

The Ravalgaon Sugar Farm Ltd.

83rd Annual Report

2017-2018

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2017-2018

BOARD OF DIRECTORS

Mr. Harshavardhan B. Doshi
Chairman and Managing Director

Mr. Nihal H. Doshi
Executive Director

Mr. Yazdi Dandiwala
Independent Director

Mr. Moorad Fazalbhoy
Independent Director

Mr. Hukumchand P. Gandhi
Director

Mrs. Ramola Mahajani
Independent Director

AUDITORS

M/s. N. P. Patwa & 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 – 422 007
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 – 400 005
Tel No: (022) 22184291 / 22186479
Fax No: (022) 22184294

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Notice

Notice is hereby given that the 83rd Annual General Meeting of the members of The Ravalgaon Sugar Farm Ltd. will be held on Monday, 17th September 2018 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 2018 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, appointment of M/s N. P. Patwa & Co., Chartered Accountants (Registration No. FRN 107845W), 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.”
3. To appoint director in place of Mr. H. P. Gandhi (DIN: 07090817), Director, who retires by rotation and being eligible offers himself for re-appointment.
“RESOLVED THAT in accordance with the provisions contained in Section 152 of the Companies Act, 2013, Mr. H. P. Gandhi, Director, liable to retire by rotation at the 83rd Annual General Meeting of the Company and being eligible, is recommended to the shareholders for re-appointment as Director of the Company.”

By Order of The Board of Directors

H. B. Doshi

Chairman and Managing Director

Date : 15th May 2018
Regd. 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. EVSN - 180730007.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday 10th September 2018 to Monday 17th September 2018 (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 2009-2010 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 21st September 2017 (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.
7. Details of Director seeking reappointment at the forthcoming Annual General Meeting in pursuance of Clause 49 of the Listing Agreement.

| Sr No | Particulars | Details |
|-------|---|---|
| 1 | Name of the Director | Mr. H. P. Gandhi |
| 2 | Date of Birth | 02/10/1945 |
| 3 | Experience in Specific functional area and position held | Over 47 years of experience with 9 Sugar factories. |
| 4 | Qualification | B.E.(Mech) and Diploma in Electrical Engineering. |
| 5 | Directorship in other companies (excluding foreign companies) | NIL |
| 6 | Shareholding | NIL |

By Order of The Board of Directors

H. B. Doshi

Chairman and Managing Director

Date : 15th May 2018
 Regd. 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:

1. The voting period begins on 13th September 2018 on 9:00 hours and ends on 15th September 2018 at 18:00 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 7th September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com.
3. Click on Shareholders.
4. 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.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
7. If you are a first time user, follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----------------------|--|
| PAN | 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 | 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 | 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 (4) |

8. After entering these details appropriately, click on "SUBMIT" tab.
9. Members holding shares in physical form will then directly reach the Company selection screen. However, 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.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

11. Click on the EVSN for the The Ravalgaon Sugar Farm Ltd..
12. 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.
13. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
14. After selecting the resolution you have decided to vote on, click on “SUBMIT” tab. A 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.
15. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
17. 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.
18. 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 and register themselves as corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 and on approval of the accounts they would be able to cast their vote.
 - A 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

Directors' Report

Dear Members,

Your Directors present the 83rd Annual Report together with the Audited Financial Statement of the Company for the financial year ended 31st March 2018.

1. Financial Results:

(₹ in lacs)

| Particulars | Year ended 31 st March 2018 | Year ended 31 st March 2017 |
|--|---|---|
| Net Profit / (Loss) after providing for : | (371.95) | (760.90) |
| i) Depreciation (including additional depreciation as per Companies Act, 2013) | 171.53 | 184.77 |
| ii) Prior Period Items | (10.83) | - |
| iii) Provisions for Taxation (including Deferred Tax) | (47.63) | (3.91) |
| Surplus brought forward | (2863.15) | (2,102.25) |
| Amount available for appropriation | (3235.10) | (2,863.15) |
| Appropriation: | | |
| Proposed Dividend | - | - |
| Tax on Proposed Dividend | - | - |
| Transfer to General Reserve | - | - |
| Balance carried to Balance Sheet | (3235.10) | (2,863.15) |

2. Operations:

SUGAR:

Due to commercial reasons, the company did not run the mill for the sugar seasons 2013-14 to 2017-18 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 958.17 MT during the year under review as compared to 845 MT during the previous period. 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 2018

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.

- e) The company has followed a proper internal financial control and that such internal financial controls are adequate and were operating effectively.
- f) 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 2018 was ₹16.68 lacs. There are no overdue deposits except unclaimed deposits amounting to Rs. 16.68 lacs, which is included in the aforesaid total amount of Fixed Deposits. The Company is thankful to the Fixed Deposit holders for their continued support. The company has not accepted any fixed deposits from 1st April, 2014.

7. Extract of Annual Report

The extract of Annual Return of the Company is annexed herewith as Annexure 1 to 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 with 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 ₹10 crore and Net Worth not exceeding ₹25 crores, as on the last day of the previous financial year". Since the Company's equity share capital and net worth are below the threshold limit, the Corporate Governance report is not prepared.

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.

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 Fazalbhoj | 19/06/2014 | 19/06/2014 |
| 3 | Mrs Ramola Mahajani | 09/02/2015 | 07/09/2015 |

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 4 to the Report. Your Directors draw attention of the members to Note No. 28 to the financial statement, which sets out related party disclosures.

14. Board Meetings:

4 meetings of the Board of Directors were held during the year. Details are as under:

| Sr. No | Date of the Meeting | Directors Present | Directors to whom Leave of Absence was granted. |
|--------|---------------------|--|---|
| 1 | 16/05/2017 | Mr. H. B. Doshi Mr. Nihal Doshi Mr. Y. P. Dandiwala Mr. Moorad Fazalbhoy Mr. H. P. Gandhi Mrs Ramola Mahajani | - |
| 2 | 12/09/2017 | Mr. H. B. Doshi Mr. Nihal Doshi Mr. Moorad Fazalbhoy Mr. H. P. Gandhi Mrs Ramola Mahajani | Mr. Y. P. Dandiwala |
| 3 | 07/12/2017 | Mr. H. B. Doshi Mr. Nihal Doshi Mr. Moorad Fazalbhoy Mr. H. P. Gandhi Mrs Ramola Mahajani | Mr. Y. P. Dandiwala |
| 4 | 07/02/2018 | Mr. H. B. Doshi Mr. Nihal Doshi Mr. Y. P. Dandiwala Mr. Moorad Fazalbhoy Mrs Ramola Mahajani | Mr. H. P. Gandhi |

15. Auditors and Audit Report:

M/s N. P. Patwa & 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.

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. The Cost Auditors have 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 Shri Lakshiminarayanan 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 2017-2018. The Secretarial Audit Report 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 it's inability to get qualified and experienced candidates given the company's size of operations.

- 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 is in the process of setting up 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 Directors take this opportunity to place on record their sincere appreciation for the timely assistance and cooperation extended by Financial Institutions, Company's Bankers, Auditors, Registrars & Share Transfer Agents and various Government Agencies / Bodies and look forward to receiving 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.

By Order of The Board of Directors

H. B. Doshi

Chairman and Managing Director

Date : 15th May 2018
Regd. Office : Ravalgaon – 423108, Taluka Malegaon,
District – Nashik, Maharashtra, India
CIN : L01110MH1933PLC001930

Annexure 1 to Directors Report

Form No. MGT-9

Extract of Annual Return as on the Financial Year ended on 31st March 2018
[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

| Sr. No | 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 |
| 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, 19 th 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 | % of Total Turnover |
|--------|--|-----------------------------------|---------------------|
| i) | Sugar | 2321011 | 0.79% |
| ii) | Confectionery | 2367000 | 99.21% |

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 | Group Company | 41.71 | 2(6) |

4. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-Wise Shareholding

| Category of Shareholders | 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 | |
| A. Promoter | | | | | | | | | |
| (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 | - |

| Category of Shareholders | 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 | |
| (2) Foreign | | | | | | | | | |
| a) NRIs-Individuals | - | - | - | - | - | - | - | - | - |
| b) Other-Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other | - | - | - | - | - | - | - | - | - |
| Sub-total (A)(2): | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A)=(A)(1)+(A)(2) | 1,636 | 34,611 | 36,247 | 53.30 | 1,636 | 34,611 | 36,247 | 53.30 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks/FI | - | 28 | 28 | 0.04 | - | 28 | 28 | 0.04 | - |
| c) Central Govt. | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1): | - | 28 | 28 | 0.04 | - | 28 | 28 | 0.04 | - |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 1,121 | 228 | 1,349 | 1.98 | 1,149 | 228 | 1,377 | 2.03 | 0.02 |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| d) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 24,388 | 2,858 | 27,246 | 40.08 | 24,466 | 2,786 | 27,252 | 40.08 | 0.01 |
| 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 | 113 | 134 | 247 | 0.36 | 115 | 98 | 213 | 0.31 | 0.01 |
| Sub-total (B)(2): | 25,622 | 6,103 | 31,725 | 46.66 | 25,730 | 5,995 | 31,725 | 46.66 | - |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 25,622 | 6,131 | 31,753 | 46.70 | 25,730 | 6,023 | 31,753 | 46.70 | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 27,258 | 40,742 | 68,000 | 100.00 | 27,366 | 40,634 | 68,000 | 100.00 | - |

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 B. 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 H. Doshi | 291 | 0.43 | - | 291 | 0.43 | - | - |
| 5 | Lalan Ajay Kapadia | 500 | 0.74 | - | 500 | 0.74 | - | - |

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) | 2883 | 4.24 | 2883 | 4.24 |
| 2. | Dhiraj Manu Chhabria | 415 | 0.61 | 432 | 0.64 |
| 3. | Mehmood Gulamnabi Kagzi | 402 | 0.59 | 402 | 0.59 |
| 4. | Nayana Vadilal Vasa | 332 | 0.49 | - | - |
| 5. | Manu Gopaldas Chhabria | 247 | 0.36 | 247 | 0.36 |
| 6. | Jitendra Lalbhai Shah | 234 | 0.34 | 234 | 0.34 |
| 7. | Jawaharlal Mehta | 233 | 0.34 | 231 | 0.34 |
| 8. | Kamalini Bahubali | 223 | 0.33 | 223 | 0.33 |
| 9. | Arvind R Doshi | 217 | 0.32 | 217 | 0.32 |
| 10. | Girishkumar Sharda | 205 | 0.30 | 205 | 0.30 |
| 11. | Dilip Vadilal Vasa | 163 | 0.24 | 166 | 0.24 |

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 B. Doshi <i>Chairman & Managing Director</i> | 2,070 | 3.04 | 01/04/17 | No movement during the year | | | |
| | | 2,070 | 3.04 | 31/03/18 | | | 2,070 | 3.04 |
| 2. | Nihal H. Doshi <i>Executive Director</i> | 291 | 0.43 | 01/04/17 | No movement during the year | | | |
| | | 291 | 0.43 | 31/03/18 | | | 291 | 0.43 |
| 3. | Y. P. Dandiwala <i>Non Executive Director</i> | - | - | 01/04/17 | No movement during the year | | | |
| | | - | - | 31/03/18 | | | - | - |
| 4. | Moorad Fazalbhoj <i>Non Executive Director</i> | - | - | 01/04/17 | No movement during the year | | | |
| | | - | - | 31/03/18 | | | - | - |
| 5. | H. P. Gandhi <i>Non Executive Director</i> | - | - | 01/04/17 | No movement during the year | | | |
| | | - | - | 31/03/18 | | | - | - |
| 6. | Mrs. Ramola Mahajani <i>Non Executive Director</i> | - | - | 01/04/17 | No movement during the year | | | |
| | | - | - | 31/03/18 | | | - | - |

* 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 | 637.22 | 1667.51 | 20.18 | 2324.91 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | 13.40 | 13.40 |
| Total (i+ii+iii) | 637.22 | 1667.51 | 33.58 | 2338.31 |
| Change in Indebtedness during the financial year | | | | |
| Addition | - | 528.36 | - | 528.36 |
| Reduction | 142.83 | - | 3.43 | (146.26) |
| Net Change | (142.83) | 528.36 | (3.43) | (382.10) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 494.39 | 2195.87 | 16.68 | 2706.94 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | 13.47 | 13.47 |
| Total (i+ii+iii) | 494.39 | 2195.87 | 30.15 | 2720.41 |

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. Nihal Doshi (Executive Director) | |
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 900012 | 1800000 | 2700012 |
| | (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) | | | |

Ceiling as per the Act:

The total managerial remuneration payable in respect of financial year 2017-2018 shall not exceed eleven percent of the net profit of the Company for financial year 2017-2018 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 Fazalbhoj | Mr H. P. Gandhi | Mrs Ramola Mahajani |
|---------|--|----------------------|----------------------|-----------------|---------------------|
| 1 | Directors | | | | |
| | Fees for attending Board/Committee meetings | 12,000 | 26,000 | 18,000 | 26,000 |
| | Commission | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (1) | 12,000 | 26,000 | 18,000 | 26,000 |
| 2 | Other Non-Executive Directors | | | | |
| | Fees for attending Board/Committee meetings | - | - | - | - |
| | Commission | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (2) | - | - | - | - |
| | Total (B) = (1+2) – Total Managerial Remuneration | 12,000 | 26,000 | 18,000 | 26,000 |

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 posts 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 Year |
|----------|--|--------------|---------------|
| A | Power and Fuel Consumption | | |
| 1 | Electricity | | |
| | a) Purchased (from M.S.E.B.) | | |
| | Units (KWh in lacs) | 6.88 | 6.53 |
| | Rate / Unit (Rs.) | 9.17 | 9.30 |
| | Total amount (Rs. in lacs) | 63.08 | 60.73 |
| | b) Own Generation | | |
| | i) Diesel Generator | | |
| | Units (KWh in lacs) | 0.04 | 0.05 |
| | Units (KWh) per litre of Diesel Oil | 3.78 | 2.23 |
| | Cost per Unit (Rs.) | 16.38 | 24.78 |
| | ii) Steam Turbine / Generator - Units (KWh in lacs) | | - |
| | Units (KWh) per M.T. of Bagasse | | - |
| | Cost per Unit (Rs.) | | - |
| 2 | Coal - Quantity (MTs) | | |
| | Total Cost (Rs. in lacs) | | - |
| | Rate per MT (Rs.) | | - |
| 3 | Furnace Oil - Quantity (MTs) | | |
| | Total Cost (Rs. in lacs) | | - |
| | Rate per MT (Rs.) | | - |
| 4 | Other Internal Generation: | | |
| | i) Firewood consumed | | |
| | Quantity (MTs) | 1205.58 | 985.69 |
| | Total Cost (Rs. in lacs) | 40.86 | 33.21 |
| | Rate per MT (Rs.) | 3389.61 | 3368.96 |
| | ii) Bagasse / Maka buds | | |
| | Quantity (MTs) | - | 167.42 |
| | Total Cost (Rs. in lacs) | - | 6.07 |
| | Rate per MT (Rs.) | - | 3625.50 |
| B | Consumption per Unit of production (Electricity/Power in KWh) | | |
| | Sugar (per MT) | | - |
| | Confectionery (per MT) | 537.19 | 539.67 |

- i. 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.
- ii. The Company, during the year, has taken steps to utilize alternate sources of energy viz-Fire wood and Bagasse.
- iii. The Company has not made any capital investment on energy conservation equipments

2. Technology Absorption**A. Research and Development (R & D)**

1. Specific areas in which R & 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 & 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 & 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 Note 24.2 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.

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-wise information is exhibited at Note No. 28 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 rainfall in the area of operation. However the prices of sugar have been very unfavourable. The sale 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 2018 was Rs. 1090.66 lakhs as against Rs. 1290.94 lakhs for the previous year. The Net loss is Rs. 419.58 for the year ended 31st March 2018 as against net loss of Rs. 764.81 lakhs for the previous year.

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.

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 statements 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

Form A.O.C 2:

[Pursuant to Section 134 (3) (h) 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 Section 188 (1) of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Company has not entered into any contract/ arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during F.Y. 2017-2018.
 - a) Name(s) of the related part and nature of relationship: Not applicable
 - b) Nature of contracts/arrangements/transactions: Not applicable
 - c) Duration of the contracts/arrangements/transactions: Not applicable
 - d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not applicable
 - e) Justification for entering into such contracts or arrangements or transactions: Not applicable
 - f) Date(s) of approval by the Board: Not applicable
 - g) Amount paid as advances, if any: Not applicable
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : Not applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:
 - a) Name(s) of the related party and nature of relationship: Not applicable
 - b) Nature of contracts/arrangements/transactions: Not applicable
 - c) Duration of the contracts/arrangements/transactions: Not applicable
 - d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not applicable
 - e) Date(s) of approval by the Board, if any: Not applicable
 - f) Amount paid as advances, if any: None

Note: The above disclosures on material transactions are based on the principle that transactions with wholly owned subsidiaries are exempt for purpose of section 188(1) of the Act.

