

Independent Auditors' Report

**To the Members of
Saraswati Sugar Mills Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Saraswati Sugar Mills Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash flows for the year ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the the Directors' Report including annexures, if any, thereon, (but does not include the Standalone financial statements and our auditor's report thereon), which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's report including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, based on our audit, we report, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



(c) The Balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a Director in terms of Section 164(2) of the Act.

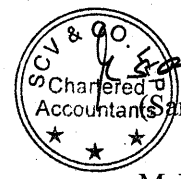
(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that no remuneration has been paid by the Company to its directors during the year and accordingly provisions of section 197 of the act are not applicable.

(h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The company has disclosed the impact of pending litigations on its financial position in its financial statements. – Refer Note-37 of the financial statements.
- ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SCV & Co. LLP
Chartered Accountants
Firm Reg. No.000235N/N500089


Sanjiv Mohan
Partner
M. No. 086066

Place: Ludhiana
Date: 20.06.2020

UIN:- 20086066AAAF E7445

Annexure – “A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Saraswati Sugar Mills Limited of even date)

- (i) In respect of the Company’s fixed assets:-
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deed of the immovable property is held in the name of the company.

- (ii) According to the information and explanations given to us, physical verification has been conducted by management at reasonable intervals in respect of finished goods, stores and spares and raw material. In our opinion, the frequency of such verification is reasonable.

According to the information and explanations given to us, the discrepancies noticed on such verification between the physical stocks and book records were not material and have been properly dealt within the books of account.

- (iii) According to the information and explanations given to us, we report that the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, and on the basis of our examination of records, the company has not granted any loan and has not made any investment in body corporate during the year and therefore provisions of section 186 of the Act are not applicable to the company. Further, the company has not granted loans to directors or to the person in whom directors are interested. Therefore the provisions of the section 185 of the act, are not applicable to the company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year covered under the provisions of sections 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under and therefore the provisions of the clause 3(v) of the order are not applicable to the company.
- (vi) We have broadly reviewed the cost records 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 Act and are of the opinion that prima facie, the prescribed cost records have been made and



maintained. We have, however, not made a detailed examination of such records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess, goods and service tax and other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts in respect of statutory dues payable were outstanding as on the last day of the financial year concerned for a period of more than six months from the date they became payable as at 31st March, 2020.
- (c) According to the information and explanations given to us, there are no dues of duty of custom, entry tax, service tax, value added tax, Income tax and sales tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the following dues of duty of excise and Cane Purchase Tax which have not been deposited by the company with the appropriate authorities on account of dispute.

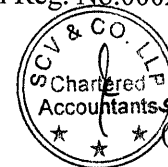
S. No.	Name of the Statute	Nature of Dues	Unpaid Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
1	The Sugarcane (Regulation of Purchase and Supply) Act, 1953	Cane Purchase Tax	32.98	1991-1996	Punjab & Haryana Court, Chandigarh
2	Central Excise Act, 1944	Excise Duty	88.06	2010-11, 2011-12 & 2012-13	CESAT Panchkula

- (viii) According to the information and explanations given to us and records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings to a financial institution bank or government. The Company has not issued any debentures during the year or in the preceding year.
- (ix) In our opinion and according to the information and explanations given to us and records of the Company examined by us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of the clause 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.



- (xi) According to information and explanation given to us and based on our examination of records of the company, the Company has not paid or provided any managerial remuneration, hence provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable.
- (xii) According to the information and explanation given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Thus the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or person connected with them. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) of the order is not applicable to the company.

For SCV & Co. LLP
Chartered Accountants
Firm Reg. No.000235N/N500089



(Sanjiv Mohan)
Partner
M. No. 086066

Place: Ludhiana
Date: 20.06.2020

Annexure – “B” TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Saraswati Sugar Mills Limited of even date)

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

We have audited the internal financial control over financial reporting of Saraswati Sugar Mills Limited (“the Company”) as of 31st March 2020 in conjunction with our audit of financial statements of company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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



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 explanation 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 31 March 2020, 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.

Place: Ludhiana
Date: 20.06.2020

For SCV & Co. LLP
Chartered Accountants
Firm Reg. No.000235N/N500089



(Sanjiv Mohan)
Partner

M. No. 086066

SARASWATI SUGAR MILLS LIMITED
CIN: U01115HR2000PLC034519
Balance Sheet as at March 31, 2020

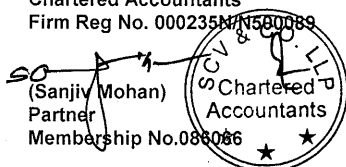
(Rs in Lakhs)

Particulars		Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS				
(1)	Non - current assets			
	(a) Property, Plant and Equipment	4 (a)	11,129.15	11,131.32
	(b) Capital work - in - progress		220.88	464.59
	(c) Right of use asset	4 (b)	14.61	-
	(d) Other Intangible assets	4 (c)	51.87	7.26
	(e) Income Tax Assets (Net)	26	142.49	634.90
	(f) Financial Assets			
	(i) Investments	5	-	-
	(ii) Loans	6	8.92	17.59
	(g) Deferred Tax Assets (Net)		-	-
	(h) Other Non-current assets	8	70.16	43.66
	Total (Non current assets)		11,638.09	12,299.32
(2)	Current assets			
	(a) Inventories	9	43,144.52	37,541.75
	(b) Financial assets			
	(i) Investments		-	-
	(ii) Trade receivables	10	168.43	739.49
	(iii) Cash and cash equivalents	11	1,625.09	2,291.01
	(iv) Bank Balances other than (iii) above	12	-	13.22
	(v) Loans	13	22.08	28.19
	(vi) Others financial assets	14	5,238.67	1.95
	(c) Other current assets	15	429.17	498.58
	Total (Current assets)		50,627.95	41,114.19
	Total Assets		62,266.04	53,413.51
EQUITY AND LIABILITIES				
(1)	EQUITY			
	(a) Equity Share capital	16	709.99	709.99
	(b) Other Equity	16.1	22,380.01	20,750.36
	Total (Equity)		23,090.00	21,460.35
(2)	LIABILITIES			
	(i) Non - current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	4,785.31	-
	(ii) Lease liabilities	18	6.07	-
	(b) Provisions	19	238.33	262.36
	(c) Deferred Tax Liabilities (Net)	7	1,098.06	745.94
	(d) Other Non-current liabilities	20	29.67	32.63
	Total (Non current liabilities)		6,157.45	1,040.93
	(ii) Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	21	16,471.12	13,584.96
	(ii) Trade payables			
	-total outstanding dues of micro enterprises and small enterprises	22	12.16	-
	-total outstanding dues of creditors other than micro enterprises and small enterprises	22	11,706.37	15,211.00
	(iii) Lease liabilities	23 (a)	4.75	-
	(iv) Others financial liabilities	23 (b)	2,509.30	954.37
	(b) Other current liabilities	24	2,135.82	1,110.14
	(c) Provisions	25	46.12	51.75
	(d) Current Tax Liability (Net)	26	132.95	(0.00)
	Total (Current liabilities)		33,018.59	30,912.22
	Total Equity and Liabilities		62,266.04	53,413.51

See accompanying notes to the financial statements

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As per our report of even date attached
 For SCV & Co. LLP
 Chartered Accountants
 Firm Reg No. 000235M/N580089



(Sanjiv Mohan)
 Partner
 Membership No. 086086

S.K. Khorana
 Company Secretary
 Membership No. 1872

Sanjay Jain
 Sanjay Jain
 Dy. General Manager (Accounts)

Puneet Gupta
 Puneet Gupta
 Deputy Manager (Internal Audit)

For & on behalf of the Board of Directors

Aditya Puri
 Aditya Puri
 Managing Director
 DIN:00052534

Ranjit Puri
 Ranjit Puri
 Chairman
 DIN:00052459

Place: Ludhiana
 Date: 20.06.2020

Place: Noida
 Date: 20.06.2020

SARASWATI SUGAR MILLS LIMITED
CIN: U01115HR2000PLC034519
Statement Of Profit and Loss For Year ended March 31, 2020

(Rs in Lakhs)

	Particulars	Note No.	For Year ended March 31, 2020	For Year ended March 31, 2019
I	Revenue from operations	27	55,414.14	55,769.01
II	Other income	28	4,893.54	3,317.11
III	Total income (I + II)		60,307.68	59,086.12
IV	EXPENSES			
	Cost of materials consumed	29	52,259.95	58,043.17
	Changes in inventories of finished goods, Stock - in - trade and work - in - progress	30	(5,534.47)	(11,822.50)
	Employee benefits expenses	31	3,049.74	3,038.39
	Finance costs	32	1,555.00	691.15
	Depreciation and amortization expenses	33	646.63	617.54
	Other expenses	34	4,995.18	7,023.35
	Total expenses (IV)		56,972.03	57,591.09
V	Profit before exceptional items and tax (III - IV)		3,335.65	1,495.03
VI	Exceptional items		-	-
VII	Profit before tax (V - VI)		3,335.65	1,495.03
VIII	Tax expense			
	Current Tax	35	870.74	491.47
	Deferred Tax	7	352.13	66.63
IX	Profit for the year (VII - VIII)		2,112.78	936.93
X	Other comprehensive income (Loss)			
	A. (i) Items that will not be reclassified to profit or loss			
	-Remeasurement of defined benefit plans		(73.70)	(30.59)
	-Equity Instruments through other comprehensive income		-	(217.70)
	(ii) Income tax relating to items that will not be classified to profit or loss		18.55	(27.39)
XI	Total comprehensive income for the period (IX + X)		2,057.63	661.26
XII	Earnings per equity share (Equity share of Rs.10/- each) Basic and Diluted	36	29.76	13.20

See accompanying notes to the financial statements

1 to 51

As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/IN500089

(Sanjiv Mohan)
Partner
Membership No.086066



Sanjay Jain
Dy. General Manager (Accounts)

Puneet Gupta
Deputy Manager (Internal Audit)

S.K. Khorana
Company Secretary
Membership No. 1872

Aditya Puri
Managing Director
DIN:00052534

For & on behalf of the Board of Directors

Ranjit Puri
Chairman
DIN:00052459

Place: Ludhiana
Date: 20.06.2020

Place: Noida
Date: 20.06.2020

SARASWATI SUGAR MILLS LIMITED
CIN: U01115HR2000PLC034519
Statement of cash flow for the Year ended March 31, 2020

(Rs in Lakhs)


Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flow from Operating activities:		
Net Profit before tax	3,335.65	1,495.03
Adjustments for :		
Depreciation and amortization expenses	646.63	617.54
Interest Expense	1,469.52	247.64
Interest income	-	(15.38)
Net (gain) / loss on sale of Property, Plant and Equipment	42.07	8.68
(Profit)/Loss on Sale of Investment	(66.24)	(156.64)
Loss on store inventory written off	10.33	8.36
Operating profit before working capital changes	5,437.96	2,205.24
Adjustments for changes in working capital :		
- (Increase)/Decrease in Trade Receivable	571.06	(554.33)
- (Increase)/Decrease in financial and Other assets	(4,836.26)	125.64
- (Increase)/Decrease in Inventories	(5,613.10)	(11,726.24)
- Increase/(Decrease) in Trade Payables, financial and Other liabilities	(2,425.08)	8,043.65
Cash generated from operations	(6,865.43)	(1,906.05)
- Taxes (Paid) / refund Received (Net)	(226.83)	(496.14)
Net cash from operating activities (A)	(7,092.25)	(2,402.19)
B. Cash Flow from Investing Activities		
Payment for Property, Plant and Equipment (including capital advances)	(700.40)	(766.45)
Proceeds from disposal of Property, Plant and Equipment	30.57	10.55
Proceeds from maturity of fixed deposits	-	354.39
Purchase of Investments	(8,400.00)	(24,950.00)
Proceeds from Sale of Investments	8,466.24	25,411.39
Interest/Dividend Received	-	37.60
Net cash (used) / generated by Investing activities (B)	(603.59)	97.48
C. Cash flow from Financing activities:		
Proceeds from Secured loans	31,763.13	10,187.80
Repayment of Secured loans	(22,483.16)	-
Proceeds/(Repayment) of unsecured loans	-	(4,947.96)
Interest Paid	(1,814.48)	(700.01)
Payment of lease liability	(7.61)	-
Dividend on equity shares paid	(354.99)	-
Corporate Dividend Tax Paid	(72.97)	-
Net cash used in financing activities (C)	7,029.93	4,539.83
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(665.92)	2,235.12
Cash and cash equivalents at the beginning of the year	2,291.01	55.90
Cash and cash equivalents at the end of the year	1,625.09	2,291.01
Cash and cash equivalents comprise		
Cash in hand	1.28	3.88
Balance with Banks- in current accounts	1,623.81	2,287.13
Total	1,625.09	2,291.01

There are no non cash changes arising from financing activities (refer note 50)

See accompanying notes to the financial statements

As per our report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/N500889

Sanjiv Mohan
Partner
Membership No.086086



Sanjay Jain
Sanjay Jain
Dy. General Manager (Accounts)

Puneet Gupta
Puneet Gupta
Deputy Manager (Internal Audit)

S.K. Khorana
S.K. Khorana
Company Secretary
Membership No. 1872

For & on behalf of the Board of Directors
Aditya Puri
Aditya Puri
Managing Director
DIN:00052534

Ranjit Puri
Ranjit Puri
Chairman
DIN:00052459

Place: Ludhiana
Date: 20.06.2020

Place: Noida
Date: 20.06.2020

SARASWATI SUGAR MILLS LIMITED
CIN: U01115HR2000PLC034519
Statement of changes in equity for the year ended as on March 31, 2020

A. Equity Share Capital	Amount
As at 1 April 2018	709.99
Changes During the Year	-
As at 31 March 2019	709.99
Changes During the Year	-
As at 31 March 2020.	709.99

(Rs in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities premium	General Reserve	Retained earnings	Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income (Defined benefit-plan)	
Balance as at April 1, 2018	6,300.00	1,318.74	12,188.95	234.40	47.00	20,089.10
Profit for the year	-	-	936.93	-	-	936.93
Other Comprehensive Income	-	-	-	(234.40)	(41.27)	(275.66)
Total comprehensive income for the year	-	-	936.93	(234.40)	(41.27)	661.26
Dividend paid, including dividend distribution tax	-	-	-	-	-	-
Balance as at March 31, 2019	6,300.00	1,318.74	13,125.88	0.00	5.73	20,750.36
Profit for the year	-	-	2,112.78	-	-	2,112.78
Other Comprehensive Income	-	-	-	-	(55.15)	(55.15)
Total comprehensive income for the year	-	-	2,112.78	-	(55.15)	2,057.63
Dividend paid, including dividend distribution tax	-	-	(427.97)	-	-	(427.97)
Balance as at March 31, 2020	6,300.00	1,318.74	14,810.69	0.00	(49.42)	22,380.01

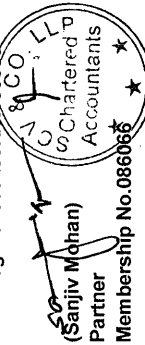
See accompanying notes to the financial statements

As per our report of even date attached

For SCV & Co. LLP

Chartered Accountants

Firm Reg No. 000235N/15600689



(Sanjiv Mohan)

Partner

Membership No. 086066

Sanjay Jain
Dy. General Manager (Accounts)

Puneet Gupta
Deputy Manager (Internal Audit)

For & on behalf of the Board of Directors

Aditya Puri
Managing Director
DIN:00052534

S.K. Khorana
Company Secretary
Membership No. 1872

Place: Ludhiana
Date: 20.06.2020

Place: Noida
Date: 20.06.2020

Ranjit Puri
Chairman
DIN:00052459

SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year ended March 31, 2020

Note 1.1: Corporate Information

The Company's business started in 1933 as a sugar division of Isgec Heavy Engineering Ltd.. The sugar division was demerged into a Wholly Owned Subsidiary Company of Isgec Heavy Engineering Limited and the company was named as Saraswati Sugar Mills Limited. The Regd. Office of the company is situated at Radaur Road, Yamunanagar (Haryana).

Its existing capacity is 10,000 Tonnes of cane crushing per day. The factory is certified for ISO 9001 for Quality Management System, ISO 14001 for Environment Management System, OHSAS 18001 for Safety and Health Management System and HACCP System for food safety management by Lloyd's Registers of Quality Assurance. About 35,000 farmers from 670 villages supply sugarcane to the Company.

The financial statements are approved by the Company's Board of Director and authorized for issue on 20 June, 2020.

Note 1.2: Functional and presentation currency

The functional and presentation currency of the Company is Indian rupees (INR) and all values are rounded to the nearest lakhs and two decimals thereof, except if otherwise stated.

Note 1.3: Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 (the Act) , read with Rule 3 of the Companies (Indian Accounting Standards) Rule 2015 and relevant amendments rules issued thereafter, the other relevant provisions of the act. .

Note 2.1: Basis of Preparation of financial statements

These financial statements are prepared under the historical cost convention on the accrual basis, except for following assets and liabilities which have been measured at fair value amount.

- (i) Certain Financial assets and liabilities
- (ii) Defined Benefit Obligation Plan Assets

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these standalone financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly; and



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year ended March 31, 2020

- Level 3 inputs are unobservable inputs for the asset or liability.

Accounting policies have been consistently applied except where in newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ISGEC heavy Engineering Ltd. Owns 100% of the company's equity share capital as at 31 March, 2020.

Note 2.2: Summary of Significant Accounting Policies

(i) Revenue Recognition

Effective April 1, 2018, the Company adopted Ind AS 115 'Revenue from Contracts with Customers'. First time adoption has been conducted retrospectively with cumulative effect of initially applying this standard as on the transition date. The effect on the transition to Ind AS 115 is insignificant.

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, rebates, goods & services tax and value added taxes.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities, as described below.

Sale of Goods

Revenue from contracts with customers is recognised as and when the company satisfies performance obligation by transfer of control of goods at an amount that reflects the consideration entitled in exchange for those goods.

Generally control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risk of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in the contract, excluding amount collected on behalf of third parties (For example taxes and duties collected on the behalf of government). Consideration is generally due upon satisfaction of performance obligation and receivable is recognized when it becomes unconditional.

The company does not adjust short term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised goods will be transferred to the customer within a period of one year.

Other Income

- (i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.
- (ii) Insurance Claims are accounted for as and when the estimated amounts recoverable can be reasonably determined and being acceptable to the concerned authorities and there is no uncertainty in realization of the same.
- (iii) Dividend income is recognised when the company's right to receive payment is established.



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year ended March 31, 2020

(ii) Inventories

Inventories are valued at cost or net realizable value (NRV), whichever is lower (except by product i.e. molasses which is valued at estimated realisable value. The cost in respect of the various items of inventory is computed as under:

- (i) In case of raw materials on FIFO basis cost plus direct expenses incurred in bringing the inventories to their present location and condition.
- (ii) In case of stores and spares (includes consumable held for use in production) at weighted average cost plus direct expenses incurred in bringing the inventories to their present location and condition.
- (iii) In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.
- (iv) In case of finished goods at raw material cost plus conversion costs and other overheads incurred to bring the goods to their present location and condition.
- (v) In the case of by products at estimated realisable value.

Net Realisable Value is the estimated selling price in ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sales.

(iii) Property, Plant and Equipment

Recognition and measurement

Property, plant and equipment are recognized at cost, net of accumulated depreciation and impairment, if any other than freehold land which is stated at cost..

Cost includes its purchase price net of recoverable taxes. It includes other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and the borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria is met.

Subsequent cost relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the statement of profit and loss when incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Repairs and maintenance costs are charged to the statement of profit and loss when incurred.

Advances paid towards the acquisition of Property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before each balance sheet date are disclosed under 'Capital work-in-progress'.

On transition to Ind As, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April, 2015 measured as per previous GAAP and use that carrying value as its deemed cost of the property, plant and equipment.



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year ended March 31, 2020

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or retirement of the assets. The cost and the related accumulated depreciation are eliminated from the financial statements upon disposal or retirement of the asset and resultant gains or losses are recognized in the statement of Profit and Loss.

(iv) Intangible Assets

Recognition:

Intangible assets are recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow; and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible asset comprises of its purchase price, net of recoverable taxes and any directly attributable cost of preparing the asset for its intended use.

Following initial recognition, intangible assets with finite useful life are carried at cost less any accumulated amortization and impairment losses, if any.

Derecognition

An intangible asset is derecognised upon disposal or retirement of the asset. The cost and the related accumulated amortization are eliminated from the financial statements upon disposal or retirement of the asset and resultant gains or losses are recognized in the statement of Profit and Loss.

