

The Ravalgaon Sugar Farm Ltd.

80th Annual Report

2014-15



# The Ravalgaon Sugar Farm Ltd.

## 80th Annual Report

BOARD OF DIRECTORS	Mr. Harshavardhan B. Doshi Mr. Nihal H. Doshi Mr. Yazdi P. Dandiwala Mr. Moorad Y. Fazalbhoy Mr. Ashok S. Ashtekar (expired on 25th December 2014) Mr. Hukumchand P. Gandhi (appointed on 9th February 2015) Mrs. Ramola S. Mahajani (appointed on 9th February 2015)	Chairman and Managing Director Executive Director Independent Director Independent Director Director Director Independent Director
AUDITORS	M/s. V. Sankar Aiyar & Co. Chartered Accountants	
SOLICITORS	M/s Mulla & Mulla & Craigie Blunt & Caroe	
BANKERS	DENA BANK BANK OF BARODA	
REGISTRAR & SHARE TRANSFER AGENT	Freedom Registry Ltd. Plot No. 101/102, 19th Street, MIDC Industrial Area, Satpur, Nashik – 422007  Tel No: (0253) 2354032 Fax No: (0253) 2351126	
FACTORY & REGISTERED OFFICE	Ravalgaon – 423108, Taluka Malegaon, District – Nashik, Maharashtra  Tel No: (02554) 270274 / 270238 Fax No: (02554) 270284	
CORPORATE OFFICE	52, 5th Floor, Maker Tower 'F', Cuffe Parade, Mumbai – 400005  Tel No: (022) 22184291 / 22186479 Fax No: (022) 22184294	

# The Ravalgaon Sugar Farm Ltd.

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## Notice

Notice is hereby given that the Eightieth Annual General Meeting of the members of The Ravalgaon Sugar Farm Ltd. will be held on Monday, 7th September 2015 at 4:00 p.m. at Krida Mandal Hall, Ravalgaon – 423108, Taluka Malegaon, District Nashik, Maharashtra, to transact the following business:

## Ordinary Business

- 1 To consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2015 along with the reports of the Board of Directors and Auditors thereon.
- 2 To approve annual ratification of appointment of Auditors and pass with or without modifications(s), the following as an Ordinary Resolution:  
“**RESOLVED THAT** pursuant to provisions of Sections 139, 142 and other applicable provisions, if any of the Companies Act, 2013, the appointment of M/s V. Sankar Aiyar and Co., Chartered Accountants (Registration No. 109208W), as the Statutory Auditors of the Company be and is hereby ratified by the shareholders, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

## Special Business

- 1 To appoint Mr. H. P. Gandhi (DIN: 07090817) as Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. H. P. Gandhi (DIN: 07090817), who qualifies for being appointed as Director and who was appointed as an Additional Director by the Board of Directors of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, liable to retire by rotation.”
- 2 To appoint Mr. H. P. Gandhi as an Occupier and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:  
“**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013, the Company hereby accords its consent to Mr. H. P. Gandhi, a Director of the Company, holding or continuing to hold office or place of profit under the Company and being nominated as an Occupier under the Factories Act, 1948 effective from 9th February 2015 till such time as the Board of Directors in its absolute discretion deem fit and proper and that Mr. H. P. Gandhi will, in his capacity as an Occupier, in relation to the factory of the Company, take all such steps and perform all such duties as are required under the applicable provisions of the law including the Factories Act.”
- 3 To appoint Mrs. Ramola Mahajani (DIN: 00613428) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to the provisions of Section 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Ramola Mahajani, who qualifies for being appointed as an Independent Director and being appointed as an Additional Director by the Board of Directors of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to February 8, 2020.”
- 4 To approve making a reference to BIFR as required in accordance with the provisions of SICA, 1985, and the rules framed thereunder and other applicable Acts, if any, to consider and if thought fit, to pass the following resolution as a **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, and the rules framed thereunder and other applicable Acts, if any, the Company, within sixty days from the date of adoption of the duly audited accounts of the financial year at the Annual General Meeting, in view of the erosion of Net Worth in terms of the accumulated losses at the end of the financial year having exceeded the entire Net Worth as on 31st March 2015, do make a reference to the Board for Industrial and Financial Reconstruction (BIFR) for determination of the measures which shall be adopted with respect to the company.  
**RESOLVED FURTHER THAT** the Board of Directors, acting through Mr. H. B. Doshi, Chairman and Managing Director, and / or Mr. Nihal Doshi, Executive Director, be authorized to do all acts and deeds required for making a reference to BIFR”.

## By order of The Board of Directors

### H. B. Doshi

Chairman and Managing Director

28th May 2015

Registered Office:

Ravalgaon – 423108, Taluka Malegaon,

District – Nashik, Maharashtra, India

CIN: L01110MH1933PLC001930

**Notes:**

- 1 A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the Company at its Registered office not less than 48 hours before the commencement of the meeting.  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2 The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given on Page No. 4. **EVS N 150727008**
- 3 The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 1st September 2015 to Monday, 7th September 2015 (both days inclusive).
- 4 Members holding shares in physical form are requested to notify immediately details of any change / correction in their address, bank particulars, etc. to the Company's Registrars and Share Transfer Agents. Members holding shares in demat account (electronic form) may notify any change to the Depository Participant.
- 5 The Company has transferred the unpaid or unclaimed dividends declared upto financial years 2005-2006 (No dividend was declared for the year 2006-2007), from time to time on due dates, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to provisions of IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 19th June 2014 (date of last Annual General Meeting), on the website of the Ministry of Corporate Affairs. The shareholders are requested to note that no claim shall lie against the Company or the said IEPF after the transfer of unclaimed dividend to the fund.
- 6 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Company or Freedom Registry Ltd.

**Explanatory Statement Pursuant To Section 102 of The Companies Act, 2013**

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying notice:

**Item No: 1**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Mr. H. P. Gandhi, Director, requires approval of members.

The Board of Directors has proposed that Mr. H. P. Gandhi be appointed as a Director of the Company. Mr. H. P. Gandhi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. The Company has received a declaration from Mr. H. P. Gandhi that he meets the criteria as required under the Companies Act and Listing Agreement. Mr. H. P. Gandhi is independent of the management and possesses appropriate skills, experience and knowledge.

Mr. H. P. Gandhi is B.E. (Mech) and Diploma in Electrical Engineering. He has around 46 years of experience with 9 Sugar Factories. Keeping in view his vast experience and knowledge, it is in interest of the company to appoint Mr. H. P. Gandhi as a Director of the Company. He does not hold any shares of the Company in his name. The Board recommends the Ordinary Resolution set out at Item No. 1 of the Notice under Special Business for approval of the members.

**Item No: 2**

Appointment of Mr. H. P. Gandhi as an Occupier, required under the Factories Act.

Mr. H. P. Gandhi has been associated with the Company for many years. He retired from the Company in the year 1997 as General Manager Technical. Mr. Gandhi is an experienced and qualified Engineer. He has agreed to act as an Occupier as required under the Factories Act, in relation to the factory of the Company situated at Ravalgaon. None of the Directors other than Mr. H. P. Gandhi is directly or indirectly interested in this resolution. The Board recommends the Special Resolution set out at Item No. 2 of the Notice under Special Business for approval of the members.

**Item No: 3**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Mrs. Ramola Mahajani, Independent Director, requires approval of members.

The Board of Directors has proposed Mrs. Ramola Mahajani be appointed as an Independent Director of the Company. Mrs. Ramola Mahajani is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director. The Company has received a declaration from Mrs. Ramola Mahajani that she meets the criteria of Independence as prescribed both under Section 149 of the Act and under Clause 49 of the Listing Agreement. Mrs. Ramola Mahajani is independent of the management and possesses appropriate skills, experience and knowledge.

Mrs Ramola Mahajani has done Master of Arts in Applied Psychology, University of Bombay and Master of Science with Advanced Applied Psychology, University of Aston in Birmingham, UK. Her areas of expertise include application of the principles of Occupational Psychology in Employee Selection, Training, Management Development and HR Planning. She has over 25 years of experience in Human Resources Development and is a Management Professional. Keeping in view her vast experience and knowledge, it is in interest of the company to appoint Mrs. Ramola Mahajani as an Independent Director of the Company. She does not hold any shares of the Company in her name. The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice under Special Business for approval of the members.

**Item No: 4**

Making a reference to Board for Industrial and Financial Reconstruction (BIFR).

The Company has been going through a difficult phase for the last 4 years in view of the adverse business scenario in the Sugar industry, in India as a whole and particularly in the state of Maharashtra, where the Company's manufacturing operations are located. Given the cost of manufactured sugar, comprising of sugarcane cost, coupled with harvesting cost, transportation cost and conversion cost, the prevailing market-driven prices of finished sugar, which are quite depressed since last couple of years, have been responsible mainly for the losses incurred by the Company. The Confectionery business of the Company is also facing challenges in view of the stiff competition from organized and unorganized sectors.

As a result, as on 31st March 2015, the Company has accumulated losses of Rs 2594.68 lakhs, which have exceeded the Net Worth (Total of Paid-up Capital and Free Reserves) of Rs. 2278.76 lakhs for the financial year ended 31st March 2015, thus rendering the Company a sick industrial company as per the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985.

## **The Ravalgaon Sugar Farm Ltd.**

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In accordance with the provisions of the SICA, 1985, the Company shall, within sixty days of adoption of the audited accounts for the financial year as at the end of which the Company has become a sick industrial company, make a reference to BIFR for determination of the measures which shall be adopted with respect to the Company.

The Audit Committee has examined the issue and accordingly the Board of Directors recommends to the members to approve the said resolution as an Ordinary Resolution to enable the Board to take the necessary action for making reference to BIFR.

None of the Directors is interested in the aforesaid resolution.

### **By Order of the Board of Directors**

**H. B. Doshi**

Chairman and Managing Director

28th May 2015

### **Registered Office:**

Ravalgaon – 423108, Taluka Malegaon,

District – Nashik, Maharashtra, India

CIN: L01110MH1933PLC001930

**Information and other Instructions Relating to E-Voting****The instructions for shareholders voting electronically are as under:**

The voting period begins on 3rd September 2015 on 10:00 hours and ends on 6th September 2015 at 17:00 hours. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 31st August 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

1 Click on Shareholders.

2 Now Enter your User ID

\* For CDSL: 16 digits beneficiary ID,

\* For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

\* Members holding shares in Physical Form should enter Folio Number registered with the Company.

3 Next enter the Image Verification as displayed and Click on Login.

\* If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

\* If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	1. Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department * Applicable for both demat shareholders as well as physical shareholders  Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.  In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	2. Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	3. Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
Note	Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (2)

4 After entering these details appropriately, click on [SUBMIT] Tab.

# Members holding shares in physical form will then directly reach the Company selection screen.

# Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

# Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.

# It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

# For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

5 Click on the [EVSN] for the The Ravalgaon Sugar Farm Ltd.

# On the voting page, you will see [RESOLUTION DESCRIPTION] and against the same the option [YES / NO] for voting.

# Select the option [YES] or [NO] as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

# Click on the [RESOLUTIONS FILE LINK] if you wish to view the entire Resolution details.

6 After selecting the resolution you have decided to vote on, click on [SUBMIT].

# Confirmation box will be displayed.

# If you wish to confirm your vote, click on [OK], else to change your vote, click on [CANCEL] and accordingly modify your vote.

# Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

# You can also take out print of the voting done by you by clicking on [Click here to print] option on the Voting page.

# If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**Note for Non – Individual Shareholders and Custodians**

# Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

# Scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

# After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

# The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

# Scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

# The Ravalgaon Sugar Farm Ltd.

## Directors' Report

### Dear Members,

Your Directors present the 80th Annual Report together with the Audited Financial Statement of the Company for the financial year ended 31st March 2015.

### 1. Financial Results :

PARTICULARS	Rs In Lacs	
	Year ended 31st March 2015	18 months period ended 31st March 2014
Net Profit / (Loss) after providing for :	(1307.48)	(1538.42)
i) Depreciation (including additional depreciation as per Companies Act, 2013)	245.57	311.86
ii) Prior Period Items	-	-
iii) Provisions for Taxation (including Deferred Tax)	(8.85)	14.24
Surplus brought forward	(1287.20)	251.22
Amount available for appropriation	(2594.68)	(1287.20)
<b>Appropriation:</b>		
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	(2594.68)	(1287.20)

### 2. Operations :

**SUGAR:** Due to commercial reasons the company did not run the mill for the sugar season 2013-14 and 2014-15 as the same would have had more adverse effect on the financial position of the company. However, in order to be able to run subsequent seasons without any constraints, the company had to maintain the infrastructure, which has added to losses for the year.

**CANDY SUGAR:** The unhealthy competition from unorganized sector poses problems for candy sugar business and hence company is not undertaking manufacture of candy sugar.

**CONFECTIONERY:** Production of confectionery was 1522 MT during the year under review as compared to 2940 MT during the previous period of 18 months. The company concentrated on brands such as Pan Pasand, Mango Mood, Coffee Break, etc.

### 3. Dividend :

Your Directors do not recommend any dividend on the equity shares for the year ended 31st March 2015.

### 4. Transfer To Reserves :

The Company has proposed not to transfer any amount to the General Reserve.

### 5. Directors' Responsibility Statement :

Pursuant to Section 134 (3)(c) of the Companies Act, 2013, the Directors' confirm that:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give 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 account of the Company for that year.
- Proper and sufficient care has been taken for maintaining adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Annual Accounts have been prepared on a going concern basis.
- The company has followed a proper internal financial control and that such internal financial controls are adequate and were operating effectively.
- A system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 6. Fixed Deposits :

The total amount of fixed deposit as at 31st March 2015 was Rs. 579.78 lacs. There are no overdue deposits except unclaimed deposits amounting to Rs. 15.78 lacs, which is included in the aforesaid total amount of Fixed Deposits. The Company had made an application under section 74(2) of the Companies Act 2013 seeking extension of time for making repayment of the dues payable by it to the Fixed Deposit Holders. The Company has received an Order dated 9th April 2015 from the Hon'ble Company Law Board, Mumbai Bench, under Section 74(2) of the Companies Act, 2013 allowing the said application by extending the date of repayment of Fixed Deposits to the date of maturity of the respective FDRs. The Company is thankful to the Fixed Deposit holders for their continued support. The Company has not accepted any fixed deposit form 1<sup>st</sup> April, 2014.

