss on sale of fixed/discarded assets		
Loss on sale of Investment	-	-
Reimbursement of loss on export obligation	-	5.93
Foreign exchange difference (net)	0.07	0.96
	222.27	**218.78**

Note 35.1: Charity and donation

Charity and donation includes ₹ 1 crore (PY ₹ NIL) to Bharatiya Janata Party as political contribution.

Note 35.2: Corporate social responsibility (CSR)

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a) As per section 135 of the Companies Act, 2013 read with Schedule VII thereof gross amount required to be spent by the Company	2.50	NIL
b) Amount spent during the year :		
(i) Construction/acquisition of any assets		
- in cash	2.21	-
- yet to be paid in cash		
(ii) On purpose other than (i) above		
- in cash	1.31	-
- yet to be paid in cash		

The Various heads which the CSR expenditure were incurred in cash is detailed as follows :-

(₹ in crore)

Particulars	Relevant clause of Schedule VII to the Companies Act, 2013	2017-2018	2016-2017
(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water	Clause (i)	0.55	-
(ii) Promoting education, including special education and employment enhancing vocational training and livelihood enhancement project	Clause (ii)	2.89	
(iii) promoting gender equality and empowering women	Clause (iii)	#	-
" (iv) Promoting rural sports, nationally recognised sports, Paralympic sports and Olympic sports "	Clause (vii)	0.08	-

Note 36 : Tax expense

a. Income tax expenses

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current tax	44.55	64.26
Deferred tax	8.98	25.72
Total income tax expenses	**53.53**	**89.98**

(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(₹ in crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit for the year (before income tax expense)	210.69	324.85
Applicable tax rate	34.944%	34.608%
Computed tax expenses	73.62	112.42
Income Exempt from tax purposes	(0.44)	(6.96)
Expenses not allowed for tax purposes	2.60	0.19
Additional allowances for tax purposes	(0.17)	(2.06)
Deferred tax on non-depreciable assets and investment (Net)	(23.21)	(12.79)
Other temporary differences	1.13	(0.82)
At the effective income tax of 25.41% (Previous year 27.70%)	**53.53**	**89.98**

Note 37 Earnings per share (EPS) :

(₹ in crore)

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
i) Net Profit/ Loss(-) available to Equity Shareholders (Used as numerator for calculating EPS)	₹ in crores	157.16	234.87
ii) Weighted average No.of Equity Shares outstanding during the period: (Used as denominator for calculating EPS)			
- for Basic EPS	No.	66387590	65000857
- for Diluted EPS	No.	66387590	65000857
iii) Earning per Share			
- Basic	₹	23.67	36.13
- Diluted	₹	23.67	36.13
(Equity Share of Face value of ₹ 10 each)			

Note 38 Contingent liabilities and commitments : Not provided for in respect of :-

I. Contingent liabilities

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
i) Demands being disputed by the Company :			
a) Excise duty and Service Tax demands	41.97	42.89	44.51
b) Trade Tax and Entry Tax demands	38.15	44.82	49.34
c) Other demands	28.53	11.57	8.08
d) Estimated amount of interest on above	118.35	111.63	112.87
ii) Claims against the Company not acknowledged as debts :			
a) Statutory liability being disputed by authorities	6.35	7.05	0.36
b) Income Tax demand on processing of TDS Returns	0.06	0.06	0.25
c) Other Liabilities	5.17	4.68	26.17
d) In respect of some pending cases of employees under labour laws	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

The Company has initiated steps for revising the TDS forms to remove various defects due to which demands were raised by authorities and is confident that the demand will be substantially reduced after these rectification.

The decision taken by the government of Uttar Pradesh to waive liability on interest payable by the sugar industry on delayed payment of cane price for the sugar seasons 2012-13, 2013-14 and 2014-15 is remanded back for reconsideration by honorable Allahabad High Court. The sugar industry and the Company believes that UP Government will not reverse its decision for waiver of interest.

The amount shown above represents the best possible estimates arrived on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal process which have been invoked by the Company or the claimants as the case may be, therefore it cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome.

II Corporate guarantees

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Corporate guarantees given by the Company on behalf of third parties to the banks	NIL	75.00	325.00

III Capital commitments

(₹ In Crore)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for	4.93	54.31	12.78

Note 39 The Company is eligible to receive various specific grants announced by Central and UP State Government for Sugar Industry by way of prduction subsidy, reimbursement of society commission and interest subvention on certain term loan, Loans at concessional rate etc. The Company is also eligible to receive grant announced by U.P State Government for promotion of industry in general under UPSIPP Scheme 2013. The Company has recognised these Government grants in the following manners:

(₹ in crore)

S.No.	Particulars	Treatment in accounts	2017-2018	2016-2017
1	**Revenue related Government grants:**			
i	Production subsidy from Government (Refer note a)	Shown as separate line items " Government grant" under other operating income	-	13.95
ii	Incentive claim on society commission under UPSIPP Scheme 2013 (Refer note b)	Shown as separate line items " Government grant" under other operating income	2.06	-
iii	Interest subsidy claimed under UPSIPP Scheme 2013 (Refer note b)	Deducted from finance cost	3.57	4.36
iv	Interest subvention on term loan (Refer note c)	Deducted from finance cost	6.05	10.53
2	**Deferred Government grants:**			
i	Deferred income relating to term loans on concessional rate	Deducted from finance cost	1.17	0.90
ii	Deferred income relating grant on property, plant and equipment	Shown as separate line item " Deferred Government grant" under	1.10	1.10

Notes :

a) The Central Government vide its Notification No. 1(10)/2015-SP-I dated September 18, 2015 announced Minimum Indicative Export Quota (MIEQ) under tradeable export scrip scheme in order to export surplus sugar inventory out of the country. Under the said scheme, the Company was allotted quota of 65488.20 MT for export in respect of its all five sugar units. Further, the Central government vide its Notification No. 20(43)/2015-SP-I dated December 2, 2015 announced a scheme for extending production subsidy @ ₹ 4.50 per quintal of actual cane crushed during sugar season 2015-16 or the proportionate cane crushed for average sugar production of the Company's each units in the last three sugar seasons, whichever is lower for the Company who fulfilled 75% of its export obligation.

b) Under the UPSIPP scheme 2013, the company is eligible for the reimbursement of interest payable on loans obtained from banks/ financial institutions/ sugar development fund on account of setting up of plant and machinery in an existing sugar mill @ 5% p.a.

Further the Company is also eligible for the reimbursement of society commission based on the criteria specified in the scheme.

c) Under Interest Subvention Scheme of Extending Financial Assistance to Sugar Undertaking 2014, the company is eligible for the reimbursement of interest payable on loan from banks taken against last three sugar seasons excise duty, cess and surcharge paid on sugar by the Company.

d) The Company was eligible for government grant by way of reimbursement of Society Cane Commission @ ₹ 3.00 per quintal of cane for the sugar season 2015-16 in accordance with the notification issued by the Government of Uttar Pradesh and accordingly had accounted for cane commission receivable aggregating to ₹ 13.06 crore during the year ended March 31, 2016. However, the Company has written off the said amount in accordance with the notification dated December 28, 2016 issued by the Government of Uttar Pradesh as the same is no more receivable during the year ended March 31 2017,. The said write off of cane commission has been included under "Cane commission subsidy written off" under Note No. 35 - "Other expenses".

e) The Company had availed government grant by way of reduction of cane society commission for sugar season 2012-13 to 2014-15 as per the notifications dtd. June 12, 2015 and for the sugar season 2015-16 for retrospective effect. The Hon'ble Allahabad High Court vide Order dated December 21, 2017 quashed the UP State Government notifications order for reduction in cane commission rate to societies from retrospective against which UP State Government has preferred appeal before Supreme Court. Pending final decision in the matter, the Company has not recognised such claims estimated at ₹ 47.04 crore as debts by the Company.

f) The Company was eligible for various incentives under U.P. Sugar Incentive Promotion Policy, 2004 (the scheme) which was subsequently scrapped by the State Government. The Company has filed writ petition before Hon'ble Allahabad High Court (Lucknow Bench) for enforcement of the scheme and settlement of incentive claims. As per the erstwhile scheme, the Company was eligible for capital subsidy of ₹ 89.89 crores i.e. @10% of the investments made (already vetted ₹ 50.80 crores) and revenue subsidy for reimbursement of taxes and other charges aggregating to ₹ 60.50 crores upto the prescribe period of ten years for incentive. The Company has not recognised these grants.