(v) Depreciation and Amortization

Depreciation is provided on Property, plant and equipment other than freehold land over the useful life prescribed in Schedule II to the Companies Act, 2013 as per the written down value method except in respect of Plant and Machinery which are depreciated as per straight line method. However useful life of sugar rollers under the head of Plant and Machinery has been estimated at three years based on the technical estimates, which is different from the life specified in Part C of Schedule II of the Companies Act, 2013.

Capital spares directly attributable to the assets are depreciated with the cost of the assets.

Assets costing not more than Rs.5000 are fully depreciated in the year of their acquisition.

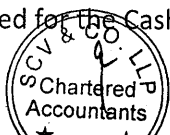
Depreciation method, useful lives and residual values are reviewed at each financial year end.

Intangible assets are amortized on straight line method over the expected duration of benefits not exceeding ten years. For useful life of intangible asset, refer footnote (iii) of note no. 4 of the financial statements.

Amortization method and useful rules are reviewed at each financial year end.

(vi) Impairment of Non-Financial Assets

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



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year ended March 31, 2020

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

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

(vii) Employee Benefits

(i) Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees and recognized as an expense during the period when employees render the services.

(ii) Post Employment Benefits

(a) DEFINED CONTRIBUTION PLAN

Provident Fund:-

The Company Contributions to provident fund a defined contribution plan through a trust 'The Saraswati Sugar Syndicate Ltd. Employee's Provident Fund Trust' and recognized the contribution as an expense when the employee renders the related services.

(b) DEFINED BENEFIT PLANS

Gratuity:-

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The company fully contributes all ascertained liabilities to the "Saraswati Sugar Mills Employee's Group Gratuity Cum Life Insurance Scheme Trust" (The Trust). Trustees administer contributions made to the trust and the contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Law.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.



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(iii) Other long term employee benefits-Leave Encashment

The expected cost of accumulated leaves is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date.

Re-measurement as a result of past experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

(viii) Income Taxes

Income tax expense comprises current tax and deferred income tax. Income tax expense is recognised in statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

Deferred income tax assets and liabilities are recognized using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

A deferred income tax asset is recognized to the extent, it is probable that future taxable profit will be available against where the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternative tax (MAT) credit is recognised only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period and is grouped under deferred tax asset.

(ix) Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

(x) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be

SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year ended March 31, 2020

required to settle the obligation or a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed when a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed, when possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liabilities and assets are not recognized but are disclosed in notes.

(xi) Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit for the period attributable to the equity share holders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit for the period attributable to the equity share holders by the weighted average number of shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

(xii) Government Grants

Government grants are not recognized until there is reasonable assurance that all attached conditions will be complied with and the grant will be received.

When the grant relates to an expense item, it is shown as net of related expense except

- (i) where recognition is postponed in absence of reasonable assurance of its ultimate collection
- (ii) where the related expense is not directly identifiable.

In such cases, the grant is presented in the 'Other Income'.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement to profit or loss on a straight line basis over the expected useful life of related assets and presented within other income.

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



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(xiii) Financial instruments

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

Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivable which is initially measured at trade price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

For the purposes of subsequent measurement financial instruments are classified as follows:

Non derivative financial instruments:-

(i) Financial assets carried at amortized cost

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

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Investments in Equity Instruments at fair value through other comprehensive income

On Initial recognition the company can make an irrevocable election for its investments, which are classified as equity instruments and which are not held for trading, to present the subsequent changes in fair value in other comprehensive income.

(iv) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(vi) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and buy back of equity shares and share options are recognized as a deduction from

SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year ended March 31, 2020

equity, net of any tax effects.

Derecognition of financial instrument

a) A financial asset (or, a part of a financial asset) is primarily derecognized when:

- (i) The contractual right to the cash flows from the financial asset expires, or
- (ii) The company transfers its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

b) A financial liability (or a part of financial liability) is derecognized when obligation specified in the contract is discharged or cancelled or expires.

(xiv) Impairment of Financial Assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

(xv) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with a original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(xvi) Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the company's Board of Directors.

(xvii) Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities.

(xviii) Leases

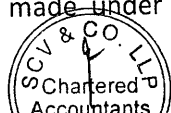
A. Policy applicable before April 1, 2019

The Company as a lessee

(i) Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

(ii) Leases in which a significant portion of risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases.

Payments made under operating leases are recognised to the statement of Profit and Loss on



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year ended March 31, 2020

straight line basis over the period of the lease unless the payments are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

The Company as a lessor

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

B. Policy applicable after April 1, 2019

The Company has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach. The adoption of this standard does not have any significant impact on the profit and earning per share of the current period.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and Building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for which underlying asset is of low value. For these short-term and leases for which underlying asset is of low value, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year ended March 31, 2020

The Company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Note 2.3: Recent Amendments in Ind AS

Ministry of corporate affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which would be applicable w.e.f. 1st April, 2020.

Note 2.4: Current – non-current classification

All assets and liabilities have been classified as current and non-current on the basis of the following criteria:

Assets

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

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or use to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

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

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterpart, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities

All other liabilities are classified as non-current

Operating cycle

Operating cycle is the time between the acquisition of assets for processing/servicing and their realisation in cash or cash equivalents.



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Note 3: Use of estimates and judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and reported amount of revenue and expense during the period.

Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amount of assets or liabilities in future period.

Critical accounting estimates, Judgements and assumptions

i. Income taxes

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in financial statement.

ii. Defined Benefit Plans

The cost of defined benefit plans and the present value of obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, defined benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

iv. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of property, plant and equipment are determined by the management based on technical assessment by internal team and external advisor. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The Company believes that the useful life best represents the period over which the Company expects to use these assets.

v. Estimation of uncertainties relating to the global health pandemic from COVID-19

Consequent to the outbreak of COVID-19 pandemic, the Government of India and State Governments declared lockdown restrictions which impacted business in general. However since, the Company is engaged in manufacturing of essential commodities, the activities of the Company were carried out normally under the directives issued by Government authorities. Owing to lockdown, demand for sugar was reduced to some extent which is gradually coming to its normal level. The Company's capital and financial resources have not impacted. The Company has considered on the basis of internal and external sources of information the possible effects on recoverability of its receivables and other assets. The Company, as on date expects that the carrying amount of these assets will be realized. The Company will continue to monitor any material changes to future economic conditions.



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Note 4 (a) : Property, Plant and Equipment

Carrying value of Property, Plant and Equipment

Particulars	As at March 31, 2020	As at March 31, 2019
Freehold land	2,642.73	2,642.73
Buildings and Roads	411.73	448.94
Plant and Machinery	7,918.81	7,914.25
Furniture and Fixtures	9.30	11.78
Vehicles	69.26	67.81
Office Equipment	77.31	45.78
Total	11,129.15	11,131.29

Property, Plant and Equipment

Particulars	Freehold land	Buildings and Roads	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross carrying value							
At April 1, 2018	2,642.73	647.75	9,567.96	16.37	90.08	88.38	13,053.27
Additions		45.41	323.43	7.19	46.62	27.55	450.20
Disposals		0.07	18.94	1.88	11.79	1.41	34.10
At March 31, 2019	2,642.73	693.09	9,872.45	21.68	124.92	114.52	13,469.38
At April 1, 2019	2,642.73	693.09	9,872.45	21.68	124.92	114.52	13,469.38
Additions		20.47	585.83	1.40	29.11	67.24	704.05
Disposals		21.26	88.48	0.30	8.40	1.57	120.02
At March 31, 2020	2,642.73	692.30	10,369.79	22.78	145.62	180.18	14,053.41
Accumulated Depreciation							
At April 1, 2018		191.47	1,442.93	8.18	48.62	46.02	1,737.22
Depreciation charge for the year		52.68	519.28	2.82	17.22	23.74	615.74
Disposals		-	4.01	1.11	8.74	1.02	14.88
At March 31, 2019	-	244.15	1,958.20	9.90	57.10	68.74	2,338.09
At April 1, 2019		244.15	1,958.20	9.90	57.10	68.74	2,338.09
Depreciation charge for the year		49.47	519.30	3.71	25.85	35.23	633.56
Disposals		13.05	26.52	0.13	6.59	1.09	47.38
At March 31, 2020		280.57	2,450.98	13.48	76.37	102.87	2,924.27
Net carrying value							
At March 31, 2020	2,642.73	411.73	7,918.81	9.30	69.26	77.31	11,129.15
At March 31, 2019	2,642.73	448.94	7,914.25	11.78	67.81	45.78	11,131.29

Note:

- (i) Contractual Commitment towards purchase of Property, Plant and Equipment, Refer Note No. 38
(ii) Borrowing cost capitalised during the year is nil (previous year nil).
(iii). The Company had adopted deemed cost exemption i.e. to continue with the carry value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per previous GAAP, as per Para D7AA of Ind AS 101 'First-time Adoption of Indian Accounting Standards' on transition to Ind AS. Accordingly, carrying value of all of its property, plant and equipment as on transition date i.e. 1st April, 2015 was deemed as gross block as on that date with accumulated depreciation as Nil. During the current year, the Company has restated its gross block of property, plant and equipment as on 31st March, 2018 and 31st March, 2019 with corresponding adjustment in accumulated depreciation, to give effect to the exemption cited above which the Company had adopted on transition to Ind AS. This restatement as stated above, has no impact on net block of property, plant and equipment for the aforesaid years.
(iv) For assets charged as security, please refer note no. 48



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 4 (b) : Right of use asset

Carrying value of Right of use asset (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Land	14.61	-
Total	14.61	-

Right of use asset (Land)

Particulars	Amount
Gross carrying value	
At April 1, 2019	-
Reclassified on account of adoption of Ind AS 116 (refer note (i) below)	16.10
Additions	5.48
Disposals	-
At March 31, 2020	21.58
Accumulated Depreciation	
At April 1, 2019	-
Depreciation charge for the year	6.97
Disposals	-
At March 31, 2020	6.97
Net carrying value	
At March 31, 2020	14.61
At March 31, 2019	-

Note:

(i) Transition as per Ind AS 116

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and has taken the cumulative adjustment to retained earnings on the date of initial application i.e. April 1, 2019. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and the Right of Use Asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs. 16.10 Lakhs, and a lease liability of Rs. 12.94 Lakhs. The cumulative effect of applying the standard, amounting to Rs. Nil has been adjusted to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
2. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
3. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
4. The difference between the lease obligation as at and for the year ended 31 March 2019 and the value of the lease liability as of April 1, 2019 is primarily on account of discounting the lease liabilities to the present value under Ind AS 116 and adjustment of prepaid payments relating to that lease recognised in the balance sheet immediately before the date of initial application.
5. The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9% p.a.
- Refer Note 45 for other disclosures related to leases.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 4 (c) : Other intangible assets

Carrying value of other intangible assets (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Computer Softwares	51.87	7.26
Total	51.87	7.26

Other Intangible Assets (Computer Softwares)

Particulars	Amount
Gross carrying value	
At April 1, 2018	8.06
Additions	6.01
Disposals	-
At March 31, 2019	14.07
At April 1, 2019	14.07
Additions	50.71
Disposals	-
At March 31, 2020	64.78
Accumulated Depreciation	
At April 1, 2018	4.99
Depreciation charge for the year	1.82
Disposals	-
At March 31, 2019	6.81
At April 1, 2019	6.81
Depreciation charge for the year	6.10
Disposals	-
At March 31, 2020	12.91
Net carrying value	
At March 31, 2020	51.87
At March 31, 2019	7.26

Note:

(i) Computer Softwares are amortized over a period of five years.