### 7. Extract of Annual Return :

The extract of Annual Return of the Company is annexed herewith as Annexure 1 of this Report.

### 8. Conservation of Energy, Technology Absorption :

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure 2 to this Report.

### 9. Management Discussion and Analysis :

The details regarding management discussion and analysis is provided in Annexure 3 to this Report.



**10. Corporate Governance :**

As per the requirements of SEBI regarding Listing Agreement and further in reference to Circular dated September 2014 stating amendment that, "The Clause 49 of the Listing Agreement shall be applicable to all companies whose equity shares are listed on a recognized stock exchange. However, compliance with the provisions of Clause 49 shall not be mandatory, for the time being, in respect of the following class of companies, i.e. companies having paid up equity share capital not exceeding Rs. 10 crore and Net Worth not exceeding Rs. 25 crores, as on the last day of the previous financial year". We wish to inform that as per the amendment, the Clause 49 is not mandatory for the company but keeping in view the importance of the same, best corporate governance practices are maintained by the company. A report on Corporate Governance under the Listing Agreement, along with a certificate from the Practicing Company Secretary, confirming the compliance is provided in Annexure 4 to the Report.

**11. Particulars Regarding Directors, Key Managerial Personnel And Remuneration Paid To Director And Key Managerial Personnel :**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rules forms part of the Report. None of the employees of the Company is drawing remuneration in excess of the limits prescribed under the Act and Rules forming part thereof. The further details with regard to payment of remuneration to Director and Key Managerial Personnel are provided in Extract of Annual Return as Annexure 1 of the Report. Details regarding appointment of Directors and formation and process of different Committees are mentioned under the report on Corporate Governance.

**12. Statement on Declaration Given by the Independent Directors :**

Pursuant to Section 149 (4) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 the Central Government has prescribed that your Company shall have minimum two Independent Directors.

Your company has following Independent Directors:

Sr. No	Name of the Independent Director	Date of appointment / reappointment	Date of passing of Special resolution, if any
1	Mr. Y. P. Dandiwala	19/06/2014	19/06/2014
2	Mr. Moorad Fazalbhoy	19/06/2014	19/06/2014
3	Mr. Ashok Ashtekar *	19/06/2014	19/06/2014
4	Mrs Ramola Mahajani	09/02/2015	In the present Annual General Meeting.

\* Mr. Ashok Ashtekar expired on 25th December 2014.

All the above Independent Directors meet the criteria of 'independence' prescribed under section 149(6) and have submitted declaration to the effect that they meet with the criteria of independence as required under section 149 (7) of the Companies Act, 2013.

**13. Related Party Transactions :**

The company has entered into transactions with related parties in accordance with the provisions of the Companies Act, 2013 and the particulars of the contracts or arrangements with related parties referred to in Section 188 (1), as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 is appended as Annexure 5 of the Report. Your Directors draw attention of the members to Note 34 to the financial statements, which sets out related party disclosures.

**14. Meetings of Board :**

Five meetings of the Board of Directors were held during the year. Further details are provided in the report on Corporate Governance.

**15. Auditors and Audit Report :**

M/s V. Sankar Aiyar and Co., Chartered Accountants, Statutory Auditors of your company, retires at the ensuing Annual General Meeting and is eligible for reappointment. The Auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

Further Auditors in their report have made the following observations:

No provision has been made for the present value of the accrued Gratuity liability (net of funds lying with LIC of India) and valued actuarially by an independent actuary as at March 31, 2015 amounting to Rs. 319.33 Lacs (previous year Rs 540.53 lacs) which constitutes a departure from the Accounting Standards on Employee Benefits (AS-15) referred to in section 133 of the Act (Refer Note no.32 of financial statements). Therefore the loss for the period is under stated by Rs. 17.89 lacs (previous year Rs 73.20 lacs) and the Reserves and Surplus of the company as at March 31, 2015 are higher by Rs. 319.33 lacs (previous year Rs 540.53 lacs).

Suitable explanation has been provided by way of note 32 forming part of Financial Statement. Shareholders should consider this note as explanation as part of this report.

**16. Cost Auditors :**

The Board has appointed Bhavesh Marolia & Associates with reference to the Companies (Cost Records and Audit) Rules 2014, as prescribed by the Central Government in sub-sections (1) and (2) of Section 469 and Section 148 of the Companies Act, 2013 (18 of 2013).

The Company is covered under amended rules of the Companies (Cost Records and Audit) Rules, 2014, Rule 3(ii) for application of Cost records w.e.f. financial year 2014-15. We have broadly reviewed the books of account maintained by the company pursuant to rule 5(1) of the Companies (Cost Records and Audit) Rules, 2014.

**17. Secretarial Auditor :**

The Board has appointed M/s. Bipin Raje and Associates as the Secretarial Auditor of the Company, according to the provisions of Section 204 of the Companies Act 2013 for conducting Secretarial Audit of the Company for the financial year 2014-2015. The Secretarial Audit Report for the financial year ended 31st March 2015 is annexed herewith.

Further Auditors in their report have made the following observations:

a) "The Company has not complied with provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014".

The Board has taken note of the same. However it expresses its inability to get qualified and experienced candidates given the company's size of operations. Therefore, at present, Mr. Snehal Shah, Group CFO, has been looking after the finance functions of the Company. Similarly Ms. Neha Oza has been looking after the secretarial functions of the Company.

# The Ravalgaon Sugar Farm Ltd.

b) "With the coming into force of the Companies Act, 2013, several regulations of the Articles of Association of the Company require alterations or deletions as they are based on the Companies Act, 1956, or contain specific reference thereto. The Company has, so far, not carried out such modifications / deletions or adoption of new set of Articles".

The Board has taken note of the observation.

## 18. Risk Management :

The Company has set in motion a system for management of risk associated with the orderly functioning of the Company. The Audit Committee has been mandated the accountability for integration of risk management practices into day to day activities.

## 19. Internal Financial Controls :

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

## 20. Vigil Mechanism :

Your company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company has established a Whistle Blower Policy under Vigil Mechanism in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement for reporting the genuine concerns or grievances or concerns of actual or suspected fraud or violation of the Company's Code of Conduct.

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

No case of sexual harassment was reported during the year.

## 22. Particulars of Loans Given, Investments Made, Guarantees Given And Securities Provided :

Particulars of loans given, Investments made and Guarantees given and Securities provided are given in the financial statements and notes to accounts.

Your Director take this opportunity to place on record their sincere appreciation for the timely assistance and cooperation extended by Financial Institutions, Company's Bankers and various Government Agencies / Bodies and look forward to receive their continued support. Your Directors also wish to place on record their appreciation for the cooperation extended / services rendered by the workmen, staff, executives, dealers, customers and all others concerned. Your Directors also express thanks to the shareholders for their support to and confidence reposed in the Company.

## For The Ravalgaon Sugar Farm Ltd.

### H. B. Doshi

Chairman & Managing Director

28th May 2015

Registered Office:

Ravalgaon – 423108, Taluka Malegaon,  
District – Nashik, Maharashtra, India

CIN: L01110MH1933PLC001930

## Annexure 1 to Directors Report

### Form No. M G T-9

Extract of Annual Return for the financial year ended on 31st March 2015 [Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### 1. Registration and other Details :

	Particulars	Details
i)	CIN	L01110MH1933PLC001930
ii)	Registration Date	08/02/1933
iii)	Name of the Company	The Ravalgaon Sugar Farm Ltd.
iv)	Category / Sub-Category of the Company	Indian Non-Government Company limited by shares
v)	Address of the Registered office and contact details	Ravalgaon-423108, Taluka Malegaon, District Nashik, Maharashtra, India. Tel No: 02554 270-274/238/335
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Freedom Registry Ltd., Plot No. 101/102, 19th Street, MIDC Industrial Area, Satpur, Nashik

### 2. Principal Business Activities of The Company :

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sr. No	Name & Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
i)	Sugar Manufacturing	2321011	55.36%
ii)	Sugar Confectionery	2367000	44.64%

### 3. Particulars of Holding, Subsidiary and Associate Companies :

Sr. No	Name and Address of the Company	CIN/GLN	Holding Subsidiary/Associate /	% of shares held	Applicable Section
i)	Lanica Financial Services Pvt. Ltd.	U67120MH1996PTC101374	Associate	41.71	2 (6)

## 4. Shareholding Pattern (Equity Share Capital Breakup As Percentage of Total Equity) :

## I) Category-Wise Shareholding :

	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
<b>A. Promoter</b>									
1. Indian									
a) Individual/HUF	1,636	1,225	2,861	4.20	1,636	1,225	2,861	4.20	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	33,386	33,386	49.10	-	33,386	33,386	49.10	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):	1,636	34,611	36,247	53.30	1,636	34,611	36,247	53.30	-
2. Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total Promoter shareholding A = A1 + A2	1,636	34,611	36,247	53.30	1,636	34,611	36,247	53.30	-
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	10	28	38	0.06	-	28	28	0.04	0.02%
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt/s	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	10	28	38	0.06	-	28	28	0.04	0.02%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1,273	228	1,501	2.21	1,359	228	1,587	2.33	0.12%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	23,779	3,285	27,064	39.80	23,850	3,108	26,958	39.64	0.16%
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	2,883	2,883	4.24	-	2,883	2,883	4.24	-
c) Others (specify)									
i) NRIs	169	98	267	0.39	199	98	297	0.45	0.06%
Sub-total (B)(2):	25,221	6,494	31,715	46.64	25,408	6,317	31,725	46.66	0.01%
Total Public shareholding (B)=(B)(1)+(B)(2)	25,231	6,522	31,753	46.70	25,408	6,345	31,753	46.70	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	26,867	41,133	68,000	100	27,044	40,956	68,000	100	-

## II) Shareholding of Promoters :

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Harshavardhan Doshi	2,070	3.04	-	2,070	3.04	-	-
2	Lanica Financial Services Pvt. Ltd	28,366	41.71	-	28,366	41.71	-	-
3	Carina Finvest Limited	5,020	7.38	-	5,020	7.38	-	-
4	Nihal Doshi	291	0.43	-	291	0.43	-	-
5	Lalan Ajay Kapadia	500	0.74	-	500	0.74	-	-

## The Ravalgaon Sugar Farm Ltd.

### III) Change in Promoters' Shareholding (Please Specify, if there is no Change) :

Sr. 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	36,247	53.30	36,247	53.30
2	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
3	At the End of the year	36,247	53.30	36,247	53.30

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

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Harshavardhan B Doshi (Trustee)	2,883	4.24	2,883	4.24
2	Ratnaprabhat Prabhat Doshi	510	0.75	510	0.75
3	Mehmood Gulamnabi Kagzi	401	0.59	401	0.59
4	Nayana Vadilal Vasa	241	0.35	272	0.40
5	Jawaharlal Mehta	291	0.43	269	0.40
6	Dhiraj Manu Chhabria	265	0.39	246	0.36
7	Kamalini Bahubali	223	0.33	223	0.33
8	Arvind R Doshi	217	0.32	217	0.32
9	Girishkumar Sharda	-	-	207	0.30
10	Manu Gopaldas Chhabria	167	0.25	200	0.29
11	Meena Kantilal Sangoi	150	0.22	-	-

### V) Shareholding of Directors and Key Managerial Personnel :

Sr. No	For each of the Director / KMP*	Shareholding		Date	Increase / Decrease during the year	Reasons	Cumulative shareholding during the year	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	Harshavardhan Doshi Chairman and Managing Director	2,070	3.04	01/04/14	No movement during the year			
		2,070	3.04	31/03/15				2,070
2	Nihal Doshi Executive Director	291	0.43	01/04/14	No movement during the year			
		291	0.43	31/03/15				291
3	Y. P. Dandiwala Non Executive Director	0	0.00	01/04/14	No movement / holding during the year			
		0	0.00	31/03/15				0
4	Moorad Fazalbhoj Non Executive Director	0	0.00	01/04/14	No movement / holding during the year			
		0	0.00	31/03/15				0
5	Ashok Ashtekar Non Executive Director (expired on 25th Dec 2014)	0	0.00	01/04/14	No movement / holding during the year			
		0	0.00	31/03/15				0
6	H. P. Gandhi Non Executive Director (appointed on 9th Feb 2015)	0	0.00	01/04/14	No movement / holding during the year			
		0	0.00	31/03/15				0
7	Mrs Ramola Mahajani (appointed on 9th Feb 2015)	0	0.00	01/04/14	No movement / holding during the year			
		0	0.00	31/03/15				0

\* No Key Managerial Person is holding any shares of the company

**5. Indebtedness :**

Indebtedness of the Company including interest outstanding / accrued but not due for payment (Rs. in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,455.19	961.92	579.78	4,996.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	47.97	47.97
<b>Total (i+ii+iii)</b>	<b>3,455.19</b>	<b>961.92</b>	<b>627.75</b>	<b>5,044.86</b>
Change in Indebtedness during the financial year				
i) Addition	-	831.26	-	831.26
ii) Reduction	1,530.02	390.00	95.03	2,015.05
<b>iii) Net Change</b>	<b>-1,530.02</b>	<b>441.26</b>	<b>-95.03</b>	<b>-1,183.79</b>
Indebtedness at the end of the financial year				
i) Principal Amount	1,925.17	1,403.18	467.05	3,795.4
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	65.67	65.67
<b>Total (i+ii+iii)</b>	<b>1,925.17</b>	<b>1,403.18</b>	<b>532.72</b>	<b>3,861.07</b>

**6. Remuneration of Directors and Key Managerial Personnel :****I) Remuneration to Managing Director, Whole-Time Director and / or Manager :**

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. H. B. Doshi (Chairman & Managing Director)	Mr. N.H. Doshi (Executive Director)	
1	Gross Salary			
a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	900,000	-	900,000
b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
c)	Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission / Performance Pay			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	900,000	-	900,000
	<b>Ceiling as per the Act</b> The total managerial remuneration payable in respect of financial year 2014-2015 shall not exceed eleven percent of the net profit of the Company for financial year 2014-2015 or if the same exceeds, it shall be within the limits of Schedule V Part II of the Companies Act, 2013. The remuneration paid to Directors during the year is within the statutory limit as specified above.			