By Order of The Board of Directors

Place: Mumbai

H. B. Doshi

Date: 15th May 2018

Chairman and Managing Director

Secretarial Audit Report for the financial year ended 31st March 2018

Form No. MR-3

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

To,
The Members of

M/s The Ravalgaon Sugar Farm Limited

I 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) for the financial year ended 31 st March 2018. Secretarial Audit was conducted in a manner that provided me/us on a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my / our opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company which were placed before me and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period (financial year commencing 01st April, 2017 and ending on 31st March, 2018) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Ravalgaon Sugar Farm Limited ("the Company") for the financial year ended on 31st March, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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
5. 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 Benefit) 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
 - f) Amount paid as advances, if any: None

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. 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

1. As per the information and explanation provided by the Company, its officers, agents and authorised representative during the conduct of secretarial audit, I report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of:
 - a. External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - b. Foreign Direct Investment (FDI) were not attracted to the company under the financial year under report;
 - c. Overseas Direct Investment by Residents in Joint Venture /Wholly owned Subsidiary abroad were not attracted to the company under the financial year under report.
2. 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.
3. I 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.
4. I report that the Company has not complied with provision of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
5. I 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.
6. It has been observed that some of the policies to be framed and implemented by the Nomination and Remuneration Committee is under the process of formulation. Hence the full compliance of the section 178 of the companies Act would be fully complied only after the same is complete.
7. I report that the shares of the company needs to be dematted as per the requirement of the provisions of the SEBI and Stock exchange regulations.
8. The company has received notice from the Registrar Of Companies , Maharashtra for failing to file the DPT-4 for pending fixed deposits shown in the Balancesheet for the year ended 31 st March 2017 . The company has filed the DPT 4 with the Registrar Of Companies once which needs to be filed one time . Also the company has obtained orders from NCTL, Western Bench for seeking time for repayment of the pending fixed deposits. The company has informed me that the company is submitting suitable reply to the letter received from the Registrar of Companies.
9. The Vigil Mechanism establishment and whistle BLOWER policy needs to be formulated and implemented.
10. Necessary policy regarding payments to related parties needs to be formulated and implemented.
11. Risk Assessment and Management policy needs to be formulated and implemented.

I further report that

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

Notices are given to Directors to schedule the Board Meetings, agenda and detailed notes on agenda, wherever required, were sent, and a system exists for seeking and obtaining further information and clarifications, as may be required, 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 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.

Place : Mumbai

Date : 15th May 2018

S. Lakshminarayanan

ACS 6423, COP 2788

ANNEXURE A TO MR3

To,
The Members of
M/s 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. I 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. I believe that the process and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and book of accounts of the company.
4. Wherever required, Management Representation were obtained 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 and 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.

Place : Mumbai

Date : 15th May 2018

S. Lakshminarayanan

ACS 6423, COP 2788

Independent Auditor's Report

To,
The Members of
M/s The Ravalgaon Sugar Farm Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of THE RAVALGAON SUGAR FARM LIMITED ("the Company"), which comprise the Balance Sheet as on 31st March, 2018 and the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or cease operations, or has no realistic alternatives but to do so.

These Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section

143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 Standalone 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, 2018 amounting to Rs. 288.69 Lakh (Previous Year Rs. 273.54 Lakh) which constitutes a departure from the Accounting Standards on Employee Benefit (AS-15) referred to in section 133 of the Act (refer note No. 26.1 of financial statements). Therefore the loss for the period is under stated by Rs. 15.15 Lakh (Previous Year Rs. -9.86 Lakh) and the Reserves and Surplus of the Company as at March 31, 2018 are higher by Rs. 288.69 Lakh (Previous Year Rs. 273.54 Lakh).

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements subject to note number B(3) regarding the transaction with Medium and Small Enterprises for which data is not available with the company, 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, of the state of affairs of the Company as at 31/03/2018, and its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order,2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the "Annexure A" statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31/03/2018 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M/s. N. P. Patwa & Co.
Chartered Accountants
(Firm's Registration No. 107845W)

Jitendra C. Shah
Partner
(Membership No. 042384)

Place: Mumbai,
Date : 15th May 2018

Annexure A to the Auditor's Report

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1.
 - a. The company has maintained proper records showing full particulars of fixed assets including quantitative details.
 - b. As explained to us, The Company has a regular programme for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.
2.
 - a. As explained to us, inventories have been physically verified during the period by the management at reasonable intervals.
 - b. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3.
 - a. The Company has granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations provided to us, the terms and conditions of the grant of such loans are prima facie not prejudicial to the Company's interest.
 - b. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.
 - c. The Principal and interest are not overdue in respect of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
4. In our opinion and according to the information and explanations provided to us, provisions of section 185 and 186 of the Companies Act 2013 and in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7.
 - a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.
 - b. According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or government or dues to debenture holders.
9. There are no money raised in the form of public offer or follow on issue.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
11. According to the information and explanations provided by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

13. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
16. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For M/s. N. P. Patwa & Co.
Chartered Accountants
(Firm's Registration No. 107845W)

Jitendra C. Shah
Partner
(Membership No. 042384)

Place: Mumbai,
Date : 15th May 2018

Annexure B to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of THE RAVALGAON SUGAR FARM LIMITED ("the Company") as of 31/03/2018 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For M/s. N. P. Patwa & Co.
Chartered Accountants
(Firm's Registration No. 107845W)

Jitendra C. Shah
Partner
(Membership No. 042384)

Place: Mumbai,
Date : 15th May 2018

Balance Sheet as at 31st March 2018

| Particulars | Note | (Rs. in Lakhs) | |
|---|----------|---------------------------|---------------------------|
| | | As at 31st March, 2018 | As at 31st March, 2017 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 1 | 34.00 | 34.00 |
| Reserves and surplus | 2 | -979.13 | -618.39 |
| Total Equity | | -945.13 | -584.39 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 3 | 74.14 | 204.92 |
| Deferred tax liabilities (Net) | 4 | 253.90 | 301.53 |
| Provisions | 5 | 11.72 | 27.33 |
| Other Non-Current Liabilities | | - | - |
| Total Non-Current Liabilities | | 339.76 | 533.78 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 6 | 2,456.07 | 1,943.67 |
| Trade payables | 7 | 164.12 | 220.74 |
| Other Financial Liabilities | | - | - |
| Other current liabilities | 8 | 511.68 | 585.90 |
| Provisions | 9 | - | 4.74 |
| Total Current Liabilities | | 3,131.88 | 2,755.05 |
| Total Liabilities | | 3,471.64 | 3,288.83 |
| TOTAL EQUITY AND LIABILITIES | | 2,526.51 | 2,704.44 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed assets - Tangible Assets | 10 | 1,697.12 | 1,878.03 |
| Fixed Assets - Intangible Assets | 10 | 1.22 | 2.97 |
| Capital works in progress - Tangible Assets | 10 | 31.96 | 31.96 |
| Financial Assets | | | |
| Investments | 11 | 27.41 | 27.41 |
| Loan | 12 | 55.29 | 49.59 |
| Deferred tax assets (net) | | - | - |
| Other non-current assets | | - | - |
| Total Non-Current Assets | | 1,813.00 | 1,989.96 |
| Current assets | | | |
| Inventories | 13 | 512.85 | 439.19 |
| Financial Assets | | | |
| Investments | | - | - |
| Trade receivables | 14 | 8.73 | 11.39 |
| Cash and Cash equivalents | 15 | 15.41 | 22.69 |
| Loan | 16 | 176.51 | 241.12 |
| Other current assets | 17 | - | 0.09 |
| Total Current Assets | | 713.51 | 714.48 |
| TOTAL ASSETS | | 2,526.51 | 2,704.44 |
| Notes Forming Part of Accounts | Note No. | 28 | |

As per our Report of even date
For N P Patwa & Company
 CHARTERED ACCOUNTANTS
 FRN 107845W