(ii) Intangible assets are not internally generated.

(iii). The Company had adopted deemed cost exemption i.e. to continue with the carry value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind ASs, measured as per previous GAAP, as per Para D7AA of Ind AS 101 'First-time Adoption of Indian Accounting Standards' on transition to Ind AS. Accordingly, carrying value of intangible assets as on transition date i.e. 1st April, 2015 was deemed as gross block as on that date with accumulated depreciation as Nil. During the current year, the Company has restated its gross block of intangible assets as on 31st March, 2018 and 31st March, 2019 with corresponding adjustment in accumulated depreciation, to give effect to the exemption cited above which the Company had adopted on transition to Ind AS. This restatement as stated above, has no impact on net block of intangible assets for the aforesaid years.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 5 : Non current Financial Assets-Investments

(Rs.in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	-	-

Note 6 : Non current Financial Assets-Loans

(Rs.in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
i) Secured, considered good		
- Loans to employees (Loans to employees are secured by way of hypothecation of vehicles)	5.21	12.41
ii) Unsecured, considered good		
- Loan to Employees	3.71	5.17
- Security deposits	-	-
Total	8.92	17.59

Also refer note 41(a) for classification of financial assets

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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note : 7 Deferred Tax Assets/(Liabilities) (Net)

7.1 The balance comprises temporary differences attributable to: (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred Tax (Liabilities)		
Property, Plant and Equipment	1,238.22	964.64
Unamortized processing charges on term loans	10.12	-
	1,248.33	964.64
(b) Deferred Tax Assets		
Provision for Leave Encashment	33.85	49.46
Provision for Pension	37.75	60.31
Trade receivables (Allowance for doubtful debts)	19.94	27.69
Provision for Local Area Development Tax	58.48	81.20
Punjab Labour Welfare Fund	0.24	0.06
Net deferred tax Assets/(Liabilities)	150.26	218.71
Net deferred tax Assets/(Liabilities)	(1,098.06)	(745.94)

7.2 Movement in Deferred tax (Liabilities)/Assets (Rs. in Lakhs)

Particulars	Property Plant and Equipment	Investment	Employee Benefit	Other	Total
At April 1, 2018	(895.80)	16.71	110.07	106.42	(662.60)
(Charged)/credited:-					
-to profit & loss	(68.84)	-	(0.31)	2.52	(66.63)
-to other Comprehensive Income	-	(16.71)			(16.71)
At March 31, 2019	(964.64)	-	109.76	108.95	(745.94)
At April 1, 2019	(964.64)	-	109.76	108.95	(745.94)
(Charged)/credited:-					
-to profit & loss	(273.57)		(38.17)	(40.39)	(352.13)
-to other Comprehensive Income	-		-		-
At March 31, 2020	(1,238.22)	-	71.59	68.55	(1,098.06)

Deferred tax assets and liabilities have been set off as they are governed by the same taxation laws.

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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 8 : Other Non current Assets

(Rs. In Lakhs)

Particulars	(Rs. In Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
- Capital advances	16.50	-
- Security Deposits	53.06	43.06
- Deposits with Post Office*	0.60	0.60
Total	70.16	43.66

* Deposits with post office saving account have been pledged as security with cane Commissioner Haryana.

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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 9 : Inventories

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
At cost or net realizable value whichever is lower		
(a) Stores and Spare parts	539.26	540.20
(b) Material in transit	-	-
(b) Raw Material-Sugar Cane	84.48	15.24
(c) Work-in-Progress: - Sugar	111.68	148.42
(d) Finished Stock: - Sugar	41,321.74	36,698.44
-Molasses	1,087.36	139.45
Total	43,144.52	37,541.75

Note

- (i) The amount of inventories recognised as an expense during the year is Rs.48544.27 lakhs (Previous Year Rs. 48615.80 lakhs)
- (ii) Finished goods are written down from its cost to net realisable value by Rs. Nil (Previous year Rs. 684.73 Lakh)
- (iii) For inventories pledged as security, please refer note no. 48
- (iv) The method of valuation has been stated at note 2.4

Note 10 : Current Financial Assets-Trade Receivables

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables		
- Trade Receivables considered good - Secured	-	-
- Trade Receivables considered good - Unsecured	168.43	739.49
- Trade Receivables - credit impaired	79.23	79.23
Less: Allowances for credit losses	(79.23)	(79.23)
Total	168.43	739.49

- a) Includes dues from firms or private companies in which director is a partner or member
- b) Includes dues from holding company

Nil Nil
Nil Nil

For trade receivables pledged as security, please refer note No. 48
Refer note 41(a) for classification of financial assets
Refer note 42 for detail of credit risk and expected credit loss.



SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 11 : Current Financial Assets-Cash and Cash Equivalents

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and Cash Equivalents		
(i) Balances with Banks		
-in current accounts	1,623.82	2,287.13
(ii) Cash in hand	1.28	3.88
Total	1,625.09	2,291.01

Also refer note 41(a) for classification of financial assets

Note 12 : Current Financial Assets-Bank Balances other than Cash and Cash Equivalents

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits with original maturity upto twelve months	-	13.22
Total	-	13.22

Note 13 : Current Financial Assets-Loans

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Secured considered good		
- Loans to Employees	1.49	3.23
(ii) Unsecured, considered good		
- Loans to Employees	20.59	24.97
Total	22.08	28.19

Also refer note 41(a) for classification of financial assets



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SARASWATI SUGAR MILLS LIMITED**Notes to Financial Statements for the year March 31, 2020****Note 14 :Current Financial Assets-Others****(Rs.in lakhs)**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
(a) Interest accrued but not due	1.31	1.95
(b) Others		
- Subsidy Recoverable from Government	4,847.45	-
- Interest Subvention on Term Loan Recoverable	389.91	-
Total	5,238.67	1.95

Also refer note 41(a) for classification of financial assets

Note 15 : Other Current Assets**(Rs.in lakhs)**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
(a) Unsecured, considered good		
(i) Advances other than Capital Advances		
- Related Parties	-	-
- Others		
- Store Purchases	7.77	28.42
- Contractors/Others	15.06	8.18
- Cane Suppliers	83.32	22.14
(ii) Fair Value of plan assets (net of liability) (Refer Note 31.1)	212.16	301.51
(iii) Others		
- Prepaid Expenses	83.23	111.01
- Balances with Excise & Customs/GST Recoverable	27.63	27.33
Total	429.17	498.58

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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 16 : Equity Share Capital

Equity Share Capital		(Rs.in lakhs)	
Particulars	As at March 31, 2020	As at March 31, 2019	
Authorized 71,00,000 (Previous year 71,00,000) equity shares of Rs.10/- each	710.00	710.00	
Issued, Subscribed and fully paid up 70,99,900 (Previous year 70,99,900) equity shares of Rs.10/- each fully paid up	709.99	709.99	
Total	709.99	709.99	

Notes :

i) Rights, preferences and restrictions attached to equity shares :

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each share holder is entitled to one vote per share. The dividend if any proposed by the Board of Directors will be subject to approval of the share holders in the ensuing Annual General Meeting. In the event of the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion of number of equity shares held by each equity share holder.

ii) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting Year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	(Rs.in lakhs)	No. of shares	(Rs.in lakhs)
Equity shares outstanding at the beginning of the Year	70,99,900	709.99	70,99,900	709.99
Add : issued during the Year	-	-	-	-
Less : shares bought back	-	-	-	-
Equity shares outstanding at the close of the Year	70,99,900	709.99	70,99,900	709.99

iii) Shares held by holding company and shareholders holding more than 5% shares in the Company

Class of Shares / Names of Shareholder:	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Equity Shares with voting rights - Isgec Heavy Engineering Limited and its nominees	70,99,900	100%	70,99,900	100%

iv) Aggregate number and class of shares allotted (a) as fully paid up pursuant to contract(s) without payment being received in cash, (b) as fully paid up by way of bonus shares and (c) aggregate number and class of shares bought back during the period of five years immediately preceding the balance sheet date:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	-	Number	-
a) Equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-
b) Equity shares allotted as fully paid up by way of bonus shares	-	-	-	-
c) Equity shares bought back by the company.	-	-	-	-



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020
Note 16.1 Other Equity

(Rs.in lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
A. Reserve and Surplus		
(i) Securities Premium		
Balance outstanding at the beginning of the year	6,300.00	6,300.00
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of year	6,300.00	6,300.00
(ii) General Reserve		
Balance outstanding at the beginning of the year	1,318.74	1,318.74
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of year	1,318.74	1,318.74
(iii) Retained Earnings		
Balance outstanding at the beginning of the year	13,125.88	12,188.95
Add:		
Net Profit for the period	2,112.78	936.93
Less: Appropriations		
Final Dividend for the year ended 31st March, 2019 @5/- per share	355.00	
Dividend Distribution Tax	72.97	
Balance outstanding at the close of the year	14,810.69	13,125.88
Total (A) (i+ii+iii)	22,429.43	20,744.62

Particulars	As at	As at
	March 31, 2020	March 31, 2019
B. Other Reserves		
(i) Equity Instruments through OCI		
Balance outstanding at the beginning of the year	-	234.40
Add: Additions during the year	-	(234.40)
Less: Utilised during the year	-	-
Balance outstanding at the end of year	-	-
(ii) Other items of Other Comprehensive Income (Defined benefit plan)		
Balance outstanding at the beginning of the year	5.73	47.00
Add: Changes during the year	(55.15)	(41.27)
Balance outstanding at the end of year	(49.42)	5.73
Total (B) (i+ ii)	(49.42)	5.73

Grand Total (A+B) **22,380.01** **20,750.36**

Note 16.2 : Nature and Purposes of Reserves

Securities Premium

This represents amount of premium recognised on issue of shares to shareholders at a price more than its face value. The reserve can be utilised in accordance with the provisions of the Companies Act 2013.