**II) Remuneration to other Directors :**

Sr. No	Particulars of Remuneration	Mr. Y. P. Dandiwalla	Mr. Moorad Fazalbhoy	# Mr. Ashok Ashtekar	* Mr. H. P. Gandhi	* Mrs Ramola Mahajani
<b>1</b>	<b>Independent Directors</b>					
a	Fees for attending Board/Committee meetings	18,000	16,000	14,000	2,000	2,000
b	Commission	-	-	-	-	-
c	Others, please specify	-	-	-	-	-
	Total (1)	18,000	16,000	14,000	2,000	2,000
<b>2</b>	<b>Other Non-Executive Directors</b>					
a	Fees for attending Board/Committee meetings	-	-	-	-	-
b	Commission	-	-	-	-	-
c	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1+2)	18,000	16,000	14,000	2,000	2,000
	Total Managerial Remuneration					
	<b>Overall Ceiling as per the Act</b> Sitting fee payable to the Director for attending the meeting of the Board or Committee shall not exceed one lakh rupees per meeting of the Board or Committee.					

# Mr. Ashok Ashtekar expired on 25th December 2014

\* Mr. H. P. Gandhi appointed by Board of Directors on 9th February 2015

\* Mrs Ramola Mahajani appointed by Board of Directors on 9th February 2015

## The Ravalgaon Sugar Farm Ltd.

### III) Remuneration to Key Managerial Personnel other than M.D. / Manager / W T D :

Sr. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary	-	-	-	-
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-
(b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission / Performance Pay	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify.....	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

Note: The post of CEO, Company Secretary and CFO are vacant.

### 7. Penalties/Punishment/Compounding Of Offences :

No Penalty

## Annexure 2 to Directors Report

## 1. Conservation of Energy :

Sr. No	Particulars	Current year	Previous Period
<b>A</b>	<b>Power and Fuel Consumption</b>		
	<b>1 Electricity</b>		
a)	Purchased (from M.S.E.B.)		
	Units (KWh in lacs)	11.75	23.01
	Rate / Unit (Rs.)	8.25	7.40
	Total amount (Rs. in lacs)	96.89	170.16
b)	Own Generation		
i)	Diesel Generator		
	Units (KWh in lacs)	0.38	0.33
	Units (KWh) per litre of Diesel Oil	3.65	2.67
	Cost per Unit (Rs.)	17.68	20.53
ii)	Steam Turbine / Generator		
	Units (KWh in lacs)	-	29.48
	Units (KWh) per M.T. of Bagasse	-	179.61
	Cost per Unit (Rs.)	-	15.62
	<b>2 Coal</b>		
	Quantity (MTs)	-	-
	Total Cost (Rs. in lacs)	-	-
	Rate per MT (Rs.)	-	-
	<b>3 Furnace Oil</b>		
	Quantity (MTs)	-	-
	Total Cost (Rs. in lacs)	-	-
	Rate per MT (Rs.)	-	-
	<b>4 Other Internal Generation:</b>		
i)	Firewood consumed		
	Quantity (MTs)	989.50	-
	Total Cost (Rs. in lacs)	34.35	-
	Rate per MT (Rs.)	3,471.00	-
ii)	Bagasse / Maka buds		
	Quantity (MTs)	1,711.00	-
	Total Cost (Rs. in lacs)	47.60	-
	Rate per MT (Rs.)	2,782.03	-
<b>B</b>	<b>Consumption per Unit of production (Electricity/Power in KWh)</b>		
	Sugar (per MT)	-	28.98
	Confectionery (per MT)	625.92	433.77

1. The Company has taken adequate steps to ensure most optimal utilization of energy with a view to conserve energy and also reduce the cost of energy.
2. The Company, during the year, has taken steps to utilize alternate sources of energy viz-Fire wood and Bagasse.
3. The Company has not made any capital investment on energy conservation equipments.

## 2. Technology Absorption :

## A. Research and Development (R &amp; D)

## 1. Specific areas in which R &amp; D carried out by the Company

- a) Production & process improvement / developments
- b) Development of new products and improvement in existing products.

## 2. Benefits derived as a result of above R &amp; D

- a) Quality improvement of existing products
- b) Development of new products

## 3. Future Plan of action:

The ongoing programme of R & D will continue for development of new products processes and improvement of existing products and processes.

## 4. Expenditure on R &amp; D

There is no capital expenditure on account of R & D and the recurring expenditure is not significant as compared to total turnover.

## B. Technology Absorption, Adaptation and Innovation:

The Company did not enter into any foreign collaboration for the purpose of technical assistance and technology was not imported for the purpose of product improvement, development of new products or new process.

## 3. Foreign Exchange Earnings And Outgo :

During the year there are no export sales. Details of Foreign Exchange outgo are given in Notes 22, 26.1 and 26.2 forming part of the Financial Statements.

## Annexure 3 to Directors Report

### Management Discussion And Analysis

#### 1. Industry Structure and Development :

The Company is engaged in the manufacture of Sugar and various Confectionery Products. It has manufacturing facility at Ravalgaon (Maharashtra) and Corporate Office in Mumbai.

#### 2. Opportunities and Risks :

There is good demand for the products of the Company. Efforts are made to improve its operating efficiency by taking various steps like installing balancing equipments, more efficient use of the available resources, etc. The products of the Company have been well accepted in the market.

Sugar Industry by nature is a seasonal industry, dependent on the sugarcane crop. Sugarcane needs good rainfall. This year the rainfall was not satisfactory resulting in lower availability of sugarcane.

More so the sugar prices have also been volatile and have been very unfavourable. These are not controlled by any single player due to large number of units in the country.

As regards confectionery, the competition from outside sources has been increasing. The competition and increase in costs, mainly material costs affect the sales and margins.

#### 3. Segment-Wise Performance :

The Company has two segments viz. Sugar and Confectionery.

The segment-revenue (including other income) for Sugar (after excluding Inter Segment Revenue) for the period under review is Rs.2587.88 lakhs (Previous period of 18 months ended 31st March 2014 Rs. 765.40 lakhs) and that for Confectionery is Rs. 1591.21 lakhs (Previous period of 18 months ended 31st March 2014 Rs. 1711.32 lakhs). The segment-wise information is exhibited at Note No. 33 of Notes to Accounts.

#### 4. Business Outlook :

The Sugar industry in India comes under The Essential Commodities Act, 1955 and therefore is regulated by the Government. Being an agro based industry, performance is largely dependent on weather and rain fall in the area of operation . However the prices of sugar have been very unfavourable. The sales of confectionery division was affected by various factors like competition, increase in costs, etc.

#### 5. Risks and Concerns :

Uncertainties in Government policies and regulations governing sugar industry in India also continues to pose risk to the sugar industry. The sugarcane price to be paid to farmers by a manufacturer is also decided by the Government policy from time to time. The Company is therefore vulnerable to the changes in Government Policy and climatic conditions.

#### 6. Internal Control Systems and their Adequacy :

The Company maintains adequate internal control systems and makes need based suitable changes therein to strengthen the same. The system provides among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets.

#### 7. Operational Performance and Financial Performance :

The Revenue from Operations (Net) (excluding Other Income) for the year ended 31st March 2015 was Rs. 3526.93 lakhs as against Rs. 3445.67 lakhs for the previous period of 18 months ended 31st March 2014. The Net Loss (before exceptional item of VRS expense of Rs. 584.63 lakhs) is Rs. 690.58 lakhs for the year ended 31st March 2015 as against a Net loss of Rs. 1524.18 lakhs for the previous period of 18 months ended 31st March 2014.

#### 8. Human / Industrial Relations :

The Company believes that manpower is the most valuable resource for its growth. Industrial relations have been very cordial. The Company has recruited competent managerial personnel at various levels and personnel policies aim to ensure strengthening the involvement of all in the development of company.

During the year, the Company introduced a Voluntary Retirement Scheme for the workers at the factory. 102 workers opted for the scheme and were relieved on 30th September 2014.

The total number of employees of the Company as on 31st March 2015 was 203.

#### 9. Cautionary Statement :

Statements made in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statement are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw material availability and costs thereof, change in Government regulations, tax structure, economic developments within India.

The company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.



## Annexure 4 to Directors Report

### Corporate Governance Report

(As required under Clause 49 of the Listing Agreement with the Stock Exchange)

The Directors present the Company's report on Corporate Governance for the financial year ended March 31, 2015.

#### 1. Company's Philosophy on Code of Governance :

The Company's Corporate Governance principles have a strong pedigree of fairness, transparency, ethical processes and good practices. The core values of the organization include Quality, Trust, Leadership and Excellence. At RSFL, Governance has been a journey and we are continuously benchmarking our governance standards to global practices. These efforts give us the confidence of having put in place the right building blocks for future growth in prudent and sustained manner. This emanates from our strong belief that sound governance is integral to creating value on a sustainable basis.

#### 2. Board of Directors :

##### I) Composition :

The Board of Directors consists of professionals drawn from diverse fields, who bring in a wide range of skills and experience to the Board. The Board is broad-based and consists of eminent individuals drawn from management, technical, financial and marketing fields. The Company is managed by the Board of Directors in coordination with the senior management team. The day-to-day operations of the Company are conducted by the Chairman and Managing Director, subject to overall supervision and control of the Board of Directors. The Non-Executive Directors and Independent Directors bring external and wider perception and independence in the decision making process.

##### II) The Name and Category of Directors on the Board are given herein below :

Name of the Director	Category
Mr. H. B. Doshi	Chairman & Managing Director
Mr. Y. P. Dandiwala	Independent Director
Mr. Moorad Fazalbhoj	Independent Director
Mr. Ashok Astekar (expired on 25th December 2014)	Independent Director
Mr. Nihal H. Doshi	Executive Director
Mr. H. P. Gandhi (joined the Board on 9th February 2015)	Director
Mrs. Ramola Mahajani (joined the Board on 9th February 2015)	Independent Director

##### III) Attendance at Board Meetings, Last Annual General Meeting and number of other Directorships and Membership of other Committees :

Six Board of Directors Meeting were held during the year ended 31st March 2015 as under.

9th April 2014	30th April 2014	12th August 2014	11th November 2014	19th January 2015	9th February 2015
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The attendance is as under :

Name of the Director	Category	No of Board Meetings attended	Attendance at last AGM	Directorships in other Public Ltd. companies	No of Board Committee positions held in other companies	
					Chairman	Member
Mr H. B. Doshi	Promoter	6	No	2	1	-
Mr Y.P. Dandiwala	Independent Director	5	No	2	-	-
Mr Moorad Fazalbhoj	Independent Director	4	No	-	-	-
Mr Ashok Ashtekar (expired on 25th December 2015)	Independent Director	4	No	1	-	-
Mr Nihal H. Doshi	Promoter	6	No	2	-	-
Mr H.P. Gandhi (joined the Board on 9th February 2015)	Director	1		-	-	-
Mrs. Ramola Mahajani (joined the Board on 9th February 2015)	Independent Director	1		-	-	-

##### IV) Board Procedures :

The Board generally meets once in quarter to review the quarterly business and financial performance of the Company. These Meetings are scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items on the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial / business plans and financial results, the same are tabled at the meeting.

The Agenda and the relevant notes are sent in advance separately to each Director and only in exceptional cases, the same is tabled at the meeting. The Minutes of the Board Meetings are also circulated in advance to all Directors and confirmed at subsequent meeting. The Board reviews the performance of the Company every quarter vis-a-vis the targets set by them and helps in a major strategic decisions and policy formulation. The Members of the Board are also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

The Board members are briefed at every Board Meeting, on overall performance of the Company, with presentations by Business Heads and Senior Management. The performance vis-a-vis budgets are also presented to the Members of the Board.

## V) Profile of Board of Directors :

Brief resume of all the Directors, nature of their expertise in the specific functional areas, memberships/chairmanships of Board Committees and their shareholding in the company is given hereunder :

### 1. Mr. Harshavardhan B. Doshi - Chairman & Managing Director

Mr. Harshavardhan B. Doshi is a science graduate from University of Mumbai. He is son of late Mr. Bharat Gulabchand Doshi, one of the founder members of the company. He joined the Board in 1984. He has been associated with Sugar Industry for over three decades.

Mr. Harshavardhan B. Doshi is also Chairman of Acrow India Limited.

Mr. Harshavardhan B. Doshi is the promoter of the company and holds 2070 shares of the company in his name as on 31st March 2015.

### 2. Mr. Yazdi P. Dandiwala - Independent Director

Mr. Yazdi P. Dandiwala is a senior partner of M/s Mulla & Mulla & Craigie Blunt & Caroe, a leading firm of Advocates and Solicitors in Mumbai. He has been in practice for over three decades and has vast experience in the legal field and in particular on matters relating to corporate laws, banking and taxation. He joined the Board in 1991. He is a member of Audit Committee, the Stakeholders Relationship Committee and Nomination and Remuneration Committee. He does not hold any share of the company in his name as on 31st March 2015.

### 3. Mr. Moorad Fazalbhoy - Independent Director

Mr. Moorad Fazalbhoy, is B.A (Hons) from York University, Toronto. He has been associated with the company since 1992. He has held several senior positions in his career including Chairman & Managing Director of Photophone Limited and Chairman of Photophone Comel Private Limited. He is a member of Audit Committee, the Stakeholders Relationship Committee and Nomination and Remuneration Committee. He does not hold any share of the company in his name as on 31st March 2015.

