KCP SUGARS AGRICULTURAL RESEARCH FARMS LIMITED

Nineteenth Annual Report
2017-2018

CIN : U73100TN1998PLC041501

BOARD OF DIRECTORS

Chairperson	Smt. Irmgard Velagapudi M. Rao
Directors	Shri. Vinod R. Sethi Shri. R. Ganesan
Auditors	M/s. Suri & Siva Chartered Accountants C-8, 3rd Floor, Shanti Apartments, New No.18, 1st Cross St, TTK Road Alwarpet, Chennai 600018.
Bankers	Corporation Bank
Registered and Corporate Office	"Ramakrishna Buildings" 239, Anna Salai, Chennai 600 006.
Farm	Thirupukuzhi and Melambi Villages Kanchipuram Dist, Tamil Nadu

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at No.239, Anna Salai, Chennai 600006, on Friday, 14th day of September 2018 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS

1 To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018 and the Profit and Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.

2 To appoint a Director in place of Shri.Vinod R.Sethi, who retires by rotation and is eligible for reappointment.

3 To appoint Suri & Siva, Chartered Accountants (FRN0042484S) as Statutory Auditors to hold office from the conclusion of this 19th Annual General Meeting till the conclusion of 20th Annual General Meeting on such remuneration as fixed by the Board of Directors.

NOTES :

A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The proxy form, in order to be effective must be duly completed, stamped and lodged with the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.

// **By Order of the Board** //

For **KCP SUGARS AGRICULTURAL RESEARCH FARMS LTD.**

Place : Chennai

Date : 25.05.2018

IRMGARD VELAGAPUDI M. RAO

CHAIRPERSON

DIRECTORS REPORT

Your Directors have pleasure in presenting the Nineteenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2018.

REVIEW OF OPERATIONS:

During the year ended 31.03.2018 the turnover and other income increased to Rs. 18.45 lakhs from Rs.13.58 lakhs. Despite increase in Turnover, the Company incurred a loss of Rs.0.78 lakhs as against the loss of Rs.5.81 lakhs in the previous year, due to increase in Operating Expenses. The Reserves and Surplus as on 31.03.2018 was Rs.227.58 lakhs (P.Y.: Rs.142.71 lakhs), after adjusting the loss of Rs.0.78 lakhs and Other Comprehensive Income of Rs.85.65 lakhs.

FIXED DEPOSITS:

Your Company has not accepted any fixed deposits during the period under review.

DIRECTORS:

In accordance with the Companies Act 2013 and the Articles of Association of the Company, Shri.Vinod R.Sethi, Director, retires by rotation and is eligible for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT :

Your Directors confirm:

- i that in the preparation of the annual accounts, the applicable Accounting Standards have been followed;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the period ended 31st March 2018 and of the profit of the Company for that period ;
- iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors have prepared the annual accounts on a going concern basis.
- v. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY STATEMENTS

The Statement containing Particulars of Employees required in terms of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have not been appended herewith as there is no employee covered by the same.

The statement pursuant to section 134(3)(m) of Companies Act, 2013, read with Companies (Disclosures of particulars in the Report of Directors) Rules, 1988, is not enclosed as the same does not apply to the Company.

AUDITORS:

In line with the holding Company, the Board of Directors recommends to the members, the appointment of M/s. Suri & Siva, Chartered Accountants (FRN 004284S) as the Statutory Auditor of the Company from the conclusion of this 19th AGM till the conclusion of 20th AGM.

As required under the provisions of section 141(3) of the Companies Act, 2013, the Company has obtained a written certificate from them to the effect that their appointment, if made, would be in conformity with the limits specified under the said section.