General Reserve

This represents retained earnings which are kept aside out of company's profit. It is a free reserve which can be utilized to meet any future contingencies and to pay dividend to shareholders.

Retained Earnings

Retained earnings refer to net earnings not paid out as dividend but retained by the company to be reinvested in its core business. The amount is available for distribution of dividend to its equity shareholders.

Reserve for other items through Other comprehensive income

(i) Fair Value through Other Comprehensive Income - Equity Investment

The company has elected to recognise changes in fair value of certain investments in equity instruments through OCI as Other Reserves. This reserves represent the cumulative gains or losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income net of amount reclassified to retained earnings when these assets have been disposed off.

(ii) Other items of Other Comprehensive Income (Defined benefit plan)

The reserve represents cumulative gains and losses on remeasurement of defined benefit plan net of taxes. The balance in Other Comprehensive income can be transferred to Other Components of equity i.e. retained earnings as and when the company decides to do so.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 17 : Non-Current Financial Liabilities - Borrowings

Particulars	(Rs.in lakhs)	
	As at March 31, 2020	As at March 31, 2019
(a) Secured (Refer Note 17.1)		
Term Loan From Bank		
- Term Loan from Banks	4,785.31	-
(Under Central Government Scheme of Soft Loan to sugar mills to facilitate payment of cane dues for the sugar season 2018-19)		
(Net of Unamortised Processing Charges of Rs. 40.19 Lakhs (Previous Year Rs. Nil))		
Total	4,785.31	-

Also refer note 41(a) for classification of financial liabilities

Note 17.1 (a) : Terms of Repayment of Borrowings are as follows:

Title	Term Loan outstanding as on 31 March, 2020	Current maturity of Long Term Debts	Net	Rate of Interest and Terms of Repayment
				(Rs.in lakhs)
Soft Loan State Bank of India	4695.00	1173.75	3521.25	Rate of Interest@10.75%. The loan is repayable in 16 equal quarterly instalments, after moratorium period of 1 year. Instalment of Rs.293.44 lakh each will start from June, 2020 and will end in March, 2024.
Soft Loan From Corporation Bank	1739.00	434.75	1304.25	Rate of Interest@13%. The loan is repayable in 16 equal quarterly instalments, after moratorium period of 1 year. Instalment of Rs.108.69 lakh each will start from June, 2020 and will end in March, 2024.
Total	6434.00	1608.50	4825.50	The Government will bear interest burden upto 7% simple interest or actual rate of interest charge by the bank which ever is less for maximum period of one year starting from May 2019 by way of interest subvention.
(Previous Year)	(Nil)	(Nil)	(Nil)	

Note 17.1 (b) : Soft Loan is secured by way of first *pari passu* charge on fixed assets including plant & machinery, furniture & fixtures, office equipments etc. and by way of equitable mortgage of immovable properties including land and building situated at Yamunanagar, and second *pari passu charge* by way of hypothecation on entire current assets of the Company, present and future.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 18 : Non-Current Lease liabilities

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
-Lease Liabilities (also refer note 45)	6.07	-
Total	6.07	-

Also refer note 41(a) for classification of financial liabilities

Note 19 : Non-Current Liabilities-Provisions

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employees Benefits:		
-Provision for Pension (Unfunded)	120.98	144.87
-Provision for Leave Encashment (Unfunded)	117.36	117.50
Total	238.33	262.36

Note 20 : Other Non Current Liabilities

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
- Deferred Government Grant (Refer Note: 20.1)	29.67	32.63
Total	29.67	32.63

Note : 20.1 "Moist Heat Air Treatment" (MHAT) plant and other agricultural implements for cane development worth Rs. 44.50 Lakhs received free of cost under a scheme of Haryana Government. There are no unfulfilled conditions or other contingencies attached to these grants.

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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 21 : Current Financial Liabilities-Borrowings

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
i) Secured		
(a) Loans repayable on demand		
- Cash credit (Refer Note 21.1(a), (b))	701.80	9,085.51
- Working Capital Demand Loan (WCDL)	15,540.74	4,499.45
- (Refer Note 21.1(c))		
(b) Soft Loan from Bank (Refer Note 21.2) (Under Central Government Scheme of Soft Loan to sugar mills to facilitate payment of cane dues for the sugar season 2018-19)	228.58	-
Total	16,471.12	13,584.96

Also refer note 41(a) for classification of financial liabilities

Note 21.1

a) Secured by pledge of sugar and gunny bags in the mill and hypothecation of inventories and by charge on book debts, and first charge on fixed assets of the Company.

b) Cash Credit Limit is repayable on demand

c) WCDL was taken as sub limit under Cash Credit limit. Detail of WCDLs is given below:-

- (i) Rs.8840.74 lakh from SBI @9.05%. Repayment due on 31st July, 2020.
- (ii) Rs.3000 lakh from Corporation Bank @8.40%. Repayment due on 31st May, 2020.
- (iii) Rs.1200 lakh from Corporation Bank @8.30%. Repayment due on 17th June, 2020.
- (iv) Rs.2500 lakh from HFDC Bank Ltd. @8.00%. Repayment due on 28th June, 2020.

Note 21.2

(i) Soft Loan was disbursed by Punjab National Bank @10.75% p.a. under Central Government Scheme of Soft Loan to sugar mills to facilitate payment of cane dues for the sugar season 2018-19. Tenure of the soft loan is one year. Repayment is due on 30th June, 2020.

(ii) Soft Loan was carved out by the Bank within the sanctioned Cash Credit limit.

(iii) The Government will bear interest burden upto 7% simple interest or actual rate of interest charge by the bank which ever is less for maximum period of one year by way of interest subvention.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 22 : Current Financial Liabilities: Trade payables

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Total outstanding dues of micro enterprises and small enterprises.	12.16	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) To Store Suppliers	188.14	142.00
(ii) To Others (Including Cane Suppliers)	11,511.04	14,867.49
(iii) To Related Parties (refer note 43)	7.19	201.51
Total	11,718.53	15,211.00

Note 22.1 : Trade Payables to Micro and Small Enterprises

Particulars	As at March 31, 2020	As at March 31, 2019
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	12.16	Nil
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

Note: The amounts have been determined to the extent such parties have been identified on the basis of information available with the company and relied upon by the auditors.

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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 23 (a): Current Lease liabilities

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liabilities (also refer note 45)	4.75	-
Total	4.75	-

Note 23 (b) : Current Financial Liabilities: Others

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Current maturities of non current debts*	1,608.50	-
(b) Interest accrued but not due on borrowings	44.95	-
(c) Creditors for Capital Expenditure:	-	-
-Related Parties	-	18.05
-Others	-	154.80
(d) Payable to employees	306.47	313.13
(e) Security deposits received	549.36	468.37
(f) Payable to Sugar Agents	0.02	0.02
Total	2,509.30	954.37

*For detail of current maturities of long term debt please refer Note 17.1
 Also refer note 41(a) for classification of financial liabilities

Note 24 : Other Current Liabilities

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Statutory Remittances:		
- Statutory Dues	578.79	492.67
(b) Advances received from customers	1,318.99	395.96
(c) Deferred Government grants (Refer Note no. 20.1 & 21.2)	2.97	2.97
(d) Other payables	235.07	218.54
Total	2,135.82	1,110.14

Note 25 : Current Liabilities- Provisions

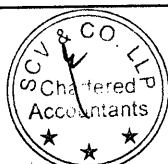
(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employees Benefits:		
(i) Provision for Leave Encashment (Unfunded)	17.12	24.03
(ii) Provision for pension (Unfunded)	29.00	27.72
Total	46.12	51.75

Note 26 : Current Tax Liability/(Asset)

(Rs.in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax asset (Net of provision for taxation)	142.49	634.90
Income tax liabilities (Net of advance tax)	132.95	(0.00)
Net Tax Liability/(Asset)	(9.54)	(634.90)



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020
Note 27 : Revenue from Operations

(Rs.in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of Products:		
- Sugar	49,963.08	52,125.10
- Molasses	3,474.04	1,566.46
- Bagasse	1,919.56	2,008.06
- Press Mud	57.45	69.40
Grand Total	55,414.14	55,769.01

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2020 by offerings and contract-type.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Type of Product		
- Sugar	49,963.08	52,125.10
- Molasses	3,474.04	1,566.46
- Bagasse	1,919.56	2,008.06
- Press Mud	57.45	69.40
Total	55,414.14	55,769.01

Total Revenue from Contracts with Customers

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Customers based in India	55,414.14	55,769.01
Revenue from Customers based outside India	-	-
Total	55,414.14	55,769.01

Timing of Revenue Recognition

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from goods transferred to customers at a point in time	55,414.14	55,769.01
Revenue from goods transferred to customers over time	-	-
Total	55,414.14	55,769.01

(ii) Trade receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as receivable.

The balances of trade receivables and advance from customers at the beginning and end of the reporting period have been disclosed at note no. 10 and 24 respectively.

The revenue recognised during the year ended 31st March 2020 includes revenue against advances from customers amounting to Rs. 365.66 lakhs (previous year Rs.307.15 Lakh) at the beginning of the year.

(iii) Set out below is the amount of revenue recognised against advances from customers

Particulars	For the year ended 31-03-2020	For the year ended 31-03-2019
(a) Amounts included in contract liabilities at the beginning of the year	395.96	307.15
(b) Amount received against contract liability during the year	1288.68	395.96
(c) Performance obligations satisfied during the year	365.66	307.15
(d) Amounts included in contract liabilities at the end of the year= (a+b)-c	1318.98	395.96

The revenue of Rs. Nil (previous year Rs. Nil) has been recognised during the year ended 31st March 2020 against performance obligations satisfied (or partially satisfied) in previous periods.

(iv) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2020 is Rs. Nil (previous year Nil).