### 4. Mr. Nihal H. Doshi - Executive Director

Mr. Nihal H. Doshi joined the Board of Directors in 2008. Prior to joining Ravalgaon on an executive basis in 2011, Mr. Doshi was an Associate at Quadrangle Group, a private equity firm headquartered in New York, USA, focused on investments in media, communications and information services. Prior to joining Quadrangle Group, Mr. Doshi worked for Credit Suisse in the Mergers and Acquisitions group. Mr. Nihal Doshi graduated with a Bachelor of Science, Magna Cum Laude, in Economics from the Wharton School at the University of Pennsylvania. He is son of Mr. H. B. Doshi. Mr Nihal Doshi holds 291 shares of the company in his name as on 31st March 2015.

### 5. Mr. H. P. Gandhi - Director

Mr. Gandhi is a BE Mechanical and Diploma in Electrical Engineering and has an experience of over 46 years in various industries including Sugar Industry in India and Abroad. Mr. H. P. Gandhi is appointed by the Board of Directors in their meeting held on 9th February 2015. He does not hold any shares in the company in his name as on 31st March 2015

### 6. Mrs Ramola Mahajani - Independent Director

Mrs Ramola Mahajani has done Master of Arts in Applied Psychology, University of Bombay and Master of Science with Advanced Applied Psychology, University of Aston in Birmingham, UK. She is an Associate Fellow of the British Psychological Society and a Chartered Psychologist. Her areas of expertise include application of the principles of Occupational Psychology in Employee Selection, Training, Management Development and HR Planning. She has over 40 years of experience in Human Resources Development and is a Management Professional. Mrs Ramola Mahajani is appointed by the Board of Directors in their meeting held on 9th February 2015. She does not hold any shares in the company in her name as on 31st March 2015.

## 3. Audit Committee :

The composition, quorum, powers, role, review of information, scope, etc., of the Audit Committee is in accordance with the Section 179 of the Companies Act, 2013 and the provisions of Clause 49 of the Listing Agreement. The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. The Audit Committee inter-alia provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. The Terms of Reference of the Audit Committee are as per the provisions and requirements of the Listing Agreements with the Stock Exchanges and in accordance with the Section 179 of the Companies Act, 2013. These broadly include approval of Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory and Internal Auditors, In-camera meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and Cost Auditors and fixing their remuneration, appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions & Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of Clause 49 of the Listing Agreement. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice. Additionally, the following terms of reference were issued to the Audit committee by the Board of Directors:

- (a) to consider and recommend to the Board the following:
  - i) Investment guidelines for treasury operations;
  - ii) Capital expenditure for enhancement of production capacity (excluding capital expenditure for normal maintenance / repairs / replacement).
- (b) to review the Annual Budget.
- (c) to take note of the significant decisions taken, or important developments considered at the various committee meetings and the Board meetings:
- (d) to carry out any other duties that may be delegated to the Audit Committee by the Board of Directors from time-to-time.

The Audit Committee, while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) referred to in Section 129 & 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the company has been ensured in the preparation of the Financial Statements for the period of 12 months ended 31st March 2015.

## D) The Members of the Audit Committee Comprised of the Following :

Name	Designation	Category & Status	Qualification required to be a member
Mr. Y. P. Dandiwala	Member	Non-Executive Independent Director	He has requisite accounting and managerial expertise
Mr. M. Y. Fazalbhoy	Chairman	Non-Executive Independent Director	He has requisite accounting and managerial expertise
Mr. A. S. Ashtekar (expired on 25th December 2014)	Member	Non-Executive Independent Director	He has requisite accounting and managerial expertise
Mr. Nihal Doshi	Member	Executive Director	He has requisite accounting and managerial expertise
Mr. H. P. Gandhi (appointed on 9th February 2015)	Member	Director	He has requisite accounting and managerial expertise
Mrs Ramola Mahajani (appointed on 9th February 2015)	Member	Non-Executive Independent Director	She has requisite accounting and managerial expertise

**II) Meeting and Attendance :**

Five meetings of the Audit Committee were held during the year ended 31st March 2015 is as under:

30th April 2014	12th August 2014	11th November 2014	19th January 2015	9th February 2015
-----------------	------------------	--------------------	-------------------	-------------------

The Attendance of the Members at the Audit Committee Meetings are as under :

Name of the Audit Committee Member	No. of meetings held	No. of Meetings Attended
Mr. Y. P. Dandiwala	5	4
Mr. Moorad Fazalbhoy	5	4
Mr. A. S. Ashtekar (expired on 25th December 2015)	5	3
Mr. Nihal Doshi	5	5
Mr. H. P. Gandhi (appointed on 9th February 2015)	-	-
Mrs Ramola Mahajani (appointed on 9th February 2015)	-	-

**4. Nomination and Remuneration Committee :**

The terms of reference are :

1. Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole Time Director(s).
2. Reviewing the performance of the Managing / Whole time Director(s) and recommending to the Board the quantum of annual increments and annual commission.

**I) Composition, Meetings and Attendance :**

The Nomination and Remuneration Committee comprises of 4 directors, all of whom are Independent Non Executive Directors, the Chairman of the Committee is an Independent Non Executive Director nominated by the Board. The composition is as follows.

Name of Director	Designation	Status
Mr. Y. P. Dandiwala	Member	Independent, Non executive
Mr. Moorad Fazalbhoy	Member	Independent, Non executive
Mr. Ashok Ashtekar (expired on 25th December 2015)	Member	Independent, Non executive
Mr. H. P. Gandhi (appointed on 9th February 2015)	Member	Director
Mrs Ramola Mahajani (appointed on 9th February 2015)	Chairman	Independent, Non executive

**II) Remuneration Policy :****i) Remuneration to Non-Executive Directors :**

The Non Executive Directors are paid sitting fees @ Rs. 2000/- for each meeting of the Board or any committee thereof attended by them.

The compensation of Non Executive Directors is approved unanimously by the Board. None of the Non Executive

Directors has no material pecuniary relationship or transactions with the company.

**ii) Remuneration to Chairman and Managing Director and Whole Time Director(s) :**

The appointment of Chairman & Managing Director and Whole Time Director(s) is governed by resolutions passed by the Board by Directors and shareholders of the company, which covers the terms of such appointment and remuneration read with service rules of the company. Payment of remuneration to Chairman and Managing Director and Whole Time Director(s) is governed by the respective agreements executed between them and the company. Remuneration paid to Chairman and Managing Director and Whole Time Director(s) is recommended by the Remuneration Committee, approved by the board and is within the limits set by the shareholders at the Annual General Meetings.

The remuneration package of Chairman and Managing Director and Whole Time Director(s) comprises of salary, perquisites and allowances, commission and contribution to Provident and other retirement benefit funds as approved by the shareholders at the Annual General Meetings. Annual increments are linked to performance and are decided by the Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements, it is aimed at attracting and retaining high caliber talent. There is no separate provision for payment of severance fees under the resolutions governing the appointment of Chairman and Managing Director and Whole time Director(s).

Presently the company does not have a scheme for grant of stock options or performance-linked incentives for its Directors.

**III) Remuneration to Directors :**

- i) Details of remuneration paid to Chairman & Managing Director, Mr. H. B. Doshi, and Executive Director, Mr. Nihal H. Doshi, for the year ended 31st March 2015 please refer to Annexure 1 Schedule 6 (I) of Directors Report
- ii) a) Severance fees not applicable b) Service contract for three years c) Notice period 6 months.  
No remuneration was paid to any non-executive director.
- iii) Sitting fees aggregating Rs.52,000/-paid to Non executive Directors for attending the Board Meetings and Committee Meetings, please refer to Annexure 1 Schedule 6 (II) of Directors Report

# The Ravalgaon Sugar Farm Ltd.

## 5. Stakeholders Relationship Committee :

As a measure of good Corporate Governance and to focus on the investors' grievances and to expedite the transfer process in the physical segment, the Board has constituted a Stakeholders Relationship Committee, which comprises of three non-executive Directors Mr. Y. P. Dandiwal, Mr. Moorad Fazalbhoy, Mr. H. P. Gandhi, Mrs Ramola Mahajaniand and Mr Nihal Doshi.

During the year no complaint was received from Shareholders / Investors. The letters relating to dividend warrant, etc. were also attended to promptly. On periodical basis a report on share transfers and complaints were submitted to the Committee Members. No complaints were pending at the end of the period.

### DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED, NOT SOLVED AND PENDING SHARE TRANSFERS.

Number of Shareholders complaints received during the year	Nil
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of pending share transfer:	Nil (Except those rejected on technical grounds)

## 6. General Body Meetings :

The details of Annual General Meetings held in last five years are as follows:

AGM	Day	Date	Time	Venue
75th	Thursday	29.09.2009	11.30 a.m	Krida Mandal Hall, Ravalgaon – 423 108 Taluka Malegaon, Dist Nashik Maharashtra
76th	Thursday	30.09.2010	10.00 a.m	
77th	Thursday	29.09.2011	10.30 a.m	
78th	Thursday	20.12.2012	10.30 a.m	
79th	Thursday	19.06.2014	10.30 a.m	

During the Financial Year ended March 2006, an Extra Ordinary General Meeting (EOGM) was held on 28th February 2015 2005 wherein a Special Resolution was passed for approval of appointment of Mr. H. B. Doshi as CMD for a period of three years from 16th January 2005 to 15th January 2008.

During the Financial Year ended 31st March 2009, an Extra Ordinary General Meeting was held 21st April 2008 for extending the appointment of Mr. H. B. Doshi as CMD for further period of three years from 16th January 2008 to 15th January 2011.

During the Financial Year ended 31st March 2011, an Extra Ordinary General Meeting was held on 31st March 2011 for re- appointment of Mr. H. B. Doshi as Chairman and Managing Director for 3 years from 16th January 2011 and Mr. Nihal H. Doshi as Executive Director for 5 years from 1st January 2011.

An Extra Ordinary General Meeting was held on 10th April 2014 for re-appointment of Mr. H. B. Doshi as Chairman and Managing Director for 3 years from 16th January 2014 to 15th January 2017.

An Extra Ordinary General Meeting was held on 28th February 2015 for approval of related party transactions.

## 7. Disclosures :

During the last three years, no penalty or structures have been imposed on the company by the Stock Exchange / SEBI / Statutory Authorities an matters related to capital markets.

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large, except as reported elsewhere in the report / accounts.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instrument during the period and there are no such instruments, which are outstanding as of the date of this Report.

The Company has complied with the mandatory requirements and has not adopted any non-mandatory requirement of Clause 49 of the Listing Agreements.

C E O/C F O Certification :

The Chairman & Managing Director and the Chief Financial Officer of your Company have issued the necessary certificate pursuant to the provisions of Clause 49 of the Listing Agreement and the same is attached and forms part of the Annual Report.

## 8. Means of Communication :

The approved financial results are forthwith sent to Listed Stock Exchange and are published in the leading national newspaper namely Free Press Journal and Navshakti (Marathi) within forty-eight hours of approved thereof. These results and other official releases are also available at the company's website [www.ravalgaonindia.com](http://www.ravalgaonindia.com) and of the Bombay Stock Exchange Ltd., Mumbai at [www.bseindia.com](http://www.bseindia.com)

(Management Discussions and Analysis Report forms part of this Annual Report.)

## 9. Shareholder's General Information :

Date, Time and Venue of AGM	: <b>Monday, 7th September 2015 at 4.00 P.M.</b> : Krida Mandal Hall, Ravalgaon-423108, Taluka : Malegaon, Dist. Nasik
Dates of Book Closure	: Tuesday, 1st September 2015 to Monday, 7th September 2015 (both days inclusive)
Stock Exchanges & Scrip code	: The Bombay Stock Exchange, Mumbai. Scrip code is <b>507300</b>
ISIN NO.	: INE 615 A01017
Registered office and plant location	: P. O. Ravalgaon, Taluka-Malegaon, Dist. Nasik, Ravalgaon-423 108. Tel.: (02554)270238 / 270274
Registered & Share transfer Agents:	: Freedom Registry Ltd., Plot No. 101/102, 19th Street, MIDC Industrial Area, Satpur, Nasik-422007, Tel: (0253)235403
Company's E-Mail ID	: <a href="mailto:accounts.factory@ravalgaon.in">accounts.factory@ravalgaon.in</a>
Share transfer agent's Email address	: <a href="mailto:support@freedomregistry.in">support@freedomregistry.in</a>
<b>Compliance Officer</b>	: <b>Mr. Snehal J Shah</b>

Exclusive Email ID for redress of investor complaints :

In terms of clause 47(f) of the Listing Agreement following email address is exclusive for shareholders complaints : [snehal.shah@ravalgaon.in](mailto:snehal.shah@ravalgaon.in)

Share price on Mumbai Stock Exchange for year ended 31st March 2015:		
High Rs. 5725 / Low Rs. 3222		
Month	High	Low
Apr-14	4,427	3,587
May-14	4,700	3,671
Jun-14	5,454	4,310
Jul-14	5,275	4,470
Aug-14	4,775	4,215
Sep-14	5,725	4,125
Oct-14	4,899	4,330
Nov-14	4,670	4,125
Dec-14	4,369	3,826
Jan-15	4,190	3,880
Feb-15	4,320	3,900
Mar-15	4,065	3,222

Shareholding pattern as on 31st March 2015		
Category	No. of shares held	% of Shareholding
Promoters & Persons acting in concert	36,247	53.30
NRI & Foreign Institutional Investors	297	0.44
Nationalised Banks, Financial Institutions & Insurance Cos.	28	0.04
Indian Public	31,428	46.22
	<b>68,000</b>	<b>100.00</b>

Distribution of Shareholding as on 31st March 2015				
No. of Equity Shares	Number of Shareholders	% of Shareholders	No. of Shares	% of Shares
1-500	4,085	99.88	29,876	43.94
501-1000	1	0.02	510	0.75
1001-2000	1	0.02	1,345	1.98
2001-3000	1	0.02	2,883	4.24
3001-4000	-	-	-	-
4001-5000	-	-	-	-
5001-10000	1	0.02	5,020	7.38
10001 & above	1	0.02	28,366	41.71
<b>Total</b>	<b>4,090</b>	<b>100</b>	<b>68,000</b>	<b>100.00</b>

### Declaration

As provided under clause 49 of the listing Agreement with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with The Ravalgaon Sugar Farm Limited, Code of Business Conduct and Ethics for the year ended 31st March 2015

#### For The Ravalgaon Sugar Farm Ltd.

##### H. B. Doshi

Chairman & Managing Director

Place: Mumbai, Dated: 28th May 2015

### Certification

To,  
The Board of Directors  
**The Ravalgaon Sugar Farm Ltd.**

We certify that:

We have reviewed the financial statements, read with the cash flow statement of The Ravalgaon Sugar Farm Ltd. for the period ended 31st March 2015 and to the best of our knowledge and belief:

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

these statements and other financial information included in this report present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;

We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining of financial reporting;

We have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.