For and on behalf of the Board of Directors

Place: Chennai

IRMGARD VELAGAPUDI M.RAO

Date: 25.05.2018

CHAIRPERSON

INDEPENDENT AUDITOR'S REPORT

To The Members of K.C.P SUGARS AGRICULTURAL RESEARCH FARMS LTD

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **K.C.P SUGARS AGRICULTURAL RESEARCH FARMS LTD**("the Company"), which comprise the Balance Sheet as at March 31, 2018, and 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 then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

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 Flow dealt with by this Report are in agreement with the books of account.

   d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. the Company does not have any pending litigations which would impact its financial position.

      ii. the Company did not have any long-term contracts including derivative contracts for which there is no provision required for material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's report) Order, 2016 ("the Order) issued by the Central Government in terms of Section 143(11) of the act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the order.

Chennai

Dated 25-05-2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **K.C.P SUGARS AGRICULTURAL RESEARCH FARMS LTD**of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **K.C.P SUGARS AGRICULTURAL RESEARCH FARMS LTD** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statementsof the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Auditof Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance ofadequate internal financial controls that were operating effectively for ensuring the orderly and efficientconduct of its business, 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 financialinformation, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting ofthe Company based on our audit. We conducted our audit in accordance with the Guidance Note onAudit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by theInstitute of Chartered Accountants of India and the Standards on Auditing prescribed under Section143(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 andperform the audit to obtain reasonable assurance about whether adequate internal financial controls overfinancial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internalfinancial 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 judgement, 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 forour audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect thetransactions 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 authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use,or disposition of the company's assets that could have a material effect on the financial statements.

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 financialcontrols over financial reporting to future periods are subject to the risk that the internal financial controlover financial reporting may become inadequate because of changes in conditions, or that the degree ofcompliance with the policies or procedures may deteriorate.

Opinion

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

Chennai

Dated 25-05-2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **K.C.P SUGARS AGRICULTURAL RESEARCH FARMS LTD**of even date)

(i) (a) the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets,

(b) the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets,

(c) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The Management has conducted physical verification of Inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us, the company has not granted any loans, Secured or unsecured to the Companies, Firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence clause iii(a),iii(b) and iii (c) of the order are not applicable to the company for the year.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The Company has not accepted deposits and hence the provisions of clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of accounts and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) a) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, goods and service tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with appropriate authorities.

b) According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, income tax, sales tax, value added tax, goods and service tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at the yearend for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us and the records of the Company examined by us, there are no material dues of Income tax, sales tax, goods and service tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material 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 the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is 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 sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the 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 persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Chennai

Dated 25-05-2018

Amount in Rs.

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	1	4683501	4940599	5366907
Non-current financial assets				
(i) Investments	2	34193347	25628031	17391752
Current assets				
Inventories	3	718220	239229	176643
Financial Assets				
(i) Cash and cash equivalents	4	5229952	5460519	4052077
(ii) Other current financial assets	5	-	100000	78525
Current Tax Assets (Net)	6	447914	417201	389743
Total Assets		**45272934**	**36785579**	**27455647**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital	7	22500000	22500000	22500000
(b) Other equity	8	22758184	14271204	4941334
LIABILITIES				
Non-current liabilities				
Current liabilities				
Financial Liabilities		-	-	-
Other financial liablities	9	14750	14375	14313
Total Equity and Liabilities		**45272934**	**36785579**	**27455647**

The significant accounting policies and accompanying notes form an integral part of these financial statements

As per our report of even date attached

Suri & Siva
Chartered Accountants
Firm Regn No. 004284S

V.SIVAKUMAR
Partner
Membership No. 022379

Place: Chennai
Date: 25.05.2018

For and on behalf of the Board of Directors
IRMGARD VELAGAPUDI M. RAO
Chairperson

R. Ganesan
Director

Amount in Rs.