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SARASWATI SUGAR MILLS LIMITED**Notes to Financial Statements for the year March 31, 2020****Note 28 : Other Income****(Rs.in lakhs)**

Particulars	For the year	For the year
	ended	ended
	March 31, 2020	March 31, 2019
(a) Interest income	54.08	15.38
(b) Net gain on sale of investments carried at fair value through profit or loss	66.24	156.64
(c) Sale of scrap and waste	32.98	34.03
(d) Miscellaneous receipts	1.78	17.42
(e) Unclaimed balances written back	1.09	4.99
(f) Government Grant *	4,723.53	2,987.57
(g) Government Grant (on account of fair valuation of Interest free loan)	-	61.01
(h) Insurance claims	1.34	19.98
(i) Lease and rent receipts (also refer note 45)	2.35	2.29
(j) Provisions no longer required written back	10.15	17.81
Total	4,893.54	3,317.11

*Subsidy from Central and State Government towards-

- reimbursed of interest by the Govt. on term loan.
- cane cost reimbursed by the Govt. to the extent not reduced from 'Raw material consumption'.
- reimbursement of Interest, storage and insurance cost related to buffer stock
- cost related to export of sugar under maximum admissible export quantity (MAEQ).



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 29 : Raw Material Consumption

(Rs.in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Cost of raw material consumed		
- Cane consumed*	52,259.95	58,043.17
Total	52,259.95	58,043.17

* Subsidy amounting to Rs. 2598.80 Lakhs from Central and State Government towards cane cost has been reduced from cane cost to the extent of cane crushed during the financial year 2019-20 (Previous year Rs.3276.74 Lakh)

Detail of Raw Material Consumed

Type of Material	Quantity (Quintal)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Sugar Cane	1,59,45,080	1,80,13,462

Note 30 : Changes in inventories of finished goods and work in progress

(Rs.in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Less: Opening Stock :		
Finished stock	36,837.89	25,050.99
Work-in-Progress	148.42	112.81
Total	36,986.31	25,163.81
Closing Stock: :		
Finished stock	42,409.10	36,837.89
Work-in-progress	111.68	148.42
Total	42,520.78	36,986.31
Net(Increase)/Decrease	(5,534.47)	(11,822.50)



Ref

Note 31 : Employee benefit expenses

Particulars	(Rs.in lakhs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Salary Wages and Bonus	2,684.56	2,692.81
(b) Contribution to Provident Fund and other funds	222.26	213.69
(c) Workmen and Staff welfare expenses	142.92	131.89
Total	3,049.74	3,038.39

Note 31.1: Detail of Employee Benefit Expenses

The disclosures required by Ind- AS-19 "Employee Benefits" are as under:

(a) Defined Contribution Plan

The employer contribution to Provident Fund is Rs 98.39 Lakhs (Previous Year Rs.94.00 Lakhs). The fund is administered by Trust managed by the Group. Contribution to Regional Provident Fund Commissioner on account of Family Pension Scheme is Rs. 70.80 Lakhs (Previous Year Rs. 74.63 Lakhs). The contributions during the year have been included under the head 'Contribution to Provident Fund and other funds' above.

(b) Defined Benefit Plan

The Company sponsors funded defined benefit plan for qualifying employees. This defined benefit plan of gratuity is administered by a separate trust that is legally separate from the entity. The trust is responsible for investment policy with regard to the assets of the trust and the contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Law. The liability for employee gratuity is determined on actuarial valuation using projected unit credit method.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

The amounts included in balance sheet and statement of profit and loss in respect of defined benefit plan are as under:

Particulars	(Rs.in lakhs)	
	2019-20	2018-19
1. Movement in Present Value of Obligation		
Present value of obligation at the beginning of the period	1,064.98	1,055.29
Acquisition cost	-	-
Interest cost	77.96	80.20
Current service cost	48.91	48.04
Benefits paid	(201.15)	(132.55)
Actuarial (gain)/loss on obligation	56.58	14.00
Present value of obligation at end of period	1,047.28	1,064.98
2. Movement in Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the period	1,366.49	1,402.67
Interest Income	100.03	106.60
Contributions (including mortality charges)	11.19	6.35
Benefits paid	(201.15)	(132.55)
Remeasurement- Return on plan assets excluding amount included in interest income	(17.11)	(16.58)
Fair value of plan assets at the end of the period	1,259.45	1,366.49
3. The amount included recognised in Balance Sheet		
Present value of obligation as at end of the period	1,047.28	1,064.98
Fair value of plan assets as at the end of the period	1,259.45	1,366.49
Surplus/(Deficit)	212.17	301.51
Effect of asset ceiling if any	-	-
Net Asset/(liability) recognised in Balance Sheet	212.17	301.51
4. Amount recognised in Statement of Profit and loss.		
a. Current service cost	48.91	48.04
b. net interest on net defined benefit liability/(asset)	(22.07)	(26.40)
Expenses recognised in the statement of Profit & Loss #	26.84	21.64
5. Amount recognised in other comprehensive income		
a. Actuarial gain / (loss)	(56.58)	(14.00)
b. Remeasurement- Return on plan assets excluding amount	(17.11)	(16.58)
Amount recognised in other comprehensive income	(73.69)	(30.58)
6. Bifurcation of Actuarial Gain/Loss on obligation.		
a. Actuarial (Gain)/Loss on arising from change in Demographic	-	-
b. Actuarial (Gain)/Loss on arising from change in Financial	19.06	37.29
c. Actuarial (Gain)/Loss on arising from change in Experience	37.52	(23.29)
7. Maturity Profile of Defined Benefit Obligation		
1. Within the next 12 months (next annual reporting period)	129.45	153.93
2. Between 1 and 5 years	626.31	321.20
3. Between 6 and 10 years	291.52	589.85

The expense recognized in the statement of profit and loss during the year have been included under the head 'Salaries and Wages' above.

Note 31 cont....



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8. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity is computed by varying one actuarial assumption used for valuation of defined benefit obligation by 0.50% keeping all other actuarial assumptions constant. There is no change from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

Quantitative sensitivity analysis for significant assumptions is as below		
(i). Impact of the change in discount rate		
Present Value of Obligation at the end of the period	1,047.28	1,064.98
a. Increase due to increase of 0.50 %	(22.76)	(24.02)
b. Decrease due to decrease of 0.50 %	23.75	25.09
(ii) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	1,047.28	1,064.98
a. Increase due to increase of 0.50 %	23.72	25.16
b. Decrease due to decrease of 0.50 %	(22.95)	(24.31)

9. Major categories of plan assets (as percentage of total plan assets)					
Insurer Managed Funds		100%		100%	
10. Principal assumptions used for the purpose of actuarial valuation					
a) Economic Assumptions					
i. Discounting Rate		6.90		7.32	
ii. Expected rate of salary increase		6.50		6.50	
b) Demographic Assumption					
i) Retirement Age (Years)		60		60	
ii) Mortality rates inclusive of provision for disability		100% of IALM (2012-14)		100% of IALM (2006 - 08)	
iii) Attrition at Ages		Withdrawal Rate (%)		Withdrawal Rate (%)	
Up to 30 Years		3		3	
From 31 to 44 years		2		2	
Above 44 years		1		1	
11. Mortality Rates for specimen ages					
Age	Mortality Rate	Age	Mortality Rate	Age	Mortality Rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

12. The Company expects to contribute Rs. 40.29 Lacs to the gratuity trusts during the fiscal 2021

(c) Other long term employee benefits-Leave Encashment

Bifurcation of liability at the end of year in current and non current provision:

(Rs.in lakhs)

Particulars	Leave Encashment	
	2019-20	2018-19
Current liability (Amount due within one year)	17.12	24.03
Non-Current liability (Amount due over one year)	117.36	117.50
Total liability as at the end of year	134.48	141.53

The amounts recognized in Statement Of Profit and Loss

(Rs.in lakhs)

Particulars	Leave Encashment	
	2019-20	2018-19
Total Service Cost	15.10	11.77
Net Interest Cost	10.36	9.57
Net actuarial (gain) / loss recognized in the period	(13.98)	(0.03)
Expense recognized in the statement of profit and loss #	11.48	21.31

The expense recognized in the statement of profit and loss during the year have been included under the head 'Salaries and Wages' above.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 32 : Finance Cost

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest expenses on Borrowings		
-From Banks #	1,368.18	512.18
-From Others	125.98	81.90
(b) Other borrowing cost	60.85	97.07
Total	1,555.00	691.15

The interest cost amounting to Rs. 389.91 Lakhs (Previous Year: Nil) to be reimbursed by the Government (i.e. Govt. Grant) (by way of interest subvention on soft loans availed by the company has been reduced from the interest expense.

Note 33 : Depreciation and Amortisation expenses

(Rs.in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Depreciation on property, plant and equipment	633.56	615.72
(b) Amortisation of intangible assets	6.10	1.82
(c) Amortisation of right to use assets	6.97	-
Total	646.63	617.54

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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note : 34 Other expenses

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Consumption of store and spare parts	1,562.91	2,012.81
(b) Chemical consumed	255.88	382.32
(c) Power and Fuel	185.62	188.30
(d) Lease rent (also refer note 45)	18.04	10.54
(e) Repairs to :		
- Machinery	509.61	565.15
- Building	196.94	202.61
- Others	46.09	23.49
(f) Insurance	97.35	83.99
(g) Rates and Taxes	11.95	12.64
(h) Auditors Remuneration		
Audit Fee	4.00	4.00
Reimbursement of expenses	1.01	0.80
(i) Miscellaneous Expenses		
- Packing, Forwarding and Transportation	964.19	1,286.30
- Office and Miscellaneous Expenses	866.26	1,907.39
- Commission to Selling Agents and Others	101.83	116.55
- Legal expenses	7.73	5.46
- Loss on Property, Plant and Equipment sold and/or written off	42.07	8.68
- Loss on sale /write off stores	10.33	8.36
- Rebate and Discount	13.46	106.98
- Director Sitting and Other Expenses	0.45	0.64
- Corporate Social Responsibility (CSR) Expenses (Refer Note 46)	99.48	96.36
Total	4,995.18	7,023.35



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year March 31, 2020

Note 35 : Tax Expense

(A) Income Tax Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Current tax		
Current tax expense recognized in statement of profit and loss	870.74	493.61
Current tax expense recognized in other comprehensive Income	(18.55)	10.68
Adjustments for current tax of prior periods recognized in statement of profit and loss	-	(2.14)
Total Current tax expense	852.19	502.15
(b) Deferred tax		
Deferred tax expense recognized in statement of profit and loss	352.13	66.63
Deferred tax expense recognized in other comprehensive Income	-	16.71
Total Deferred Tax Expenses	352.13	83.34
Total Income tax Expense	1,204.32	585.49

