

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 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year ended, 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 2019, 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 independence 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's



Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 and its subsidiary companies which are companies incorporated in India, 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.

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 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 2019 taken on record by the Board of directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a Director in terms of Section 164(2) of the Act.

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

(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. As there is not any material foreseeable losses, a long term contracts including derivative contract therefore the company has not made any provision, required under the applicable law or Indian accounting standards
- iii. There has been no delay in transferring amounts, required to be transferred. to the Investor Education and Protection Fund by the Company.



2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the order.

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

Place: Noida
Date: 28.05.2019

 (Sajiv Mohan)
Partner
M. No. 086066

Annexure – “A” TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 1(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 2019 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 2019, 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: Noida

Date: 28.05.2019

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



(Sanjiv Mohan)
Partner

M. No. 086066

Annexure – “B” to the Independent Auditors’ Report

(Referred to in paragraph 2 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) The Company has a phased program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As part of this program, the management has physically verified certain fixed assets during the year. According to the information and explanations given to us, 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 explanation 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, 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) In our opinion and 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 Companies Act, 2013 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 Companies Act, 2013 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 books of account relating to materials, labour and other items of cost maintained by the Company as specified by the Central Government of India under section 148(1) of the Companies Act, 2013 and are of opinion that prime facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and 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 in respect of 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 as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) 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, goods and service 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	Amount (Rs. in Lacs)	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	CESTAT 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 its dues to banks. The Company has not taken any loans from financial institutions or debenture holders.
- (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 45-1A 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



Place: Noida
Date: 28.05.2019

SARASWATI SUGAR MILLS LIMITED
CIN: U01115HR2000PLC034519
Balance Sheet as at March 31, 2019

(Rs in Lakhs)

			As at March 31, 2019	As at March 31, 2018
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	4		11,131.32	11,316.05
(b) Capital work - in - progress	4		464.59	154.37
(c) Other Intangible assets	4		7.26	3.07
(d) Financial Assets				
(i) Investments	5		-	522.45
(ii) Loans	6		17.59	10.68
(e) Deferred Tax Assets (Net)			-	-
(f) Other Non-current assets	8		43.66	39.66
Total (Non current assets)			11,664.42	12,046.28
(2) Current assets				
(a) Inventories	9		37,541.75	25,823.86
(b) Financial assets				
(i) Investments			-	-
(ii) Trade receivables	10		739.49	185.16
(iii) Loans	11		28.19	88.62
(iv) Cash and cash equivalents	12		2,291.01	55.90
(v) Bank Balances other than (iv) above	13		13.22	367.61
(vi) Others financial assets	14		1.95	24.17
(c) Current Tax Assets (Net)	26		634.90	640.91
(d) Other current assets	15		498.58	605.28
Total (Current assets)			41,749.09	27,791.51
Total Assets			53,413.51	39,837.79
EQUITY AND LIABILITIES				
(1) EQUITY				
(a) Equity Share capital	16		709.99	709.99
(b) Other Equity	16.1		20,750.36	20,089.10
Total (Equity)			21,460.35	20,799.09
(2) LIABILITIES				
(i) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	17		-	-
(ii) Others financial liabilities	18		-	-
(b) Provisions	19		262.36	278.99
(c) Deferred Tax Liabilities (Net)	7		745.94	662.60
(d) Other Non-current liabilities	20		32.63	35.60
Total (Non current liabilities)			1,040.93	977.19
(ii) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21		13,584.96	5,740.78
(ii) Trade payables	22			
-total outstanding dues of micro enterprises and small enterprises			-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises			15,211.00	6,930.17
(iii) Others financial liabilities	23		954.37	4,359.21
(b) Other current liabilities	24		1,110.14	992.29
(c) Provisions	25		51.75	39.07
(d) Current Tax Liability (Net)	26		-	-
Total (Current liabilities)			30,912.22	18,061.52
Total Equity and Liabilities			53,413.51	39,837.79

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/N500089

(Sanjiv Mohan)
Partner
Membership No. 086066



Sanjay Jain
Sanjay Jain
Dy. General Manager (Accounts)

Puneet Gupta
Puneet Gupta
Deputy Manager (Internal Audit)

For & on behalf of the Board of Directors

Place: Noida

Date: 28 MAY 2019

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

Reva Khanna
Reva Khanna
Director
DIN:00413270

Aditya Puri
Aditya Puri
Managing Director
DIN:00052534

SARASWATI SUGAR MILLS LIMITED
CIN: U01115HR2000PLC034519
Statement Of Profit and Loss For The Year Ended March 31, 2019

(Rs in Lakhs)

	Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from operations	27	55,769.01	80,727.23
II	Other income	28	3,200.52	1,180.20
III	Total income (I + II)		58,969.53	81,907.43
IV	Expenses			
	Cost of materials consumed	29	58,043.17	49,211.47
	Changes in inventories of finished goods, stock - in - trade and work - in - progress	30	(11,822.50)	14,108.49
	Employee benefits expenses	31	3,038.39	3,027.07
	Finance costs	32	598.95	1,147.65
	Depreciation and amortization expenses	33	617.54	560.65
	Other expenses	34	6,998.95	6,742.52
	Total expenses (IV)		57,474.50	74,797.85
V	Profit before exceptional items and tax (III - IV)		1,495.03	7,109.58
VI	Exceptional items		-	-
VII	Profit before tax (V - VI)		1,495.03	7,109.58
VIII	Tax expense			
	Current Tax	35	491.47	2,431.03
	Deferred Tax	7	66.63	(119.78)
	MAT credit entitlement of earlier years		-	(196.43)
IX	Profit for the period (VII - VIII)		936.93	4,994.76
X	Other comprehensive income (Loss)			
	A. (i) Items that will not be reclassified to profit or loss			
	-Remeasurement of defined benefit plans		(30.59)	38.54
	-Equity Instruments through other comprehensive income		(217.70)	(302.90)
	(ii) Income tax relating to above items		(27.39)	3.37
XI	Total comprehensive income for the period (IX + X)		661.26	4,733.78
XII	Earnings per equity share (Equity share of Rs.10/- each) Basic and Diluted	36	13.20	70.35

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/N500089

(Sanjiv Mohan)
Partner

Membership No.086066



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

Place: Noida

Date: 28 MAY 2019

For & on behalf of the Board of Directors

Reva Khanna *Aditya Puri*

Reva Khanna
Director
DIN:00413270

Aditya Puri
Managing Director
DIN:00052534

SARASWATI SUGAR MILLS LIMITED
CIN: U01115HR2000PLC034519
Statement of cash flow for the year ended as on March 31, 2019