We have indicated to the Auditors and the Audit Committee:

significant changes in the Company's internal control over financial reporting during the year.

significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.

instances of significant fraud of which we have become aware and involvement therein if any of management or other employees having a significant role in the Company's internal control system over financial reporting.

#### For The Ravalgaon Sugar Farm Ltd.

##### H. B. Doshi

Chairman & Managing Director

Place: Mumbai, Date: 28th May 2015

##### Snehal Shah

Group CFO

### Corporate Governance Compliance Certificate

To,  
The Members,  
**The Ravalgaon Sugar Farm Limited**  
CIN : L01110MH1933PLC001930  
Script Code : 507300  
**Nominal Capital : Rs. 6.00 crores**

We have examined all the relevant records of The Ravalgaon Sugar Farm Ltd. (Company) for the purpose of certifying compliance of conditions of Corporate Governance under Clause 49 of the listing agreement with the Stock Exchange for the financial year ended 31st March 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India and was limited to the procedure and implementation thereof adopted by the Company for ensuring the compliance of Corporate Governance. This certificate is neither an assurance as to the future viability of the



## The Ravalgaon Sugar Farm Ltd.

company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the company. It is also neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our examination of the records produced and explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the listing agreement entered into by the Company with the Stock Exchange.

### For Bipin Raje And Associates

Bipin Raje, Company Secretary

ACS 6092/CP 6147

Place : Mumbai, Dated : 28th May 2015

### Annexure 5 to Directors Report

#### Form A.O.C 2 :

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

#### Details of Material Contracts or Arrangement or Transactions at Arm's Length Basis :

Sr. No	Particulars	Details
1	Name(s) of the related party and nature of relationship	Acrow India Ltd - Associate Company
2	Nature of contracts / arrangements / transactions	Sale of Property
3	Duration of the contracts / arrangements / transactions	One Time Transaction
4	Salient terms of the contracts or arrangements or transactions including the value, if any	At the then prevailing Real Estate Prices in the Market. value of transaction is Rs. 200 lakhs
5	Date of approvals, if any	Board of Directors Approval – 15th January 2015 Shareholders Approval – 20th February 2015
6	Amount paid as advances, if any	Nil

#### For The Ravalgaon Sugar Farm Ltd

#### H. B. Doshi

Chairman & Managing Director

#### Form No. M R - 3

#### Secretarial Audit Report for the Financial Year Ended 31st March 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

#### The Ravalgaon Sugar Farm Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Ravalgaon Sugar Farm Limited. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 audit period (financial year commencing 01st April 2014 and ending on 31st March 2015) 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 Ravalgaon Sugar Farm Limited ("the Company") for the financial year ended on 31st March 2015 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not applicable to the Company during the audit period.**
  - 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 (Registrars to an issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client.

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable to the Company during the audit period.**

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

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified and hence not mandatory during the audit period)
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

#### Observations:

- a) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of :
  - i External Commercial Borrowings were not attracted to the Company under the financial year under report;
  - ii Foreign Direct Investment (FDI) were not attracted to the company under the financial year under report;
  - iii Overseas Direct Investment by Residents in Joint Venture / Wholly Owned Subsidiary abroad were not attracted to the company under the financial year under report.
- b) As per the information and explanations provided by the company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report
- c) We have solely relied on the information and representation made by the Company, its officers agents and authorised representatives during the conduct of secretarial audit, for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.
- d) We report that the Company has not complied with provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- e) We further report that with the coming into force of the Companies Act 2013, several regulations of the Articles of Association of the Company require alterations or deletions as they are based on the Companies Act, 1956 or contain specific reference thereto. The Company has, so far not carried out such modifications/deletions or adoption of new set of Articles.

#### 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 period 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, except in few cases, 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 the dissenting members' views are captured and recorded as part of the minutes.

**I/we further report that** 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.

**I/we further report** that during the audit period the company has :

- i) Taken Major decisions in pursuance to section 180 of the Companies Act, 2013 at its EOGM held on 28th Feb 2015
- ii) Reported negative net worth of Rs 315.92 lacs and is examining applicability of Sick Industrial Companies Special Provisions) Act

#### For Bipin Raje And Associates

##### Bipin Raje

ACS 6092, CP 6147

Place: Mumbai, Date: 28th May 2015

#### Annexure - A

To,  
The Members,  
**The Ravalgaon Sugar Farm Limited**

Our report of even dated is to be read along with this letter.

- 1 Maintenance of Secretarial Records is the responsibility of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2 We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3 We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
- 4 Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- 5 The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
- 6 The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which Management has conducted the affairs of the Company.

#### For Bipin Raje And Associates

##### Bipin Raje

ACS 6092, CP 6147

Place: Mumbai, Date: 28th May 2015

## Independent Auditor's Report

To the Members of

**The Ravalgaon Sugar Farm Limited,**

### Report on the Financial Statements

We have audited the accompanying financial statements of The Ravalgaon Sugar Farm Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Basis for Qualified Opinion

No provision has been made for the present value of the accrued Gratuity liability (net of funds lying with LIC of India) and valued actuarially by a independent actuary as at March 31, 2015 amounting to Rs. 319.33 Lacs (previous year Rs 540.53 lacs) which constitutes a departure from the Accounting Standards on Employee Benefits (AS-15) referred to in section 133 of the Act (Refer Note no.32 of financial statements). Therefore the loss for the period is under stated by Rs. 17.89 lacs (previous year Rs 73.20 lacs) and the Reserves and Surplus of the company as at March 31, 2015 are higher by Rs. 319.33 lacs (previous year Rs 540.53 lacs).

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis on Matter

We draw your attention to Note no.36 with regard to going concern. Our opinion is not modified in respect of this matter.

### Report on other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 As required by Section 143 (3) of the Act, we report that:
  - b) 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.
  - c) 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.
  - d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as mentioned in para on Qualified Opinion.
  - f) The matter described in the Basis for Qualified Opinion paragraph and Emphasis of Matter above, in our opinion, may have an adverse effect on the functioning of the Company.
  - g) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph and Emphasis of Matter above.
  - i) 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 financial statements – Refer Note no.27 to the financial statements;
    - ii. The Company did not have any foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



**For V. Sankar Aiyar & Co**  
Chartered Accountants  
(Firm's Registration No.109208W)

**(Arvind Mohan)**

Partner

**Membership No. 124082**

Place: Mumbai, Date: 28th May, 2015

**Annexure Referred to in The Auditor's Report to The Members of The Ravalgaon Sugar Farm Limited on The Financial Statements for The Year Ended 31st March 2015**

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
  - (b) As The fixed assets have been physically verified by the management as per the phased programme of physical verification of fixed assets. As informed to us, programme is such that all the fixed assets will get physically verified in two years time which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. There were no material discrepancies noticed on such verification.
- ii. (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventories and no material discrepancies were noticed on physical verification as compared to the record of inventories.
- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- v. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed under for deposits accepted from public. 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.
- vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the Cost records under Section 148(1) of the Act and we are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained.
- vii. (a) According to the records maintained by the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues where applicable.

According to the information and explanations given to us, no undisputed amounts in respect of the aforesaid statutory dues were in arrears, as at 31st March, 2015, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the following disputed statutory dues on account of Purchase tax, Electricity Duty and PF on Contract Labour have not been deposited with the appropriate authorities:

Nature of dues	Amount not deposited in (Rs. In lacs)	Period to which the amount relates	Forum where dispute is pending
Sugarcane Purchase Tax Act. Sugarcane Purchase tax payable on harvesting and transport charges.	60.90	1995 to 1999.	High Court Mumbai
The Bombay Electricity Duty Act, 1958. Electricity duty on own generation.	76.33	April, 2005 to March, 2009	High Court Mumbai
Provident Fund on Contract Labour	140.00	2001-2002 to 2008-2009	Provident Fund Commissioner, Nashik

- (c) According to the information and explanations given to us and the records of the company, there are no amounts which are required to be transferred to investor education and protection fund.
- vii. The accumulated losses at the end of the financial year are less than fifty percent of its net worth. The company has incurred cash loss Rs 1070.77 lacs during the financial year covered by our audit and Rs 1214.96 lacs in the immediately preceding financial year.
- ix. On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks. The company has not taken any loan from any financial institution or by way of issue of debentures.
- x. The Company has not given any guarantee for loans taken by others from bank or financial institution.
- xi. In our opinion, the term loans have been applied for the purpose for which they were raised.
- xii. According to the information and explanations given to us and based on audit procedures performed and representations obtained from the management, we report that no fraud on or by the company, has been noticed or reported during the year under audit.

**For V. Sankar Aiyar & Co**  
Chartered Accountants  
(Firm's Registration No.109208W)

**(Arvind Mohan)**

Partner

**Membership No. 124082**

Place: Mumbai, Date: 28th May, 2015

# The Ravalgaon Sugar Farm Ltd.

Balance Sheet as at 31-March-2015

	Note No.	As at 31-Mar-2015	(Rs. in Lacs) As at 31-Mar-2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	34.00	34.00
(b) Reserves and surplus	3	(349.92)	957.56
		<u>(315.92)</u>	<u>991.56</u>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	594.76	483.94
(b) Deferred tax liabilities (net)	5	323.80	351.03
(c) Long-term provisions	6	28.09	13.74
		<u>946.65</u>	<u>848.71</u>
<b>Current liabilities</b>			
(a) Short-term borrowings	7	2,762.39	2,471.31
(b) Trade payables	8	151.85	198.91
(c) Other current liabilities	9	1,091.28	2,883.52
(d) Short-term provisions	10	7.15	9.66
		<u>4,012.67</u>	<u>5,563.40</u>
		<b><u>4,643.40</u></b>	<b><u>7,403.67</u></b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets - Tangible Assets	11	2,294.28	2,611.88
(b) Fixed Assets - Intangible Assets	11	6.70	10.44
(c) Capital works in progress - Tangible Assets	11	31.55	1.80
(d) Non-current investments	12	27.41	27.41
(e) Long-term loans and advances	13	114.70	114.70
		<u>2,474.64</u>	<u>2,766.23</u>
<b>Current assets</b>			
(a) Current investments	14	-	-
(b) Inventories	15	1,845.73	4,263.27
(c) Trade receivables	16	45.07	6.75
(d) Cash and bank balances	17	26.49	28.70
(e) Short-term loans and advances	18	251.11	338.37
(f) Other current assets	19	0.36	0.35
		<u>2,168.76</u>	<u>4,637.44</u>
		<b><u>4,643.40</u></b>	<b><u>7,403.67</u></b>
<b>Significant accounting policies</b>	1		
<b>See accompanying notes forming part of the financial statements</b>	1-39		
As per our report of even date			
<b>For V. SANKAR AIYAR &amp; CO.</b>		<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants		<b>H. B. Doshi</b>	<b>N. H. Doshi</b>
Firm Registration No.109208W		Chairman & Managing Director	Executive Director
<b>Arvind Mohan</b>			<b>Moorad Fazalbhoj</b>
Partner			Director
Membership No. 124082		<b>H. P. Gandhi</b>	<b>Ramola Mahajani</b>
		Director	Director
<b>Mumbai</b>			<b>Mumbai</b>
28-May-2015			28-May-2015

Statement of Profit and Loss for 31-March-2015			
	Note No.	12 months ended 31-Mar-2015	(Rs. In Lacs) 18 months ended 31-Mar-2014
<b>Particulars</b>			
<b>Income</b>			
Revenue from operations (gross)	20	3,703.83	3,677.66
Less: Excise duty		176.90	231.99
Revenue from operations (net)		3,526.93	3,445.67
Other income	21	693.12	275.35
<b>Total Revenue</b>		<b>4,220.05</b>	<b>3,721.02</b>
<b>Expenditure</b>			
Cost of materials consumed	22	465.79	5,003.80
Changes in inventories of finished goods and work-in-progress	23	2,361.31	(3,096.42)
Employees benefit expenses	24	592.88	1,075.89
Finance costs	25	506.00	740.32
Depreciation and amortisation expenses		204.45	311.86
Other expenses	26	780.20	1,209.75
<b>Total Expenses</b>		<b>4,910.63</b>	<b>5,245.20</b>
<b>Profit / (Loss) before Exceptional items and Tax</b>		<b>(690.58)</b>	<b>(1,524.18)</b>
Exceptional item (Voluntary retirement of employees)		584.63	-
<b>Profit / (Loss) before Tax</b>		<b>(1,275.21)</b>	<b>(1,524.18)</b>
Tax expense:			
Current tax			
Income Tax		-	-
Wealth Tax		-	1.11
Taxes for Earlier Years		-	1.53
Deferred tax		(8.85)	11.6
<b>Profit / (Loss) for the period</b>		<b>(1,266.36)</b>	<b>(1,538.42)</b>
<b>Earnings per share</b>			
Basic and Diluted earning per share (Rs.)		(1,862.29)	(2,262.38)
Face Value per share fully paid up (Rs.)		50	50
<b>Significant accounting policies</b>	1		
<b>See accompanying notes forming part of the financial statements</b>	1-39		
As per our report of even date			
<b>For V. SANKAR AIYAR &amp; CO</b>		<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants			
Firm Registration No.109208W			
		<b>H. B. Doshi</b>	<b>N. H. Doshi</b>
		Chairman & Managing Director	Executive Director
<b>Arvind Mohan</b>			<b>Moorad Fazalbhoy</b>
Partner			Director
Membership No. 124082	<b>H. P. Gandhi</b>		<b>Ramola Mahajani</b>
	Director		Director
<b>Mumbai</b>			<b>Mumbai</b>
28-May-2015			28-May-2015