For and on behalf of the Board of Directors

H. B. Doshi
 Chairman & Managing Director

Jitendra C Shah
 Partner

Nihal Doshi
 Executive Director

Moorad Fazalbhoj
 Director

Ramola Mahajani
 Director

Membership No.: 042384
 Mumbai, Dated: 15th May, 2018

Profit and Loss Account for the year ended 31st March 2018

| Particulars | Note | (Rs. in Lakhs) | |
|---|-----------------|---------------------------|---------------------------|
| | | As at 31st March, 2018 | As at 31st March, 2017 |
| INCOME | | | |
| Revenue from operations | 18 | 1,090.66 | 1,290.94 |
| Other income | 19 | 257.75 | 62.85 |
| Total Income | | 1,348.41 | 1,353.79 |
| EXPENSES | | | |
| Cost of Raw Materials Consumption | 20 | 564.41 | 424.92 |
| Purchases of Stock-in-Trade | | - | - |
| Changes in Inventories of Finished Goods, Work-in-progress and Stock in trade | 21 | -107.71 | 372.03 |
| Employee benefits expense | 22 | 407.58 | 429.39 |
| Finance costs | 23 | 265.68 | 243.66 |
| Depreciation and amortization expense | 10 | 171.53 | 184.77 |
| Other expenses | 24 | 477.33 | 463.83 |
| Total expenses | | 1,778.82 | 2,118.60 |
| Profit before exceptional, extraordinary and prior period items and tax | | -430.41 | -764.81 |
| Prior Period Adjustment | | -10.83 | - |
| Profit before tax | | -419.58 | -764.81 |
| Tax expense: | | | |
| Current tax | | - | - |
| Previous Year tax | | - | - |
| Deffered Tax Assets | | -47.63 | -3.91 |
| Profit/(loss) for the period from continuing operations | | -371.95 | -760.90 |
| Tax expense of discontinuing operations | | - | - |
| Profit/(loss) from Discontinuing operations (after tax) | | - | - |
| Profit/(loss) for the period | | -371.95 | -760.90 |
| Earnings per equity share: | | | |
| Basic and Diluted earning per share (Rs.) | | -546.98 | -1,118.98 |
| Face Value per share fully paid up (Rs.) | | 50.00 | 50.00 |
| Notes Forming Part of Accounts | Note No. | 28 | |

As per our Report of even date
For N P Patwa & Company
 CHARTERED ACCOUNTANTS
 FRN 107845W

For and on behalf of the Board of Directors

H. B. Doshi
 Chairman & Managing Director

Jitendra C Shah
 Partner

Nihal Doshi
 Executive Director

Moorad Fazalbhoj
 Director

Ramola Mahajani
 Director

Membership No.: 042384
 Mumbai, Dated: 15th May, 2018

Cash Flow Statement for the year ended 31st March 2018

| Particular | As at 31 March,2018 | | As at 31 March,2017 | |
|---|---------------------|----------------|---------------------|---------------|
| | Rs. | Rs. | Rs. | Rs. |
| A. Cash Flow From Operating Activities | | | | |
| Net Profit / (Loss) Before Extraordinary Items and Tax | | -419.58 | | -764.81 |
| Adjustments For: | | | | |
| Depreciation | 171.53 | | 184.77 | |
| Profit on Sale of Assets (Net) | -222.59 | | -5.22 | |
| Finance Costs | 265.68 | | 243.66 | |
| Interest Income | -0.24 | | -1.11 | |
| | | 214.38 | | 422.10 |
| Operating Profit Before Working Capital Changes | | -205.20 | | -342.71 |
| Changes in Working Capital: | | | | |
| Adjustments For (Increase) / Decrease in Operating Assets: | | | | |
| Inventories | -73.66 | | 381.90 | |
| Trade Receivables | 2.66 | | 68.48 | |
| Short-Term Loans and Advances | 64.61 | | - | |
| Long-Term Loans and Advances | -5.70 | | - | |
| Other Current Assets | 0.09 | | - | |
| Other Non-Current Assets | - | | - | |
| Adjustments for Increase / (Decrease) in Operating Liabilities: | | | | |
| Trade Payables | -56.62 | | -92.04 | |
| Other Current Liabilities | -74.22 | | - | |
| Short-Term Provisions | -4.74 | | - | |
| Other Long-Term Liabilities | -15.61 | | - | |
| | | -163.19 | | 358.34 |
| Cash Generated from Operations | | -368.38 | | 15.63 |
| Net Income Tax Paid and DDT | | - | | 0.10 |
| Net Cash Flow from Operating Activities (A) | | -368.38 | | 15.53 |
| B. Cash Flow From Investing Activities | | | | |
| Capital Expenditure on Fixed Assets | 11.45 | | -0.03 | |
| Proceeds From Sale of Fixed Assets | 234.76 | | 9.81 | |
| Interest received | 0.24 | | 1.36 | |
| Net Cash Flow Used in Investing Activities (B) | | 246.45 | | 11.14 |
| C. Cash Flow from Financing Activities | | | | |
| Proceeds from Long-Term Borrowings | -130.78 | | -118.36 | |
| Proceeds from Other Short-Term Borrowings | 512.40 | | 322.25 | |
| Finance Cost | -265.68 | | -243.66 | |
| Dividend Paid | -1.08 | | -1.33 | |
| Net Cash Flow from Financing Activities (C) | | 114.86 | | -41.10 |
| Net Increase in Cash And Cash Equivalents (A+B+C) | | -7.08 | | -14.43 |
| Cash and Cash Equivalents at the Beginning of the Year | | 22.49 | | 36.92 |
| Cash and Cash Equivalents at the end of the Year | | 15.41 | | 22.49 |

As per our Report of even date

For N P Patwa & Company
 CHARTERED ACCOUNTANTS
 FRN 107845W

For and on behalf of the Board of Directors

H. B. Doshi
 Chairman & Managing Director

Jitendra C Shah
 Partner

Nihal Doshi
 Executive Director

Moorad Fazalbhoj
 Director

Ramola Mahajani
 Director

Membership No.: 042384
 Mumbai, Dated: 15th May, 2018

Note No. 28**Statement of Significant Accounting Policies and Notes and Information forming part of the accounts****A) SIGNIFICANT ACCOUNTING POLICIES:****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 and Companies (Accounting Standards) Amended Rules, 2016. 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.

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.

Revenue recognition:

Sales are recorded net of Excise duty, trade discounts, rebates, VAT Tax & GST. Purchases are recorded net of Input credit for taxes that are subsequently eligible for Input Credit / Refund.

Revenue from services is recognized when services are rendered and related costs are incurred. Interest Income is recognized on time proportion basis. Dividend Income is recognized, at the time when they are declared.

Fixed Assets:

Fixed Assets are carried at cost net of input credit, less accumulated depreciation and impairment loss, if any. All costs, includes financial costs till commencement of commercial production / date of use of assets and also includes changes on account of foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Fixed Assets

Property, Plant & Equipment include spare parts, stand by equipment and servicing equipment, where useful life of such assets is more than 12 months

Intangible Assets:

Intangible assets are stated at cost of acquisition and amortized over the estimated useful life of such assets.

Method of Depreciation:

Depreciation on Fixed Asset is provided as per the useful life of such asset as per the guidance provided in schedule II of Companies Act, 2013 on Written Down Value method of Depreciation.

Depreciation in respect of each individual item of asset costing up to Rs 5000/- is provided @ 100% in the year of purchase.

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.

Investments:

Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.

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

Inventories:

Stores, spares, packing material, loose tools, Raw materials, Finished goods and Work in progress are valued at lower of cost or net realizable value. Cost is determined by applying the First in first out (FIFO) Method. Estimated quantities of saleable by-products i.e. Molasses, Bagasse and Treated Dry Press mud are valued at estimated Net Realisable Value.

Cost for all the above, comprises of direct actual purchase price, freight inward, taxes, duties and other directly attributable cost incurred for bringing it to the present location.

Borrowing cost:

Borrowing cost directly attributable to acquisition of Qualifying Fixed Assets is capitalised. All other borrowing costs are charged to Profit and Loss Account.

Foreign currency transactions:

- Foreign currency transactions during the year are booked at the applicable customs rates on the date of transaction.
- Monetary Assets & Liabilities related to foreign currency transactions, remaining un- settled at the end of the year are translated at rate prevailing on reporting date. Resultant gains / losses on such translations, other than those related to Fixed Assets are recognized in the Profit & Loss Account.

Retirement 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 recognised 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.

Taxes on Income:

Tax on income for the current period is determined on the basis of the taxable income computed in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax is recognized on timing differences between accounting income and taxable income for the year, and based on the rates of tax as per law enacted or substantively enacted as on the balance sheet date at the year end. Deferred tax assets is recognised and carried forward, subject to consideration of prudence, to the extent that there is a reasonable certainty of its realization.