(B) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	3,335.65	1,495.03
Tax at Indian tax rate of 25.168% (F.Y. 2018-19: 34.944%) (A)	839.52	522.42
Effect of expenses that are not deductible in determining taxable profits (B)	25.80	43.31
Effect of expenses that are deductible in determining taxable profits (C)	(18.55)	(21.77)
Change in Tax Rate (D)	(208.68)	6.43
Others (E)	566.24	35.08
Income Tax expenses	1,204.32	585.48

The applicable Indian corporate statutory tax rate for the year ended March 31, 2020 is 25.168% vis-à-vis 34.944% for the year ended March 31, 2019 as the company has elected to exercise the option permitted under section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 36 : Earnings Per Share

In accordance with Ind-AS 33 on 'Earnings Per Share', the following table reconciles the numerator and denominator used to calculate Basic and Diluted earning per Share:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Profit/(Loss) available to Equity Shareholders (Rs. In lakhs)	2,112.78	936.93
(b) Weighted Average number of Equity Shares	70,99,900	70,99,900
(c) Nominal value of Equity Shares (in Rs.)	10	10
(d) Basic and Diluted Earnings Per Share [(a)/(b)]*	29.76	13.20

* There are no potential equity shares.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 37 : Contingent Liabilities

Contingent Liabilities not provided for:

Particular	(Rs. In Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Claims against company not acknowledge as debt (including sales tax/excise duty under dispute)	1114.07	1092.16

Based on legal advice and discussions with the solicitors, the management believes that there is fair chance of decisions in the company's favour in respect of above contingent liabilities and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

Note 38 : Capital or other Commitments

Particular	(Rs. In Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	101.62	Nil

Note: 39 Operating Segments

The Company operates in only one segment of manufacture of Sugar and its by-products which comprises of production and sales of Sugar and its by-products identified in accordance with principles enunciated in Indian Accounting Standard AS-108, Operating Segments. Hence, separate business segment information is not applicable.

The Managing Director of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

Geographical information

The geography wise revenue and assets based on domicile of customer and location of assets respectively are as follows:

Particulars	Year ended	(Rs. in Lakhs)		
		With in India	Outside India	Total
Revenue from sale of products	31-Mar-20	55,414	0	55,414
	31-Mar-19	55,769	0	55,769

The company has business operations only in India and does not hold any asset outside India.

Detail of customers who individually accounted for more than 10% of the revenue from main product of the company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of customers	Total % of sales	No. of customers	Total % of sales
Customers who individually accounted for more than 10% of the revenue	2.00	28.00	-	-

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SARASWATI SUGAR MILLS LIMITED**Notes to Financial Statements for the year March 31, 2020****Note 40 : Capital Management****(a) Risk Management**

The primary objective of the Company's Capital Management is to maximize the return to stakeholders and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts. The Company is not subject to any externally imposed capital requirements.

The Company monitors capital using a gearing ratio, which is net debt (net of cash and cash equivalents) divided by total capital plus debt.

The following table provides detail of its debt and equity at the end of reporting year.

(Rs in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt	22,864.94	13,584.96
Cash & cash equivalents	(1,625.09)	(2,291.01)
Net Debt (A)	21,239.84	11,293.95
Total Equity (B)	23,090.00	21,460.35
Net debt to equity ratio (Gearing Ratio) (A/B)	0.92	0.53

Notes-

(i) Debt is defined as non current and current borrowings including current maturities (excluding derivatives) as described in notes 17 & 21

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

(b) Loan Covenants

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020
Note 41 (a):- Category of Financial Instruments
As at March 31, 2020

Particulars	Amortised Cost	At fair value through profit or loss		At fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial Assets							
Trade receivables (Refer note 10)	168.43	-	-	-	-	168.43	168.43
Loans (Refer note 6 & 13)	31.00	-	-	-	-	31.00	31.00
Cash and Cash Equivalents (Refer note 11)	1,625.09	-	-	-	-	1,625.09	1,625.09
Other bank balances (Refer note 12)	-	-	-	-	-	-	-
Others financial assets (Refer Note 14)	5,238.67	-	-	-	-	5,238.67	5,238.67
Total Financial Assets	7063.19	0.00	0.00	0.00	0.00	7063.19	7063.19
Financial Liabilities							
Borrowings (Refer note 17, 21 & 23)	22,864.94	-	-	-	-	22,864.94	22,864.94
Trade payables (Refer note 22)	11,706.37	-	-	-	-	11,706.37	11,706.37
Other Financial Liabilities (Refer note 18 & 23)	911.62	-	-	-	-	911.62	911.62
Total Financial Liabilities	35,482.93	-	-	-	-	35,482.93	35,482.93

As at March 31, 2019

Particulars	Amortised Cost	At fair value through profit or loss		At fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial Assets							
Trade receivables (Refer note 10)	739.49	-	-	-	-	739.49	739.49
Loans (Refer note 6 & 13)	45.78	-	-	-	-	45.78	45.78
Cash and Cash Equivalents (Refer note 11)	2,291.01	-	-	-	-	2,291.01	2,291.01
Other bank balances (Refer note 12)	13.22	-	-	-	-	13.22	13.22
Others financial assets (Refer Note 14)	1.95	-	-	-	-	1.95	1.95
Total Financial Assets	3091.45	0.00	0.00	0.00	0.00	3091.45	3091.45
Financial Liabilities							
Borrowings (Refer note 17, 21 & 23)	13,584.96	-	-	-	-	13,584.96	13,584.96
Trade payables (Refer note 22)	15,211.00	-	-	-	-	15,211.00	15,211.00
Other Financial Liabilities (Refer note 18 & 23)	954.37	-	-	-	-	954.37	954.37
Total Financial Liabilities	29,750.33	-	-	-	-	29,750.33	29,750.33

The carrying value of financial assets and financial liabilities designated at amortized cost approximates its fair value.

41(b) Fair Value Measurement

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (A) recognised and measured at fair value and (B) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the company has classified its financial instruments into three levels prescribed under the accounting standards.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following method and assumptions are used to estimate fair values:

The Carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, short term deposits etc. are considered to be their fair value, due to their short term nature

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

FVTPL - Fair Value Through Profit and Loss
FVTOCI - Fair Value Through Other Comprehensive Income



This note explains the risk which company is exposed to and policies and framework adopted by the company to manage these risks.

The Company's principal financial liabilities comprise borrowings, trade and other payables and the main purpose of these financial liabilities is to manage finances the day to day operations of the company. The Company's principal financial asset includes trade and other receivables, and cash and bank balances that arise directly from its operations.

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	(Rs. In Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	7,095.61	9,085.51
Fixed rate borrowings	15,789.32	4,499.45
Total borrowings	22,884.94	13,584.96

(ii) As at the end of reporting period, the company had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2020			As at March 31, 2019		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Cash Credit Limit	8.86%	7,095.61	31.03%	9.31%	9,085.51	66.88%
Net exposure to cash flow interest rate risk		7,095.61			9,085.51	

(iii) Interest rate Sensitivity Analysis

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Increase/Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
INR	+50	+50	35.48	45.43
	-50	-50	(35.48)	(45.43)

The company has no interest bearing assets, therefore the income and related cash flows are substantially independent of changes in interest rate.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not operate internationally and as the Company has not obtained any foreign currency loans and also doesn't have any foreign currency trade payables and foreign receivables outstanding. Therefore, the company is not exposed to any foreign exchange risk.

(c) Securities Price Risk

The company's exposure to securities price risk arises from the investments held by company. The company does not have any investments at the current year end and previous year which are held for trading. Therefore the company is not exposed to any securities price risk.

II.

Credit risk Management

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in mutual fund units, quoted securities etc. issued by institutions having proven track record. The Company's credit risk in case of all other financial instruments is negligible.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The following is the detail of revenues generated from top ten customers of the Company

Particulars	2019-20	2018-19
Revenues generated from top ten customers	60.81%	59.37%

Note 42 contd..



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note 42 contd..

Expected Credit Loss for Financial Assets

(i) Financial assets to which loss allowance is measured using 12 months Expected Credit Loss (ECL)

Particulars	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment
As at 31 March 2020				
Loans	31.00	-	-	31.00
Other financial assets	5,238.67	-	-	5,238.67
As at 31 March 2019				
Loans	45.78	-	-	45.78
Other financial assets	1.95	-	-	1.95

(ii) Expected credit loss for trade receivable on simplified approach using lifetime Expected Credit Loss (ECL) :

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. In case of probability of non collection, default rate is considered as 100%.

Ageing	Less than 30 days	More than 30 days and Less than 180 days	More than 180 days and Less than 365 days	More than one year	Total
As at 31 March 2020					
Trade receivables	168.43	-	-	79.23	247.66
Expected Loss Rate	-	-	-	100%	-
Expected Credit Losses allowance	-	-	-	79.23	79.23
Net Carrying amount of Trade receivabl	168.43	-	-	-	168.43
As at 31 March 2019					
Trade receivables	739.49	-	-	79.23	818.72
Expected Loss Rate	-	-	-	100%	-
Expected Credit Losses allowance	-	-	-	79.23	79.23
Net Carrying amount of Trade receivabl	739.49	-	-	-	739.49

c) The following table summarises the movement in the allowance for life time expected credit loss on trade receivables:

(Rs. In Lakhs)

Particulars	Amount
As at 01-04-2018	79.23
Provided/Reversal during the year	-
As at 31-03-2019	79.23
As at 01-04-2019	79.23
Provided/Reversal during the year	-
As at 31-03-2020	79.23

The ageing analysis of the trade receivables (gross of provision) has been considered from the date of invoice:

Liquidity Risk Management

The financial liabilities of the Company, other than derivatives, include loans and borrowings, trade and other payables. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The Company plans to maintain sufficient cash and marketable securities to meet the obligations as and when fall due.