	(Rs in Lakhs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A. Cash flow from Operating activities:		
Net (loss)/profit before tax but after exceptional/extraordinary items	1,495.03	7,109.58
Adjustments for non operation and non cash transactions:		
Depreciation and amortization expenses	617.54	560.65
Interest Expense	247.64	881.98
Interest/Dividend Income	(15.38)	(74.95)
(Profit)/Loss on Property, Plant and Equipment sold (Net)	8.68	52.28
(Profit)/Loss on Sale of Investment	(156.64)	(402.37)
Loss on store inventory written off	8.36	7.55
Debts / Advances Written off	-	0.42
Operating profit before working capital changes	2,205.23	8,135.14
Adjustments for changes in working capital :		
- (Increase)/Decrease in Trade Receivable	(554.33)	51.50
- (Increase)/Decrease in Other Receivables	125.64	66.60
- (Increase)/Decrease in Inventories	(11,726.24)	16,697.04
- Increase/(Decrease) in Trade and Other Payables	8,043.65	(2,714.65)
Cash generated from operations	(1,906.06)	22,235.63
- Taxes (Paid) / Received (Net of TDS)	(496.14)	(2,680.54)
Net cash from operating activities (A)	(2,402.19)	19,555.09
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(766.45)	(1,733.96)
Proceeds from Sale of Property, Plant and Equipment	10.55	105.93
Investment in FDR/Mutual Funds	354.39	(257.85)
Purchase of Investments	(24,950.00)	(24,670.00)
Proceeds from Sale of Investments	25,411.39	25,072.37
Interest/Dividend Received	37.60	52.03
Net cash used in Investing activities (B)	97.48	(1,431.48)
C. Cash flow from Financing activities:		
Proceeds/(Repayment) of Secured loans	10,187.80	(2,690.58)
Proceeds/(Repayment) of unsecured loans	(4,947.96)	(12,091.61)
Interest Paid	(700.01)	(889.47)
Dividend Paid	-	(2,208.07)
Corporate Dividend Tax Paid	-	(449.51)
Net cash used in financing activities (C)	4,539.83	(18,329.24)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	2,235.11	(205.64)
Cash and cash equivalents at the beginning of the year	55.90	261.54
Cash and cash equivalents at the end of the year	2,291.01	55.90
Cash and cash equivalents comprise		
Cash, cheques & drafts (in hand) and remittances in transit	3.88	3.75
Balance with Banks	2,287.13	52.15
Total	2,291.01	55.90

The accompanying notes form an integral part of the financial statements

As per our report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/N500089

Sanjiv Mohan
Partner
Membership No.086066



Sanjay Jain
Sanjay Jain
Dy. General Manager (Accounts)

Puneet Gupta
Puneet Gupta
Deputy Manager (Internal Audit)

Place: Noida
Date: 28 MAY 2019

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

Reva Khanna
For & on behalf of the Board of Directors
Reva Khanna
Director
DIN:00413270

Aditya Puri
Aditya Puri
Managing Director
DIN:00052534

SARASWATI SUGAR MILLS LIMITED
CIN: U01115HR2000PLC034519
Statement of changes in equity for the year ended as on March 31, 2019


A. Equity Share Capital	(Rs in Lakhs)
As at 1 April 2017	709.99
Changes During the Year	-
As at 31 March 2018	709.99
Changes During the Year	-
As at 31 March 2019	709.99

B. Other Equity


Particulars	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income (Defined benefit plan)	Total
	Securities premium	General Reserve	Retained earnings			
Balance as at April 1, 2017	6,300.00	1,318.74	9,851.77	520.59	21.80	18,012.91
Profit for the year	-	-	4,994.76	-	-	4,994.76
Other Comprehensive Income	-	-	-	(286.19)	25.20	-260.99
Total comprehensive income for the year	-	-	4,994.76	(286.19)	25.20	4,733.77
Dividend paid, including dividend distribution tax	-	-	(2,657.58)	-	-	(2,657.58)
Balance as at March 31, 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 (Refer Note 43)	-	-	-	-	-	-
Balance as at March 31, 2019	6,300.00	1,318.74	13,125.88	0.00	5.73	20,750.36


The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/N500089


(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

Place: Noida

Date: 28 MAY 2019


S.K. Khorana
Company Secretary
Membership No. 1872


Reva Khanna
Director
DIN:00413270


Aditya Puri
Managing Director
DIN:00052534

Note 1: Corporate Information

The Company's business started in 1933. The sugar division was demerged into a wholly owned subsidiary company of Isgec Heavy Engineering Limited (Formerly known as Saraswati Industrial Syndicate 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 for issue by the Company's Board of Director on 28th May, 2019.

Note 2: Summary of Significant Accounting Policies

2.1 Basis of Preparation of financial statements.

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

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

These financial statements are prepared under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair value.

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.

2.2 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.

2.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Goods

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which is expected to be received in exchange for those products or services. Revenue is recognized at the consideration received or receivable, net of returns, trade discounts and volume rebates.

Other Income

- (i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- (ii) Insurance Claims, export incentives and reimbursement of interest subvention under Government schemes 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) Other income like sale of scrap, profit on sale/write off of assets etc. are recognized as and when right to receive income arises, and there is no uncertainty in realization of the same.

Dividend

Dividend income is recognised when the right to receive payment is established.

2.4 Inventories

Inventories are valued at cost or net realizable value (NRV), whichever is lower (except by product i.e. molasses which is valued at NRV basis). 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.

2.5 Property, Plant and Equipment

Recognition

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment, if any.

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.



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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'.

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.

2.6 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 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.

2.7 Depreciation and Amortization

Depreciation is provided on Property, plant and equipment in the manner and 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.



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Intangible assets are amortized on straight line method over the expected duration of benefits not exceeding ten years.

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

2.8 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.

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.

2.9 Employee Benefits

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.

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.



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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.

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.

Expenses on non-accumulated leaves are recognised in the period in which it occurs.

2.10 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 tax is provided 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 substantial 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.



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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.

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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.

2.11 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.

2.12 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 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.

2.13 Earning 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



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upon conversion of all dilutive potential equity shares.

2.14 Government Grants

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

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 (refer 2.15).

2.15 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



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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

The company has elected to 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.

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.

2.16 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 maturity of three months or less from balance sheet date, 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.

2.17 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.



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2.18 Fair Value Measurement

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

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

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

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

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

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

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

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

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

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

2.19 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.

2.20 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.

2.21 Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

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.

Lease under which the risks and rewards incidental to ownership are not transferred to lessee is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease terms.