# The Ravalgaon Sugar Farm Ltd.

Cash Flow Statement for 12 months ended 31-March-2015		(Rs. In Lacs)	
	12 months ended 31-Mar-2015	18 months ended 31-Mar-2014	
<b>A. Cash flow from operating activities</b>			
Net Profit / (Loss) before extraordinary items and tax	(690.58)	(1,524.18)	
<u>Adjustments for:</u>			
Depreciation and amortisation	204.45	311.86	
Diminution in Investments	-	-	
Interest Paid	506.00	740.32	
(Profit) / loss on sale / write off of assets	(615.91)	(107.74)	
(Profit) / loss on sale / write off of Investments	-	(5.12)	
Interest income	(12.68)	(2.40)	
Dividend income	-	(4.59)	
	<u>81.86</u>	<u>932.33</u>	
<b>Operating profit / (loss) before working capital changes</b>	<b>(608.72)</b>	<b>(591.85)</b>	
<u>Adjustments for</u>			
Inventories	2,417.54	(3,065.55)	
Trade and Other receivables	(33.90)	284.77	
Trade payables and Deposits	(1,827.44)	1,854.29	(926.49)
Net income tax (paid) / refunds		82.84	21.08
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>30.32</b>	<b>(1,497.26)</b>	
Exceptional Item	584.63	-	
<b>Net cash flow from operating activities after Eceptional Item (A)</b>	<b>(554.31)</b>	<b>(1,497.26)</b>	
<b>B. Cash flow from investing activities</b>			
Capital expenditure on fixed assets, including capital advances	(29.75)	(35.91)	
Proceeds from sale of fixed assets	673.30	113.91	
Interest received	12.67	2.41	
Dividend received	-	4.59	
Investment (made) / sold	-	265.88	
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>656.22</b>	<b>350.88</b>	
<b>C. Cash flow from financing activities</b>			
Net increase / (decrease) in Long Term Borrowings	110.82	(459.43)	
Net increase / (decrease) in Short Term Borrowings	291.08	2,284.36	
Finance cost	(506.00)	(740.32)	
Dividends paid	(0.02)	(4.63)	
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(104.12)</b>	<b>1,079.98</b>	
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(2.21)	(66.40)	
<b>Cash &amp; Cash Equivalent</b>			
Opening Balance	28.70	95.10	
Closing Balance	26.49	28.70	
<b>Note :</b>			
1. Above Cash Flow statement has been prepared under "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statement".			
2. Cash and Cash Equivalents represent Cash & Bank balances and Fixed Deposits with banks.			
3. Cash and Cash Equivalents include Rs 4.46 Lacs (Previous Period Rs 4.48 Lacs) on account of unclaimed dividend, which are not available for use by the company.			
4. Previous period figures have been regrouped / recast wherever necessary			
As per our report of even date			
<b>For V. SANKAR AIYAR &amp; CO.</b>		<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants			
Firm Registration No.109208W			
		<b>H. B. Doshi</b>	<b>N. H. Doshi</b>
		Chairman & Managing Director	Executive Director
<b>Arvind Mohan</b>		<b>Moorad Fazalbhoj</b>	
Partner		Director	
Membership No. 124082		<b>H. P. Gandhi</b>	<b>Ramola Mahajani</b>
		Director	Director
<b>Mumbai</b>		<b>Mumbai</b>	
28-May-2015		28-May-2015	

Notes to the Accounts :

### 1 Significant Accounting Policies :

#### a. Basis of Accounting:

The financial statements are prepared in accordance with generally accepted accounting principles in India. The financial statements have been prepared in all material respects in accordance with the accounting standards as specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) rules, 2014. Financial statements are prepared on historical cost basis and as a going concern. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### b. Use of Estimates:

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

#### c. Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred up to the date of commissioning.

#### d. Depreciation:

- i Depreciation on Fixed Assets is charged in the accounts on the Straight Line Method in accordance with the Schedule II of the Companies Act, 2013.
- ii Depreciation in respect of each individual item of asset costing up to Rs. 5000/- is provided @ 100% in the year of purchase.
- iii Software is amortised over 3 years from the date of implementation.

#### e. Investments:

Long Term Investments are valued at costs. Provision for diminution in value of investments is made if, in the opinion of the management, the diminution is of a permanent nature.

Current Investments are valued at lower of cost or fair value.

#### f. Inventories:

- i Stores, spares, packing materials, loose tools and raw materials are valued at cost or net realisable value whichever is lower, by applying the First In First Out (FIFO) Method.
- ii Finished goods are valued at Cost or Net Realisable Value whichever is lower.
- iii Work in progress / process is valued at lower of cost or net realisable value.
- iv Estimated quantities of saleable by-products i.e. Molasses, Bagasse and Treated Dry Press mud are valued at estimated Net Realisable Value.

#### g. Revenue Recognition:

- i The company recognizes revenue from sale of products upon dispatch/delivery of the goods coupled with transfer of title to the customers.
- ii Revenue from service is recognized on rendering of services to customers.
- iii Interest Income is recognized on time proportion basis.
- iv Dividend Income is recognized, at the time when they are declared.

#### h. Foreign Currency Transaction:

- i Foreign currency transactions are accounted at the rates prevailing on the date of transaction.
- ii Monetary Assets and Liabilities denominated in foreign currencies are translated at the exchange rate prevailing on the Balance Sheet date. Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted for in the Profit and Loss Account.

#### i. Employee Benefits:

- i Short Term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account for the year in which the related service is rendered.
- ii In respect of Post employment benefits viz. Gratuity, the Company has a master policy with LIC under Group Gratuity Scheme for its employees. The company provides / contributes to LIC Group Gratuity Scheme for future payments of retirement gratuity to the employees as determined by Management.
- iii Other Long term benefits viz. Leave Encashment are recognized as an expense in the Profit and Loss Account for the year in which the employee has rendered service. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses are charged to the Profit and Loss Account.
- iv Company's contribution paid / payable to defined contribution schemes such as Provident Fund, Superannuation are charged to Profit and Loss Account.

#### j. Taxation:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent there is reasonable certainty / virtual certainty as the case may be, that the asset will be realized against future taxable profits.

#### k. Impairment of Assets:

At each Balance sheet date, the management reviews the carrying amount of its assets and goodwill included in each Cash generating Unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount of an asset is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value and the risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the profit and loss account.

# The Ravalgaon Sugar Farm Ltd.

## I. Operating Lease Granted:

Lease arrangements where the risk and rewards incident to the ownership of an asset substantially vest with the lessor, are recognized as operating lease. Lease rentals under operating lease are recognized in profit and loss account on a straight-line basis.

## m. Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

## n. Earning per Share:

The Basic & Diluted Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

## o. Cane Price:

Purchase of sugarcane for the season is accounted for on an estimated basis as per the Sugarcane price policy announced by the Company. The difference in price is adjusted in the books of accounts in the year the final price is determined by the Company, as and when it crystallizes, and in certain cases at a fixed price as agreed upon.

## Notes forming part of the Financial statements

	As on 31st March 2015	Rs in Lacs As on 31st March 2014
<b>2 Share capital</b>		
<b>(a) Authorised</b>		
3,00,000 Preference Shares of Rs. 100/- each	300.00	300.00
6,00,000 Equity shares of Rs. 50 each	300.00	300.00
	<b>600.00</b>	<b>600.00</b>
<b>(b) Issued, Subscribed and fully paid up</b>		
68,000 Equity shares of Rs. 50 each.	34.00	34.00
	<b>34.00</b>	<b>34.00</b>

### Details of Shareholders holding more than 5% shares:

Name of shareholders	Number of shares held	% holding	Number of shares held	% holding
Lanica Financial Services Private Limited	28,366	41.71%	28,366	41.71%
Carina Finvest Limited	5,020	7.38%	5,020	7.38%

There is no change in the shares outstanding at the beginning and at the end of the reporting period & immediately preceding reporting period

### Terms Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.50 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

The dividend 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 of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the no. of equity shares held by the shareholder.

## 3 Reserves and surplus

a) Capital Redemption Reserve	20.00	20.00
b) Cash Subsidiary Reserve	20.00	20.00
c) General Reserve	2,204.76	2,204.76
d) Surplus / (Deficit) in Statement of Profit & Loss		
Opening Balance	(1,287.20)	251.22
Additional Depreciation net of deferred tax as per Co.'s Act 2013	(41.12)	-
Add: Profit / (Loss) for the period	(1,266.36)	(1,538.42)
Less: Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Closing balance	(2,594.68)	(1,287.20)
	<b>-349.92</b>	<b>957.56</b>

## 4 Long-term borrowings

### Secured

Term Loan from Bank (Refer Note 4.1)	284.78	342.78
From Government of India (Refer to Note 4.2)	-	-
	<b>284.78</b>	<b>342.78</b>

### Unsecured

Deferred Sales Tax liability (Refer Note 4.3)	149.35	141.16
Public Fixed Deposit	160.63	-
	<b>309.98</b>	<b>141.16</b>
	<b>594.76</b>	<b>483.94</b>

## Notes forming part of the Financial statements

Rs in Lacs

As on  
31st March 2015

As on  
31st March 2014

**4.1 Term loan from Bank** The Term loan from Dena Bank is secured by the hypothecation of the finished goods, raw material stocks and other assets; and residual charge on other fixed assets of the company. Carries interest @ 12.55% p.a. The term loan from HDFC Bank is secured by the equitable mortgage of Office Property and carries interest @ 12.75% p.a. The loan is repayable in monthly installments from January, 2011 to November 2019.

**4.2 Term loan from State Government** is secured against Bank Guarantee and further secured by residual charge on fixed assets.

**4.3** The total amount outstanding from SICOM is Rs. 185.36 Lacs out of which Rs. 36.01 Lacs is repayable from April 2015 to March 2016 and the balance amount is to be repaid within 5 years from the date of completion of the assessment of the relevant years

**5 Deferred Tax Liabilities (Net)****Deferred Tax Liabilities**

Depreciation	439.16	375.80
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**Deferred Tax Assets**

Expenses allowable on Payment Basis under Income Tax Act, 1961	115.36	24.77
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	<u>323.80</u>	<u>351.03</u>
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**6 Long-term provisions**

## Provision for employee benefits :

Leave Encashment (Refer note 32)	8.13	13.74
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Gratuity Liability (Refer note 32)	19.96	-
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	<u>28.09</u>	<u>13.74</u>
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**7 Short-term borrowings****Secured**

Working Capital Loan from Bank (Refer Note 7.1)	1,582.39	1,711.31
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	<u>1,582.39</u>	<u>1,711.31</u>
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**Unsecured**

Inter Corporate Deposit from related parties (Refer Note 7.2)	1,180.00	760.00
---	----------	--------

	<u>1,180.00</u>	<u>760.00</u>
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	<u>2,762.39</u>	<u>2,471.31</u>
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**7.1** Working Capital borrowings from the banks are secured by way of joint hypothecation of inventory including stock of sugar, confectionary and other items and second charge by way of equitable mortgage of company's immovable property situated at factory

**7.2** Inter Corporate Deposit bears interest between 11% and 14% p.a.

**8 Trade payables**

Payable to Micro, Small and Medium Enterprises	-	-
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Payables to Others	151.85	198.91
--------------------	--------	--------

	<u>151.85</u>	<u>198.91</u>
--	---------------	---------------

Details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

**The principal amount and the interest due thereon remaining unpaid to Suppliers**

Principal	-	-
-----------	---	---

Interest due thereon	-	-
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The delayed payments of principal paid beyond the appointed date during the entire accounting period	-	-
--	---	---

Interest actually paid under section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
--	---	---

Normal interest accrued during the period, for all the delayed payments, as per the agreed terms	-	-
--	---	---

Normal interest payable for the period of delay in making payment, as per the agreed terms	-	-
--	---	---