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.

Amortization of Expenses

Patents & Trademarks expenses are amortized over a period of 14 years as per Provision of Section 35A of the Income-Tax Act, 1961.

Preliminary expenses are amortized over a period of 10/5 years as per provisions of section 35D of the Income-Tax Act, 1961.

Earnings 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.

Operating Lease Granted:

- Future lease rentals payable within one year in respect of premises taken on lease Rs. Nil. (Previous Year Rs. Nil)
- Rent includes payment of lease rent in respect of premises of Rs. Nil. (Previous Year Rs. Nil)
- General Description of Lease Terms: Lease rentals are recognized on the basis of agreed terms. Assets are taken on lease for a period of 12/ 33/ 60 months

Segment Reporting

- 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.
- The Company’s operation predominantly relate to manufacture of Sugar and Confectionery.
- The Company mainly caters to the needs of the domestic market. As such there are no reportable geographical segments.
- 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.
- The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.
- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocable”.
- Segment Assets and Segment Liabilities represent Assets and Liabilities irrespective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.

Segment Information for the year ended 31-March-2018

(Rs. in Lakhs)

1. Segment Revenue

| Segment Revenue | Sugar | Confectionery | Unallocated Corporate Revenue | Total |
|-------------------|--------|---------------|-------------------------------|---------|
| Sales | 7.90 | 1084.07 | - | 1091.97 |
| Sales (Prev Year) | 119.34 | 1157.88 | - | 1277.22 |

2. Segment Result

| Segment Result | Sugar | Confectionery | Unallocated Corporate Result | Total |
|-----------------------------|-------|---------------|------------------------------|----------|
| Net Profit before Tax | - | - | (419.58) | (419.58) |
| Net Profit/(Loss) Prev Year | - | - | (764.81) | (764.81) |

3. Segment Assets and Liabilities

| Segment Revenue | Sugar | Confectionery | Unallocated Corporate Assets and Liabilities | Total |
|-----------------------------------|---------|---------------|--|---------|
| Segmental Assets | 725.74 | 4.96 | 1079.85 | 1810.55 |
| Segmental Assets – Prev Year | 1144.18 | 223.33 | 1091.43 | 2458.94 |
| Segmental Liabilities | 164.44 | 174.60 | 174.44 | 513.48 |
| Segmental Liabilities - Prev Year | 129.75 | 253.46 | 215.95 | 599.16 |

Related Party Disclosure:

| Sr No | Particulars | Name and Designation |
|-------|--------------------------------------|---|
| A | Key Management Personnel | 1. Mr. Harshavardhan B Doshi 1. Mr. Nihal H Doshi |
| B | Associate Entities | 1. Lanica Financial Services Limited 2. Carina Finvest Limited 3. Acrow India Limited 4. Leela Bharat Foundation |
| C | Relative of Key Management Personnel | 1. Mrs. Lamya H Doshi 2. Miss Carina H Doshi |

Transaction with related Parties:

Rs. in Lakhs

| Sr. No. | Nature of Transactions | Key Management Personnel | Companies |
|---------|---|--------------------------|-----------|
| 1 | Purchase of Goods / Spares | - | - |
| 2 | Receiving of Services | - | 15.48 |
| 3 | Rent Received | - | - |
| 4 | Outstanding balance in Current Assets, and Loan & Advance | - | 6.88 |
| 5 | Outstanding balance in Current Liabilities | - | 30.68 |
| 6 | ICD received during the period | - | 443.00 |
| 7 | ICD repaid during the period | - | 15.00 |
| 8 | ICD balance at the end of the period | - | 1950.00 |
| 9 | Interest paid on ICDs during the period | - | 183.22 |
| 10 | Dividend paid during the period | - | - |
| 11 | Dividend Received | - | - |
| 12 | Remuneration Paid | 24.75 | - |

Contingent Liabilities, not provided for: (As certified by the Management)

- The details of outstanding dues to small and medium enterprises Registered under MSME Act is not available with the company. However, there are no specific claims raised for interest or damages by any of the Small or medium enterprises,
- Information pursuant to Part II of Schedule VI to the Companies Act, 2013 (As worked out, compiled & certified by a Director.)

(a) Stock of Finished Goods

Rs. in Lakhs

| Particulars | Opening Stock | | Closing Stock | |
|---------------|---------------|---------|---------------|---------|
| | 2017-18 | 2016-17 | 2017-18 | 2016-17 |
| Sugar | - | 225.48 | - | - |
| Confectionery | 62.40 | 213.04 | 170.03 | 62.40 |

(b) Stock of W.I.P.

Rs. in Lakhs

| Particulars | Opening Stock | | Closing Stock | |
|---------------|---------------|-------------|---------------|-------------|
| | 01-Apr-2017 | 01-Apr-2016 | 31-Mar-2018 | 31-Mar-2017 |
| Sugar | 34.02 | 34.02 | 34.02 | 34.02 |
| Confectionery | 9.57 | 5.48 | 9.65 | 9.57 |

(c) Sales of Finished Goods

Rs. in Lakhs

| Particulars | Value 31-Mar-2018 | Value 31-Mar-2017 |
|--------------------|----------------------|----------------------|
| Finished Goods | 1111.66 | 1357.25 |
| Less Vat/GST Taxes | - | - |
| Less Excise | 21.00 | 80.02 |
| Net Sales | 1090.66 | 1290.94 |

(d) Purchase of Raw Material

Rs. in Lakhs

| Particulars | Value 31-Mar-2018 | Value 31-Mar-2017 |
|--------------|----------------------|----------------------|
| Raw Material | 555.34 | 415.82 |

Previous year's figures have been regrouped & recast wherever necessary.

Due to economic constraints, lack of availability of harvesting labour, the Company did not run sugar manufacturing operations during the financial year. However, the Company is of the view that this is a temporary situation, which is likely to turnaround shortly. Based on this, it is felt that the going concern assumption is not affected and, hence, the accounts have been prepared accordingly.

As per Sec.74 of the Companies Act 2013 which has come into force with effect from 01.04.2014, deposits accepted from 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 had approached the Company Law Board seeking extension of time for repayment of deposit and the Company Law Board vide its order no. CA. No. 09/2015 dated 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.

For N P Patwa & Company
CHARTERED ACCOUNTANTS
FRN 107845W

For and on behalf of the Board of Directors

Jitendra C Shah
Partner

Nihal Doshi
Executive Director

Moorad Fazalbhoy
Director

H. B. Doshi
Chairman & Managing Director

Ramola Mahajani
Director

Membership No.: 042384
Mumbai, Dated: 15th May, 2018

Annexures forming Part of Financial Statements

| 1 Share Capital | Rs. in Lakhs | |
|--|-----------------|-----------------|
| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
| Authorised Capital | | |
| 3,00,000 Preference Shares (p.y. 3,00,000) of Rs. 100/- each | 300 | 300 |
| 6,00,000 Equity shares (p.y. 6,00,000) of Rs. 50/- each | 300 | 300 |
| Issued, Subscribed and Paid Up Capital | | |
| 68,000 Equity shares (p.y. 68,000) of Rs. 50/- each. | 34 | 34 |
| | <u>34</u> | <u>34</u> |

1.1 Share Capital Reconciliation:

| Particulars | Equity Shares | |
|---|---------------|--------------------------|
| | No. of shares | Amount (Rs. in Lakhs) |
| Shares outstanding at the beginning of the year | 68,000 | 34 |
| Shares issued during the year | - | - |
| Shares bought back during the year | - | - |
| Shares outstanding at the end of the year | 68,000 | 34 |

1.2 Shares held by each shareholder holding more than five per cent shares

| Name of Shareholder | As on 31-Mar-18 | | As on 31-Mar-17 | |
|---|-----------------|--------------|-----------------|--------------|
| | No. of shares | % of holding | No. of shares | % of 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 number of equity shares held by the shareholder.

| 2 Reserve and Surplus | Rs. in Lakhs | |
|---|-----------------|-----------------|
| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
| a) Capital Redemption Reserve | 20.00 | 20.00 |
| b) Cash Subsidiary Reserve | 20.00 | 20.00 |
| c) General Reserve | 2,215.97 | 2,204.76 |
| | <u>2,255.97</u> | <u>2,244.76</u> |
| Opening Balance | -2,863.15 | -2,102.25 |
| Additional Depreciation net of deferred tax as per Co.'s Act 2013 | | |
| Add: Profit / (Loss) for the period | -371.95 | -760.90 |
| Closing balance | -3,235.10 | -2,863.15 |
| | <u>-979.13</u> | <u>-618.39</u> |

3 Borrowings - Non Current Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|---|-----------------|-----------------|
| Secured | | |
| Term Loan from Bank (Refer Note 3.1) | 51.50 | 138.89 |
| Unsecured | | |
| Deferred Sales Tax liability (Refer Note 3.2) | 22.64 | 66.03 |
| | 74.14 | 204.92 |

3.1 Term loan from Banks : The term loan from HDFC Bank is secured by the equitable mortgage of Office Property. The loan is repayable in monthly installments from January, 2011 till October, 2019

3.2 The total amount outstanding (Ref. SICOM) is Rs 66.03 Lakh out of which Rs 35.41 Lakh is repayable from April 2018 to March 2019.