Note 3: Critical accounting estimates and Judgements

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.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 4 : Property, Plant and Equipment/Intangible Assets/Capital work in progress

Particulars	Property, Plant and Equipment							Other Intangible Assets		Capital work in progress
	Freehold land	Buildings and Roads	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total	Computer Software (acquired)		
Gross carrying value										
At April 1, 2017	2642.73	1554.39	18361.18	71.95	529.38	312.31	23,471.94	39.01	10.42	
Adjustments		(5.45)	(1,177.80)	(50.29)	(195.00)	5.01	(1,423.53)			
Additions		86.92	1,466.13	3.79	16.58	16.59	1,590.01	-	2,377.61	
Disposals		0.29	621.09	1.05	56.69	36.41	715.53	-	2,233.66	
At March 31, 2018	2,642.73	1,635.57	18,028.42	24.40	294.27	297.50	22,922.89	39.01	154.37	
Additions		45.41	323.45	7.19	46.62	27.55	450.22	6.01	674.71	
Disposals		1.20	93.63	10.27	36.28	9.63	151.01	-	364.49	
At March 31, 2019	2,642.73	1,679.78	18,258.24	21.32	304.61	315.42	23,222.10	45.02	464.59	
Accumulated Depreciation										
At April 1, 2017		1,131.69	11,092.70	62.97	476.11	265.36	13,028.82	34.14		
Adjustments		(5.42)	(1,171.94)	(42.89)	(195.00)	(8.28)	(1,423.53)	1.81		
Depreciation charge for the year		53.31	467.92	3.35	14.44	19.85	558.87			
Disposals		0.28	479.44	0.99	42.76	33.86	557.33			
At March 31, 2018		1,179.31	9,909.24	22.44	252.79	243.06	11,606.84	35.95		
Depreciation charge for the year		52.68	519.28	2.80	17.22	23.74	615.72	1.82		
Disposals		1.12	78.70	9.55	33.21	9.20	131.78	-		
At March 31, 2019		1,230.87	10,349.82	15.69	236.80	257.60	12,090.78	37.77		
Net carrying value										
At March 31, 2019	2,642.73	448.91	7,908.42	5.63	67.81	57.82	11,131.32	7.26	464.59	
At March 31, 2018	2,642.73	456.26	8,119.18	1.96	41.48	54.44	11,316.05	3.07	154.37	

Note:

- Contractual Commitment towards purchase of Property, Plant and Equipment, Refer Note No. 38
- Cost of software includes purchase price, duties and taxes (other than refundable from tax authorities)
- Computer Softwares are amortized over a period of five years.
- Opening balances of Gross block and accumulated depreciation have been regrouped/ reclassified/rearranged wherever considered necessary.
- Borrowing cost capitalised during the year is nil.
- For assets charged as security, please refer note No. 17 and 21



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements as at March 31, 2019

Note 5 : Non current Financial Assets-Investments

Particulars	(Rs.in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Investments carried at fair value through Other Comprehensive Income		
Investments in equity instruments (Quoted)		
- Nil (Previous year 2,65,000 Equity shares of Rs. 10 each of DCM Shriram Industries Ltd.)	-	522.45
Total	-	522.45
i) Aggregate Acquisition Cost of Quoted Investments:	-	304.75
Aggregate Market Value of Quoted Investments:	-	522.45
ii) Aggregate of investment carried at fair value through: other comprehensive income	-	522.45

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

Note 6 : Non current Financial Assets-Loans

Particulars	(Rs.in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
i) Secured, considered good		
- Loans to employees (Loans to employees are secured by way of hypothecation of vehicles)	12.41	9.71
ii) Unsecured, considered good		
- Loan to Employees	5.17	0.97
- Security deposits	-	-
Total	17.59	10.68

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

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Note : 7 Deferred Tax

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

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Deferred Tax Assets/(Liabilities)		
Property, Plant and Equipment	(964.64)	(895.80)
Provision for Leave Encashment	49.46	43.60
Provision for Pension	60.31	66.48
Trade receivables (provision for doubtful debts)	27.69	27.42
Provision for Local Area Development Tax	81.20	79.00
Punjab Labour Welfare Fund	0.06	-
Fair valuation loss on investments carried at fair value through Other comprehensive income		16.71
Net deferred tax Assets/(Liabilities)	(745.94)	(662.60)

7.2 Movement in Deferred tax (Liabilities)/Assets

(Rs. in Lakhs)

Particulars	Property Plant and Equipment	Investment	Employee Benefit	Other items	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)

Particulars	Property Plant and Equipment	Investment	Employee Benefit	Other items	Total
At April 1, 2017	(932.30)	-	108.73	24.48	(799.08)
(Charged)/credited:-					
-to profit & loss	36.50	-	1.34	81.94	119.78
-to other Comprehensive Income	-	16.71	-	-	16.71
At March 31, 2018	(895.80)	16.71	110.07	106.42	(662.60)



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements as at March 31, 2019

Note 8 : Other Non current Assets

(Rs. In Lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Unsecured, considered good		
- Security Deposits	43.06	39.06
- Deposits with Post Office*	0.60	0.60
Total	43.66	39.66

* 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 as at March 31, 2019

Note 9 : Inventories

Particulars	(Rs.in lakhs)	
	As at March 31, 2019	As at March 31, 2018
(a) Stores and Spare parts	540.20	631.71
(b) Material in transit	-	-
(b) Raw Material-Sugar Cane	15.24	28.34
(c) Work-in-Progress: - Sugar	148.42	112.81
(d) Finished Stock: - Sugar	36,698.44	24,812.00
-Molasses	139.45	239.00
Total	37,541.75	25,823.86

Note

- (i) The amount of inventories recognised as an expense during the year is Rs. 48615.80 lakhs (Previous Year Rs. 65256.32 lakhs)
- (ii) Finished goods are written down from its cost to net realisable value by Rs. 684.73 Lakh (Previous year Rs. 4417.42 Lakh)
- (iii) For inventories pledged as security, please refer note No. 21

Note 10 : Current Financial Assets-Trade Receivables

Particulars	(Rs.in lakhs)	
	As at March 31, 2019	As at March 31, 2018
Trade Receivables		
- Trade Receivables considered good - Unsecured	739.49	185.16
- Trade Receivables - credit impaired	79.23	79.23
Less: Allowances for credit losses	(79.23)	(79.23)
Total	739.49	185.16

- a) includes dues from companies where directors are interested
- b) includes dues from holding company

For trade receivables pledged as security, please refer note No. 21
 Also refer note 41(a) for classification of financial assets



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 11 : Current Financial Assets-Loans

(Rs.in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Secured considered good		
- Loans to Employees	3.23	3.69
(ii) Unsecured, considered good		
- Loans to Employees	24.97	24.93
- Security deposits	-	60.00
Total	28.19	88.62

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

Note 12 : Current Financial Assets-Cash and Cash Equivalents

(Rs.in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and Cash Equivalents		
(i) Balances with Banks	2,287.13	52.15
(ii) Cash in hand	3.88	3.75
Total	2,291.01	55.90