Total interest accrued during the period	-	-
--	---	---

Total interest accrued during the period and remaining unpaid	-	-
---	---	---

# The Ravalgaon Sugar Farm Ltd.

Notes forming part of the Financial statements

	As on 31st March 2015	Rs in Lacs As on 31st March 2014
<b>9 Other current liabilities</b>		
a) Current maturities of long-term debt		
Term Loan from Bank (Refer note 4.1)	58.00	1,401.10
From Government of India (Refer note 4.2)	37.82	37.82
Deferred Sales Tax liability (Refer note 4.3)	36.01	22.94
Public Fixed Deposit	290.64	568.38
	<u>422.47</u>	<u>2,030.24</u>
b) Unpaid dividends (Refer note 9.1)	4.46	4.48
c) Statutory dues	115.00	116.11
d) Advances from customers	86.97	183.55
e) Cane Liabilities	33.43	106.12
f) Other Liabilities	177.35	218.45
g) Unclaimed Public Deposits	15.78	11.40
h) Interest on Unclaimed Public Deposits	2.97	2.77
i) Sundry Deposits	167.18	162.43
j) Interest Accrued and not Due	65.67	47.97
	<u><b>1,091.28</b></u>	<u><b>2,883.52</b></u>
<b>9.1</b> There is no amount due and outstanding to be credited to the Investor Education and Protection Fund.		
<b>10 Short-term provisions</b>		
a) <b>Provision for employee benefits:</b>		
i) Provision for Bonus	2.70	1.45
ii) Provision for Leave encashment (Refer note 32)	4.45	8.21
	<u>7.15</u>	<u>9.66</u>
b) <b>Provision - Others</b>		
i) Provision for proposed equity dividend	-	-
ii) Provision for tax on proposed dividend	-	-
	<u>-</u>	<u>-</u>
	<u><b>7.15</b></u>	<u><b>9.66</b></u>
<b>12 Non-current investments</b>		
Investment in equity instruments (non trade investments)		
<b>Quoted</b>		
2,419 (PY: 2,419) shares of Rs. 20 each fully paid up in The Scindia Steam Navigation Co. Ltd.	0.20	0.20
1 (PY: 1) shares of Rs. 10 each fully paid up in Dena Bank	-	-
17,600 (PY: 17,600) shares of Rs 10 each fully paid up in Acrow India Limited	8.80	8.80
<b>Unquoted</b>		
36,190 (PY: 36,190) shares of Rs.10 each fully paid up in Carina Finvest Limited	18.61	18.61
	<u>27.61</u>	<u>27.61</u>
Less: Provision for diminution in value of investments	0.20	0.20
	<u><b>27.41</b></u>	<u><b>27.41</b></u>
Aggregate amount of quoted investments	9.00	9.00
Aggregate market value of quoted investments	20.38	6.70
Aggregate amount of unquoted investments	18.61	18.61
<b>13 Long-term loans and advances</b>		
<u>Capital Advances</u>		
Balances with government authorities - Unsecured, considered good	-	-
Security Deposits	0.16	0.16
Balances with Others - Unsecured, considered good		
Security Deposits	114.54	114.54
	<u><b>114.70</b></u>	<u><b>114.70</b></u>



## 11 Fixed Assets As At 31- March - 2015

Sr. No	PARTICULARS	GROSS BLOCK ( AT COST )			DEPRECIATION		IMPAIRMENT OF ASSETS		NET BLOCK		
		As at 1-Apr-2014	Additions	Deductions	As at 31-Mar-2015	As at 1-Apr-2014	For the year	Deductions	As at 31-Mar-2015	As at 31-Mar-2015	As at 31-Mar-2014
	<b>Tangible Assets</b>										
1	Freehold Land	3.74	-	2.43	1.31	-	-	-	-	1.31	3.74
2	Buildings & Godowns	2,069.57	-	31.29	2,038.28	466.94	67.46	16.70	-	1,520.58	1,602.63
3	Plant & Equipments	5,000.24	-	58.65	4,941.59	4,060.02	140.12	18.28	32.90	726.83	907.32
4	Furniture & Fixtures	154.34	-	-	154.34	102.59	23.95	-	-	27.80	51.75
5	Vehicles	112.67	-	-	112.67	91.65	10.55	-	-	10.47	21.02
6	Office Equipment	61.05	-	-	61.05	35.63	18.13	-	-	7.29	25.42
		7,401.61	-	92.37	7,309.24	4,756.83	#260.21	34.98	32.90	2,294.28	2,611.88
	Previous Year	7,387.15	22.68	(8.22)	7,401.61	4,448.12	310.76	(2.05)	32.90	2,611.88	
	<b>Intangible Assets</b>										
1	Computer Software	21.17	-	-	21.17	10.74	3.73	-	-	6.70	10.43
	Previous year	9.74	11.43	-	21.17	9.64	1.10	-	-	10.43	

# Note : Rs 59.49 lacs has been transferred to Reserves & Surplus as per Schedule II of Companies Act 2013

# The Ravalgaon Sugar Farm Ltd.

Notes forming part of the Financial statements

	As on 31st March 2015	Rs in Lacs As on 31st March 2014
<b>14 Current investments</b>		
<b>Unquoted</b>		
<u>Investment in mutual funds</u>	-	-
Less: Provision for diminution in value of investments	-	-
	-	-
Aggregate amount of unquoted investments	-	-
Aggregate market value of unquoted investments	-	-
<b>15 Inventories</b>		
(At lower of cost and net realisable value)		
Raw materials	145.45	96.40
Work-in-progress	55.46	55.46
Finished goods	1,380.76	3,742.07
Stores and spares	264.06	369.34
	<b>1,845.73</b>	<b>4,263.27</b>
<b>16 Trade receivables</b>		
Unsecured, considered good		
Trade Receivables outstanding for a period exceeding six months	2.99	6.30
Others	42.08	0.45
Less: Provision for doubtful trade receivables		
	<b>45.07</b>	<b>6.75</b>
<b>17 Cash and Bank Balance</b>		
<u>Cash &amp; Cash Equivalent</u>		
a) Cash on hand	0.32	0.44
b) In current accounts	9.56	7.47
<u>Other Bank Balance</u>		
a) In deposit accounts	12.15	16.31
b) In earmarked accounts		
c) Unpaid dividend accounts	4.46	4.48
	<b>26.49</b>	<b>28.70</b>
<b>18 Short-term loans and advances</b>		
Loans and Advances to employees		
Secured, considered good	4.38	5.43
Prepaid expenses - Unsecured, considered good	7.47	7.82
Balances with government authorities		
Unsecured, considered good		
CENVAT credit receivable	7.21	4.20
VAT credit receivable	22.53	22.53
Advances to Suppliers		
Unsecured, considered good	16.41	14.91
Others		
Advance Recoverable	39.50	47.03
Advance Tax (net of provisions)	153.61	236.45
	<b>251.11</b>	<b>338.37</b>
<b>18.1</b> Includes Security deposit of Rs. 15.00 Lacs (Previous Year Rs. 15.00 Lacs) given to companies in which directors are interested against lease of premises.		
<b>19 Other current assets</b>		
Interest accrued on deposits & loans	0.36	0.35
	<b>0.36</b>	<b>0.35</b>

## Notes forming part of the Financial statements

Rs in Lacs

	12 months ended 31st March 2015	18 months ended 31st March 2014		
<b>20 Revenue from operations</b>				
Sale of products	3,703.83	3,320.49		
Other operating revenue				
Sale of scrap	-	6.84		
Sale of By-products	-	350.33		
	<b>3,703.83</b>	<b>3,677.66</b>		
Sugar	2,012.97	596.31		
Confectionary	1,690.86	2,724.18		
	<b>3,703.83</b>	<b>3,320.49</b>		
<b>21 Other income</b>				
a) Interest income (Refer note 21.1)	12.68	2.40		
b) Dividend income from investments (Refer note 21.2)	-	4.59		
c) Other non-operating income	48.43	124.85		
d) Profit on sale of Assets	618.41	107.74		
e) Profit on sale of Investments	-	5.12		
f) Provision no longer required	13.60	30.65		
	<b>693.12</b>	<b>275.35</b>		
<u>21.1 Interest income comprises :</u>				
Interest from banks on deposits	1.84	1.31		
Interest from Others	10.84	0.25		
Interest on Bonds	-	0.84		
	<b>12.68</b>	<b>2.40</b>		
<u>21.2 Dividend income comprises :</u>				
Dividend Income from Long Term Investments	-	1.68		
Dividend Income from Current Investments	-	2.91		
	-	<b>4.59</b>		
<b>22 Cost of materials consumed</b>				
Opening stock	96.40	206.19		
Add: Purchases	514.84	4,894.01		
	<b>611.24</b>	<b>5,100.20</b>		
Less: Closing stock	145.45	96.40		
	<b>465.79</b>	<b>5,003.80</b>		
Sugarcane	-	3,425.98		
Liquid Glucose	171.23	321.50		
Sugar	-	335.30		
Wrapping Papers	248.43	254.84		
Components & Others	46.13	666.18		
	<b>465.79</b>	<b>5,003.80</b>		
<b>Value of Imported &amp; Indigenous Consumption of Raw Materials</b>				
	Rs.	%	Rs.	%
Imported	-	-	-	-
Indigenous	465.79	100%	5,003.80	100%
	<b>465.79</b>		<b>5,003.80</b>	
<b>23 Changes in inventories of finished goods and work-in-progress</b>				
<u>Inventories at the beginning of the period</u>				
Finished Goods	3,742.07	677.51		
W.I. P.	55.46	23.60		
	<b>3,797.53</b>	<b>701.11</b>		
<u>Inventories at the end of the period</u>				
Finished Goods	1,380.76	3,742.07		
WIP	55.46	55.46		
	<b>1,436.22</b>	<b>3,797.53</b>		
	<b>2,361.31</b>	<b>(3,096.42)</b>		

# The Ravalgaon Sugar Farm Ltd.

Notes forming part of the Financial statements

	Rs in Laacs			
	12 months ended 31st March 2015		18 months ended 31st March 2014	
<u>Details of closing stock - Finished goods</u>				
Sugar	1,202.33		3,579.96	
Confectionary	176.93		162.11	
	<b>1,380.76</b>		<b>3,742.07</b>	
<u>Details of closing stock - Work in progress</u>				
Sugar	55.46		55.46	
Confectionary	-		-	
	<b>55.46</b>		<b>55.46</b>	
<b>24 Employees benefit expenses</b>				
Salaries and wages	470.08		871.37	
Contributions to provident and other funds	112.76		172.78	
Staff welfare expenses	10.04		31.74	
	<b>592.88</b>		<b>1,075.89</b>	
<b>25 Finance costs</b>				
a) Interest expense on:				
i. Term Loan	136.16		179.87	
ii. Working Capital	180.86		359.13	
iii. Others	175.12		155.99	
b) Other borrowing costs	13.86		45.33	
	<b>506.00</b>		<b>740.32</b>	
<b>26 Other expenses</b>				
Consumption of stores and spare parts	187.20		206.26	
Power and Fuel	90.15		176.09	
Rent including Lease rentals	12.51		27.08	
Repairs and maintenance - Buildings	4.59		11.21	
Repairs and maintenance - Machinery	12.32		61.33	
Repairs and maintenance - Others	19.31		37.49	
Insurance	7.38		11.26	
Rates & Taxes	71.98		42.31	
Travelling and Conveyance	58.17		113.72	
Printing and Stationery	3.41		6.31	
Freight and Forwarding	104.91		173.65	
Advertisement, Publicity & Selling Expenses	18.40		36.78	
Postage & Telephone	8.11		11.86	
Director Fees	0.52		0.42	
Commission & Discount	32.00		29.77	
Donations	-		-	
Legal and professional	31.01		67.31	
Excise Duty & Sugar Cess	10.81		5.09	
Sales Tax	3.43		7.05	
<u>Remuneration To Auditors</u>				
For Audit Fees	2.25		3.37	
For Taxation matters	0.56		0.84	
For other services	1.12		1.69	
Reimbursement of expenses	0.01		0.08	
Loss on Fixed Assets sold / scrapped / written off	2.50		-	
Other Manufacturing Expenses	56.19		92.33	
Miscellaneous expenses	41.36		86.45	
	<b>780.20</b>		<b>1,209.75</b>	
<b>26.1 Value of Imported &amp; Indigenous Consumption of Stores &amp; Spares</b>				
Imported	-	0.0%	7.83	3.8%
Indigenous	187.20	100.0%	198.43	96.2%
<b>26.2 Expenditure in Foreign Currencies</b>				
Traveling Expenses	-		6.18	
Purchase of spare parts	-		7.83	
Others	-		-	

Notes forming part of the Financial statement

## Notes forming part of the Financial statement

27	<b>Contingent Liabilities</b>	<b>Rs. In lacs</b>	
		Current Year	Previous Year
a	Guarantees given by Banks	45.97	45.97
b	Sales Tax / Other Liability for the years 1995-99 not acknowledged as debt. (Cane Purchase Tax)	60.90	60.90
c	Electricity Duty on own Generation	76.33	76.33
d	Income Tax Demands in appeal	-	25.73
e	Construction House Employees Union's workmen wage demands against the order of industrial tribunal - Mumbai	Un ascertained	Un ascertained
f	Provident Fund on Contract Labour	140.00	140.00
<b>28</b>	<b>Manegetrial Remuneration</b>		
a	Salary & Allowances	9.00	50.92
b	Company's Contribution to Provident Fund	-	2.88
c	Perquisites	-	-
	<b>Total</b>	<b>9.00</b>	<b>53.80</b>

29 Cane, Transport and Harvesters advances and liabilities, Debtors and Creditors balances are subject to confirmation and reconciliation.

30 As per the accounting practice followed by the Company, excise duty is accounted for at the point of Sales / transfer of goods.

31 In the opinion of the board, current assets, loans and advances have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated.

**32 AS 15 - Employee benefits:**

- a The present value of accrued Gratuity liability as determined by an Actuary as at 31 March 2015 was Rs. 320.35 lacs (Previous year Rs. 541.46 lacs).

The balance lying in the contributory fund with the Life Insurance Corporation of India (LIC) as at 31 March 2015 is Rs. 1.02 lacs (Previous Year Rs. 0.94 lacs).

The net liability of Rs. 319.33 lacs as at year end (Previous Year Rs. 540.52 lacs) has not been recognised in the Accounts as required under the Accounting Standard - 15 i.e. Employee Benefits, notified by Companies (Accounts) Rules, 2014.

Consequently as against the charge to the profit and loss account of Rs. Nil (Previous Year Rs. Nil Lacs), the expense determined by the Actuarial Valuation is Rs. 17.89 Lacs (Previous Year Rs. 73.20 lacs).

However the Company expects to meet this liability in due course with enhanced funding of the Contribution to L.I.C. or upon actual payment to employees as has been done in earlier years

- b Subject to above, however the disclosure required under AS 15 "Employee Benefits" notified in the Companies (Accounts) Rules 2014, are given below:

**I General description :**

- a Gratuity : The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on death or resignation or retirement at 15 days salary (last drawn) for each completed year of service. The scheme is funded with Insurance Company in the form of qualifying insurance policy.
- b Leave Wages : The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age.

**II Defined Benefit Plan :**

The employees' Gratuity Fund scheme managed by a Trust is a defined benefit plan.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up

The obligation for leave encashment is recognized in the same manner as gratuity.