Particulars	Note	For Year Ended March 31, 2018	For Year Ended March 31, 2017
I Revenue from operations	10	1364457	826609
II Other income	11	480174	530903
III Total Income (I+II)		**1844631**	**1357512**
IV Expenses			
Changes in inventories of finished goods, work-in-progress and stock-in-trade	12	(478991)	(62586)
Employee Benefits Expense	13	271192	219871
Depreciation and Amortisation	14	257098	453653
Other Expenses	15	1873668	1328067
Total expenses (IV)		**1922967**	**1939005**
V Profit/(loss) before exceptional items and tax (III-IV)		**(78336)**	**(581493)**
VI Exceptional items		-	-
VII Profit/(loss) before tax (V-VI)		(78336)	(581493)
VIII Tax expense			
- Current Tax		-	-
- Deferred Tax		-	-
IX Profit/(loss) After Tax (VII-VIII)		**(78336)**	**(581493)**
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Equity instruments through other comprehensive income		8565316	9911363
Remeasurements of defined benefit plan acturial gains/(losses)			
Income tax expense on above			
		8565316	**9911363**
XI Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period) (IX±X)		8486980	9329870
XII Earnings per equity share			
(1) Basic		(0.03)	(0.26)
(2) Diluted		(0.03)	(0.26)

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

Suri & Siva
Chartered Accountants
Firm Regn No. 004284S

V.SIVAKUMAR
Partner
Membership No. 022379

Place: Chennai
Date: 25.05.2018

For and on behalf of the Board of Directors
IRMGARD VELAGAPUDI M. RAO
Chairperson

R. Ganesan
Director

Amount in Rs.

Statement of Change in Equity for the year ended March 31, 2018

Particulars	Share Capital	Other Components of Equity: Retained Earnings	Other Components of Equity: Fair value changes of Investment (Net)	Total
Balance as at April 01,2016	22500000	4941334	-	**27441334**
Profit / (Loss) for the period		(581493)	-	**(581493)**
Other Comprehensive Income for the Year			9911363	**9911363**
Balance as at March 31, 2017	**22500000**	**4359841**	**9911363**	**36771204**
Profit / (Loss) for the period		(78336)		**(78336)**
Other Comprehensive Income for the Year			8565316	**8565316**
Balance as at March 31, 2018	**22500000**	**4281505**	**18476679**	**45258184**

Note 1. Significant Accounting Policies

(a) Statement of compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies as set out below have been applied consistently to all years presented in these financial statements.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirement of previous GAAP, which includes accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended March 31, 2018 are the first financial statements under Ind AS. The date of transition to Ind AS is April 1, 2016.

The Company has adopted all issued Ind AS standards, as applicable, and the adoption was carried out in accordance with Ind AS 101. The transition was carried out from the Indian GAAP which was the previous GAAP. An explanation of how the transition to Ind AS has affected the reported financial position and financial performance of the Company is provided in Note 29. This note includes reconciliations of equity and total comprehensive income for comparative years under Indian GAAP to those reported for those years under Ind AS.

Refer Note 29 for the details of first-time adoption exemptions availed by the Company.

(b) Basis of preparation and presentation:

These financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

(c) Critical accounting estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- ❖ **Useful lives of property, plant and equipment and intangible assets:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.

- ❖ **Impairment testing:** Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- ❖ **Fair value measurement of derivative and other financial instruments:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements to select a variety of methods and make assumptions that are mainly based on market conditions existing at the Balance Sheet date.

❖ **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(d) Revenue recognition :

Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises sale of rooms, food and beverages and allied services relating to hotel operations, including management fees.

Revenue is recognised upon rendering of the service, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

The Company operates loyalty programme, which allows its members to earn points based on their spending at the Hotels. The points so earned by the members are accumulated and the revenues are deferred on the basis of the fair value of the loyalty points (net of breakages) determined based on certain parameters. On redemption of the points, the revenue is recognised. Membership fees received from the loyalty program is recognized as revenue on time-proportion basis.

Management fees earned from hotels managed by the Company are usually under long-term contracts with the hotel owner and is recognised when earned in accordance with the terms of the contract.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognized when the Company’s right to receive the amount is established.

(e) Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the location of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (refer note no. 2(p) below). Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An assets’ carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater that its estimated recoverable amount.

Depreciation is charged to profit or loss so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the Balance Sheet date, with the effect of any changes in estimate accounted for on a prospective basis.

In respect of Leasehold Buildings, depreciation on buildings on leased properties is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives.