4 Deferred Tax Liability (Net) Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|--|-----------------|-----------------|
| Deferred Tax Liabilities | | |
| Depreciation | 320.75 | 353.89 |
| Deferred Tax Assets | | |
| Expenses allowable on Payment Basis under Income Tax Act, 1961 | 66.84 | 52.36 |
| | 253.90 | 301.53 |

5 Provisions - Non Current Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|--|-----------------|-----------------|
| Provision for employee benefits : | | |
| Leave Encashment (Refer Note No. 27) | 11.72 | 9.69 |
| Gratuity Liability (Refer Note No. 27) | - | 17.64 |
| | 11.72 | 27.33 |

6 Borrowings - Current Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|---|-----------------|-----------------|
| Secured loan | | |
| From Bank | | |
| Working Capital Loan from Bank (Refer Note 6.1) | 356.07 | 421.67 |
| | 356.07 | 421.67 |
| Unsecured loan | | |
| Inter Corporate Deposit from related parties (Refer Note 6.2) | 2,100.00 | 1,522.00 |
| | 2,100.00 | 1,522.00 |
| | 2,456.07 | 1,943.67 |

6.1 Working Capital borrowings from the banks are secured by way of hypothecation of inventory including stock of sugar, confectionery and other items and second charge by way of equitable mortgage of company's immovable property located at Ravalgaon, Dist Nasik, Maharashtra

6.2 Inter Corporate Deposits bears interest @ 11% p.a.

7 Trade Payables Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|------------------------------------|-----------------|-----------------|
| Micro, Small and Medium Enterprise | - | - |
| Others | 164.12 | 220.74 |
| | 164.12 | 220.74 |

7.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2018 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

8 Other Current Liabilities Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|--|-----------------|-----------------|
| a) Current maturities of long-term debt : | | |
| Term Loan from Bank (Refer Note 3.1) | 86.82 | 76.66 |
| Deferred Sales Tax liability (Refer Note 3.2) | 35.41 | 41.66 |
| From State Government | 37.82 | 37.82 |
| | 160.06 | 156.14 |
| b) Unpaid dividends (Refer Note 8.1) | 1.27 | 2.35 |
| c) Statutory dues | 84.11 | 100.63 |
| d) Advances from customers | 33.55 | 58.98 |
| e) Cane Liabilities | 20.10 | 20.10 |
| f) Other Liabilities | 124.37 | 157.02 |
| g) Unclaimed Public Deposits | 16.68 | 20.18 |
| h) Interest on Unclaimed Public Deposits | 5.65 | 5.61 |
| i) Sundry Deposits | 52.42 | 51.49 |
| j) Interest Accrued and not Due | 13.47 | 13.40 |
| | 351.63 | 429.76 |
| | 511.68 | 585.90 |

8.1 There is no amount due and outstanding to be credited to the Investor Education and Protection Fund.

9 Provisions - Current Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|--|-----------------|-----------------|
| a) Provision for employee benefits: | | |
| i) Provision for Bonus | - | - |
| ii) Provision for Leave encashment (Refer note 27) | - | 4.74 |
| | - | 4.74 |
| b) Provision - Others | | |
| | - | - |
| | - | - |
| | - | 4.74 |

10 Fixed Assets As At 31- March - 2018

| Sr. No | PARTICULARS | GROSS BLOCK (AT COST) | | | | Depreciation | | | Impairment of Assets | | Net Block | |
|--------|--------------------------|-------------------------|----------|-----------|-------------------|------------------|--------------|-----------|----------------------|------------------|-------------------|-------------------|
| | | As at 1-Apr-2017 | Addition | Deduction | As at 31-Mar-2018 | As at 1-Apr-2017 | For the Year | Deduction | As at 31-Mar-2018 | As at 1-Apr-2017 | As at 31-Mar-2018 | As at 31-Mar-2017 |
| | Tangible Assets | | | | | | | | | | | |
| 1 | Freehold Land | 1.14 | - | 0.01 | 1.13 | - | - | - | - | - | - | 1.14 |
| 2 | Buildings & Godowns | 2,015.12 | - | 18.69 | 1,996.43 | 611.77 | 45.80 | 6.52 | 651.05 | - | - | 1,345.38 |
| 3 | Plant & Equipments | 4,927.39 | - | 2.63 | 4,924.77 | 4,422.51 | 122.93 | 2.63 | 4,542.81 | 32.90 | 32.90 | 349.05 |
| 4 | Furniture & Fixtures | 154.34 | - | - | 154.34 | 153.15 | - | - | 153.15 | - | - | 1.19 |
| 5 | Vehicles | 30.91 | - | - | 30.91 | 30.90 | - | - | 30.90 | - | - | 0.01 |
| 6 | Office Equipment | 61.05 | - | - | 61.05 | 60.69 | - | - | 60.69 | - | - | 0.36 |
| | Previous Year | 7,189.95 | - | 21.33 | 7,168.63 | 5,279.02 | 168.73 | 9.15 | 5,438.60 | 32.90 | 32.90 | 1,697.12 |
| | Intangible Assets | 7,221.04 | - | 31.09 | 7,189.95 | 5,120.75 | 184.77 | 26.50 | 5,279.02 | 32.90 | 32.90 | 1,878.03 |
| 1 | Computer Software | 21.17 | 1.05 | - | 22.22 | 18.20 | 2.80 | - | 21.00 | - | - | 1.22 |
| | Previous Year | 21.17 | - | - | 21.17 | 18.20 | - | - | 18.20 | - | - | 2.97 |

| 11 Investments - Non Current | | Rs. in Lakhs | |
|--|-----------------|-----------------|--|
| Particulars | As on 31-Mar-18 | As on 31-Mar-17 | |
| Investment in equity instruments (non trade investments) | | | |
| Quoted | | | |
| 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 | |
| Unquoted | | | |
| 36,190 (PY: 36,190) shares of Rs.10 each fully paid up in Carina Finvest Limited | 18.61 | 18.61 | |
| | 27.61 | 27.61 | |
| Less: Provision for diminution in value of investments | 0.20 | 0.20 | |
| | 27.41 | 27.41 | |
| <hr/> | | | |
| Particulars | As on 31-Mar-18 | As on 31-Mar-17 | |
| Aggregate amount of quoted investments | 9.00 | 9.00 | |
| Aggregate market value of quoted investments | 47.41 | 28.16 | |
| Aggregate amount of unquoted investments | 18.61 | 18.61 | |
| <hr/> | | | |
| 12 Loan - Non Current | | Rs. in Lakhs | |
| Particulars | As on 31-Mar-18 | As on 31-Mar-17 | |
| Balances with government authorities - Unsecured, considered good: | | | |
| Security Deposits | 0.16 | 0.50 | |
| Balances with Others - Unsecured, considered good: | | | |
| Security Deposits | 55.13 | 49.09 | |
| Total | 55.29 | 49.59 | |
| <hr/> | | | |
| 13 Inventories | | Rs. in Lakhs | |
| Particulars | As on 31-Mar-18 | As on 31-Mar-17 | |
| Raw Material | 67.80 | 76.88 | |
| Work-in-Progress | 43.67 | 43.59 | |
| Finished goods | 170.03 | 62.40 | |
| Stores and spares | 231.35 | 256.32 | |
| Total | 512.85 | 439.19 | |
| <hr/> | | | |
| 14 Trade receivables | | Rs. in Lakhs | |
| Particulars | As on 31-Mar-18 | As on 31-Mar-17 | |
| Trade Receivables Due more then six months | - | - | |
| Other receivable | 8.73 | 11.39 | |
| Less: Provision for doubtful trade receivables | - | - | |
| | 8.73 | 11.39 | |