The table below provides details regarding the contractual maturities of financial liabilities and financial assets at the reporting date based on contractual maturities:

(Rs. In Lakhs)

As at March 31, 2020	Carrying Amount	Less than One Year	More than one year and less than five year	More than five Years	Total
Borrowings	22,864.94	18,079.62	4,785.31	-	22,864.94
Trade payables	11,706.37	11,706.37	-	-	11,706.37
Other Liabilities	906.87	906.87	-	-	906.87
Total	35,478.18	30,692.87	4,785.31	-	35,478.18
Trade receivables	168.43	168.43	-	-	168.43
Loans	31.00	22.08	8.92	-	31.00
Cash and Cash Equivalents	1,625.09	1,625.09	-	-	1,625.09
Other bank balances	-	-	-	-	-
Others financial assets	5,238.67	5,238.67	-	-	5,238.67
Total	7,063.19	7,054.27	8.92	-	7,063.19

As at March 31, 2019	Carrying Amount	Less than One Year	More than one year and less than five year	More than five Years	Total
Borrowings	13,584.96	13,584.96	-	-	13,584.96
Trade payables	15,211.00	15,211.00	-	-	15,211.00
Other Liabilities	954.37	954.37	-	-	954.37
Total	29,750.33	29,750.33	-	-	29,750.33
Trade receivables	739.49	739.49	-	-	739.49
Loans	45.78	28.19	17.59	-	45.78
Cash and Cash Equivalents	2,291.01	2,291.01	-	-	2,291.01
Other bank balances	13.22	13.22	-	-	13.22
Others financial assets	1.95	1.95	-	-	1.95
Total	3,091.45	3,073.86	17.59	-	3,091.45

In addition to above financial assets, the company has inventories of Rs. 43147.15 Lakhs as on 31 March 2020 (Rs. 37541.75 Lakhs as on 31 March 2019) which can be realized to meet its financial obligations.

Financing arrangements

The company has access to the following undrawn borrowing facilities at the end of reporting period:

(Rs. In Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Expiring within one year (Bank overdraft and other facilities)	4,678.88	5,080.04



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note: 43 Related party transactions

(A) List of related parties

- (a) Parent Entity (Holding Company)
 - Isgec Heavy Engineering Limited
- (b) Key Management Personnel
 - Mr. Ranjit Puri, (Chairman)
 - Mr. Aditya Puri (Managing Director)
 - Mrs. Reva Khanna (Independent Director)
 - Mr. Tahir Hasan (Independent Director)
 - Mr. S.K.Khorana (Company Secretary)
- (c) Entities under common control of Holding company (Entities of same group)
-Fellow Subsidiaries of holding company:
 - Isgec Engineering and Projects Limited (Fellow Subsidiary)
 - Isgec SFW Boilers Private Limited (Fellow Subsidiary)
 - Isgec Covema Ltd. (Fellow Subsidiary)
 - Isgec Exports Ltd.(Fellow Subsidiary)
 - Free Look Software Private Limited (Fellow Subsidiary)
 -Eagle Press & Equipment Co. Ltd., Canada (Fellow Subsidiary)
 - Isgec Titan Metal Fabricators Private Limited (Fellow Subsidiary)
 - Isgec Redecam Enviro Solutions Private Limited (Fellow Subsidiary)
 - Isgec Hitachi Zosen Limited (Fellow Subsidiary)
 -Isgec Investments Pte. Ltd. (Fellow Subsidiary)
- (d) Entities of which holding company is an associate
 - Yamuna Syndicate Ltd.
- (e) Trust under control for Post Employment Benefit Plan
 Saraswati Sugar Mill Employees Group Gratuity cum Life Insurance Scheme Trust
 Saraswati Sugar Syndicate Limited Employees Provident Fund Trust

Notes to Financial Statements for the year March 31, 2020

(B) Transactions with related parties

(i) Related party transactions

(Rs. In Lakhs)

Nature of Transaction	Year ended	Parent Entity	Entities of which holding company is an associate	Key Management Personnel	Total
Purchase of Goods	March 31, 2020	10.94	327.24	9.21	347.39
	March 31, 2019	198.16	367.47	5.39	571.02
Purchase of Capital Goods	March 31, 2020	-	-	-	-
	March 31, 2019	-	-	-	-
Services Received	March 31, 2020	15.32	3.00	0.45	18.77
	March 31, 2019	119.22	2.95	0.64	122.81
Loan Received	March 31, 2020	4550.00	-	-	4,550.00
	March 31, 2019	-	-	-	-
Loan Repaid	March 31, 2020	4550.00	-	-	4,550.00
	March 31, 2019	-	-	-	-
Interest paid/Payable	March 31, 2020	125.10	-	-	125.10
	March 31, 2019	-	-	-	-
Sale of Store Items	March 31, 2020	-	-	-	-
	March 31, 2019	3.97	-	-	3.97
Services Rendered	March 31, 2020	5.20	0.27	-	5.47
	March 31, 2019	8.91	-	-	8.91

Note: 43 Related party transactions....cont.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements for the year March 31, 2020

Note: 43 Related party transactions....cont.

(ii) Contribution to trust for post employment benefit

(Rs. In Lakhs)

Name of the Trust	Year ended March 31, 2020	Year ended March 31, 2019
Saraswati Sugar Mill Employees Group Gratuity cum Life Insurance Scheme Trust	11.19	6.72
Saraswati Sugar Syndicate Limited Employees Provident Fund Trust	98.39	94.08

(C) Detail of amount due to or due from related parties as on 2020 and 2019

(Rs. In Lakhs)

Particulars		Parent Entity	Entities over which key management personnel can exercise significant influence	Key Management Personnel	Total
Amt. Receivable at year end	As at March 31, 2020	-	-	-	-
	As at March 31, 2019	-	-	-	-
Amt. Payable at year end	As at March 31, 2020	3.20	3.09	0.90	7.19
	As at March 31, 2019	215.28	3.17	1.11	219.56



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements for the year March 31, 2020

Note 44 : Impairment of Assets

In accordance with Ind-AS 36 on Impairment of assets, the company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of accounts.

Note 45: Leases

(i) Company as a lessee

(a) The depreciation expense on ROU assets of Rs. 6.97 Lakhs is included under depreciation and amortization expense in the statement of Profit and Loss.

(b) Interest expense on the lease liability amounting to Rs. 0.77 Lakhs has been included a component of finance costs in the statement of Profit and Loss.

(c) The change in the carrying value of Right of Use asset during the year is as under:

Particulars	Amount (in Lakhs)	
	Gross Carrying Value	Net Carrying Value
As at April 1, 2019	-	-
Reclassified on account of adoption of Ind AS 116	16.10	-
Addition during the year	5.48	-
Amortization during the year	-	6.97
As at March 31, 2020	21.58	14.61

(d) The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	Amount (in Lakhs)
Current lease liabilities	4.75
Non Current lease liabilities	6.07
Total	10.82

(e) The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	Amount (in Lakhs)
Balance at the beginning of the year	-
Translation effect	12.94
Additions during the year	5.48
Finance cost accrued during the year	0.78
Payment of lease liabilities	(8.38)
Balance at the end of the year	10.82

(f) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	Amount (in Lakhs)
(i) Not later than one year	5.48
(ii) Later than one year and not later than five years	6.58
(iii) Later than five years	0.24
Total	12.30

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(g) Rental expense recorded for short-term leases was Rs. 18.04 Lakhs for the year ended March 31, 2020 . The amount of lessee's lease commitments for short term lease is as hereunder:

Particulars	Amount (in Lakhs)
Less than one year	25.89

(ii) Company as a lessor

The Company has given on lease building under operating lease. In accordance with Indian Accounting Standard (Ind AS-116) on 'Leases' disclosure of the future minimum lease income under non cancellable operating leases in the aggregate and for each of the following periods:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
(i) Not later than one year	1.63	1.75
(ii) Later than one year and not later than five years	3.65	4.27
(iii) Later than five years	1.14	2.77
Total	6.42	8.79

Note 46: Corporate Social Responsibility (CSR)

a) Gross amount required to be spent as per section 135 of Companies Act, 2013 by the company during the year was

Rs.117.30 Lakhs (Previous year Rs.96.35 Lakhs)

b) Amount spent during the year :Rs. 99.48 Lakh (Previous year Rs.96.36 Lakhs)

c) Amount unspent at the close of year was Rs.17.82 Lakh (Previous year 'Nil')

Note: 47 Revenue expenditure on Research & Development:

Particulars	(Rs.in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Salary	3.89	3.36
Contribution to Provident Fund	0.17	0.20
Total	4.06	3.56



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements as at March 31, 2020

Note: 48 Carrying Amount of assets pledged as security:

Sl. No.	Particulars	As at 31 March 2020	As at 31 March 2019
A.	Non-Current Assets		
	Property, Plant & Equipment	11,129.15	11,131.29
	Total (A)	11,129.15	11,131.29
B.	Current Assets		
	(a) Inventories	43,144.52	37,541.75
	(b) Trade receivables	168.43	739.49
	Total (B)	43,312.95	38,281.24
	Total (A+B)	54,442.10	49,412.53

Note 49 Events after the Reporting Period

Keeping in view the profit for the year, the Board of Directors recommends a dividend @ Rs.7.50/- per Equity Share of Rs.10/- The dividend, if approved and declared in the forthcoming Annual General Meeting, will result in a total outflow of Rs.532.49 Lakh.


Note 50 Reconciliation of Cash flow from financing Activities

Particulars	Amount (Rs in Lakhs)			
	Year Ended 31st March 2020		Year Ended 31st March 2019	
	Borrowings (Current)	Borrowings (Non-Current)	Borrowings (Current)	Borrowings (Non-Current)
Opening Balance of Financial liabilities coming under the	13,584.96	-	5,740.78	2,604.34
Changes during the year add(less)				
a) Changes from financing cash flow	2,886.16	6,393.81	7,844.18	(2,604.34)
b) Changes arising from obtaining or losing control of	-	-	-	-
c) the effect of changes in foreign exchanges rates-	-	-	-	-
d) Changes in fair value	-	-	-	-
e) Other Changes	-	-	-	-
Closing Balance of Financial liabilities coming under the financing activities of Cash Flow Statement	16,471.12	6,393.81	13,584.96	-

Note: 51 Previous year figures have been reclassified, wherever considered necessary to confirm to current year's classification.

As per our report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/1500089

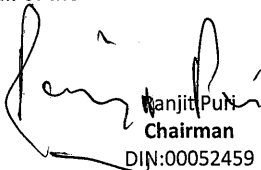
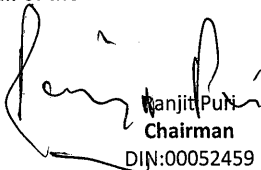
(Sanjiv Mohan)
Partner
Membership No.086866




Sanjay Jain
Dy. General Manager (Accounts)


Puneet Gupta
Deputy Manager (Internal Audit)


S.K. Khorana
Company Secretary
Membership No. 1872

For & on behalf of the Board of Directors

Aditya Puri
Managing Director
DIN:00052534

Manjit Pun
Chairman
DIN:00052459

Place: Ludhiana
Date: 20.06.2020

Place: Noida
Date: 20.06.2020