Note 40 Details of loans and advances; investment made; guarantee given and security provided as required to be disclosed as per provision of section 186(4) of Companies Act, 2013 have been disclosed in Note. No. 8, Note No. 9

Note 41 Disclosures as required by the Listing Agreement :

Loans and advances given to Subsidiary : (Also refer note no. 44)

(₹ in crore)

		Maximum balance during the period	
Type	**Name of Company**	**2017-2018**	**2016-2017**
Subsidiary	Dhampur International Pte Ltd.	36.40	22.00
Subsidiary	e-Haat Limited	4.92	0.06
Subsidiary	DETS Limited	1.29	1.47

Note 42 Operating lease

I Operating lease obligation (As a lessee): - The Company has taken various premises on operating lease for lease period of 1 year to 3 years from the date of lease. The lease period may be further extended as per mutual decision of the parties. In all the leases, there is escalation clause for increase in rentals yearly or alternative year. Details of future minimum lease payments under non cancellable operating lease are as follows:

(₹ in crore)

Particulars	2017-2018	2016-2017
(A) Future minimum lease payment		
Not later than one year	4.32	4.50
Later than one year but not later than five year	3.15	0.00
Later than five year	0.00	0.00
(B) Lease payments recognized in the statement of Profit & Loss during the year		
Minimum lease payment	4.95	3.85

II Operating lease recognized (As a lessor): - The Company has given various premises on operating lease for lease period of 1 year to 15 years from the date of lease. The lease period may be further extended as per mutual decision of the parties. In all the leases, there is escalation clause for increase in rentals yearly or alternative year or after 5 years Details of future minimum lease rentals to be received under non cancellable operating lease are as follows:

(₹ in crore)

Particulars	2017-2018	2016-2017
(A) Future minimum lease payment		
Not later than one year	0.01	0.94
Later than one year but not later than five year	0.07	0.03
Later than five year	0.03	0.01
(B) Lease payments recognized in the statement of Profit & Loss during the year		
Minimum lease payment (Rental Income)	0.97	0.95

III Operating lease recognized (Sub-lease):- The Company has given premises on sublease in year 2017-18. The Company has classified the sublease as an operating lease. Details of future minimum lease rentals to be received under non cancellable operating lease are as follows:

(₹ in crore)

Particulars	2017-2018	2016-2017
(A) Future minimum lease payment		
Not later than one year	0.08	0.00
Later than one year but not later than five year	0.00	0.00
Later than five year	0.00	0.00
(B) Lease payments recognized in the statement of Profit & Loss during the year		
Minimum lease payment (Rental Income)	0.36	0.00

Note 43 In the opinion of the Board, current assets and loans and advances have realisable value in the ordinary course of business at least equal to the value at which they are stated in the balance sheet. The Board is also of opinion that the diminution in the value of investments in EHAAT Limited (wholly owned subsidiary) and DETS Limited (Holding 51% of Equity Shares), is due to initial losses of new start up businesses, which is of temporary nature.

Note 44 Related Party Disclosures:

A. List of Related Parties with whom transactions have taken place and relationships:

I)	Enterprises where control exists: Subsidiaries -	1 Dhampur International Pte Limited 2 E-HAAT Limited 3 DETS Limited
II)	Key Management Personnel (KMP)	1 Mr.Vijay Kumar Goel, Executive Director 2 Mr. Ashok Kumar Goel, Vice Chairman 3 Mr. Gaurav Goel, Managing Director 4 Mr. Gautam Goel, Managing Director 5 Mr. Arhant Jain, Executive President (Finance) & Company Secretary (resign w.e.f. April 03, 2017) 6 Mr. Sandeep Sharma, Chief Operating Officer & Director 7 Mr. Nalin Gupta, Chief Financial Officer (appointed w.e.f. May 25, 2017) 8 Mrs Aparna Goel, Company Secretary (appointed w.e.f. May 25, 2017) 9 Mr. Priya Brat, Independent Director 10 Mr. M. P. Mehrotra, Independent Director 11 Mr. Harish Saluja, Independent Director 12 Mr. Ashwani Kumar Gupta, Independent Director 13 Mrs Nandita Chaturvedi, Independent Director 14 Mr. Rahul Bedi, Independent Director
III)	Close member of Key Management Personnel	Mrs Deepa Goel (Relative of Mr.Vijay Kumar Goel) Mrs Vinita Goel (Relative of Mr. Ashok Kumar Goel) Mrs Priyanjali Goel (Relative of Mr. Gaurav Goel) Mrs Bindu Vashist Goel (Relative of Mr. Gautam Goel) Mrs Brij Bala Jain , Mr. Arvind Jain , Mrs Anita Jain , Mr. Anubhav Jain , Mrs Ankita Jain, Mrs Shruti Jain, Mr. Ashish Jain. (Relative of Mr. Arhant Jain) Mrs Poonam Sharma, Mr. Rahul Sharma, Ms. Sona Sharma (Relative of Mr. Sandeep Sharma) Mrs Rakhi Gupta, Mr. Sidharth Gupta, Mr. Sanjay Gupta (Relative of Mr. Nalin Gupta) Master Advay Goel (Relative of Mrs Aparna Goel) Mrs Shakuntala Brat & Ms. Anu Mahendru (Relative of Mr. Priya Brat)
IV)	Enterprises which have significant influence and also owned or significantly influenced by Key Management Personnel	1 Goel investments Limited 2 Ujjwal Rural Services Limited 3 Saraswati Properties Limited 4 V. K. Goel, H.U.F 5 A.K. Goel, H.U.F. 6 Gaurav Goel, H.U.F 7 Gautam Goel, H.U.F 8 Nalin Kumar Gupta (HUF) 9 Arhant Jain (HUF), Anubhav Jain (HUF), Ashish Jain (HUF), Arvind Jain (HUF). 10 Sandeep Sharma (HUF) 11 Dhampur Sugar Mill Provident Fund 12 Pushp Niketan School Samiti 13 Academy of Modern Learning Turst 14 Shudh Edible Products Limited 15 India Green Fuel Private Limited 16 Eternity Impex Private Limited

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on March 31, 2018

(₹ in crore)