Assets under finance leases as depreciated over the expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

The estimated useful lives of the depreciable assets are in line with the Schedule II of the Companies Act, 2013.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the pervious GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress represents projects under which the property, plant and equipment's are not yet ready for their intended use and are carried at cost determined as aforesaid.

(f) Impairment of assets:

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

(g) Inventories:

Standing crops are valued at cost. Other inventories are valued at the lower of cost (computed on a Weighted Average basis) or net realisable value. Cost include the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

(h) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

(i) Cash and Cash Equivalent (for the purpose of cash flow statements):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(j) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(k) Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(l) Financial Instruments:

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Investment in subsidiaries, joint ventures and associates are carried at cost less impairment, if any. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company’s balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either:

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company’s continuing involvement. In that case, the Company also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

16 Transition to IND AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (The Company's date of transition).

16.1 In preparing its first Ind AS financial statements in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has applied the relevant mandatory exceptions and certain optional exemptions from full retrospective application of Ind AS. Material optional exemptions applied by the Company and applicable mandatory exceptions for the Company are as follows:

16.2 A: Ind AS optional exemptions and mandatory exceptions availed

1. Deemed cost of Property Plant and Equipment

   Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as required to be made as per para 10 of Ind AS 101.

   The Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

2. Evaluation of arrangements in the nature of lease

   Ind AS 101 allows an entity to determine whether an arrangement existing at the date of transition to Ind ASs contains a lease on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

   The Company has elected to determine whether the arrangements existing contains a lease on the basis of the facts existing on transition date.

16.3 B: Ind AS mandatory exceptions

1. Estimates

   An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in Mutual fund carried at FVPL

- Impairment of financial assets based on expected credit loss model.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

1 - Property Plant and Equipments

Description	Land	Buildings	Fencing	Plant and Machinery	Vehicles	Total
						-
As at 1 April 2016 (Deemed Cost)	3686503	835179	15321	820120	9784	5366907
Additions during the year				27345		27345
Deletions during the year						-
As at 31 March 2017 (At Cost)	3686503	835179	15321	847465	9784	5394252
Additions during the year						-
Deletions during the year						-
As at 31 March 2018 (At Cost)	3686503	835179	15321	847465	9784	5394252
Depreciation and amortization						
Charge for the year ended March 31, 2017		16586	-	434498	2569	453653
Deletions during the year						-
As at 31 March 2017 (At Cost)	-	16586	-	434498	2569	453653
Charge for the year		16543		237987	2568	257098
Deletions during the year						-
As at 31 March 2018	-	33129	-	672485	5137	710751
Net Book Value						
As at 31 March 2018	3686503	802050	15321	174980	4647	4683501
As at 31 March 2017	3686503	818593	15321	412967	7215	4940599
As at 01 April 2016	3686503	835179	15321	820120	9784	5366907

2. Non-Current Investments

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investments in Equity Instruments (Fair valued through OCI)	34193347	25628031	17391752

2.1 Aggregate amount of quoted investments			
- Cost	12411108	12411108	14449288
- Market Value	34193347	25628031	17391752

Amount in Rs.

3 - Inventories

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Standing Crops & Others	718220	239229	176643

4 - Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
i) Balances with banks:			
-In current accounts	820526	1335951	211602
-In Fixed Deposits	4346904	4070499	3824003
ii) Cash on hand	62522	54069	16472
Total	**5229952**	**5460519**	**4052077**

5 - Other Current Financial Assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Dividend Receivable		-	78525
Other Deposits		100000	-
Total	**-**	**100000**	**78525**

6 - Current Tax Asset

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Income tax Refund receivable	447914	417201	389743

7 - Equity Share Capital

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised Share Capital			
50,00,000 Equity Shares of Rs.10/- each	50000000	50000000	50000000
Total	**50000000**	**50000000**	**50000000**
Issued, Subscribed And Paid Up			
22,50,000 Equity Shares of Rs.10/- each Equity Shares	22500000	22500000	22500000
Total	**22500000**	**22500000**	**22500000**

Amount in Rs.

