

**PARRY SUGARS
REFINERY INDIA
PRIVATE LIMITED**

**Standalone Financial
Statements for the year
ended 31st March 2016**

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARRY SUGARS REFINERY INDIA PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **PARRY SUGARS REFINERY INDIA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

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

Auditor's Responsibility

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

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



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

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

Opinion

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 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 31st March, 2016, and its loss 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, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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



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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No: 008072S)

M.K. Ananthanarayanan

M.K. Ananthanarayanan
Partner
(Membership No: 19521)

Chennai, 5th May, 2016



**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report 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 controls over financial reporting of **PARRY SUGARS REFINERY INDIA PRIVATE LIMITED** (“the Company”) as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 was established and maintained and if such controls operated effectively in all material respects.

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



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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.

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 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No: 008072S)

M.K. Ananthanarayanan

M.K. Ananthanarayanan
Partner
(Membership No: 19521)

Chennai, 5th May, 2016



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us no material discrepancies were noticed on such verification.
 - (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for sugar and industrial alcohol. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.



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- (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs.)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2010-11	Nil*

*Net of Rs. 17,067,705 paid under protest

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us, in respect of term loans, the Company has applied the money for the purposes for which it was raised, other than temporary deployment pending application.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party 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 made private placement of equity shares and redeemable preference shares during the year under review.

In respect of the above issue, we further report that:

- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.



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- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan

M.K. Ananthanarayanan
Partner
(Membership No.19521)

Chennai, 5th May, 2016



Parry Sugars Refinery India Private Limited
Balance Sheet as at 31.03.2016

Particulars	Note No.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	3	3,072,812,250	2,292,812,250
(b) Reserves and Surplus	4	(2,975,128,474)	(2,200,636,982)
		97,683,776	92,175,268
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	5	3,300,000,000	3,300,000,000
(3) Current Liabilities			
(a) Short-Term Borrowings	6	8,199,323,236	2,215,038,540
(b) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7	4,851,874,437	3,193,738,128
(c) Other Current Liabilities	8	505,028,252	208,000,024
(d) Short-Term Provisions	9	890,871	594,921
		13,557,116,796	5,617,371,613
TOTAL		16,954,800,572	9,009,546,881
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	4,202,276,290	4,111,661,907
(ii) Intangible Assets	10	66,258	66,258
(iii) Capital Work-in-Progress		19,628,536	6,354,152
		4,221,971,084	4,118,082,317
(b) Deferred Tax Assets (Net)	11	-	-
(c) Long-Term Loans and Advances	12	176,006,119	307,137,824
(d) Other Non-Current Assets	13	23,797,804	74,298,968
		4,421,775,007	4,499,519,109
(2) Current Assets			
(a) Current Investments	14	330,290,375	-
(b) Inventories	15	8,196,604,065	4,063,775,290
(c) Trade Receivables	16	1,178,019,951	7,720,344
(d) Cash and Bank Balances	17	207,104,873	2,759,267
(e) Short-Term Loans and Advances	18	2,287,718,504	385,059,857
(f) Other Current Assets	19	333,287,797	50,713,014
		12,533,025,565	4,510,027,772
TOTAL		16,954,800,572	9,009,546,881
See accompanying notes forming part of the financial statements	1-37		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

M.K. Ananthanarayanan

(P.N.)

[Signature]

Chairman

Director

M.K. Ananthanarayanan
Partner



[Signature]

Chief Financial Officer

Company Secretary

Chennai
May 5, 2016

Chennai
May 5, 2016

Parry Sugars Refinery India Private Limited
Statement of Profit and Loss for the year ended 31.03.2016

Particulars	Note No.	For the year ended	For the year ended
		31.03.2016	31.03.2015
		Rs.	Rs.
I. Income			
Revenue from Operations	20	11,518,295,401	2,597,628,094
Other Income	21	167,765,903	974,793
Total Revenue		11,686,061,304	2,598,602,887
II. Expenses			
Cost of Materials Consumed	22	10,082,184,127	3,767,161,574
Changes in Inventories of Finished Goods	23	(207,448,663)	(1,170,243,316)
Employee Benefits Expense	24	48,131,528	35,721,833
Finance Costs	25	561,000,269	486,491,660
Depreciation and Amortization Expense	10	247,348,258	241,556,902
Other Expenses	26	1,729,337,277	686,042,369
Total Expenses		12,460,552,796	4,046,731,022
III. Loss for the year		(774,491,492)	(1,448,128,135)
IV. Earnings per share (of Rs.10/- each)	34		
(1) Basic		(6.02)	(12.45)
(2) Diluted		(6.02)	(12.45)
See accompanying notes forming part of the financial statements	1-37		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M.K. Ananthanarayanan