S.No.	Particulars	2017-2018	2016-2017
	Transactions during year ended March 31, 2018		
1	**Loans/advances given**	**4.08**	**-**
	Dhampur International Pte Limited	0.05	-
	Shudh Edible Products Limited	-	#
	Sonitron Limited	-	#
	E-HAAT Limited	3.51	-
	DETS Limited	0.50	-
	Pushp Niketan School Samiti	0.02	0.46
2	**Reciepts towards Loan /Advances given**	**0.05**	**-**
	Goel Investment Limited	0.05	-
	Sonitron Limited	-	#
	Ujjwal Infracon Limited	-	#
3	**Loans taken**	**-**	**1.91**
	Goel Investment Limited	-	#
	Saraswati Properties Limited	-	0.01
	Shudh Edible Products Limited	-	0.85
	Ujjwal Rural Services Limited	-	#
	Mr. V.K. Goel	-	0.14
	Mr. Gautam Goel	-	0.60
	Mr. Gaurav Goel	-	0.31
4	**Loans repaid**	**-**	**2.42**
	Goel Investment Limited	-	0.51
	Saraswati Properties Limited	-	0.01
	Shudh Edible Products Limited	-	0.85
	Ujjwal Rural Services Limited	-	#
	Mr. V.K. Goel	-	0.14
	Mr. Gautam Goel	-	0.60
	Mr. Gaurav Goel	-	0.31
5	**Unsecured Deposits Taken (Fixed Deposit)**	**2.30**	**8.03**
	Mr. Ashok Kumar Goel	-	1.09
	Mr. Arhant Jain	-	0.32
	Mr. Sandeep Sharma	-	#
	Mrs Aparna Goel	0.01	-
	Mr. Priya Brat	-	0.08
	V.K. Goel (HUF)	-	0.15
	A.K. Goel (HUF)	-	0.17
	Gaurav Goel (HUF)	-	0.17
	Gautam Goel (HUF)	-	0.17
	Arhant Jain (HUF)	-	0.17
	Sandeep Sharma (HUF)	-	0.05
	Relatives of KMP	2.29	5.66
6	**Unsecured Deposits Matured (Fixed Deposit)**	**0.05**	**5.88**
	Mr. Ashok Kumar Goel	-	0.88
	Mr. Arhant Jain	-	0.13
	Mr. Sandeep Sharma	-	0.01
	V.K. Goel (HUF)	-	0.12
	A.K. Goel (HUF)	-	0.14

(₹ in crore)

S.No.	Particulars	2017-2018	2016-2017
	Gaurav Goel (HUF)	-	0.14
	Gautam Goel (HUF)	-	0.14
	Arhant Jain (HUF)	-	0.15
	Sandeep Sharma (HUF)	-	0.05
	Relatives of KMP	0.05	4.12
7	**Investment made during thze year**	**3.67**	**0.10**
	E-HAAT Limited (Refer Note 8 (b))	3.67	0.10
8	**Sale of Goods**	**24.16**	**22.40**
	Dhampur International Pte Limited	24.08	22.40
	E-HAAT Limited	0.08	-
9	**Purchase of Goods**	**0.29**	**18.85**
	Dhampur International Pte Limited	-	18.85
	E-HAAT Limited	0.29	-
10	**Sale of Fixed Assets**	**4.41**	**-**
	Dhampur International Pte Limited	4.41	-
	E-HAAT Limited	-	-
11	**Purchase of Fixed Assets**	**3.65**	**0.73**
	Eternity Impex Private Limited	-	0.73
	DETS Limited	3.65	-
10	**Slump Sale**	**1.67**	**-**
	E-HAAT Limited	1.67	-
12	**Rent paid**	**4.50**	**3.82**
	Goel Investment Limited	0.12	0.12
	Saraswati Properties Limited	1.96	1.60
	Shudh Edible Products Limited	2.40	2.09
	Ujjwal Rural Services Limited	0.02	0.02
13	**Remuneration paid (including commission)**	**17.07**	**23.12**
	Mr. Vijay Kumar Goel	4.00	7.26
	Mr. Ashok Kumar Goel	4.00	7.26
	Mr. Gaurav Goel	4.00	7.26
	Mr. Gautam Goel	4.00	0.80
	Mr. Arhant Jain	-	0.10
	Mr. Sandeep Sharma	0.64	0.15
	Mr. Nalin Gupta	0.19	0.12
	Mrs Aparna Goel	0.08	0.05
	Relatives of KMP	0.16	0.12
14	**Sitting fees and Commission to Independent Directors**	**1.08**	**0.10**
14	**Directors Perquisits (As per Income Tax Act)**	**0.76**	**0.53**
	Mr. Vijay Kumar Goel	0.37	0.28
	Mr. Ashok Kumar Goel	0.17	0.12
	Mr. Gaurav Goel	0.17	0.12
	Mr. Gautam Goel	#	#
	Mr. Sandeep Sharma	0.05	0.01
15	**Interest expense**	**1.77**	**1.37**
	Mr. Ashok Kumar Goel	0.16	0.16
	Mr. Arhant Jain	0.04	0.03
	Mr. Sandeep Sharma	-	#

(₹ in crore)

S.No.	Particulars		2017-2018	2016-2017
	Mr. Nalin Gupta		#	-
	Mrs Aparna Goel		#	-
	Mr. Priya Brat		0.01	-
	V.K. Goel (HUF)		0.06	0.04
	A.K. Goel (HUF)		0.07	0.06
	Gaurav Goel (HUF)		0.07	0.06
	Gautam Goel (HUF)		0.07	0.06
	Arhant Jain (HUF)		0.06	0.05
	Sandeep Sharma (HUF)		0.01	0.01
	Nalin Gupta (HUF)		0.02	-
	Relatives of KMP		1.20	0.90
16	**Interest Income**		**0.22**	**0.05**
	E-HAAT Limited		0.22	#
	DETS Limited		#	0.05
17	**Consultancy Income**		**0.09**	**0.92**
	DETS Limited		0.09	0.92
18	**Rental Income**		**0.36**	**-**
	E-HAAT Limited		0.20	-
	DETS Limited		0.16	-
19	**Expenses Recovered**		**1.21**	**3.61**
	E-HAAT Limited		0.52	0.05
	DETS Limited		0.69	3.56
20	**Contribution to Defined Contributions Plan**		**5.47**	**3.92**
	Dhampur Sugar Mill Provident Fund		5.47	3.92
21	**Corporate Social Responsibilities**		**2.72**	**-**
	Academy of Modern Learning Trust		2.72	-
22	**Share application money paid for which allotment is pending**		**26.13**	**-**
	Dhampur International Pte Limited		26.13	-
S.No.	**Particulars**	**2017-2018**	**2016-17**	**April 01, 2016**
	Amount due to/ from Related Parties:			
1	**Deposits from Related Parties**	**14.71**	**12.46**	**10.11**
	Mr. Ashok Kumar Goel	1.39	1.39	1.18
	Mr. Arhant Jain	0.32	0.32	0.13
	Mr. Sandeep Sharma	-	-	0.01
	Mr. Nalin Gupta	0.02	0.02	-
	Mrs Aparna Goel	0.01	-	-
	Mr. Priya Brat	0.08	0.08	-
	V.K. Goel (HUF)	0.41	0.41	0.38
	A.K. Goel (HUF)	0.48	0.48	0.44
	Gaurav Goel (HUF)	0.47	0.47	0.44
	Gautam Goel (HUF)	0.47	0.47	0.44
	Arhant Jain (HUF)	0.42	0.42	0.41
	Sandeep Sharma (HUF)	0.05	0.05	0.05
	Nalin Gupta (HUF)	0.11	0.11	-
	Relatives of KMP	10.48	8.25	6.63

(₹ in crore)

S.No.	Particulars	2017-2018	2016-2017	April 01, 2016
2	**Unsecured Loans and Advances from related parties**	**-**	**0.08**	**0.58**
	Goel Investment Limited	-	0.06	0.56
	India Green Fuel Private Limited	-	0.02	0.02
3	**Unsecured Loans and Advances to related parties**	**4.55**	**0.52**	**-**
	E-HAAT Limited	3.51	-	-
	DETS Limited	0.50	-	-
	Pushp Niketan School Samiti	0.54	0.52	0.06
4	**Investments**	**15.98**	**12.31**	**10.80**
	Dhampur International Pte Limited	10.80	10.80	10.80
	E-HAAT Limited	3.77	0.10	-
	DETS Limited	1.41	1.41	-
5	**Investment pending for allotment of shares**	**26.13**	**-**	**-**
	Dhampur International Pte Limited	26.13	-	-
6	**Receivables**	**29.96**	**22.06**	**12.14**
	Dhampur International Pte Limited	28.40	22.00	12.14
	EHAAT Limited	1.39	0.06	-
	DETS Limited	0.17	-	-
7	**Payables**	**0.93**	**0.41**	**1.03**
	Goel Investment Limited	0.05	-	-
	Saraswati Properties Limited	#	0.12	0.31
	Shudh Edible Products Limited	0.11	0.08	0.01
	Ujjwal Rural Services Limited	0.04	0.02	0.01
	Mr. Ashok Kumar Goel	0.06	0.02	0.09
	Mr. Gaurav Goel	0.01	0.04	0.18
	Mr. Gautam Goel	0.62	0.12	0.33
	Mr. Vijay Kumar Goel	0.03	0.01	0.10
8	**Security Deposits**	**2.65**	**2.65**	**2.19**
	Goel Investment Limited	0.50	0.50	0.50
	Saraswati Properties Limited	0.90	0.90	0.65
	Shudh Edible Products Limited	1.20	1.20	0.99
	Ujjwal Rural Services Limited	0.05	0.05	0.05