7.1 Movement in respect of Equity Shares is given below :

Particulars	As at March 31, 2018		As at March 31, 2017	
	Nos.	Amount in Rs.	Nos.	Amount in Rs.
At the beginning of the period	2250000	22500000	2250000	22500000
(+) Issued during the period*	-	-	-	-
(-) Redeemed during the period	-	-	-	-
Outstanding at the end of the period	**2250000**	**22500000**	**2250000**	**22500000**

7.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

In the event of liquidation of the company, the holders of 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 to the number of equity shares held by the shareholders.

7.3 Details of Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Nos.	% of Holding	Nos.	% of Holding	Nos.	% of Holding
K.C.P Sugar and Industries Corporation Ltd	2250000	100%	2250000	100%	2250000	100%
Total	**2250000**	**100%**	**2250000**	**100%**	**2250000**	**100%**

8. Other Equity

For the year ended March 31, 2018

Particulars	Reserves and Surplus	Other Components of Equity	Total
	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01,2017	4359841	9911363	**14271204**
Profit / Loss for the period	-78336		**-78336**
Other Comprehensive Income for the Year		8565316	**8565316**
Balance as at March 31, 2018	**4281505**	**18476679**	**22758184**

Amount in Rs.

Other Equity

For the year ended March 31, 2017

Particulars	Other Components of Equity		Total
	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01,2016	4941334	-	**4941334**
Provision For Dividend and taxes		-	**-**
Profit / Loss for the period	-581493	-	**-581493**
Other Comprehensive Income for the Year		9911363	**9911363**
Balance as at March 31, 2017	**4359841**	**9911363**	**14271204**

9 - Other Financial Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Outstanding Liabilities for Expenses	14750	14375	14313

10 - Revenue From Operations

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of agricultural products	1364457	826609

11 - Other Income

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income at from financial asset masured at amortised cost	317933	274820
Dividend Income	162241	253083
Miscellaneous Receipts	-	3000
Total	**480174**	**530903**

12 - Changes in Inventories of Finished Goods , Work-in-Progress and stock in trade

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance		
Standing Crops	239229	176643
Less Closing Balance		
Standing Crops	-718220	-239229
Total	**-478991**	**-62586**

Amount in Rs.

13 - Employee benefits expense

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	249000	210500
Staff welfare expenses	22192	9371
Total	**271192**	**219871**

14 - Depreciation and Amortisation

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation / Amortisation for the year		
- Tangible Assets	257098	453653

15 - Other expenses

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cultivation Charges	44712	58260
Labour charges	369225	347955
Pesticides / Fertilizers	135886	103305
Repairs and maintanence		
- Tractor	91685	77496
- Others	39146	62158
Loss on Sale of Investments	-	73864
Brick work expenses	1140175	543547
Payment made to auditors	14750	14437
Legal and Professional Charges	17730	27891
Miscellaneous expenses	20359	19154
Total	**1873668**	**1328067**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Payment made to statutory auditors :		
i. As Audit Fee	14750	14437
ii. For taxation matters	-	-
iii. For other services	-	-
iv. For reimbursement of expenses	-	-

Amount in Rs.

16. Category wise classification of Financial Instruments

Particulars	Note No.	2018	2017	2016	2018	2017	2016	2018	2017	2016
		Amortized cost	Amortized cost	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Financial assets/ liabilities at fair value through OCI	Financial assets/ liabilities at fair value through OCI
Assets:										
Current Investment								34193347	25628031	17391752
Cash & Cash Equivalents		5229952	5460519	4052077						
Liabilities:										
Other Financial Liabilities		14750	14375	14313						

Disclosure requirements of Indian Accounting Standards

17. Disclosures in respect of Ind AS 107 - Financial Instruments

17.1 Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

March 31,2018

	Note No.	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI
Assets:				
Non Current Investment		-	-	34193347
Cash & Cash Equivalents		5229952	-	-
Liabilities:				
Other Financial Liabilities		14750	-	-