M.K. Ananthanarayanan
Partner

Chennai
May 5, 2016

For and on behalf of the Board of Directors

Chairman
Chairman

Director
Director

Chief Financial Officer
Chief Financial Officer

Company Secretary
Company Secretary

Chennai
May 5, 2016



Parry Sugars Refinery India Private Limited
Cash Flow Statement for the year ended 31.03.2016

Particulars	For the year ended 31.03.2016 Rs.	For the year ended 31.03.2015 Rs.
A. Cash Flow from Operating Activities		
(Loss) before extraordinary items and tax	(774,491,492)	(1,448,128,135)
Adjustments for :		
Depreciation and Amortisation Expenses	247,348,258	241,556,902
Finance Costs	561,000,269	486,491,660
Dividend Income	(3,725,885)	(607,089)
Marked to Market loss on Swap Contract	117,009,394	-
Marked to Market loss on Commodity Contracts	139,409,690	-
Exchange variation (net)	(48,634,929)	-
Loss on Sale of Assets	-	4,146
Provision for Doubtful Advances	-	15,041,654
Interest Income	(164,040,018)	(367,704)
Liabilities no longer required written back	(18,744,705)	-
	829,622,074	742,119,569
Operating Loss before Working Capital Changes	55,130,582	(706,008,566)
Changes in Working Capital		
Adjustments for (increase)/decrease in Operating assets		
Trade and Other Receivables	(1,199,080,152)	(7,687,545)
Inventories	(4,132,828,775)	(3,953,381,339)
Short-Term Loans and Advances	(1,902,658,647)	(368,812,954)
Long-Term Loans and Advances	148,371,302	(3,762,584)
Other Current Assets	(214,953,457)	-
Adjustments for increase/ (decrease) in Operating Liabilities		
Trade Payables	1,730,515,644	2,982,142,718
Other Current Liabilities	1,941,996	4,117,575
Short-Term Provisions	295,951	(90,811)
	(5,568,396,138)	(1,347,474,940)
Cash used in operations	(5,513,265,556)	(2,053,483,506)
Direct Taxes Paid (Net of Refunds)	(17,239,596)	(36,965)
Net Cash Flow used in Operating Activities	(5,530,505,152)	(2,053,520,471)
B. Cash Flow from Investing Activities		
Capital expenditure on fixed assets, including capital advances	(328,415,201)	(105,743,291)
Proceeds from sale of fixed assets	-	5,000
Current investments not considered as Cash and cash equivalents		
- Proceeds from sale	-	590,121,589
- Purchase	-	(589,514,500)
Bank balances not considered as Cash and cash equivalents		
- Placed	(92,830)	(86,865)
Dividend received	3,725,885	-
Interest received	163,997,905	294,210
Net cash used in investing activities	(160,784,241)	(104,923,857)
C. Cash Flow from Financing Activities		
Proceeds from Issue of Equity Shares	500,000,000	-
Proceeds from Issue of preference shares	280,000,000	-
Proceeds from Issue of Debentures	-	3,148,219,800
Repayment of Long Term Borrowings	-	(2,883,964,484)
Proceeds from Short term Borrowings (Net)	5,994,510,230	2,115,038,539
Finance costs	(494,515,421)	(222,796,786)
Net Cash Flow generated from Financing Activities	6,279,994,809	2,156,497,069



Net (decrease) in Cash and Cash Equivalents (A+B+C)		588,705,416		(1,947,259)
Cash and Cash Equivalents at the beginning of the year		1,172,402		3,119,661
Effect of Exchange Differences on Restatement of Foreign Currency Cash & Cash Equivalents		54,162,264		-
Cash and Cash Equivalents at the end of the year		535,715,554		1,172,402
		588,705,416		(1,947,259)
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:				
Cash and Cash Equivalents (Note No 16)		207,104,873		2,759,267
Less: Bank Balances not considered as Cash and Cash Equivalents as defined in AS 3 Cash Flow Statements		(1,679,694)		1,586,865
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note 14)		330,290,375		-
Net Cash and Cash Equivalents (as defined in AS 3 Cash Flow Statements)		535,715,554		1,172,402

Significant non cash transactions:

Conversion of Term Loan and Interest Payable from Holding Company into Preference Capital		-		1,000,000,000
Amortisation of Discount on Issue of Debentures		50,639,521		26,841,714

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

M.K. Ananthanarayanan

M.K. Ananthanarayanan
Partner

Chennai
May 5, 2016

For and on behalf of the Board of Directors

(P.V.)
Chinn
Chairman

S.K.M.
Director

Qad
Chief Financial Officer

S.S.S.P.
Company Secretary

Chennai
May 5, 2016



Parry Sugars Refinery India Private Limited
Notes to Accounts

Note : 1

Corporate Information:

Parry Sugars Refinery India Private Limited, a subsidiary of E.I.D. Parry (India) Limited, is engaged in the manufacture of refined sugar and has a manufacturing facility in Kakinada (A unit in Parry Infrastructure Company Private Limited SEZ in Vakalapudi village). During the year the company changed its name from Silkroad Sugar Private Limited to Parry Sugars Refinery India Private Limited through special resolution passed in Extraordinary General Meeting held on June 23, 2015. The Name change has come into effect from 15th July 2015. The Plant has a capacity to produce refined sugar of 2000 Tons Per day and the Power Plant has a capacity to generate 10 MW of power. The plant was originally constructed to run on Natural Gas as its fuel and the Company has a firm allocation of Natural Gas from Government of India. However gas supplies to the plant was stopped due to unexpected drop in overall gas production, due to which the Company's operations were discontinued from 1 November 2011. The Company assessed the suitability of alternative fuels and concluded that coal would be a viable substitute for running the plant. The Company also commissioned Coal fired boiler and Power Plant and re-commenced its operations from 16 July 2014.

Note: 1 A Going Concern

The company has recorded net loss of Rs. 774,491,492 for the year end and has accumulated loss of Rs. 6,049,272,034 resulting substantial erosion of net worth. The Management is confident that the company will able to generate profits in future years to meet its financial obligation as may arise. The company's financial statements have been prepared as on going concern basis based on cumulative impact of the following mitigating factors:-

- A. Company has not defaulted in payment of any statutory dues including the interest on borrowing.
- B. In order to strengthen the financial position, the company has restructured its high cost bank borrowings with low cost debentures, with support of corporate guarantee from holding company during the FY 2014-15.
- C. E.I.D Parry (India) Ltd - Holding company infused Rs.50 crores and Rs. 28 Crores in the form of Equity Shares and Preference Shares respectively during FY 2015-16, which helped the company to retain positive net worth and meet the financial obligation.
- D. To overcome the operational issues arising out of non availability of gas, the company has invested in Coal based boiler and operations commenced during July 2014. The power plant has also been synchronised with AP grid and the plant is exporting the surplus power during its operations in the FY 2015-16, which will improve the profitability .
- E. Besides the above, the company has also taken several Strategic initiatives, cost reduction and efficiency improving measures to improve profitability

SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention . The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, except for change in method of valuation of rawmaterials from weighted average method to specific identification method, more so described in Note 36.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.



2.3 Inventories

(i) Inventories other than by products are valued at the lower of cost determined on specific identification basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

(ii) Inventories of by-products are valued at estimated net realisable value.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

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.

2.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Plant and Machinery (Continuous Process) - 18 Years

Vehicles - 4 years

Leasehold land is amortised over the duration of the lease

Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation

Intangible assets are amortised over their estimated useful life as follows:

License Fees- 4 years

2.7 Revenue Recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the shipment of goods to customers.

Interest Income is accounted on accrual basis.

Dividend income is accounted for when the right to receive it is established.

2.8 Fixed Assets

Tangible Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible Assets are stated at cost of acquisition less accumulated amortisation.

Capital Work in Progress: Projects under which tangible fixed assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.9 Foreign Currency Transactions

Initial Recognition: Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement on Balance sheet date: Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Settlement: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.



Parry Sugars Refinery India Private Limited
Notes to Accounts

Forward Contracts : Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

2.10 Investments

Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.11 Employee Benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

(a) Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

(b) Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with independent actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.



(c) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (ii) in case of non-accumulating compensated absences, when the absences occur.

(d) Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

2.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.13 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the revenue account as per the lease terms.

2.14 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. 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. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



2.15 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.16 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.17 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.



2.18 Derivative Contracts

The Company enters into derivative contracts in the nature of foreign currency swaps, forward contracts and commodity derivatives with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.

Transactions in financial derivatives and commodity futures are accounted based on the mode of final settlement. Transactions, which are ultimately settled net, without taking delivery, are recorded net with the gains/losses being recognised as income/expenses in the financial statements. Transactions, which stipulate physical delivery of the goods and where the company intends to take delivery, are recorded at gross, as purchases and sales as a part of the company's sugar manufacturing activities.