*Key Managerial person

(₹ in crore)

Particulars	2017-2018	2016-2017
Short term benefits #	16.97	23.12
Defined Contribution Plan	0.01	0.01
Defined Benefit Plan (contribution to Dhampur Sugar Mill Provident Fund Trust)*	0.69	0.40
Total	**17.67**	**23.53**

Short term benefits Including remunerations, bonus, due leave, sitting fee, commission on accrual basis and value of perquisites.
* As the liability for gratuity is provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

C. Terms and Conditions and Settlement

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances at the year end are un-secured and settlement occurs in cash.

Note 45 Disclosures As Required By Indian Accounting Standard (Ind As) 108 Operating Segments

Identification of Segments

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments').

The Chief Operational Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by Business Segment. Segment performance is evaluated based on their revenue growth, operating income and return on capital employeed. Operating Segments have been identified by the management and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure, and the internal financial reporting systems.

Operating Segments

The Company is organized into three main business segments based on the products include :

- Sugar which consists of manufacture and sale of Sugar and its byproducts and,
- Chemicals/Distillery which consists of manufacture and sale of RS, SDS, ENA, Ethanol, Ethyl Acetate, IMFL etc.
- Power which consists of co-generation and sale of power

No operating segments have been aggregated in arriving at the reportable segments of the Company

Geographical segments

Since the Company's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

Segment Accounting Policies: In addition to the significant accounting policies applicable to the operating segments as set out in note 2, the accounting policies in relation to segment accounting are as under:

a. Segment revenue and results:

Revenue and expenses directly attributable to segments are reported under each reportable segment.

Other expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

b. Segment assets and liabilities:

"Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Unallocated assets include deferred tax, investments, interest bearing deposits loans to subsidiary and income tax refund. Unallocated liabilities include interest bearing liabilities, tax provisions and deferred tax.Capital expenditure pertains to additions made to fixed assets during the year and includes capital work in progress."

c. Inter segment sales/transfer:

Transactions between segments are primarily for materials which are transferred at cost /market determined prices. These transactions are eliminated in consolidation.

(₹ in crore)

Particulars	Sugar	Chemical	Power	Other	Total
1. Segment Revenue (including Excise Duty)					
a) External sales	2,735.72	342.56	213.22	31.02	3,322.52
Previous year (March 31, 2017)	*2,035.90*	*402.02*	*196.37*	*31.79*	*2,666.08*
b) Inter segment sales	346.45	2.30	330.59	2.11	681.45
Previous year (March 31, 2017)	*326.33*	*3.23*	*250.83*	*9.95*	*590.34*
c) Total revenue	3,082.17	344.86	543.81	33.13	4,003.97
Previous year (March 31, 2017)	*2,362.23*	*405.25*	*447.20*	*41.74*	*3,256.42*
2. Segment results					
(Profit(+)/Loss(-) before Tax and Interest from each segment)	87.67	63.87	219.74	0.06	371.34
Previous year (March 31, 2017)	*280.45*	*69.36*	*190.59*	*(6.21)*	*534.19*
Less : Finance costs					121.30
Previous year (March 31, 2017)					*167.02*
Less/ Add :Other Unallocable Expense/Income net off Unallocable Income/Expenses					39.35
Previous year (March 31, 2017)					*42.32*
Net Profit(+)/loss(-) before Tax					210.69
Previous year (March 31, 2017)					*324.85*
Less: Tax expense (Net)					(53.53)
Previous year (March 31, 2017)					*(89.98)*
Net Profit(+)/Loss(-) after Tax					157.16
Previous year (March 31, 2017)					*234.87*
3. Other information					
a) Segment assets	2,020.89	340.46	698.71	3.92	3,063.98
Previous year (March 31, 2017)	*2,340.94*	*357.43*	*607.62*	*12.88*	*3,318.87*
Prior previous year (April 01, 2016)	*2,095.19*	*339.85*	*674.15*	*9.93*	*3,119.12*
Unallocable assets					58.62
Previous year (March 31, 2017)					*6.28*
Prior previous year (April 01, 2016)					*16.00*
Total assets					3,122.60
Previous year (March 31, 2017)					*3,325.15*
Prior previous year (April 01, 2016)					*3,135.12*
b) Segment liabilities	547.44	31.59	21.33	0.15	600.51
Previous year (March 31, 2017)	*429.71*	*22.36*	*17.28*	*2.50*	*471.85*
Prior previous year (April 01, 2016)	*782.93*	*11.63*	*7.68*	*2.00*	*804.24*
Unallocable liabilities					1,505.98
Previous year (March 31, 2017)					*1,942.22*
Prior previous year (April 01, 2016)					*1,692.65*
Total liabilities					2,106.49
Previous year (March 31, 2017)					*2,414.07*
Prior previous year (April 01, 2016)					*2,496.89*

A. Information about business segments (Cntd.) (₹ in crore)

Particulars	Sugar	Chemical	Power	Other	Total
c) Capital expenditure	53.77	9.96	91.54	0.03	155.30
Previous year (March 31, 2017)	*31.28*	*0.45*	*19.05*	*1.11*	*51.89*
Prior previous year (April, 01 2016)	*21.96*	*5.20*	*22.13*	*0.68*	*49.97*
d) Depreciation	30.92	10.45	15.13	0.19	56.69
Previous year	*30.20*	*14.05*	*9.40*	*0.30*	*53.95*
e) Non cash expenditure other than depreciation	2.97	1.61	-	-	4.58
Previous year (March 31, 2017)	*13.27*	-	*2.12*	-	*15.39*
Prior previous year (April, 01 2016)	*0.34*	-	-	-	*0.34*

B. Geographical segments:

Segment revenue & non current assets by location:

Particulars	Period	India	Outside India	Total
External revenue	2017-18	3,322.52	30.68	3,353.20
	2016-17	2,630.09	35.99	2,666.08
Non current assets (other than financial assets)	31.3.18	1,638.04	-	1,638.04
	31.3.17	1,536.66		1,536.66
	01.4.16	1,529.55		1,529.55

C. Information about major customer

No single customers contributed 10% or more of the total revenue of the Company for the year ended March 31, 2018 and March 31, 2017.

Note 46 Employees benefits :

The required disclosures of employees benefits as per Indian Accounting Standard (Ind AS) -19 are given hereunder :-

(i) Defined contribution plan :

Details of contribution to defined contribution plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period are as under :

(₹ in crores)

	2017-2018	2016-2017
Employer's contribution to provident fund :	3.19	2.65
Employer's contribution to pension fund :	3.33	3.27

(ii) Defined benefit plan :

(a) In respect of Non funded defined benefit scheme of gratuity (Based on Actuarial Valuation) :

The gratuity plan is governed by the payment of Gratuity Act,1972. Under the said Act an employee who has completed five years of services is entitled to specific benefit. The Gratuity plans provide a lumpsum payments to employee at retirement, death, incapacitation or termination of employment . The level of benefits provided depends on the member's length of service & salary at retirement age.