March 31,2017

Particulars	Note No.	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI
Assets:				
Non Current Investment		-	-	25628031
Cash & Cash Equivalents		5460519	-	-
Liabilities:				
Other Financial Liabilities		14375	-	-

Amount in Rs.
March 31,2016

Particulars	Note No.	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI
Assets:				
Non Current Investment		-	-	17391752
Cash & Cash Equivalents		4052077	-	-
Liabilities:				
Other Financial Liabilities		14313	-	-

17.2 Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - zInputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

17.3 Valuation Technique used to determine Fair Value:

Specific valuation techniques used to value financial instruments include:

- Use of quoted market prices for Listed instruments

17.4 The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(Amount in Rs.)

	For the year 31.03.2018				For the year 31.03.2017				For the year 31.03.2016			
Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets												
Investments in Quoted Securities	34193347			34193347	25628031			25628031	17391752			17391752

18. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share(EPS)”

a) Basic EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS and Basic EPS is as follows:

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit (loss) for the year, attributable to the owners of the company	(78336)	(581493)
Earnings used in calculation of basic earnings per share(A)		
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	2250000	2250000
Basic EPS(A/B) – Rs.	(0.03)	(0.26)

Amount in Rs.

b) Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPS is as follows:

(Amount in Rs.)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit (loss) for the year, attributable to the owners of the company	(78336)	(581493)
Earnings used in calculation of basic earnings per share(A)		
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	2250000	2250000
Basic EPS(A/B)	(0.03)	(0.26)

19. Disclosure Under Ind AS 101:

Reconciliation of Balance Sheet as previously reported under IGAAP to IND AS

Reconciliation of Ind AS as on April 1, 2016				**Amount in Rs.**
Particulars	**Note**	**As at 01 April 2016**	**As at 01 April 2016**	**As at 01 April 2016**
		IGAAP	**Ind AS Adjustment**	**Ind AS**
ASSETS				
Non-current assets				
Property, plant and equipment		5366907	-	5366907
Non-current financial assets				
(i) Investments		14449288	2942464	17391752
Current assets				
Inventories		176643	-	176643
- Cash and cash equivalents		4052077	-	4052077
- Other current financial assets		78525	-	78525
Current Tax Assets (Net)		389743	-	389743
Total Assets		**24513183**	**2942464**	**27455647**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		22500000	-	22500000
Other Equity		1998870	2942464	4941334
LIABILITIES				
Non-current liabilities				
Current liabilities				
Financial Liabilities				
- Other financial liabilities		14313	-	14313
Total Equity and Liabilities		**24513183**	**2942464**	**27455647**

Amount in Rs.

Reconciliation of Ind AS as on March 31, 2017

Particulars	Note	As at March 31, 2017	As at March 31, 2017	As at March 31, 2017
		IGAAP	Ind AS Adjustment	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		4940599	-	4940599
Non-current financial assets				
(i) Investments		12411108	13216923	25628031
Current assets				
Inventories		239229	-	239229
- Cash and cash equivalents		5460519	-	5460519
- Other current financial assets		100000	-	100000
Current Tax Assets (Net)		417201	-	417201
Total Assets		**23568656**	**13216923**	**36785579**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		22500000	-	22500000
Other Equity		1054281	13216923	14271204
LIABILITIES				
Non-current liabilities				
Current liabilities				
Financial Liabilities				
- Other financial liabilities		14375	-	14375
Total Equity and Liabilities		**23568656**	**13216923**	**36785579**

(i) Investments in Quoted Instruments:

Under the previous GAAP, investments in mutual funds were classified as long-term investments or current investments based on the intended holding period . Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, investments in equity are measured at fair value and the changes in value are recognised in Other Comprehensive Income.

20. Reconciliation of other equity as previously reported under IGAAP to Ind AS

		01-Apr-16
Balance as per IGAAP	**IGAAP**	**1998870**
Adjustments		
Fair Value of Investment		2942464
Total		**2942464**
Balance as per Ind AS	**Ind AS**	**4941334**

Amount in Rs.

Reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS:

Reconciliation of Ind AS Profit and loss Account for March 2017

Particulars	For Year Ended 31 March 2017	For Year Ended 31 March 2017	For Year Ended 31 March 2017
	IGAAP	Ind AS Adjustments	Ind AS
I Revenue from operations	826609	-	826609
II Other income	530903	-	530903
III Total Income (I+II)	1357512	-	1357512
IV Expenses			
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(62586)	-	(62586)
Employee benefits expense	219871	-	219871
Finance costs	1447	-	1447
Depreciation and Amortisation	453653	-	453653
Other expenses	1689715	(363095)	1326620
Total expenses (IV)	2302100	(363095)	1939005
V Profit/(loss) before exceptional items and tax (III-IV)	(944589)	363095	(581493)
VI Exceptional items	-	-	-
VII Profit/(loss) Before Tax (V-VI)	(944589)	363095	(581493)
VIII Tax expense			
- Current Tax	-	-	-
- Deferred Tax	-	-	-
IX Profit/(loss) After Tax (VII-VIII)	(944589)	363095	(581493)
X Other Comprehensive Income:			
Items that will not be reclassified to profit or loss:			
Equity instruments through other comprehensive income	-	9911363	9911363
Income tax expense on above	-	-	-
Total	-	9911363	9911363
Total Comprehensive Income for the period (IX±X)	(944589)	10274459	9329870

Explanations for Reconciliation of Statement of Profit & Loss as previously reported under IGAAP to IND AS (Note provided for only Material items of reconciliation)

(ii) Other Comprehensive Income

Under the IND AS, financial assets and financial liabilities are measured at fair value on transition date; the impact of which is included under Other comprehensive income under Equity instruments through other comprehensive income to Rs. 99,11,363/-.

Particulars	For Year Ended March 31, 2018	For Year Ended March 31, 2017
A. Cash flows from operating activities		
Total Income for the Period(PBT)	-78336	-581493
Adjustments:		
- Fair Value Adjustment		
- Dividends Received	-162241	-253082
- OCI Adjustments	-8565316	-9911363
- Loss on Sale of Investments	-	73864
- Interest received	-317933	-274820
- Fair Value Adjustment	8565316	9911363
- Depreciation and amortization	257098	453653
Operating cash flow before working capital changes	**-301412**	**-581878**
Changes in		
- Decrease/(Increase) In Trade Receivables	-	-
- Decrease/(Increase) In Inventory	-478991	-62586
- Decrease/(Increase) In Other current Financial Asset(s)	100000	-48933
(Decrease)/Increase In Other current financial liablities	375	62
Cash generated from / (used in) operations	**-680028**	**-693335**
Less: Income tax paid	**-30713**	
Cash generated from / (used in) operations (Net)	**-710741**	
B. Cash flows from investing activities		
Purchase of Fixed assets	-	-27345
Sale of investments	-	1601220
Interest received	317933	274820
Dividend received	162241	253082
Net cash generated from/(used in) investing activities	**480174**	**2101777**
C. Cash flows from financing activities		
Net cash used in financing activities	**-**	**-**
Increase in cash and cash equivalents	**-230567**	**1408442**
Cash and cash equivalents at the beginning of the year	**5460519**	**4052077**
Cash and cash equivalents at the end of the year	**5229952**	**5460519**
Components of cash and cash equivalents		
Cash on hand	62522	54069
Balances with banks	5167430	5406450
Total cash and cash equivalents	**5229952**	**5460519**

The notes referred to above form an integral part of the unaudited interim condensed consolidated financial statements

As per our report of even date attached

Suri & Siva
Chartered Accountants
Firm Regn No. 004284S

For and on behalf of the Board of Directors
IRMGARD VELAGAPUDI M. RAO
Chairperson

V.SIVAKUMAR
Partner
Membership No. 022379

Place: Chennai
Date: 25.05.2018

R. Ganesan
Director