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

Note 13 : Current Financial Assets-Other Bank Balances

(Rs.in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits with original maturity upto twelve months*	13.22	367.61
Total	13.22	367.61

* Earmarked balances are against acceptance of deposits from public/Letter of Credit

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



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 14 :Current Financial Assets-Others

(Rs.in lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Interest accrued but not due	1.95	24.17
Total	1.95	24.17

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, 2019	March 31, 2018
(a) Unsecured, considered good		
(i) Advances other than Capital Advances		
- Related Parties	-	25.00
- Others		
- Store Purchases	28.42	23.06
- Contractors/Others	8.18	40.13
- Cane Suppliers	22.14	102.59
(ii) Fair Value of plan assets (net of liability) (Refer Note 31.1)	301.51	347.38
(iii) Others		
- Prepaid Expenses	111.01	61.87
- Balances with Excise & Customs/GST Recoverable	27.33	5.25
Total	498.58	605.28



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Note 16 : Equity Share Capital

Equity Share Capital

Particulars	(Rs.in lakhs)	
	As at March 31, 2019	As at March 31, 2018
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) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:

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, 2019		As at March 31, 2018	
	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 or ultimate holding company and shareholders holding more than 5% shares in the Company

Class of Shares / Names of Shareholder:	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% holding	No. of shares	% holding
Equity Shares with voting rights - Isgec Heavy Engineering Limited and its nominees (600 shares)	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, 2019		As at March 31, 2018	
	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 as at March 31, 2019

Note 16.1 Other Equity

(Rs.In lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
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	12,188.95	9,851.77
Add:		
Net Profit for the period	936.93	4,994.76
Less: Appropriations		
Final Dividend for the year ended 31st March, 2017 @15.55/- per share	-	1,104.03
Interim Dividend for the year ended 31st March, 2018 @15.55/- per share	-	1,104.03
Dividend Distribution Tax	-	449.51
Balance outstanding at the close of the year	13,125.88	12,188.95
Total (A) (i+ii+iii)	20,744.62	19,807.69

Particulars	As at	As at
	March 31, 2019	March 31, 2018
B. Other Reserves		
(i) Equity Instruments through Other Comprehensive Income (OCI)		
Balance outstanding at the beginning of the year	234.40	520.59
Add: Additions during the year	-	(286.19)
Less: Utilised during the year	(234.40)	-
Balance outstanding at the end of year	-	234.40
(ii) Other items of Other Comprehensive Income (Defined benefit plan)		
Balance outstanding at the beginning of the year	47.00	21.80
Add: Additions(Deletions) during the year	(41.27)	25.20
Balance outstanding at the end of year	5.73	47.00
Total (B) (i+ii)	5.73	281.40
Grand Total (A+B)	20,750.36	20,089.10

Note 16.2 : Nature and Purposes of Reserves

Securities Premium

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

General Reserve

This represents appropriation of profit by the company.

Retained Earnings

This comprise company's undistributed profit after taxes.

FVOCI Equity Investment

The company has elected to recognise changes in fair value of certain investments in equity securities through OCI as Other Reserves. The company transfers amount from this reserves to retained earnings when the relevant investment is sold and realised.



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Note 17 : Non-Current Financial Liabilities - Borrowings

(Rs.in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Secured (Refer Note 17.1)		
Term Loan From Bank		
- "Scheme For Extending Financial Assistance to Sugar Undertakings"(SEFASU), 2014 Scheme	-	-
- Term Loan from Banks (Under Scheme of Soft Loan to sugar mills to facilitate payment of cane dues during season 2014-15)	-	-
Total	-	-
(b) Unsecured		
Deposits - Refer Note 17.2		
- Public	-	-
- Directors	-	-
Total	-	-
Total	-	-

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

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

(Rs.in lakhs)

Title	Term Loan outstanding as on 31 March, 2019	Current maturity of Long Term Debts	Net	Rate of Interest and Terms of Repayment
Term Loan Under "Scheme for Extending Financial Assistance to Sugar Undertakings(SEFASU- 2014)"	(878.08)	(878.08)	(Nil)	Rate of Interest :12% p.a. The loan was repayable in 12 equal quarterly instalments, after moratorium period of 2 years. Instalments of Rs.295.75 Lac each started from April, 2016 and ended in January, 2019. The Government of India gave interest subvention of actual rate of interest upto 12% p.a during the tenure of the loan.
Total	(878.08)	(878.08)	(Nil)	

Note 17.1 (b): Term Loan Under SEFASU, 2014 Scheme was secured by way of extension of first pari passu charge on fixed & current assets of the Company.

Note 17.2 : Details of Deposits

(Rs.in lakhs)

Deposits	Deposit outstanding as on 31 March, 2019	Current maturity of long term debts	Current	Non Current	Period of Deposit : Rate of Interest (p.a.)	Term of repayment
Public	(1726.26)	(1726.26)	-	-	1 Year 8.00%	Repayment on maturity date
Directors	-	-	-	-	2 Years 8.00%	
	-	-	-	-	3 Years 10.00%	
Total	(1726.26)	(1726.26)	-	-	*For Employees 10.25% for 3 years	

Note: Figures in bracket pertains to previous year.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 18 :Non-Current Financial Liabilities-Others

(Rs.in lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Interest accrued but not due on public deposits	-	-
Total	-	-

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

Note 19 : Non-Current Liabilities-Provisions

(Rs.in lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Provision for Employees Benefits:		
-Provision for Pension (Unfunded)	144.87	165.28
-Provision for Leave Encashment (Unfunded)	117.50	113.71
Total	262.36	278.99

Note 20 : Other Non Current Liabilities

(Rs.in lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
- Deferred Government Grant (Refer Note: 20.1)	32.63	35.60
Total	32.63	35.60

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 as at March 31, 2019

Note 21 : Current Financial Liabilities-Borrowings

Particulars	(Rs.in lakhs)	
	As at March 31, 2019	As at March 31, 2018
i) Secured		
(a) Loans repayable on demand		
- Cash credit - (Refer Note 21.1 (a), (b))	9,085.51	515.24
- Working Capital Demand Loan (WC DL) (Refer Note 21.1(c))	4,499.45	2,003.84
ii) Unsecured		
(b) Loan from Haryana Government (Refer Note 21.2)	-	2,220.80
(d) Working Capital Demand Loan (WC DL) (Refer Note 21.3)	-	1,000.89
Total	13,584.96	5,740.78

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 a charge on book debts, and first charge on fixed assets of the Company.

b) Cash Credit/Limit is repayable on demand

c) WC DL was taken as sub limit under Cash Credit limit for a period of 90 days from the date of disbursement. It bears interest @9% p.a.