All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

2.19 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.21 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



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Notes to Accounts

Note : 3

Share Capital	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	Amount in INR	Number of Shares	Amount in INR
Authorised				
Equity Shares of Rs.10 each (Refer Note 3.01)	170,000,000	1,700,000,000	120,000,000	1,200,000,000
Redeemable Preference Shares of Rs.100 each (Refer Note 3.01)	15,000,000	1,500,000,000	17,000,000	1,700,000,000
Issued, Subscribed & Fully Paid Up				
Equity Shares of Rs.10 Each (Refer Note 3.02)	166,281,225	1,662,812,250	116,281,225	1,162,812,250
10% Redeemable Cumulative Preference shares of Rs.100 each	11,300,000	1,130,000,000	11,300,000	1,130,000,000
8% Redeemable Cumulative Preference shares of Rs.100 each (Refer Note 3.03)	2,800,000	280,000,000	-	-
	180,381,225	3,072,812,250	127,581,225	2,292,812,250

Reconciliation of Number of Shares outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Fresh issue (Refer Note 3.02 and 3.03)	Closing Balance
Equity shares			
Year ended 31 March, 2016			
- Number of shares	116,281,225	50,000,000	166,281,225
Amount (Rs.)	1,162,812,250	500,000,000	1,662,812,250
Year ended 31 March, 2015			
- Number of shares	116,281,225	-	116,281,225
Amount (Rs.)	1,162,812,250	-	1,162,812,250
10% Redeemable Cumulative Preference shares of Rs.100 each			
Year ended 31 March, 2016			
- Number of shares	11,300,000	-	11,300,000
Amount (Rs.)	1,130,000,000	-	1,130,000,000
Year ended 31 March, 2015			
- Number of shares	1,100,000	10,200,000	11,300,000
Amount (Rs.)	110,000,000	1,020,000,000	1,130,000,000
8% Redeemable Cumulative Preference shares of Rs.100 each (Refer Note 3.03)			
Year ended 31 March, 2016			
- Number of shares	-	2,800,000	2,800,000
Amount (Rs.)	-	280,000,000	280,000,000
Year ended 31 March, 2015			
- Number of shares	-	-	-
Amount (Rs.)	-	-	-



Details of Shares held by Holding Company				
Name of the Shareholder	As at 31.03.2016		As at 31.03.2015	
	No. of Shares Held	Amount in INR	No. of Shares Held	Amount in INR
Equity Shares of Rs. 10 each fully paid up, held by E.I.D. Parry (India) Limited	166,281,225	1,662,812,250	116,281,225	1,162,812,250
10% Redeemable Preference Shares of Rs. 100 each fully paid up, held by E.I.D. Parry (India) Ltd	11,300,000	1,130,000,000	11,300,000	1,130,000,000
8% Redeemable Preference Shares of Rs. 100 each fully paid up, held by E.I.D. Parry (India) Ltd	2,800,000	280,000,000	-	-

Details of Shareholders holding more than 5% of Equity Shares in the Company are as follows:

Name of the Shareholder	As at 31.03.2016		As at 31.03.2015	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Equity Shares E.I.D. Parry (India) Limited (Refer Note 3.04)	166,281,225	100%	116,281,225	100%
Redeemable Preference Shares E.I.D. Parry (India) Limited (Refer Note 3.04)	14,100,000	100%	11,300,000	100%

3.01 Increase in Authorised Share Capital

During the year, the Authorised Share Capital of the Company was reclassified and increased from:

- 120,000,000 Equity Shares of Rs.10 each to 170,000,000 Equity shares of Rs 10 each, and;
- 17,000,000 Preference Share of Rs.100 each to 15,000,000 preference shares of Rs.100 each.

3.02 Issue of Equity Shares

During the year, the company has issued 50,000,000 equity shares of Rs. 10 each aggregating to Rs 500,000,000 through private placement to E.I.D. Parry (India) Limited, the holding company.

3.03 Issue of Preference Shares

During the year, the company has issued 8% Cumulative Redeemable Preference Shares of Rs. 100 each aggregating to Rs 280,000,000 to E.I.D-Parry (India) Limited, the holding company. These shares along with the pro rata dividend (if any) shall be redeemed on expiry of 36 months from the date of allotment.

3.04 Rights, Preference and restrictions attaching to each class of shares

(i) Equity shares

The company has one class of equity shares having a par value of Rs.10 per share. Each share holder is entitled for one vote. Repayment of share capital on liquidation will be in proportion to the number of equity shares held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

(ii) Preference shares

The Company has issued two classes of preference shares:

10% Redeemable Cumulative Preference shares of Rs.100 each - These shares shall confer the holders thereof, the right to a fixed preferential dividend (cumulative in nature and payable in arrears) from the date of allotment at a rate of 10 %, on the capital being paid up. These shares are redeemable at par at the end of 5 years from the date of allotment.

8% Redeemable Cumulative Preference shares of Rs.100 each - These shares shall confer the holders thereof, the right to a fixed preferential dividend (cumulative in nature and payable in arrears) from the date of allotment at a rate of 8 %, on the capital being paid up. These shares are redeemable at par at the end of 3 years from the date of allotment.

The preference shares rank for capital and dividend (including all dividend undistributed and in arrears upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the equity share of the company, but shall not confer any further or other right to participate either in profit or assets

3.05 Arrears of Preference Dividend

Arrears of fixed cumulative dividends on preference shares and tax thereon as at 31 March, 2016 Rs 174,070,943.