The company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase 0.50% per annum of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Actual mortality & disability : deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

The following tables summarise the components of net benefit expense recognised in the statement of Profit and Loss

a) Details of non funded post retirement plans are as follows:

(₹ in crores)

	2017-2018	2016-2017
I. Expenses recognised in the statement of profit and loss:		
Current service cost	1.53	1.44
Past service cost	0.44	-
Net interest on the net defined benefit liability	2.06	1.82
Curtailment/settlement	0.06	0.28
Expense recognised in the statement of profit and loss	4.09	3.54
II. Other comprehensive income		
Actuarial gain / (loss) arising from:		
Change in financial assumptions	(0.54)	(0.02)
Change in experience adjustments	1.18	3.57
Components of defined benefit costs recognised in other comprehensive income	0.64	3.55

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit & loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

III. Change in present value of defined benefit obligation:		
Present value of defined benefit obligation at the beginning of the year	27.49	22.71
Interest expense/income	2.06	1.82
Past service cost	0.44	-
Curent service cost	1.53	1.44

		2017-2018	2016-2017
	Benefits paid	(2.13)	(2.02)
	Acturial gain/ (loss) arising from:		
	. Change in financial assumptions	(0.54)	(0.02)
	. Change in experience adjustment	1.18	3.57
	Present value of defined obligation at the end of the year	30.04	27.49
IV.	**Net liability recognised in the balance sheet as at the year end:**		
	Present value of defined benefit obligation	30.04	27.49
	Funded status (surplus / (Deficit))	(30.04)	(27.49)
	Net liability recoginsed in Balance sheet	30.04	27.49
	Current liability (Short term)	3.77	2.51
	Non- current liablity (long term)	26.27	24.99
VI.	**Actuarial assumptions:**		
	Discount Rate (per annum)%	7.75%	7.50%
	Expected rate of salary increase %	5.00%	5.00%
	Retirement / superannuation Age (year)	60	60
	Mortality rates	100% of IALM (2006-08)	100% of IALM (2006-08)
VII.	**Maturity profile of defined benefit obligation:**		
	Expected cah flows (valued on undiscounted basis):		
	With in 0 to 1 Year	3.64	2.30
	With in 1 to 2 Year	2.06	1.06
	With in 2 to 3 Year	1.24	0.83
	With in 3 to 4 Year	1.36	0.79
	With in 4 to 5 Year	1.24	1.13
	With in 5 to 6 Year	1.42	1.06
	6 Year onwards	16.94	16.48
	Total expected payments	27.90	23.65
	The average duration of the defined benefit plan obligationat the end of the balancesheet date(in years)	11.59	11.81
VIII.	**Sensitivity analysis on present value of defined benefit obligations:**		
	a) Discount rates		
	0.50% increases	(3.90%)	(-4.16%)
	0.50% decreases	4.16%	4.45%
	b) Salary growth rate :		
	0.50% increases	4.54%	4.54%
	0.50% decreases	(4.28%)	(-4.28%)

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitives are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

The History of experience adjustments for non-funded retirement plans are as follows :

(₹ in crore)

	Gratuity (Non Funded)				
Particulars	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**
Present value of obligation as at the end of the year	30.04	27.49	22.70	22.45	21.56
Fair value of plan assets as at the end of the year	0.00	0.00	0.00	0.00	0.00
Net asset/(liability) recognized in the balance sheet	30.04	27.49	22.70	22.45	21.56
Net actuarial (gain)/loss recognized	(0.64)	(3.57)	1.27	1.27	0.45

b) In respect of funded defined benefit scheme of provident fund (Based on actuarial valuation) :

The Company's Contribution to defined benefit plan to the irrecoverable trust, set up by the Company aggregating to ₹ 5.47 Crore (P. Y. ₹ 3.91 Crore) has been recognised in statement of profit and loss account. The Company is under obligation to mark-up any short fall in the fund.

The following table sets out the status of Provident Fund as per the actuarial valuation by the independent Actuary appointed by the Company:

(₹ in crores)

		2017-2018	2016-2017
A)	**Change in the present value of the defined benefit obligation:**		
	Opening defined benefit obligation at beginning of the year	59.73	54.91
	Current service cost	2.39	1.84
	Adjustment in defined benefit obligation in opening balance	-	0.06
	Interest cost	4.48	4.40
	Employee contribution	4.64	4.02
	Actuarial (gain)/loss	0.51	0.33
	Benefits paid	7.84	5.83
	Closing defined benefit obligation at end of the year	63.92	59.73
B)	**Change in Plan Assets:**		
	Opening fair value of plan assets as at beginning of the year	61.09	55.64
	Adjustment in fair value of plan assets in opening balance	0.36	0.45
	Expected return on plan assets	4.60	4.94
	Contributions	7.03	5.86
	Benefits paid	7.84	5.83
	Actuarial gain/(Loss) on plan assets	(0.40)	0.03
	Closing fair value of plan assets as at end of the year	64.84	61.09
C)	**Reconciliation of present value of the obligation and fair value of the plan assets:**		
	Present value of funded obligation at end of the year	63.92	59.73
	Fair value of plan assets at end of the year	64.84	61.09
	Deficit/(Surplus)	(0.92)	(1.36)
	Net asset not recognised in Balance Sheet	(0.92)	(1.36)
D)	**Net cost recognised in the profit and loss account:**		
	Current service cost	2.39	1.84
	Interest cost	4.48	4.40
	Expected return on plan assets	4.60	4.94
	Interest shortfall reversed	0.12	0.54
	Total costs of defined benefit plans included in "Payments to and provisions for employees"	2.39	1.84
E)	**Principal actuarial assumptions:**		
	(i) Economic assumptions		
	(a) Expected statutory interest rate	8.55%	8.65%
	(b) Expected short fall in interest earnings on the fund	0.05%	0.05%
	(ii) Demographic assumptions		
	(a) Mortality	IALM (2006-08)	IALM (2006-08)
	(b) Disability	None	None
	(c) Withdrawal rate (Age related)		
	Up to 30 Years	3.00%	3.00%
	Between 31 - 44 Years	2.00%	2.00%
	Above 44 Years	1.00%	1.00%
	(d) Normal retirement age (in Years)	60	60

The History of experience adjustments for non-funded retirement plans are as follows : (₹ in crore)

	Provident (Funded)				
Particulars	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**
Present value of obligation as at the end of the year	63.92	59.73	54.91	51.83	NA
Fair value of plan assets as at the end of the year	64.84	61.09	55.64	52.98	NA
Deficit/(Surplus)	0.92	1.36	0.73	1.15	NA
Surplus not recognised in Balance Sheet	0.92	1.36	0.73	1.15	NA

Note 47 : Financial Instruments - Accounting, classification and fair value measurements

Financial instruments by category

The criteria for recognition of financial instruments is explained in accounting policies for the Company

(₹ in crores)

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial Asset									
Investments									
-Investments in equity instruments	-	-	1.94	-	-	1.82	-	-	0.97
-Investments in mutual funds	-	-	-	-	-	-	-	0.34	
Trade receivables	242.88			224.98			256.26		-
Loans	8.80	-	-	4.01	-	-	2.75	-	-
Cash and cash equivalents and bank balances	10.37	-	-	18.42	-	-	18.13	-	-
Others	28.02			3.16	-	-	7.37	-	-
Total Financial Assets	290.07	-	1.94	250.57	-	1.82	284.51	0.34	0.97
Financial Liabilities									
Borrowings	1,446.68	-	-	1,914.53	-	-	1,674.70	-	-
Trade payables	501.70	-	-	252.63	-	-	450.44	-	-
Other Financial Liabilities	40.14	-	-	55.45	-	-	21.37	-	-
Total Financial Liabilities	1,988.52	-	-	2,222.61	-	-	2,146.51	-	-

Note : The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

(i) Fair Value Hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Method and assumptions used to estimate fair values:

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

"Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)."