Note 21.2

a) Haryana Government had granted a financial assistance of Rs.4005 Lakhs in the form of interest free loan to clear the outstanding dues of cane growers pertaining to season 2015-16.

Note 21.3

WC DL sanctioned by bank for a period of 365 days carried interest rate @ 8.15% p.a.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 22 : Current Financial Liabilities: Trade payables

(Rs.in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Total outstanding dues of micro enterprises and small enterprises.	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) To Store Suppliers	142.00	193.96
(ii) To Others (Including Cane Suppliers)	14,867.49	6,733.63
(iii) To Related Parties	201.51	2.57
Total	15,211.00	6,930.17

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

Note 22.1 : Trade Payables to Micro and Small Enterprises

Particulars	For the year ended 31 st March 2019	For the year ended 31 st March 2018
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	Nil	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.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 23 : Current Financial Liabilities: Others

Particulars	(Rs.in lakhs)	
	As at March 31, 2019	As at March 31, 2018
(a) Current maturities of long term debts*	-	2,604.34
(b) Interest accrued but not due on borrowings	-	9.43
(c) Interest accrued but not due on Public Deposits	-	442.95
(d) Creditors for Capital Expenditure:		
-Related Parties	18.05	521.33
-Others	154.80	-
(e) Payable to employees	313.13	311.37
(f) Security deposits received	468.37	469.77
(g) Payable to Sugar Agents	0.02	0.02
Total	954.37	4,359.21

*For detail of current maturities of long term debt please refer Note 17.1 & 17.2
 Also refer note 41(a) for classification of financial liabilities

Note 24 : Other Current Liabilities

Particulars	(Rs.in lakhs)	
	As at March 31, 2019	As at March 31, 2018
(a) Statutory Remittances:		
- Statutory Dues	492.67	424.56
(b) Advances received from customers	395.96	307.15
(c) Deferred Government grants (Refer Note no. 20.1 & 21.2)	2.97	49.52
(d) Other Liabilities	218.54	211.06
Total	1,110.14	992.29

Note 25 : Current Liabilities- Provisions

Particulars	(Rs.in lakhs)	
	As at March 31, 2019	As at March 31, 2018
Provision for Employees Benefits:		
(i) Provision for Leave Encashment (Unfunded)	24.03	12.26
(ii) Provision for pension (Unfunded)	27.72	26.81
Total	51.75	39.07

Note 26 : Current Tax Liability/(Asset)

Particulars	(Rs.in lakhs)	
	As at March 31, 2019	As at March 31, 2018
Provision for Income Tax	4,620.72	4,116.43
Less: Prepaid Taxes	5,255.62	4,757.34
Net Tax Liability/(Asset)	(634.90)	(640.91)



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Note 27 : Revenue from Operations

Particulars	(Rs.in lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of Products:		
- Sugar	52,125.10	76,476.50
- Molasses	1,566.46	2,610.59
- Bagasse	2,008.06	1,581.55
- Press Mud	69.40	58.58
Grand Total	55,769.01	80,727.23

Disclosure under Ind AS 115 " Revenue from Contracts with Customers"

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The impact on account of applying the erstwhile Ind AS 18 Revenue instead of Ind AS 115 Revenue from contract with customers on the financial results of the Company for the year ended and as at March 31, 2019 is insignificant.

The below are the disclosures as required by Ind AS 115:

(i) Disaggregation of revenue

The table below presents disaggregated

Particulars	For the year ended 31 st March 2019
Type of Product	
- Sugar	52,125.10
- Molasses	1,566.46
- Bagasse	2,008.06
- Press Mud	69.40
Total	55,769.01

Total Revenue from Contracts with Customers

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

Timing of Revenue Recognition

Particulars	For the year ended 31 st March 2019
Revenue from goods transferred to customers at a point in time	55,769.01
Revenue from goods transferred to customers over time	-
Total	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 2019 includes revenue against advances from customers amounting to Rs. 307.15 lakhs at the beginning of the year.

The revenue of Rs. Nil has been recognised during the year ended 31st March 2019 against performance obligations satisfied (or partially satisfied) in previous periods.

(iii) 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, 2019 is Rs. Nil.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 28 : Other Income

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income	15.38	40.50
(b) Dividend income on investments fair valued through other comprehensive income - from Trade Investment	-	34.45
(c) Net gain on sale of investments carried at fair value through profit or loss	156.64	402.37
(d) Sale of scrap and waste	34.03	150.97
(e) Miscellaneous receipts	17.42	90.56
(f) Unclaimed balances written back	4.99	16.54
(g) Reimbursement of interest	254.25	222.39
(h) Government Grant *	2,613.76	-
(i) Government Grant (on account of fair valuation of Interest free loan)	63.98	197.03
(j) Insurance claims	19.98	4.45
(k) Lease and rent receipts	2.29	1.78
(l) Excess provision written back	17.81	19.15
Total	3,200.52	1,180.20

*Subsidy received from Central and State Government towards cane cost.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 29 : Raw Material Consumption

(Rs.in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Cost of raw material consumed		
- Cane consumed*	58,043.17	49,211.47
Total	58,043.17	49,211.47

* Subsidy received from Central and State Government towards cane cost has been reduced from cane cost to the extent of cane crushed during the financial year 2018-19.

Detail of Raw Material Consumed

Type of Material	Quantity (Quintal)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Sugar Cane	1,80,13,462	1,48,37,007

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

(Rs.in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Closing Stock: :		
Finished stock	36,837.89	25,050.99
Work-in-Progress	148.42	112.81
Total	36,986.31	25,163.81
Less: Opening Stock :		
Finished stock	25,050.99	41,856.26
Work-in-progress	112.81	116.99
Total	25,163.81	41,973.25
(Increase)/Decrease	(11,822.50)	16,809.44
Net Movement in excise duty on Finished Goods	-	(2,700.95)
Net(Increase)/Decrease	(11,822.50)	14,108.49



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Note 31 : Employee benefit expenses

Particulars	(Rs.in lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Salary Wages and Bonus	2,692.81	2,679.65
(b) Contribution to Provident Fund and other funds	213.69	211.24
(c) Workmen and Staff welfare expenses	131.89	136.18
Total	3,038.39	3,027.07

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 94.00 Lakhs (Previous Year Rs.90.82 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. 74.63 Lakhs (Previous Year Rs. 75.28 Lakhs). The contributions are charged to statement of profit and loss.