Parry Sugars Refinery India Private Limited

Notes to Accounts

Note : 4

Reserves and Surplus	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
(i) Securities Premium Account:	3,074,143,560	3,074,143,560
(ii) Deficit in Statement of Profit and Loss:		
Opening Balance	(5,274,780,542)	(3,825,219,693)
Add: Loss for the year	(774,491,492)	(1,448,128,135)
Add: Depreciation on transition to Schedule II of the Companies Act, 2013 on Tangible Fixed Assets with Nil remaining useful life	-	(1,432,714)
Closing Balance	(6,049,272,034)	(5,274,780,542)
	(2,975,128,474)	(2,200,636,982)

Note : 5

Long- Term Borrowings	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
Secured:		
(i) Privately placed, Redeemable, Non-Convertible Debentures	3,300,000,000	3,300,000,000
	3,300,000,000	3,300,000,000
The details of Secured Redeemable Non Convertible Debentures are as follows:		
N.C.D. - ISIN:INE082O07018 - Indus Ind Bank (Note 5.01 and 5.03)	1,350,000,000	1,350,000,000
N.C.D. - ISIN:INE082O07026 - Indus Ind Bank (Note 5.01 and 5.03)	1,350,000,000	1,350,000,000
N.C.D. - ISIN:INE082O07034 - HDFC Trustee Co Limited (Note 5.02 and 5.04)	600,000,000	600,000,000
	3,300,000,000	3,300,000,000

5.01 1350 10.05% Series A Secured Redeemable Non - Convertible Debentures and 1350 10.05% Series B Secured Redeemable Non - Convertible Debentures of Rs. 10,00,000 each aggregating to Rs.2,70,00,00,000 have been allotted by the Board of Directors in its meeting held on 16th July 2014. This is secured by exclusive charge on the fixed assets of the Company. Debentures are redeemable in full at par on 16 July 2018 and 16 July 2019 in equal installments of Rs 1,350,000,000 each. The Holding Company EID Parry (India) Ltd has given corporate guarantee to the Debenture Trustee IDBI Trusteeship Services Limited against this issue.

5.02 The allotment of 600 Secured Unlisted Redeemable Non-convertible Debentures with Zero Coupon with a yield of 10.20% p.a.; having 3 years tenor aggregating to Rs. 44,82,19,800/- has been approved by the Board of Directors in its meeting held on 19th September 2014. The debenture has been discounted for Rs. 15,17,80,200/-. It is secured by First Charge on the fixed assets of the Company with an asset cover of 1.25 times (based on market value) at all times during the tenure of the debentures. The due date for redemption is 19th September 2017. The Holding Company EID Parry (India) Ltd has given corporate guarantee to the Debenture Trustee IDBI Trusteeship Services Limited against this issue.

5.03 The Principal INR liability of Debentures mentioned in Note 5.01 aggregating to Rs.2,700,000,000 has been swapped for USD 44,665,012. The swap trade is effective from 22nd August 2014 and termination date is 12th July 2019. Interest liability of 10.05% p.a. in Indian Rupees has been swapped for 3.4% fixed per annum on Effective USD Notional.

5.04 The Principal INR liability of Debentures mentioned in Note 5.02 aggregating to Rs.448,219,800 has been swapped for USD 7,276,295. The swap trade is effective from 19th September 2014 and maturity date is 19th September 2017. Interest liability of 10.20% p.a. in Indian Rupees has been swapped for 3.84% fixed per annum on Effective USD Notional.

5.05 The company has not defaulted in repayment of debentures and interest thereon.



Parry Sugars Refinery India Private Limited
Notes to Accounts

Note: 6

Short Term Borrowings	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
Loans repayable on demand		
Secured		
(i) From Banks		
Rupee Loan	-	140,000,000
Foreign Currency Loan	5,541,542,620	1,384,092,389
Bank Over-draft facility	-	32,183,665
	5,541,542,620	1,556,276,054
Unsecured		
(i) From Banks	2,507,780,616	58,762,486
(ii) From Other Parties	150,000,000	600,000,000
	2,657,780,616	658,762,486
	8,199,323,236	2,215,038,540
Secured Loan		
Rupee Loan from Banks		
ING Vysya Bank - WCDL (Refer note 6.01)	-	140,000,000
	-	140,000,000
Foreign Currency Loan from Banks		
Buyers Credit		
Indus Ind Bank (Refer note 6.03)	327,832,992	-
ICICI Bank (Refer note 6.04)	1,137,591,503	-
Axis Bank (Refer note 6.05)	2,093,899,859	-
Yes bank (Refer note 6.06)	1,111,759,516	749,940,000
Ratnakar Bank (Refer note 6.07)	-	634,152,389
Packing Credit in Foreign Currency (PCFC)		
HDFC Bank Ltd (Refer note 6.08)	870,458,750	-
	5,541,542,620	1,384,092,389
Bank Over-draft facility		
HDFC Bank Ltd (Refer note 6.08)	-	32,183,665
	-	32,183,665
Total Secured Loan	5,541,542,620	1,416,276,054