**III Defined Contribution plan :**

Contribution to defined contribution plan is recognized and charged off the the year as under:	This year	Previous year
Employer's Contribution to Provident Fund	54.62	101.61
Employer's Contribution to Superannuation Fund	5.48	5.48

# The Ravalgaon Sugar Farm Ltd.

## Notes forming part of the Financial statement

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
<b>IV</b> Expense to be recognised in the Statement of Profit & Loss for the year ended 31-March-2015				
1 Current Service Cost	14.92	24.27	6.46	8.53
2 Interest Cost	47.37	69.93	1.92	3.79
3 Expected Return on plan assets	(0.08)	(0.33)	-	-
4 Past Service Cost	-	-	-	-
5 Net Actuarial (Gains) / Losses	(44.32)	(20.67)	(7.87)	(15.78)
6 Total Expense	17.89	73.20	0.51	(3.46)
<b>V</b> Net Assets / (Liability) to be recognised in the Balance Sheet as at 31-March-2015				
1 Present Value of Defined Obligation as at 31 March 2015	320.35	541.46	12.59	21.95
2 Fair Value of plan assets as at 31 March 2015	1.02	0.94	-	-
3 Funded Status [Surplus / (Deficit)]	(319.33)	(540.52)	(12.59)	(21.95)
4 Provision made	-	-	-	-
5 (Net Assets/ (liability) as at 31 March 2015	(319.33)	(540.52)	(12.59)	(21.95)
<b>VI</b> Change in Obligation during the year ended 31-March-2015				
1 Present value of defined Benefit Obligation at the beginning of the year	541.46	565.11	21.95	30.66
2 Current Service Cost	14.92	24.27	6.46	8.53
3 Interest Cost	47.37	69.93	1.92	3.79
4 Post Service Cost	-	-	-	-
5 Actuarial (Gains) / Losses	(44.32)	(21.27)	(7.87)	(15.78)
6 Benefits Payments	(239.08)	(96.58)	(9.87)	(5.25)
7 Present value of Defined Benefit Obligation at the end of the year	320.35	541.46	12.59	21.95
<b>VII</b> Change in Assets during the year ended 31-March-2015				
1 Fair Value of Plan Assets at the beginning of the year	0.94	2.56	-	-
2 Expected return on Plan assets	0.08	0.33	-	-
3 Contribution by Employer	239.08	95.23	-	-
4 Actual benefits paid	(239.08)	(96.58)	-	-
5 Actuarial Gains / (Losses) on Plan Assets	-	(0.60)	-	-
6 Fair Value of Plan Assets at the end of the year	1.02	0.94	-	-
Category of Plan Assets: Insurer managed Fund. 100%				
<b>VIII</b> Balance Sheet reconciliation as at 31-March-2015				
1 Opening Net Liability	540.52	562.55	-	-
2 Expenses as above	17.89	73.20	-	-
3 Employers Contribution	(239.08)	(95.23)	-	-
4 Provision made	-	-	-	-
5 Amount to be Recognised in Balance Sheet	319.33	540.52	-	-
<b>IX</b> Actuarial Assumptions as at 31-March-2015				
Discount Rate	7.93%	8.75%	7.93%	8.75%
Rate of Return on Plan Assets	7.93%	8.70%	-	-
Salary Escalation rate	5.00%	5.00%	5.00%	5.00%

## Notes forming part of the Financial statement

**33 Segment Reporting:**

- a The Company has disclosed Business segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.
- b The Company's operation predominantly relate to manufacture of Sugar and Confectionery.
- c The Company mainly caters to the needs of the domestic market. As such there are no reportable geographical segments.
- d Inter Segment Transfer Pricing Policy : The Sugar supplied to Candy & Confectionery division and Bura supplied to Confectionery division is based on market price. All other Inter Segment transfers are at cost.

**Segment Information for the 12 months ended 31-March-2015****(Rs. In Lacs)**

	Sugar		Confectionery		Total	
	Current Year	Previous period	Current Year	Previous period	Current Year	Previous period
<b>1</b> External Sales (Net of Excise)						
a Domestic	1,952.59	888.94	1,574.34	2,549.90	3,526.93	3,438.84
b Exports	-	-	-	-	-	-
<b>Total Sales</b>	<b>1,952.59</b>	<b>888.94</b>	<b>1,574.34</b>	<b>2,549.90</b>	<b>3,526.93</b>	<b>3,438.84</b>
c Add.: Other Income	50.66	194.97	16.87	20.33	67.53	215.30
d Add.: Inter Segmental Sales	289.08	131.57	-	-	289.08	131.57
	<b>2,292.33</b>	<b>1,215.48</b>	<b>1,591.21</b>	<b>2,570.23</b>	<b>3,883.54</b>	<b>3,785.71</b>
e Less.: Eliminations	289.08	131.57	-	-	289.08	131.57
<b>Total Sement Revenue</b>	<b>2,003.25</b>	<b>1,083.91</b>	<b>1,591.21</b>	<b>2,570.23</b>	<b>3,594.46</b>	<b>3,654.14</b>
<b>2</b> Profit / (Loss) before Interest & Corporate Expenses						
a Segment Result	(779.64)	(417.32)	251.59	(16.33)	(528.05)	(433.65)
b Less: Unallocated Corporate Expenses					282.12	417.10
<b>c Operating Profit</b>					<b>(810.17)</b>	<b>(850.75)</b>
d Less: Cane price and Other Expenses for Earlier Years					-	-
e Less: Interest Expenses					506.00	740.32
f Add: Other Income (including Dividend)					40.96	66.89
g Less: Taxes paid / provided						
i) Current Tax					-	-
ii) Deferred Tax (Net)					(8.85)	11.60
iii) Wealth Tax					-	1.11
iv) Tax Provision for earlier years					-	1.53
<b>Net Profit / (Loss)</b>					<b>(1,266.36)</b>	<b>(1,538.42)</b>
<b>3</b> Other Information:						
Segmental Assets	2,693.22	5,224.81	396.72	493.90	3,089.94	5,718.71
Unallocated Corporate Assets					1,262.81	1,353.93
<b>Total Assets</b>					<b>4,352.75</b>	<b>7,072.64</b>
Segmental Liabilities	278.70	612.53	290.58	307.26	569.28	919.79
Unallocated Corporate Liabilities					177.00	88.63
<b>Total Liabilities</b>					<b>746.28</b>	<b>1,008.42</b>
Capital Expenditure		2.87		31.24	-	34.11
Unallocated Corporate Capital Expenditure					-	-
<b>Total Capital Expenditure</b>					-	34.11
Depreciation & Impairment		243.09		19.96	-	263.05
Unallocated Corporate Depreciation					204.45	48.81
<b>Total Depreciation</b>					<b>204.45</b>	<b>311.86</b>
Total Assets Exclude						
Investments					27.41	27.41
Advance Tax (Net)					153.61	236.45
Total Liabilities Exclude						
Deferred Tax (Net)					323.80	351.03
Secured Loans					1,962.99	3,493.01
Unsecured Loans					1,816.63	1,492.48

# The Ravalgaon Sugar Farm Ltd.

Notes forming part of the Financial statement

## 34 Related Party Disclosures:

<b>A. Associate Companies</b>	Lanica Financial Services Limited Carina Finvest Limited Acrow India Limited Leela Bharat Foundation	Associate Company Associate Company Associate Company Associate Company
<b>B. Key Management Personnel</b>	Mr. Harshavardhan B Doshi Mr. Nihal H Doshi	Chairman & Managing Director Executive Director
<b>C. Relative of Key managerial personnel</b>	Mrs. Lamy H Doshi Miss Carina H Doshi	Spouse of Chairman & Managing Director Daughter of Chairman & Managing Director

(Rs. In Lacs)

	Associate Companies		Key Mangement Perssnnel		Relative of Director	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1 Purchase of Goods / Spares	0.13	-	-	-	-	-
2 Sale of Goods	-	-	-	-	-	-
3 Rendering of services	0.19	0.20	-	-	-	-
4 Receiving of Services	27.76	51.67	-	-	-	-
5 Purchase of Fixed Assets	-	-	-	-	-	-
6 Sale of Fixed Assets	200.00	-	-	-	-	-
7 Reimbursement of Expenses	-	-	-	-	-	-
8 Amount received towards Deputation of Staff	-	-	-	-	-	-
9 Royalty received	-	-	-	-	-	-
10 Rent Received	-	0.75	-	-	-	-
11 Rent paid	0.56	13.48	-	-	-	-
12 Outstanding balance in Current Assets, and Loan & Advance	4.44	3.71	-	-	-	-
13 Outstanding balance in Current Liabilities	47.98	21.25	-	-	-	-
14 ICD received during the period	700.00	435.00	-	-	-	-
15 ICD repaid during the period	240.00	10.00	-	-	-	-
16 ICD balance at the end of the period	1,070.00	610.00	-	-	-	-
17 Interest paid on ICDs during the period	101.20	55.95	-	-	-	-
18 Dividend paid during the period	-	1.67	-	0.10	-	-
19 Dividend Received	-	-	-	-	-	-
20 Remuneration paid	-	-	9.00	53.80	-	-

## 35 Lease Rentals:

- a) Future lease rentals payable within one year in respect of premises taken on lease Rs. Nil Lacs.  
(Previous Year Rs. Nil Lacs)
- b) Rent includes payment of lease rent in respect of premises of Rs. Nil Lacs.(Previous Year Rs. 13.48 Lacs)
- c) General Description of Lease Terms:

Lease rentals are recognised on the basis of agreed terms. Assets are taken on lease for a period of 12/ 33/ 60 months

36 The Company is in the advanced stages of selling its non core assets like land banks, buildings etc., which will absorb all losses and make it's net worth positive. Accordingly the accounts have been prepared on the basis of going concern assumption.

37 As per Sec.74 of the Companies Act 2013 which has come into force with effect from 01.04.2014, deposits accepted form public before commencement of this Act, remain unpaid or become due at any time thereafter the same has to be repaid within one year or date on which it is due whichever is earlier. The Company has approached the Company Law Board seeking extension of time for repayment of deposit and the Company Law Board vide it's order no. CA. No. 09/2015 dtaed 07.04.2015 has approved the company's request for the time extension and directed the Company to pay the deposits with agreed interest to all Fixed Deposit holders as per the date of maturity.

38 Current period figures are of twelve months as compared to eighteen months for the previous period, hence are not comparable.



## Notes forming part of the Financial statement

39 **Earnings per Share (EPS)**

	<b>Current Year</b>	Previous Year
a) Profit computation for both Basic & Diluted Earnings per Share of Rs. 50/- each Net Profit / (Loss) as per Profit & Loss Account available for Equity Shareholders	<b>(1,266.36)</b>	(1,538.42)
b) Weighted Average number of Equity Shares for EPS computation (for Basic & Diluted EPS)	<b>68,000</b>	68,000
c) EPS (Weighted Average in Rs. ) (Basic & Diluted)	<b>(1,862.29)</b>	(2,262.38)

As per our report of even date

**For V. SANKAR AIYAR & CO.**

**Chartered Accountants**  
Firm Registration No.109208W

**Arvind Mohan**  
Partner  
Membership No. 124082

**Mumbai**  
28-May-2015

**For and on behalf of the Board of Director**

**H. B. Doshi**  
Chairman & Managing Director

**H. P. Gandhi**  
Director

**Ramola Mahajani**  
Director

**N. H. Doshi**  
Executive Director

**Moorad Fazalbhoy**  
Director

**Mumbai**  
28-May-2015



**THE RAVALGAON SUGAR FARM LIMITED**

Registered Office: Ravalgaon-423108, Taluka Malegaon, District Nashik, Maharashtra, India.

**ATTENDANCE SLIP**

Please complete this Attendance Slip and hand it over at the meeting hall. It helps us to make proper arrangements. Failure to bring this Attendance Slip will cause unnecessary inconvenience to you. Please write below

Name of the member:

Registered Folio No.:

Client ID No.:

No. of Shares held:

DP ID No.:

(Please write name in BLOCK Letters)

I/We hereby record my/our presence at the EIGHTIETH ANNUAL GENERAL MEETING of the Company Scheduled to be held at Krida Mandal Hall, Ravalagon – 423108, Taluka Malegaon, District Nashik, Maharashtra on Monday, 7th September 2015 at 4:00 p.m.

Members/Proxy's Signature  
(To be signed at the time of handing over this slip)

NOTES:

- 1. Members/Proxy holders are requested to bring their copy of the Annual Report with them to the meeting.
- 2. Please carry this Attendance Slip with you and hand over the same, duly signed in the space provided, at the entrance to the meeting hall.

-----CUT HERE-----

**Form No. MGT-11 – PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L01110MH1933PLC001930

Name of the company: THE RAVALGAON SUGAR FARM LIMITED

Registered office: Ravalgaon-423108, Taluka Malegaon, District Nashik, Maharashtra, India.

Name of the member (s): .....

Registered address: .....

..... E-mail ID: .....

Folio No./Client ID: ..... DP ID: .....

I/We, being the member(s) of .....shares of the above named company, hereby appoint:

1. Name: .....

Address: .....

E-mail ID: ..... Signature: ..... or failing him

2. Name: .....

Address: .....

E-mail ID: ..... Signature: ..... or failing him

3. Name: .....

Address: .....

E-mail ID: ..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Eightieth Annual General Meeting of the company, to be held at Krida Mandal Hall, Ravalagon – 423108, Taluka Malegaon, District Nashik, Maharashtra on Monday, 7th September 2015 at 4:00 p.m. and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolution No.1 .....

Resolution No.2 .....

Resolution No.3 .....

Signed this ..... day of ..... 2015.

Signature of shareholder .....

Signature of proxy holder(s) .....



**Note: In order to be effective, this form of proxy should be duly completed and deposited and the Registered Office of the Company no less than 48 hours before the commencement of the Annual General Meeting.**

If undelivered please return to  
The Ravalgaon Sugar Farm Ltd.  
Rgd. Office : Posr Ravalgaon, 423108, Taluka Malegaon, District Nasik, Maharashtra