(b) Defined Benefit Plan

The liability for employee gratuity is determined on actuarial valuation using projected unit credit method. The obligations are as under:-
(Rs.in lakhs)

Particulars	Gratuity	
	2018-19	2017-18
1.Change in Present Value of Obligation		
Present value of obligation at the beginning of the period	1,055.29	1,124.81
Acquisition cost	-	-
Interest cost	80.20	84.81
Current service cost	48.04	46.14
Benefits paid	(132.55)	(173.29)
Actuarial (gain)/loss on obligation	14.00	(27.17)
Present value of obligation at end of period	1,064.98	1,055.29
2. Change in Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the period	1,402.67	1,425.48
Acquisition adjustment	-	-
Actual return on plan assets	90.62	121.54
Contributions (Net of mortality charges)	5.75	28.94
Benefits paid	(132.55)	(173.29)
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the period	1,366.49	1,402.67
3.Amount to be recognised in Balance Sheet		
Present value of obligation as at end of the period	1,064.98	1,055.29
Fair value of plan assets as at the end of the period	1,366.49	1,402.67
Net Asset/(liability) recognised in Balance Sheet	301.51	347.38
4.Expenses recognised in the statement of profit & loss.		
Current service cost	48.04	46.14
net Interest cost	(26.40)	(22.67)
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognised in profit/loss	-	-
Expenses recognised in the statement of Profit & Loss	21.64	23.47
5.Recognised in other comprehensive income for the year		
a. Actuarial gain / (loss) for the year on PBO	(14.00)	27.18
b. Actuarial gain /(loss) for the year on Asset	(16.58)	11.37
c. Unrecognized actuarial gain/(loss) at the end of the year	(30.58)	38.55
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	37.29	2.95
c. Actuarial (Gain)/Loss on arising from change in Experience	(23.28)	24.22
7. Maturity Profile of Defined Benefit Obligation		
1. Within the next 12 months (next annual reporting period)	153.94	145.06
2. Between 1 and 5 years	321.20	485.44
3. Between 6 and 10 years	589.86	424.78



Note 31 cont....

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8. 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		
a. Increase due to increase of 0.50 %	1,064.98 (24.02)	1,055.29 (24.05)
b. Decrease due to decrease of 0.50 %	25.09	25.11
(ii) Impact of the change in salary increase		
Present Value of Obligation at the end of the period		
a. Increase due to increase of 0.50 %	1,064.98 25.16	1,055.29 25.37
b. Decrease due to decrease of 0.50 %	(24.31)	(24.52)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

9. Major categories of plan assets (as percentage of total plan assets)					
Insurer Managed Funds)	100%	100%			
10. Actuarial assumptions					
a) Economic Assumptions					
i. Discounting Rate	7.32	7.60			
ii. Salary escalation	6.5	6			
b) Demographic Assumption					
i) Retirement Age (Years)	60	60			
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)				
iii) 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	0.000614	45	0.002874	75	0.039637
20	0.000888	50	0.004946	80	0.060558
25	0.000984	55	0.007888	85	0.091982
30	0.001056	60	0.011534	90	0.138895
35	0.001282	65	0.017009	95	0.208585
40	0.001803	70	0.025855	100	0.311628

12. The Company expects to contribute Rs. 29.67 Lacs to the gratuity trusts during the fiscal 2020.

(c) Leave Encashment

Bifurcation of Projected Benefit Obligations at the end of year in current and non current:

Particulars	Leave Encashment	
	2018-19	2017-18
Current liability (Amount due within one year)	24.03	12.26
Non-Current liability (Amount due over one year)	117.50	113.71
Total PBO at the end of year	141.53	125.97

The amounts recognized in Statement Of Profit and Loss

Particulars	Leave Encashment	
	2018-19	2017-18
Total Service Cost	11.77	11.05
Net Interest Cost	9.57	9.80
Net actuarial (gain) / loss recognized in the period	(0.03)	(8.48)
Expense recognized in the Income Statement	21.31	12.38



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 32 : Finance Cost

Particulars	(Rs. In Lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest expenses on Borrowings		
-From Banks*	419.99	366.55
-From Others	81.90	737.82
(b) Other borrowing cost	97.07	43.28
Total	598.95	1,147.65

* Subsidy received from Central Government for reimbursement of interest cost for maintaining buffer stock is reduced.

Note 33 : Depreciation and Amortisation expenses

Particulars	(Rs.in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
(a) Depreciation on property, plant and equipment	615.72	558.85
(b) Amortisation of intangible assets	1.82	1.80
Total	617.54	560.65



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note : 34 Other expenses

Particulars	(Rs. In Lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Consumption of store and spare parts	2,012.81	1,642.39
(b) Chemical consumed	382.32	293.97
(c) Power and Fuel	188.30	217.50
(d) Rent	10.54	31.18
(e) Repairs to :		
- Machinery	565.15	471.15
- Building	202.61	277.76
- Others	23.49	22.41
(f) Insurance*	59.58	86.00
(g) Rates and Taxes	12.64	13.80
(h) Excise Duty paid on sale of goods	-	1,172.64
(i) Auditors Remuneration		
Audit Fee	4.00	4.14
Reimbursement of expenses	0.80	0.61
(j) Miscellaneous Expenses		
- Packing, Forwarding and Transportation	1,286.30	1,755.79
- Office and Miscellaneous Expenses	1,907.39	440.60
- Commission to Selling Agents and Others	116.55	131.05
- Legal expenses	5.46	5.18
- Loss on Property, Plant and Equipment sold and/or written off	8.68	52.28
- Loss on sale /write off stores	8.36	7.55
- Rebate and Discount	106.98	90.94
- Director Sitting and Other Expenses	0.64	0.60
- Corporate Social Responsibility (CSR) Expenses (Refer Note 46)	96.36	24.55
- Bad Debts Written Off	-	0.42
Total	6,998.95	6,742.52

* Subsidy received from Central Government for reimbursement of insurance cost for maintaining buffer stock is reduced.



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SARASWATI SUGAR MILLS LIMITED

Notes to Financial Statements as at March 31, 2019

Note 35 : Tax Expense

(A) Income Tax Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Current tax		
Current tax expense recognized in statement of profit and loss	493.61	2,431.03
Current tax expense recognized in other comprehensive Income	10.68	13.34
Adjustments for current tax of prior periods recognized in statement of profit and loss	(2.14)	-
Total Current tax expense	502.15	2,444.37
(b) Deferred tax		
Deferred tax expense recognized in statement of profit and loss	66.63	(119.78)
Deferred tax expense recognized in other comprehensive Income	16.71	(16.71)
Total Deferred Tax Expenses	83.34	(136.49)
(c) MAT		
Mat Credit Entitlement	-	(196.43)
Total Income tax Expense	585.49	2,111.45

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

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	1,495.03	7,109.58
Tax at Indian tax rate of 34.944% (F.Y. 2017-18: 34.608%)	522.42	2,460.48
Add: Expenses disallowed for Tax Purposes		
-- CSR Expenses	33.67	8.50
-- Loss on Property Plant and Equipments Sold/Written off	3.03	18.09
-- Gratuity Expenses	5.55	-
-- Tax on perquisites	1.00	-
-- 'Punjab Welfare Fund	0.06	-
-- 'Change in Tax Rate	6.43	(29.96)
Less: Non-Taxable Income and allowances		
-- 'Dividend Income	-	(11.92)
-- 'Local Area Development Tax	-	(79.00)
-- 'Government Grant- Amortization of Fixed Assets	-	(1.03)
-- 'MAT credit entitlement of earlier years	-	(196.43)
-- 'Donation	(6.11)	-
-- 'Long Term Capital Loss	(15.66)	-
-- 'Others	35.08	(57.28)
Income Tax expenses	585.49	2,111.45



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 36 : Earning Per Share

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

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Profit/(Loss) available to Equity Shareholders (Rs. In lakhs)	936.93	4,994.76
(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)]*	13.20	70.35

* There are no potential equity shares.