Parry Sugars Refinery India Private Limited

Notes to Accounts

Unsecured Loan

Buyers credit from Kotak Mahindra Bank (Refer note 6.02)	374,666,275	58,762,486
Over-draft facility from Deustche Bank Ltd (Refer note 6.09)	1,189,341	-
Packing credit in Foreign Currency from Deustche Bank Ltd (Refer note 6.09)	2,131,925,000	-
Rupee Loan from Aditya Birla Finance Limited (Refer note 6.10)	150,000,000	600,000,000
	2,657,780,616	658,762,486

6.01 Short term loans availed from ING Vysya Bank was fully repaid during the year.

6.02 E.I.D. Parry (India) Ltd, the holding company has given a corporate guarantee in respect of this buyer's credit facility.

6.03 The Buyer Credit facility from Indus Ind Bank is secured by first pari passu charge on entire current asset of the company, both present and future and second pari passu charge on movable fixed assets of the company, both present and future and Letter of Awareness from E.I.D. Parry (India) Limited.

6.04 The Buyers Credit facility from ICICI Bank is secured by first charge by way of hypothecation of company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other moveables including book-debts, bill whether documentary or clean, outstanding monies, receivables, both present and future, ranking pari passu with other participating banks.

6.05 The Buyers Credit facility from Axis Bank is secured by first parri passu charge on the entire current assets, both present and future of the company and Corporate Guarantee from E.I.D. Parry (India) Ltd.

6.06 The Buyers Credit facility from Yes Bank is secured by first pari passu charge on all current asset of the borrower by way of hypothecation of company's curent asset viz. stock of raw materials, stock -in-process, finished goods, consumable stores, spares, receivables etc., second pari passu charge on all movable fixed assets of the company and a corporate gaurantee from E.I.D. Parry (India) Ltd, the holding company.

6.07 Short term loans availed from Ratnakar Bank was fully repaid during the year. This loan was secured by firt pari passu charges on all current assets and second pari passu charges on all fixed assets. The charges are yet to be released by the bank.

6.08 The PCFC facility along with the overdraft facility from HDFC Bank Ltd is secured by first pari passu charge on current assets of the company with Corporate Guarantee from E.I.D. Parry (India) Ltd.

6.09 EID Parry (India) Limited, the holding company has given Corporate Guarantee against the PCFC facility and the overdraft facility from Deustche Bank Ltd.

6.10 EID Parry (India) Limited has given a letter of undertaking with respect to the loan taken from Aditya Birla Finance.

6.11 The company has not defaulted in repayment of any loans or interest thereon.

Note: 7

Trade Payables	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
- Trade Payables	4,842,588,348	3,188,879,215
- Others - Employee related payables	9,286,089	4,858,913
	4,851,874,437	3,193,738,128

7.01 There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2016 / March 31, 2015 which is on the basis of such parties having been identified by the management and relied upon by the auditors.



Parry Sugars Refinery India Private Limited

Notes to Accounts

Note: 8

Other Current Liabilities	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
a. Interest accrued but not due on borrowings	209,920,128	194,074,805
b. Other Payables		
Marked to Market Liability on Forward Contracts	-	1,173,714
Marked to Market Liability on Swap Contracts	117,009,394	-
Marked to Market Liability on Commodity Contracts	139,409,690	-
Statutory remittances (Contributions to PF, Withholding Taxes, VAT)	9,009,116	5,581,500
Payables on purchase of Fixed Assets	29,321,055	6,499,230
Gratuity payable (Refer Note 31)	358,869	670,775
	505,028,252	208,000,024

Note: 9

Short Term Provisions	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
Provision for Compensated Absences	890,871	594,921
	890,871	594,921