(₹ in crore)

Particulars	Carrying Value April 1, 2016	Fair Value Measurement using		
		(Level 1)	(Level 2)	(Level 3)
(A) Financial assets at fair value				
Investments				
-Investments in equity instruments	0.97	0.97		-
-Investments in mutual funds	0.34	0.34		-
Total	**1.31**	**1.31**	**-**	**-**

(₹ in crore)

Particulars	Carrying Value March 31, 2017	Fair Value Measurement using		
		(Level 1)	(Level 2)	(Level 3)
(A) Financial assets at fair value				
Investments				
-Investments in equity instruments	1.82	1.82		
Total	**1.82**	**1.82**	**-**	

(₹ in crore)

Particulars	Carrying Value March 31, 2018	Fair Value Measurement using		
		(Level 1)	(Level 2)	(Level 3)
(A) Financial assets at fair value				
Investments				
-Investments in equity instruments	1.94	1.94	-	-
Total	**1.94**	**1.94**	**-**	**-**

Note 48 : Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company principal financial asset includes loan , trade and other receivables, and cash and others financial assets that arise directly from its operations.

The Company's activities are exposed to market risk, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. "

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates.

(b) Foreign currency risk

"Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company's exposure to the risk of changes in foreign exchange rates is limited to the Company's operating activities (when revenue or expense is denominated in a foreign currency), which are not material."

(₹ in crore)

Foreign currency exposure as at March 31, 2018	INR equivalent to Foreign Currency		
	CNY	EURO	USD
Trade Receivables	-	1.38	27.47
Loan/Trade Payables	0.25	-	-
Net Exposure to foreign currency risk (assets/liabilities)	(0.25)	1.38	27.47

(₹ in crore)

Foreign currency exposure as at March 31, 2017	INR equivalent to Foreign Currency		
	CNY	EURO	USD
Trade Receivables	-	1.81	20.95
Loan Payables	-	5.36	2.91
Net Exposure to foreign currency risk (assets/liabilities)	-	(3.55)	18.04

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on Profit.

(c) Regulatory risk

Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations affects the Sugar industry and the Company's operations and profitability. Distillery business is also dependent on the Government policy.

(d) Commodity price risk

Sugar industry being cyclical in nature, realisations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

Credit risk

"Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are mostly in cash. Power and ethanol are sold to state government entities, thereby the credit default risk is significantly mitigated.

The impairment for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date."

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, subsequently these are recognised in the Statement of Profit and Loss.

The Company major exposure of credit risk is from trade receivables, which are unsecured and derived from external customers.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

(₹ in crore)

Particulars	Carrying value	Less than 6 months	6- 12 months	More than 12 months	Total
As at April 1, 2016					
Gross carrying amount	256.26	254.39	1.87	-	256.26
Expected credit loss	-	-	-	-	-
Carrying amount (net of impairment)	256.26	254.39	1.87	-	256.26
As at March 31, 2017					
Gross carrying amount	224.98	224.29	0.69	-	224.98
Expected credit loss	-	-	-	-	-
Carrying amount (net of impairment)	224.98	224.29	0.69	-	224.98
As at March 31,2018					
Gross carrying amount	242.88	237.39	5.49	-	242.88
Expected credit loss	-	-	-	-	-
Carrying amount (net of impairment)	242.88	237.39	5.49	-	242.88

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. In case of probability of non collection, default rate is 100%. However, there is no material expected credit loss based on the past experience.

"There is no change in the loss allowances measured using expected credit loss model (ECL).The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies."

Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities and short term loans.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in crore)

As at March 31, 2018	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	1,025.49	346.49	74.70	1,446.68
Trade payables	501.70			501.70
Other Liabilities	40.14			40.14
Total	**1,567.33**	**346.49**	**74.70**	**1,988.52**

(₹ in crore)

As at March 31, 2017	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	1,391.80	415.36	107.37	1,914.53
Trade payables	252.63	-	-	252.63
Other Liabilities	55.45	-	-	55.45
Total	**1,699.88**	**415.36**	**107.37**	**2,222.61**

(₹ in crore)

As at April 1, 2016	Less than 1 Year	1 to 5 years	> 5 years	Total
Borrowings including current maturities	1,128.91	498.04	47.75	1,674.70
Trade payables	450.44	-	-	450.44
Other Liabilities	20.38	0.99	-	21.37
Total	**1,599.73**	**499.03**	**47.75**	**2,146.51**

Note 49 : Capital Management

(a) Risk Management

"For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2018 and March 31, 2017.

(b) Dividends

(₹ in crore)

	Recognized in the year ending	
	March 31, 2018	**March 31, 2017**
(i) Dividends Recognized		
Final dividend for the year ended March 31, 2017 of ₹ 3.5/ per equity share (March 31, 2016 NIL /- per equity share)	23.24	0.00
Interim dividend for the year ended March 31, 2018 of ₹ 2.5 /- per equity share (March 31, 2017 ₹ 2.5/- per equity share)	19.92	16.60
(ii) Dividend proposed but not recognised in the books of accounts		
In addition to the above dividends, for the year ended March 31, 2018 the directors have recommended the payment of a final dividend of ₹ NIL /-equity share. (March 31, 2017- ₹ 3.50/- per equity share)	0.00	23.24

Note 50: Transition to Ind AS

These financial statements for the year ended March 31,2018 are the first Ind AS financials prepared in accoradnce with Ind AS notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended). The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2016 as the transition date. Ind AS 101 requires that all Ind AS standards and interpretations that are effective for the Ind AS financial statements for year ended March 31, 2018, be applied consistently and retrospectively for all fiscal years presented. All applicable Ind AS have been applied consistently and retrospectively wherever required. For the periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies(Accounts) Rules,2014(Indian GAAP).

Accordingly, the Company has prepared its financial statement to comply with the Ind AS for the year ending March 31, 2018, together with the comparative date as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, Company's opening balance sheet was prepared as at April 01, 2016, the date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

Note 50 (A): Exemptions and Exceptions opted by the Company on the date of transition:-

Ind AS 101 allows first-time adopters certain exemptions and exceptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions and exceptions:

a) Exemptions and Exceptions from retrospective application

1. The Company has elected not to apply Ind AS 103- Business Combinations, retrospectively to past business combinations that occurred before April 01, 2016. Consequent to use of this exemption from retrospective application:

i) The carrying amount of assets and liabilities acquired pursuant to past business combinations and recognised in the financial statements prepared under Previous GAAP, are considered to be the deemed cost under Ind AS, on the date of acquisition. After the date of acquisition, measurement of such assets and liabilities is in accordance with respective Ind AS. Also, there is no change in classification of such assets and liabilities;

ii) The Company had not recognised assets and liabilities that neither were recognised in the financial statements prepared under Previous GAAP nor qualify for recognition under Ind AS in the Balance Sheet of the acquire;

iii) The Company had excluded from its opening Balance Sheet (As at April 1, 2016), those assets and liabilities which were recognised in accordance with Previous GAAP but do not qualify for recognition as an asset or liability under Ind AS.

2 The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. April 01, 2016. Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation, amortization and impairment), if any, adjusted by revaluation of certain assets.

The Company has elected to continue with the carrying value of Capital work in progress as recognized under the previous GAAP as deemed cost as at the transition date.

The Company has elected to continue with the carrying value for intangible assets (computer softwares) as recognized under the previous GAAP as deemed cost as at the transition date. Under the previous GAAP, Computer Software was stated at its original cost, net of accumulated amortization.

3. The Company fair valued its investments in its subsidiaries and used that fair value as deemed cost for measuring such investments at the time of transition to Ind AS.

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'FVTOCI' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed as at the date of transition to Ind AS.

4. The requirements of Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance and Ind AS 109 - Financial Instruments, in respect of recognition and measurement of interest free loans from government authorities is opted to be applied prospectively to all grants received after the date of transition to Ind AS. Consequently, the carrying amount of such interest free loans as per the financial statements of the Company prepared under Previous GAAP is considered for recognition in the opening Ind AS Balance Sheet.

5. Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.

6. Designation of previously recognised financial instruments : Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

b) Estimates

The estimates as at April 01, 2016 and as at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

Note 51 : Reconciliation between balance sheet, statement of profit and loss and cash flow statement prepared under previous IGAAP and those presented under Ind AS

(a) Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017

(₹ in crore)

Particulars	Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
(1) Non - current assets				
(a) Property, plant and equipment		1,489.42	0.00	1,489.42
(b) Capital work - in - progress		27.12	-	27.12
(c) Other intangible assets		2.58	-	2.58
(d) Biological asset		0.40	-	0.40
(e) Financial assets				
(i) Investments	1	12.75	(9.42)	3.33
(ii) Loans	7	3.81	(0.53)	3.28
(iii) Other financial assets	-	-	-	
(f) Deferred tax asset (net)	3	32.62	(32.62)	-
(g) Other non - current assets		17.14	-	17.14
Sub total non current assets		**1,585.84**	**(42.57)**	**1,543.27**
(2) Current assets				
(a) Inventories		1,476.86	-	1,476.86
(b) Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables		224.98	-	224.98
(iii) Cash and cash equivalents		10.78	-	10.78
(iv) Bank Balances other than (iii) above		7.64	-	7.64
(v) Loans		0.73	-	0.73
(vi) Other financial assets		3.16	-	3.16
(c) Other current assets	7	52.62	0.53	53.15
Sub total current assets		**1,776.77**	**0.53**	**1,777.30**
(d) Asset held for sale		4.58	-	4.58
Total assets		**3,367.19**	**(42.04)**	**3,325.15**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital		66.45	-	66.45
(b) Other equity		890.72	(46.09)	844.63
Sub total equity		**957.17**	**(46.09)**	**911.08**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	6	528.38	(5.65)	522.73
(ii) Trade payables		-	-	-
(iii) Other financial liabilities		-	-	-
(b) Provisions		24.99	-	24.99
(c) Deferred tax liabilities (net)	3	-	28.27	28.27
(d) Other non - current liabilities	5,6	-	8.13	8.13
Sub total non current liabilities		**553.37**	**30.75**	**584.12**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings		1,274.16	-	1,274.16
(ii) Trade payables		252.63	-	252.63
(iii) Other financial liabilities		173.09	-	173.09
(b) Provisions	8	33.75	(27.97)	5.78
(c) Other current liabilities	5,6	123.02	1.27	124.29
(d) Current tax liabilities (net)		-	-	-
Sub total current liabilities		**1,856.65**	**(26.70)**	**1,829.95**
Total equity & liabilities		**3,367.19**	**(42.04)**	**3,325.15**

The Previous GAAP figures have been reclassified to confirm the Ind AS presentation requirements for the purpose of this note.

(b) Effect of Ind AS adoption on the Balance Sheet as at April 1, 2016

(₹ in crore)

Particulars	Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
(1) Non - current assets				
(a) Property, plant and equipment		1,493.81	-	1,493.81
(b) Capital work - in - progress		28.17	-	28.17
(c) Other intangible assets		-	-	-
(d) Biological asset		0.36	-	0.36
(e) Financial assets			-	
(i) Investments	1	11.60	(10.29)	1.31
(ii) Loans	7	3.01	(0.38)	2.63
(iii) Other financial assets		-	-	-
(f) Deferred tax asset (net)	3	46.50	(46.50)	-
(g) Other non - current assets		7.21	-	7.21
Sub total non current assets		**1,590.66**	**(57.17)**	**1,533.49**
(2) Current assets				
(a) Inventories		1,261.60	-	1,261.60
(b) Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables		256.26	-	256.26
(iii) Cash and cash equivalents		10.98	-	10.98
(iv) Bank Balances other than (iii) above		7.15	-	7.15
(v) Loans		0.12	-	0.12
(vi) Other financial assets		7.37	-	7.37
(c) Other current assets	7	57.77	0.38	58.15
Sub total current assets		**1,601.25**	**0.38**	**1,601.63**
(d) Asset held for sale				
Total assets		**3,191.91**	**(56.79)**	**3,135.12**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital		60.28	-	60.28
(b) Other equity		647.05	(69.10)	577.95
Sub total equity		**707.33**	**(69.10)**	**638.23**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings		545.79	-	545.79
(ii) Trade payables		-	-	-
(iii) Other financial liabilities		0.99	-	0.99
(b) Provisions		20.82	-	20.82
(c) Deferred tax liabilities (net)	3	-	3.78	3.78
(d) Other non - current liabilities	5,6	-	3.75	3.75
Sub total non current liabilities		**567.60**	**7.53**	**575.13**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings		928.47	-	928.47
(ii) Trade payables		450.44	-	450.44
(iii) Other financial liabilities	9	216.14	4.68	220.82
(b) Provisions		8.53	-	8.53
(c) Other current liabilities	5,6	309.29	0.10	309.39
(d) Current tax liabilities (net)		4.11	-	4.11
Sub total Current liabilities		**1,916.98**	**4.78**	**1,921.76**
Total equity & liabilities		**3,191.91**	**(56.79)**	**3,135.12**

The Previous GAAP figures have been reclassified to confirm the Ind AS presentation requirements for the purpose of this note.

(c) Reconciliation to statement of profit and loss as previously reported as on March 31, 2017 under IGAAP to Ind AS

(₹ in crore)

Particulars			Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
I	Revenue from operations		4	2,534.02	132.06	2,666.08
II	Other income		1(a), 5	24.59	0.48	25.07
III	**Total income (I + II)**			**2558.61**	**132.54**	**2,691.15**
IV	Expenses					
	Cost of materials consumed			1,844.98	-	1,844.98
	Excise Duty on sale of goods		4	-	132.06	132.06
	Purchase of goods for resale			45.08	-	45.08
	Changes in inventories of finished goods, stock					
	- in - trade and work - in - progress			(216.65)	-	(216.65)
	Employee benefits expenses		2	124.63	(3.55)	121.08
	Finance costs		6	167.02	-	167.02
	Depreciation and amortization expenses			53.95	(0.00)	53.95
	Other expenses		7	218.41	0.37	218.78
	Total expenses (IV)			**2,369.48**	**128.88**	**2,366.30**
V	Profit / (loss) before exceptional items and tax (III - IV)			321.19	3.66	324.85
VI	Exceptional items				-	-
VII	Profit / (loss) before tax (V - VI)			321.19	3.66	324.85
VIII	Tax expense					
	(1) Current tax			-	64.26	64.26
	(2) Deferred tax			78.15	(52.43)	25.72
				78.15	**11.83**	**89.98**
IX	Profit / (loss) for the period (VII - VIII)			**243.04**	**(8.17)**	**234.87**
X	**Other comprehensive income**					
	A (i)	Items that will not be reclassified to profit or loss				
		-- Remeasurement Benefit of defined obligation	2	-	(3.55)	(3.55)
		-- Change in Fair value of FVOCI equity investments	1(b)	-	0.85	0.85
	(ii)	Income tax relating to items that will not be reclassified to profit or loss	2	-	1.23	1.23
	B (i)	Items that will be reclassified to profit or loss			-	- -
	(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-	-
				-	(1.47)	(1.47)
XI	**Total comprehensive income for the period (IX + X)**			**243.04**	**(9.64)**	**233.40**

The Previous GAAP figures have been reclassified to confirm the Ind AS presentation requirements for the purpose of this note.