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 37 : Contingent Liabilities and Assets

Contingent Liabilities not provided for:

Particular	(Rs. In Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Claims against company not acknowledge as debt (including sales tax/excise duty under dispute)	1092.16	1309.26

Based on legal advice and discussions with the solicitors, the management believes that there is fair chance of decisions in the company's favor 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 : Commitments

Particular	(Rs. In Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	12.55

Note: 39 Operating Segments

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

No Customer individually accounted for more than 10% of the revenue in the year ended March 31,2019 and March 31, 2018.

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-19	55,769	0	55,769
	31-Mar-18	80,727	0	80,727

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



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note: 40 Related party transactions

(A) List of related parties

(a) Parent Entity

Name	Type	Ownership Interest	
		As at March 31, 2019	As at March 31, 2018
Isgec Heavy Engineering Limited	Holding Company	100%	100%

(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

-Fellow Subsidiaries/ Joint venture of holding company:

- ISGEC Engineering and Projects Limited (Fellow Subsidiary)
- ISGEC Foster wheeler 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 Foster Wheeler Boilers Private Limited (Fellow Subsidiary)

(d) Entities over which Directors, their relatives and the holding company can exercise significant influence

- 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 as at March 31, 2019

(B) Transactions with related parties

(i) Related party transactions

Nature of Transaction	Year ended	Parent Entity	Entities over which key management personnel can exercise	Key Management Personnel	(Rs. In Lakhs)
					Total
Purchase of Goods	March 31, 2019	198.16	367.47	5.39	571.02
	March 31, 2018	20.63	262.73	9.28	292.64
Purchase of Capital Goods	March 31, 2019	-	-	-	-
	March 31, 2018	807.2	-	-	807.20
Services Received	March 31, 2019	119.22	2.95	0.64	122.81
	March 31, 2018	26.47	11.72	0.60	38.79
Loan Received	March 31, 2019	-	-	-	-
	March 31, 2018	7480.00	-	-	7,480.00
Loan Repaid	March 31, 2019	-	-	-	-
	March 31, 2018	14750.00	-	-	14,750.00
Interest paid/Payable	March 31, 2019	-	-	-	-
	March 31, 2018	249.71	-	-	249.71
Sale of Store Items	March 31, 2019	3.97	-	-	3.97
	March 31, 2018	21.13	-	-	21.13
Services Rendered	March 31, 2019	8.91	-	-	8.91
	March 31, 2018	6.56	-	-	6.56



Note: 40 Related party transactions....cont.

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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note: 40 Related party transactions....cont.

(ii) Contribution to trust for post employment benefit

(Rs. In Lakhs)

Name of the Trust	Year ended March 31, 2019	Year ended March 31, 2018
Saraswati Sugar Mill Employees Group Gratuity cum Life Insurance Scheme Trust	6.72	28.94
Saraswati Sugar Syndicate Limited Employees Provident Fund Trust	94.08	90.82

(C) Detail of amount due to or due from related parties as on 2019 and 2018

(Rs. In Lakhs)

Particulars		Parent Entity	Entities over which key manage- ment personnel can exercise	Key Management Personnel	Total
Amt. Receivable at year end	As at March 31, 2019	-	-	-	-
	As at March 31, 2018	-	25.00	-	25.00
Amt. Payable at year end	As at March 31, 2019	215.28	3.17	1.11	219.57
	As at March 31, 2018	521.49	2.00	0.42	523.91



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 41 :

Note 41 (a) :- Financial instruments by category

Particulars	As at March 31, 2019			As at March 31, 2018		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Financial Asset						
Investments						
- Investments in equity instruments (Refer note 5)						
Trade receivables (Refer note 10)	739.48	-	-	185.16	-	522.45
Loans (Refer note 6 & 11)	45.78	-	-	99.30	-	-
Cash and bank balances (Refer note 12 & 13)	2,304.23	-	-	423.51	-	-
Others financial assets (Refer Note 14)	1.95	-	-	24.17	-	-
Total Financial Assets	3091.45	0.00	0.00	732.14	0.00	522.45
Financial Liabilities						
Borrowings (Refer note 21 & 23)	13584.96	-	-	8,345.12	-	-
Trade payables (Refer note 22)	15211.00	-	-	6,930.17	-	-
Other Financial Liabilities (Refer note 23)	954.37	-	-	1,302.49	-	-
Total Financial Liabilities	29,750.33			16,577.78		

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).

(ii) The following table represents fair value hierarchy of assets and liabilities measured at fair value.

Particulars	As on 31 March, 2019			As on 31 March, 2018				
	Carrying Value	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Carrying Value	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(A) Financial assets at fair value								
Investments								
Investments in equity instruments (Refer note 5)	-	-	-	-	522.45	522.45	-	-
Total	-	-	-	-	522.45	522.45	-	-

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 borrowing 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



SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019
Note 42 : FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial asset includes trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company's activities are exposed to market risk, credit risk and liquidity risk.

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, 2019	As at March 31, 2018
Variable rate borrowings	9,085.51	515.24
Fixed rate borrowings	4,499.45	7,829.88
Total borrowings	13,584.96	8,345.12

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

Particulars	As at March 31, 2019			As at March 31, 2018		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Cash Credit Limit	9.31%	9,085.51	66.88%	10.67%	515.24	6.17%
Net exposure to cash flow interest rate risk		9,085.51			515.24	

(iii) Sensitivity

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

Particulars	(Rs. In Lakhs)			
	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
INR	+50	+50	45.43	2.58
	-50	-50	(45.43)	(2.58)

(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) Price Risk

The company exposure to equity securities price risk arises from the investments held by company and classified in the balance sheet at fair value through profit and loss. The company does not have any investments at the current year end and previous year which are held for trading. Therefore no sensitivity is provided.

ii. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. 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 Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an on going basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty
- (v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

The company major exposure is from trade receivables, which are unsecured and derived from external customers. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted securities and certificates of deposit which are funds deposited at a bank for a specified time period.