Note: 10

Fixed Assets	Gross Block				Accumulated Depreciation and Amortization				Amount in INR	
	Balance as at 01.04.2015	Additions	Borrowing cost capitalised	Disposals/Other Adjustments	Balance as at 31.03.2016	As at 01.04.2015	Depreciation/Amortisation Expense for the year	Eliminated on disposal of assets	As at 31.03.2016	As at 31.03.2015
Fixed Assets										
(i) Tangible Assets										
(a) Leasehold Land *	116,991,818	-	-	-	116,991,818	19,775,640	4,395,925	-	24,171,565	97,216,178
(b) Buildings on Leasehold Land	1,150,497,221	272,881,925	-	-	1,423,379,146	150,616,204	39,359,882	-	189,976,086	999,881,017
(c) Plant & Machinery	3,827,202,840	64,709,513	-	-	3,891,912,353	816,852,137	202,574,066	-	1,019,426,203	3,010,350,703
(d) Furniture and Fixtures	4,770,820	123,880	-	-	4,894,700	1,603,977	488,186	-	2,092,163	3,166,843
(e) Vehicles	943,051	-	-	-	943,051	606,474	248,601	-	855,075	336,577
(f) Office equipment	5,095,448	247,324	-	5,000	5,337,772	4,384,859	281,599	5,000	4,661,458	710,589
Total	5,105,501,198	337,962,642	-	5,000	5,443,458,840	993,839,291	247,348,259	5,000	1,241,182,550	4,111,661,907
(ii) Intangible Assets										
Licence Fee	1,325,155	-	-	-	1,325,155	1,258,897	-	-	1,258,897	66,258
Total	5,106,826,353	337,962,642	-	5,000	5,444,783,995	995,098,188	247,348,259	5,000	1,242,441,447	4,111,728,165

* Amount represents costs incurred on development of land

Note: 11

Fixed Assets	Gross Block				Accumulated Depreciation and Amortization				Amount in INR	
	Balance as at 01.04.2014	Additions	Borrowing cost capitalised	Disposals/Other Adjustments	Balance as at 31.03.2015	As at 01.04.2014	Depreciation/Amortisation Expense for the year	Eliminated on disposal of assets	As at 31.03.2015	As at 31.03.2014
Fixed Assets										
(i) Tangible Assets										
(a) Leasehold Land	116,991,818	-	-	-	116,991,818	15,379,435	4,395,928	-	19,775,640	101,612,103
(b) Buildings on Leasehold Land	993,300,027	147,423,355	9,773,839	-	1,150,497,221	110,640,102	39,976,102	-	150,616,204	882,659,925
(c) Plant & Machinery	3,391,866,586	406,427,155	28,909,099	-	3,827,202,840	621,337,530	195,513,700	-	816,852,137	2,770,529,056
(d) Furniture and Fixtures	4,750,437	30,383	-	10,000	4,770,820	1,123,656	481,175	854	1,603,977	3,626,781
(e) Vehicles	939,336	3,715	-	-	943,051	231,168	375,306	-	606,474	708,168
(f) Office equipment	4,695,774	399,674	-	-	5,095,448	2,602,165	350,888	-	4,384,859	2,093,609
Total	4,512,543,978	554,284,282	38,682,938	10,000	5,105,501,198	751,314,336	241,093,098	854	993,839,291	4,111,661,907
(ii) Intangible Assets										
Licence Fee	1,325,155	-	-	-	1,325,155	795,093	463,804	-	1,258,897	66,258
Total	4,513,869,133	554,284,282	38,682,938	10,000	5,106,826,353	752,109,429	241,556,902	854	995,098,188	3,761,759,704



Parry Sugars Refinery India Private Limited

Notes to Accounts

Note: 11

Deferred Tax Asset:

Particulars	As at 31.03.2016	As at 31.03.2015
	Amount in INR	Amount in INR
Tax effect of items constituting deferred tax liability:		
a. Depreciation	658,166,419	618,730,682
Tax effect of items constituting deferred tax assets:		
a. 43B disallowance and provision for doubtful debts and advances	20,547,954	20,080,433
b. Unabsorbed business loss and depreciation (refer note 11.01)	637,618,465	598,650,249
Net Deferred Tax Asset/Liability	Nil	Nil

11.01 The unabsorbed business loss and depreciation as at the balance sheet date have given rise to deferred tax asset aggregating to Rs. 2,705,843,527 (P.Y.: 2,38,38,75,714) However in the absence of virtual certainty that sufficient taxable income will be available to realise this asset, the same has been recognised only to the extent of deferred tax liability (net) resulting in "Nil" deferred tax asset/ liability as on 31st March, 2016.

11.02 The Company is registered as a unit under SEZ and shall claim 50% exemption from income tax under Section 10AA of the Income Tax Act, 1961 (IT Act) from FY 2015-16 and such exemption is available only upto financial year ending 31.03.2020.

Note: 12

Long Term Loans and Advances	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
Unsecured and considered good		
Capital advances	-	-
Deposits with Government Authorities	2,651,400	2,121,500
Other Deposits	4,861,382	3,762,584
Advance tax (Net of Provision for tax - Nil, Previous year - Rs 2,806,285)	18,493,337	1,253,740
Unsecured & Considered Doubtful		
Other Deposits	4,687,200	4,687,200
Less : Provision for doubtful deposits	(4,687,200)	(4,687,200)
Deposits with Related parties		
Security Deposits (Unsecured & Considered Good)	150,000,000	300,000,000
	176,006,119	307,137,824

Note: 13

Other non-current assets	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
Unsecured & Considered Good		
Discount on Issue of Debentures	23,797,804	74,298,968
	23,797,804	74,298,968

Note: 14

Current Investments (at cost or market value whichever is less)	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
Investments in Mutual Funds (unquoted)	330,290,375	-
	330,290,375	-

Current investments includes investments in the nature of "Cash and cash equivalents" (as defined in AS 3 Cash Flow Statements) amounting to Rs 330,290,375(As at 31 March, 2015 - Nil), considered as part of Cash and cash equivalents in the Cash Flow Statement.