15 Cash and cash equivalents Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|----------------------------|-----------------|-----------------|
| Cash on Hand | 0.27 | 0.21 |
| Balances With Banks | | |
| - in Current Accounts | 9.42 | 4.13 |
| - in deposit | 4.45 | 16.00 |
| - Unpaid dividend accounts | 1.27 | 2.35 |
| | 15.41 | 22.69 |

16 Loan - Current Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|--|-----------------|-----------------|
| Loans and Advances to employees (Secured, considered good) | 3.60 | 2.81 |
| Prepaid expenses - Unsecured, considered good | 4.32 | 6.75 |
| "Balances with government authorities (Unsecured, considered good):" | | |
| CENVAT credit receivable | - | 4.42 |
| VAT credit receivable | 0.75 | 22.53 |
| Advances to Suppliers (Unsecured, considered good) | - | 19.08 |
| Others : | | |
| Advance Recoverable | 36.27 | 54.57 |
| Advance Tax (net of provisions) | 131.57 | 130.96 |
| Total | 176.51 | 241.12 |

All the above loans and advances have been given for business purposes

17 Other current assets Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|--------------------------------------|-----------------|-----------------|
| Interest accrued on deposits & loans | - | 0.09 |
| | - | 0.09 |

18 Revenue from operations Rs. in Lakhs

| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
|----------------------------------|-------------------------|-------------------------|
| Sales and other Operating Income | | |
| a) Sale of products | 1,111.66 | 1,357.25 |
| b) Other operating revenue : | | |
| Sale of scrap | - | 13.71 |
| Sale of By-products | - | - |
| Sub total | 1,111.66 | 1,370.96 |
| Less:- Excise duty | 21.00 | 80.02 |
| Total | 1,090.66 | 1,290.94 |
| Sugar | 8.61 | 126.99 |
| Confectionary | 1,103.05 | 1,230.26 |
| | 1,090.66 | 1,290.94 |

| 19 Other income | | Rs. in Lakhs | |
|-----------------------------------|-------------------------|-------------------------|--|
| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 | |
| Interest | | | |
| Bank Interest | 0.24 | 1.01 | |
| Interest on loans | - | 0.10 | |
| Other Non-Operating Income | | | |
| Other non-operating income | 7.36 | 18.35 | |
| Provision no longer required | 27.57 | 5.22 | |
| Profit on Sale of Fixed Assets | 222.59 | 38.17 | |
| | 257.75 | 62.85 | |

| 20 Cost of Raw Materials Consumption | | Rs. in Lakhs | |
|--|-------------------------|-------------------------|--|
| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 | |
| Opening Stock | 76.88 | 85.98 | |
| Raw Material Purchase - Domestic | 555.34 | 415.82 | |
| - Import | - | - | |
| Sub-Total | 632.22 | 501.80 | |
| Less Closing Stock of Raw Material | 67.80 | 76.88 | |
| Raw Material Consumed | 564.41 | 424.92 | |
| Liquid Glucose | 96.87 | 97.61 | |
| Sugar | 233.66 | 119.28 | |
| Wrapping Papers | 90.87 | 85.13 | |
| Components & Others | 133.94 | 122.90 | |
| | 555.34 | 424.92 | |
| Value of Imported & Indigenous Consumption of Raw Materials | | | |
| Imported | - | - | |
| Indigenous | 555.34 | 424.92 | |
| | 564.41 | 424.92 | |

21 Changes in inventories of finished goods and work-in-progress

Rs. in Lakhs

| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
|--|-------------------------|-------------------------|
| Opening | | |
| Finished Goods | 62.40 | 438.52 |
| W.I. P. | 43.59 | 39.50 |
| | 105.99 | 478.02 |
| Closing | | |
| Finished Goods | 170.03 | 62.40 |
| W.I. P. | 43.67 | 43.59 |
| | 213.70 | 105.99 |
| | -107.71 | 372.03 |
| Details of closing stock - Finished goods | | |
| Sugar | - | - |
| Confectionery | 170.03 | 62.40 |
| Details of closing stock - W.I.P. | | |
| Sugar | 34.02 | 34.02 |
| Confectionery | 9.65 | 9.57 |

22 Employee Benefits Expenses

Rs. in Lakhs

| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
|--|-------------------------|-------------------------|
| Salary, Wages & Bonus | 362.57 | 381.35 |
| Contributions to provident and other funds | 35.56 | 35.74 |
| Staff welfare expenses | 9.45 | 12.30 |
| | 407.58 | 429.39 |

22.1 EMPLOYEE BENEFITS

i) Short Term Employee Benefits.

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short terms compensated absences, etc., and the expected cost of bonus, gratia are recognised in the period in which the employee renders the related service.

ii) Long Term Employee Benefits

The disclosures as per the revised AS-15 are as under:

A. Brief description of the Plans

Gratuity: The Company has a defined benefit gratuity plan, every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days [last drawn salary] for each completed year of service

The scheme is funded with an insurance company in the form of a qualifying insurance policy.

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 attending superannuation age.

B. Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

| Particulars | Rs. in Lakhs | |
|---|-----------------|-----------------|
| | As on 31-Mar-18 | As on 31-Mar-17 |
| Employer's Contribution to Provident Fund | 13.50 | 14.81 |
| Employer's Contribution to Pension Scheme | 13.74 | - |
| Employer's Contribution to Welfare Fund | 0.03 | - |
| Employer's Contribution to Gratuity Fund | 5.45 | - |

C. Defined Benefit Plan:

The employees' gratuity fund scheme managed by Life Insurance Corporation of India 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 giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

| Particulars | Gratuity (Funded) | (Rs. In Lakhs) |
|--|-------------------|-----------------|
| | As on 31-Mar-18 | As on 31-Mar-17 |
| a) Reconciliation of Opening and Closing balances of Defined Benefit obligation | | |
| Defined Benefit obligation at beginning of the year | 274.73 | 284.50 |
| Interest Cost | 18.32 | 21.28 |
| Current Service Cost | 7.66 | 7.99 |
| Actuarial (gain)/loss | -10.73 | -39.04 |
| Benefits paid | - | - |
| Defined Benefit obligation at year end | 289.98 | 274.73 |
| b) Reconciliation of Opening and Closing balances of Fair value of plan assets | | |
| Defined Benefit obligation at beginning of the year | 1.19 | 1.10 |
| Expected return on the plan assets | 0.08 | 0.08 |
| Contributions Paid | - | - |
| Actuarial gain/(loss) | 0.02 | 0.01 |
| Benefits paid | - | - |
| Fair value of plan assets at year end | 1.29 | 1.19 |
| c) Reconciliation of fair value of assets and obligation. | | |
| Fair value of plan assets as at 31st March | 1.29 | 1.19 |
| Present value of obligation as at 31st March | -289.98 | -274.73 |
| Amount recognized in Balance sheet | -288.69 | -273.54 |
| d) Expenses recognized during the year. | | |
| Current Service Costs | 7.66 | 7.99 |
| Interest Cost | 18.25 | 21.20 |
| Expected return on plan assets | - | - |
| Actuarial (gain)/loss | - | - |
| Net Cost | 25.90 | 29.19 |
| e) Investment Details | | |
| L.I.C Group Gratuity (Cash Accumulation Policy) | 100% | 100% |

| Particulars | Gratuity (Funded) | (Rs. In Lakhs) |
|--|-------------------|-----------------|
| | As on 31-Mar-18 | As on 31-Mar-17 |
| f) Actuarial assumptions: | | |
| Mortality Table (L.I.C.) 1994-96 (Ultimate) | | |
| Discount rate (per annum) | 6.67% | 7.48% |
| Expected rate of return on plan assets (per annum) | 6.67% | 7.48% |
| Rate of escalation in salary (per annum) | 5.00% | 5.00% |

| Particulars | Leave Encashment (Unfunded) | |
|---|-----------------------------|--------------|
| | 31-Mar-18 | 31-Mar-17 |
| a) Reconciliation of Opening and Closing balances of Defined Benefit obligation | | |
| Defined Benefit obligation at beginning of the year | 14.44 | 11.92 |
| Interest Cost | 0.00 | 0.89 |
| Current Service Cost | 0.00 | 6.56 |
| Actuarial (gain)/loss | (2.37) | (4.29) |
| Benefits paid | (0.35) | (0.64) |
| Defined Benefit obligation at year end | 11.72 | 14.44 |
| b) Net Assets/(Liability) to be recognised in the Balance Sheet as at 31-March-2018. | | |
| Present value of obligation as at 31st March | 11.72 | 14.44 |
| Funded Status [Surplus / (Deficit)] | (11.72) | (14.44) |
| Amount recognized in Balance sheet | 11.72 | 14.44 |
| c) Expenses recognized during the year. | | |
| Current Service Costs | 0.00 | 6.56 |
| Interest Cost | 0.00 | 0.89 |
| Expected return on plan assets | 0.00 | 0.00 |
| Actuarial (gain)/loss | (0.35) | (0.64) |
| d) Actuarial assumptions: | | |
| Mortality Table (L.I.C.) 1994-96 (Ultimate) | | |
| Discount rate (per annum) | 7.93% | 7.93% |
| Rate of escalation in salary (per annum) | 5.00% | 5.00% |
| The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other factors including supply and demand in the employment market. The above information is certified by the actuary. | | |