Particulars	2018-19	2017-18
Percentage sale of top ten customers	59.37%	52.53%

Note 42 contd..



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 42 contd.,

Expected credit loss for trade receivable on simplified approach :

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

Ageing	(Rs. In Lakhs)				
	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 March 31, 2018					
Gross Carrying Amount	185.16	-	-	79.23	264.39
Expected Credit Loss	-	-	-	79.23	79.23
Carrying Amount (net of impairment)	185.16	-	-	-	185.16
As at March 31, 2019					
Gross Carrying Amount	739.49	-	-	79.23	818.72
Expected Credit Loss	-	-	-	79.23	79.23
Carrying Amount (net of impairment)	739.49	-	-	-	739.49

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 100%

c) The following table summarises the change in the loss allowances measured using expected credit loss model (ECL):

Particulars	(Rs. In Lakhs)	
	ECL for Trade Receivables	
As at 31-03-2018	79.23	
Provided/Reversal during the year	-	
As at 31-03-2019	79.23	

III. Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31, 2019	Carrying Amount	(Rs. In Lakhs)				Total
		Less than One Year	More than one year and less than three year	More than 3 Years		
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	
As at March 31, 2018						
Borrowings	8,345.12	8,345.12	-	-	8,345.12	
Trade payables	6,930.17	6,930.17	-	-	6,930.17	
Other Liabilities	1,302.49	1,302.49	-	-	1,302.49	
Total	16,577.78	16,577.78	-	-	16,577.78	

Financing arrangements

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

Particulars	(Rs. In Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Expiring within one year (Bank overdraft and other facilities)	5,080.04	20,030.02



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SARASWATI SUGAR MILLS LIMITED
Notes to Financial Statements as at March 31, 2019

Note 43 : Capital Management

(a) Risk Management

The primary objective of the Company's Capital Management is to maximize the shareholder value 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 monitors capital on the basis of following gearing ratio, which is net debt (net of cash and cash equivalents) divided by total capital plus debt.

(Rs in Lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Debt	13,584.96	8,345.12
Cash & cash equivalents	(2,291.01)	(55.90)
Net Debt (A)	11,293.95	8,289.22
Total Equity	21,460.35	20,799.09
Total Equity and Net Debt (B)	32,754.30	29,088.32
Net debt to debt and equity ratio (Gearing Ratio) (A/B)	0.34	0.28

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 Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. 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.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous years.

(c) Dividends

No dividend paid during current financial year. (In previous year company has paid final dividend for FY 2016-17 on equity shares @Rs.15.55/- per share amounting to Rs.1104.03 lakhs and interim dividend for FY 2017-18 @Rs.15.55 per share amounting to Rs.1104.03 lakhs.)



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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

The Company has leased facilities under cancellable operating leases arrangements with a lease term ranging from one to five years, which are subject to renewal at mutual consent thereafter. The cancellable arrangements can be terminated by either party after giving due notice. The lease rent expenses recognised during the year amounts to Rs. 10.54 Lakhs (previous year Rs. 31.18 Lakhs).

(ii) Company as a lessor

The Company has given on lease Building under operating lease. In accordance with Indian Accounting Standard (Ind AS-17) 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, 2019	As at March 31, 2018
(i) Not later than one year	1.75	0.91
(ii) Later than one year and not later than five years	4.27	4.02
(iii) Later than five years	2.77	3.94
Total	8.79	8.87

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.96.35 Lakhs (Previous year Rs.24.55 Lakhs)
b) Amount spent during the year :Rs. 96.36 Lakh (Previous year Rs.24.55 Lakhs)
c) Amount unspent at the close of year was Nil

Note 47

In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the period 1 April to 30 June 2017 were reported gross of Excise Duty and net of VAT/ CST. Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1 July 2017, VAT/CST, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements of Ind AS 18. This has resulted in lower reported sales in the current period in comparison to the sales reported under the pre-GST structure of indirect taxes. With the change in structure of indirect taxes, certain expenses where credit of GST is available are also being reported net of taxes.

Note: 48 Revenue expenditure on Research & Development:
(Rs.in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salary	3.36	3.03
Contribution to Provident Fund	0.20	0.23
Total	3.56	3.26

Note: 49 Information on Cost Audit :

As per General Circular no.15/2011 dated April 11, 2011 issued by Ministry of Corporate Affairs, Government of India, the required information is as under :-

Sl. No.	Particulars	Description	
(a)	Product covered for Cost Audit	Sugar	
(b)	Full Particulars of Cost Auditor	M/s K.C. Kohli & Co. Cost Accountants (Firm Reg. Number: 100541) B-92, Subhadra Colony Sarai Rohilla Delhi 110035	
(c)	Filing of Cost Audit Report	Year ended March 31, 2019	Year ended March 31, 2018
	i) Date of filing of Cost Audit Report	Not Yet Due	28.08.2018
	ii) Due date of filing of Cost Audit Report	27.09.2019	27.09.2018



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Note : 50 Recent Accounting Pronouncements

IND AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the less or accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The standard permits two possible methods of transition:

Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116 - Leases.

The effect on adoption of Ind AS 116 would be insignificant in the company's financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

- i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight.
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the company's financial statements.

Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact

Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.



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Note 51 Reconciliation of Cash flow from financing Activities

Amount (Rs in Lakhs)

Particulars	Year Ended 31st March 2019		Year Ended 31st March 2018	
	Borrowings (Current)	Borrowings (Non-Current)	Borrowings (Current)	Borrowings (Non-Current)
Opening Balance of Financial liabilities coming under the financing	5,740.78	2,604.34	18,519.20	4,608.11
Changes during the year add(less)				
a) Changes from financing cash flow	7,844.18	(2,604.34)	(12,778.41)	(2,003.77)
b) Changes arising from obtaining or losing control of subsidiaries or	-	-	-	-
c) the effect of changes in foreign exchanges rates- (Gain)/Loss	-	-	-	-
d) Changes in fair value	-	-	-	-
e) Other Changes	-	-	-	-
Closing Balance of Financial liabilities coming under the financing activities of Cash Flow Statement	13,584.96	-	5,740.78	2,604.34

Note: 52 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our report of even date
For SCV & Co. LLP
Chartered Accountants
Firm Reg No. 000235N/N500089

(Sanjiv Mohan)
Partner
Membership No.086066



Sanjay Jain
Sanjay Jain
Dy. General Manager (Accounts)

Puneet Gupta
Puneet Gupta
Deputy Manager (Internal Audit)

For & on behalf of the Board of Directors

Place: Noida

Date: 28 MAY 2019

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

Reva Khanna
Reva Khanna
Director
DIN:00413270

Aditya Puri
Aditya Puri
Managing Director
DIN:00052534