(d) Other Equity Reconciliation previously reported under IGAAP to Ind AS (₹ in crore)

Particulars	Note to first time adoption	As at March 31, 2017	As at April 01, 2016
Balance as per Indian GAAP		**890.72**	**647.05**
Adjustments under Ind AS			
Dividend on preference shares, including dividend distribution tax	9	-	(4.69)
Grant on Capital Asset recognised	5	(3.75)	(3.85)
Deferred Tax on Ind AS Adjustments	3	(60.89)	(50.28)
Derecognition of proposed dividend including DDT	8	27.97	-
Fair Valuation of Security Deposits	7	(0.53)	(0.38)
Prepaid Rent	7	0.53	0.38
Fair Valuation of Investments	1	(10.80)	(10.82)
Fair Valuation of Investments in equity through OCI	1	1.38	0.53
Total balance as per Ind AS		**844.63**	**577.95**

(e) Total Comprehensive Income Reconciliation previously reported under IGAAP to Ind AS (₹ in crore)

Particulars	Note to first time adoption	Year ended March 31, 2017
Net Income under previous GAAP (Indian GAAP)		243.04
Ind AS adjustments : Add/(Less)		
i) Gain/(loss) on fair value of investment	1	0.02
(ii) Reclassification of actuarial gain/loss on employee defined benefit plan recognised in other comprehensive income	2	3.55
(iii) Interest income on financial assets	7	0.37
(iv) Revision in accounting of government grants	6	0.10
(v) Prepaid rent	7	(0.38)
(vi) Deferred tax adjustments	3	(11.82)
(vii) Other Comprehensive Income		
- Reclassification of actuarial gain/loss on employee defined benefit plan recognised to other comprehensive income	2	(3.55)
- Fair valuation of equity investment through other comprehensive income	1	0.85
- Tax effect of other comprehensive income		1.23
Total Comprehensive Income under Ind AS		233.40

*** Notes to first time adoption of Ind AS**

1) Fair Value of Investments

Under the previous GAAP, Long term investments were carried at cost less provision for other than temporary diminution in the value of such investment. Current investment were carried at lower of cost and fair value. Under Ind AS, the Company has the option to designate such investments either as FVTOCI or FVTPL investments. Further, in case of a subsidiary, the Company has the option to account for investment in shares either at cost/deemed cost or FVTOCI or FVTPL as at the transition date.

a) Under Ind AS, financial assets designated at fair value through profit and loss (FVTPL) are fair valued at each reporting date with changes in fair value recognized in the statement of profit and loss. Mutual fund investments have been classified as FVTPL.

b) Under Ind AS, financial assets designated at fair value through other comprehensive income (FVTOCI) are fair valued at each reporting date with changes in fair value (net of deferred taxes) recognized directly in other comprehensive income. The Company has make an irrevocable election to measure its certain equity Investments through OCI. Consequently, fair value of such equity instruments designated at FVTOCI has resulted in a increase in other comprehensive income.

c) Under Ind AS 101,The Company has an option to fair value its investments in its subsidiary Company and treated that fair value as deemed cost for measuring such investments in the opening Ind AS Balance Sheet. Accordingly the Company has fair valued one of its subsidiaries and treat that value as deemed cost for subsequent measeurement.

2) Defined benefit liabilities

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/ asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of the statement of profit and loss.

3) Deferred tax

Under previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as other non-financial assets.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

4) Sale of goods

Under previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is presented as a part of other expenses in statement of profit and loss.

5) Government Grant- Related to assets

Under previous GAAP, grants received related to assets has been deducted from the carrying cost of related assets. Under Ind AS, grants related to assets shall be presented in the balance sheet by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit and loss on systematic basis over the useful life of assets. Consequently the Company has presented the grant as deferred income and recognised in profit and loss.

6) Borrowings and Government Grant

Under Ind AS when loans or similar assistance are provided by governments or other related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

7) Security deposits

Under previous GAAP ,interest free lease security deposits(that are refundable in cash on completion of lease term) are recorded at their transaction value. Under Ind AS all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased as at the date of transition to Ind AS with corresponding increase in prepaid rent.

8) Equity dividend

Under previous GAAP, proposed dividends including Dividend Distribution tax (DDT) is recognised as a liability in the period to which it relates, irrespective of when it is declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the Company (usually when approved by shareholders in a general meeting) or paid.

Therefore, the liability for the year ended on March 31, 2016 recorded for dividend has been derecognised against retained earnings on April 01, 2016. The proposed dividend for the year ended on March 31, 2017 recognized under Indian GAAP was reduced with a corresponding impact in the retained earnings.

9) Preference share capital and dividend thereon

Under previous GAAP, the cumulative redeemable preference shares issued by the Company are treated as part of share capital and cumulative dividend which is not declared has been shown as contingent liability. Under Ind AS the same are classified as liabilities. The dividend including DDT on preference shares is recognised in Statement of Profit and Loss as finance costs.

10) Retained earnings

Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

11) Cash flow statement

The transition from the previous GAAP to Ind AS has not had a material impact on Cash Flow Statement

12) Total comprehensive income and other comprehensive income

Under the previous GAAP, the Company did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

Note 52 Recent Accounting Pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.The amendment will come into force from April 1, 2018. The Company is evaluating the effect of this on the financial statements.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customer The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)"

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is evaluating the effect on adoption of Ind AS 115.

Note : 53 The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

This is the notes to the financial statement referred to our report of evendate

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Atul Garg
Partner
Membership No. 070757

Place: New Delhi
Date: May 09, 2018

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

For and on behalf of the Board of Directors

V.K. Goel	**A.K. Goel**	**Gautam Goel**	**Gaurav Goel**
Chairman	*Vice Chairman*	*Director*	*Director*
M.P. Mehrotra	**A.K. Gupta**	**Nalin K. Gupta**	**Aparna Goel**
Director	*Director*	*Chief Financial Officer*	*Company Secretary*

Corporate Information

Board of Directors

Shri V. K. Goel, *Chairman*

Shri A. K. Goel, *Vice Chairman*

Shri Gaurav Goel, *Managing Director*

Shri Gautam Goel, *Managing Director*

Shri Sandeep Kumar Sharma, *Whole time Director*

Shri A. K. Gupta, *Independent Director*

Shri M. P. Mehrotra, *Independent Director*

Shri Priya Brat, *Independent Director*

Shri Harish Saluja, *Independent Director*

Shri Rahul Bedi, *Independent Director*

Smt. Nandita Chaturvedi, *Independent Director*

Shri A. K. Wahi, *Nominee Director, – Punjab National Bank*

Chief Financial Officer

Shri Nalin K. Gupta

Company Secretary

Ms. Aparna Goel

Registrar and Share Transfer Agent

M/s Alankit Assignments Limited
Alankit House, 1E/13 Jhandewalan Extension,
New Delhi – 110055

Auditors

Joint Statutory Auditors

M/s TR Chadha & Co.
Chartered Accountants, New Delhi

&

M/s Atul Garg & Associates
Chartered Accountants, Kanpur

Internal Auditors

M/s D. C. Chhajed & Associates,
Chartered Accountants, New Delhi

Cost Auditors

Shri S. R. Kapur, Cost Auditors,
Khatauli (Muzaffarnagar)

Secretarial Auditors

GSK & Associates, Company Secretaries, Kanpur

Bankers

Punjab National Bank

Bank of Baroda

Central Bank of India

Prathma Bank

UCO Bank

UP Co-operative & District Co-operative Banks

Registered office

Dhampur Sugar Mills Limited
Dhampur (N.R.)
District Bijnor – 246761 (UP)

Corporate office

241, Okhla Industrial Estate,
Phase – III
New Delhi – 110020

Branch Office

1/125, Vijay Khand
Gomti Nagar,
Lucknow – 226010

Website: www.dhampur.com | Corporate Identification Number (CIN): L15249UP1933PLC000511

Works

Dhampur, District Bijnor (UP) • Asmoli, District Sambhal (UP) • Mansurpur, District Muzaffarnagar (UP)

Rajpura, District Sambhal (UP) • Meerganj, District Bareilly (UP)

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