23 Finance costs

| Particulars | Rs. in Lakhs | |
|----------------------------------|-------------------------|-------------------------|
| | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
| Interest Expenses | | |
| Interest on working capital Loan | 49.39 | 58.79 |
| Interest on Term Loan | 21.61 | 30.67 |
| Interest on Others | 190.82 | 148.96 |
| Other Borrowing Costs | 3.87 | 5.24 |
| | 265.68 | 243.66 |

| 24 Other expenses | Rs. in Lakhs | |
|---|-------------------------|-------------------------|
| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
| <u>Manufacturing Expenses</u> | | |
| Consumption of stores and spare parts (Refer Note 24.1) | 80.17 | 61.20 |
| Electricity Charges | 19.17 | 21.27 |
| Power and Fuel | 43.58 | 48.81 |
| Rent including Lease rentals | 21.48 | 14.34 |
| Other Manufacturing Expenses | 22.85 | 26.92 |
| | 187.25 | 172.54 |
| <u>Administrative Expenses</u> | | |
| Insurance | 4.42 | 5.80 |
| Rates & Taxes | 8.49 | 18.47 |
| Printing and Stationery | 1.46 | 1.43 |
| Audit Fees (Refer Note 24.3) | 2.19 | 4.00 |
| Freight and Forwarding | 48.41 | 61.35 |
| Postage & Telephone | 5.52 | 6.72 |
| Director Fees | 0.82 | 0.88 |
| Legal and professional | 19.38 | 16.74 |
| Excise Duty & Sugar Cess | | 5.55 |
| Sales Tax | 6.15 | 2.02 |
| Security Services | 11.76 | 12.12 |
| Seminars & Conference | 0.14 | 0.51 |
| Fees & Subscriptions | 7.84 | 10.23 |
| Sundry debits w/off | 21.74 | 0.04 |
| Service Charges | 1.10 | - |
| Office expenses | 2.87 | 2.91 |
| Miscellaneous expenses | 17.93 | 12.37 |
| <u>Repairs & Maintenance</u> | | |
| Repairs and maintenance - Buildings | 3.81 | 4.29 |
| Repairs and maintenance - Machinery | 2.21 | 2.95 |
| Repairs and maintenance - Others | 17.39 | 15.59 |
| | 183.65 | 183.97 |
| <u>Selling and Distribution Expenses</u> | | |
| Advertisement, Publicity & Selling Expenses | 27.83 | 10.90 |
| Travelling and Conveyance | 46.84 | 60.94 |
| Commission & Discount | 31.75 | 35.48 |
| | 106.42 | 107.32 |
| | 477.33 | 463.83 |
| 24.1 Value of Imported & Indigenous Consumption of Stores & Spares | | |
| Imported | | - |
| Indigenous | 80.17 | 61.20 |
| | 80.17 | 61.20 |

24.2 Expenditure in Foreign Currencies

Rs. in Lakhs

| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
|-------------------------|-------------------------|-------------------------|
| Traveling Expenses | - | 3.70 |
| Purchase of spare parts | - | - |
| | <u>-</u> | <u>3.70</u> |

24.3 Payment to Auditors as:

Rs. in Lakhs

| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
|-------------------------------|-------------------------|-------------------------|
| (a) Statutory Audit Fees | 2.18 | 2.30 |
| (b) Taxation Matters | - | 0.58 |
| (c) Other Services | - | 1.11 |
| (d) Reimbursement of expenses | 0.01 | 0.01 |
| | <u>2.19</u> | <u>4.00</u> |

25 Contingent Liabilities

Rs. in Lakhs

| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
|--|-------------------------|-------------------------|
| Guarantees given by Banks | 12.28 | 12.28 |
| Sales Tax / Other Liability for the years 1995-99 not acknowledged as debt. (Cane Purchase Tax) | 57.90 | 57.90 |
| Electricity Duty on own Generation | 76.33 | 76.33 |
| Construction House Employees Union's workmen wage demands against the order of Industrial Tribunal - Mumbai | Unascertained | Unascertained |
| Provident Fund on Contract Labour | 140.00 | 140.00 |
| | <u>286.51</u> | <u>286.51</u> |

26 Managerial Remuneration

Rs. in Lakhs

| Particulars | Year ended 31-Mar-18 | Year ended 31-Mar-17 |
|--|-------------------------|-------------------------|
| Salary & Allowances | 27.00 | 27.00 |
| Company's Contribution to Provident Fund | 2.25 | 1.44 |
| | <u>29.25</u> | <u>28.44</u> |

27 Earning Per Share (EPS)

Rs. in Lakhs

| Particulars | As on 31-Mar-18 | As on 31-Mar-17 |
|---|-----------------|------------------|
| Face value per Equity Share (Rs.) | 50 | 50 |
| Basic Earnings per Share (Rs.) | <u>-546.98</u> | <u>-1,118.98</u> |
| Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In Lacs) | -371.95 | -760.90 |
| Weighted Average number of Equity Shares used as denominator for calculating Basic EPS | 68,000 | 68,000 |
| Diluted Earnings per Share (Rs.) | <u>-546.98</u> | <u>-1,118.98</u> |
| Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In Lacs) | -371.95 | -760.90 |
| Weighted Average number of Equity Shares used as denominator for calculating Basic EPS | 68,000 | 68,000 |

KYC Compliance and Mandatory updation of PAN, Bank Details against your shareholding and Dematting of Shares

Dear Shareholder,

We refer to the SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 vide which SEBI has stipulated various procedural steps for all listed entities and their Registrar and Transfer agents (RTA) with the objective of streamlining the processes relating to maintenance of records, transfer of securities and seamless payment of dividend amounts to the shareholders. The Circular also mandates the issuer companies to seek the copy of PAN Card and Bank Account details from the shareholders through their RTA.

Thus, we request you to kindly arrange to send us the following documents and details within 21 days from the date of this letter:

1. Self-certified copy of PAN Card of the Shareholder(s) / Joint holders.
2. Identity proof issued by Govt. for resident of shareholders / Joint holders
3. Original cancelled cheque leaf / attested bank passbook showing name of the First holder. (not older than 3 months)
4. Email ID & Contact No. of First Holder.

We also refer to BSE Circular No. LIST/COMP/15/2018-19 dated July 5, 2018 regarding amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) with respect to mandatory dematerialization for transfer of securities vide which BSE has stipulated to ensure that shares must be held in the Demat form in case of transfer of securities. Listed Companies and their Registrars and Transfer Agents (RTAs) are advised that, with effect from December 5, 2018, it should be ensured that shares which are lodged for transfer shall be in dematerialized form only.

In the interest of Shareholders, we recommend you to convert your physical shares into dematerialized form as a matter of security and for seamless trading in securities.

Thanking you,

For Acrow India Ltd

Authorized Signatory

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.:

No. of Shares held:

Client ID No.:

DP ID No.:

(Please write name in BLOCK Letters)

I/We hereby record my/our presence at the EIGHTY THIRD ANNUAL GENERAL MEETING of the Company scheduled to be held at Krida Mandal Hall, Ravalagon – 423108, Taluka Malegaon, District Nashik, Maharashtra on Monday, 17th September 2018 at 10:30 a.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.

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: or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Eighty Third Annual General Meeting of the company, to be held at Krida Mandal Hall, Ravalagon – 423108, Taluka Malegaon, District Nashik, Maharashtra on Monday, 17th September 2018 at 10:30 a.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 2018.

Signature of shareholder

Signature of proxy holder(s)

Affix
Revenue
Stamp

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