Parry Sugars Refinery India Private Limited

Notes to Accounts

Note: 15

Inventories (Valued at lower of cost and Net Realisable Value)	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
Raw Materials	6,713,540,389	2,847,828,923
Work in Progress	51,730,870	-
Finished Goods	1,325,961,109	1,170,243,316
Consumables, Stores & Spares [Refer note 15.01]	105,371,697	45,703,051
	8,196,604,065	4,063,775,290
15.01 Consumables, Stores and Spares consists of the following :		
Stores and Spares	82,127,468	28,646,274
Chemicals	15,431,758	9,531,294
Fuels	338,587	1,151,826
Packing Materials	7,473,884	6,373,657
	105,371,697	45,703,051

Note: 16

Trade Receivables	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
(i) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, Considered good	180,478	7,720,344
Unsecured, Considered Doubtful	22,224,297	22,224,297
Less: Provision for doubtful trade receivables	(22,224,297)	(22,224,297)
	180,478	7,720,344
(ii) Other Trade Receivables		
Unsecured, Considered Good	1,177,839,473	-
	1,178,019,951	7,720,344

Note:17

Cash and Cash Equivalents	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
(a) Cash on Hand	23,306	20,393
(b) Balances with banks		
(i) In Current Accounts	91,712,100	1,152,009
(ii) In OD account	113,689,773	-
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements)	205,425,179	1,172,402
Other Bank Balances:		
In Deposit Accounts with original maturity of more than 3 months	1,679,694	1,586,865
Total - Other bank balances	1,679,694	1,586,865
	207,104,873	2,759,267
Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date	-	500,000



Parry Sugars Refinery India Private Limited

Notes to Accounts

Note : 18

Short Term Loans and Advances	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
Unsecured		
(i) Advances paid to suppliers		
- Considered Good	47,191,034	104,331,553
- Considered Doubtful	31,571,054	31,571,054
Less : Provision for doubtful advances	(31,571,054)	(31,571,054)
	47,191,034	104,331,553
(ii) Others - Unsecured, considered good - [Refer Note 18.01]	2,240,527,470	280,728,304
	2,287,718,504	385,059,857

18.01 Others:	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
(i) Prepaid Expenses	1,800,927	362,743
(ii) Service Tax Recoverable	2,160,396	1,073,589
(iii) Others*	2,236,566,147	279,291,972
	2,240,527,470	280,728,304

* Fund available with Commodity exchange brokers

Note : 19

Other Current Assets	As at 31.03.2016 Amount in INR	As at 31.03.2015 Amount in INR
(i) Interest accrued on deposits	115,608	73,494
(ii) Discount on issue of Debentures	50,501,160	50,639,520
(iii) Receivable from customers - Unbilled	282,671,029	-
	333,287,797	50,713,014



Parry Sugars Refinery India Private Limited
Notes to Accounts

Note: 20

Revenue from operations	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Sale of Products (Refer Note 20.01)	11,268,141,459	2,462,989,614
Other operating revenues (Refer Note 20.02)	250,153,942	134,638,480
	11,518,295,401	2,597,628,094

20.01 Classes of Product - Sales	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Export Sales:		
Sugar	11,145,121,225	2,428,244,309
PP Bags	3,979,977	
Domestic Sales:		
Molasses	66,518,557	34,745,305
Power	52,521,700	
	11,268,141,459	2,462,989,614

20.02 Other Operating revenue	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Sugar Future Income	200,427,375	119,993,932
Despatch Money earnings	27,654,907	11,887,839
Scrap Sales	3,319,999	1,936,368
Liabilities no longer required written back	18,751,661	820,341
	250,153,942	134,638,480

20.03 Earnings in Foreign Exchange	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Sale of Sugar	11,145,121,225	2,428,244,309
Sale of PP bags	3,979,977	
Despatch Money Earnings	27,654,907	11,887,840
Net Gain on Sugar Futures	200,427,375	119,993,932
	11,377,183,484	2,560,126,081

Note: 21

Other Income	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Interest Income from:		
Fixed Deposits	7,473,203	177,543
Electricity Deposit	659,677	190,161
Gain on Swap Interest	155,907,138	
Dividend Income:		
From Mutual Funds	3,725,885	607,089
	167,765,903	974,793



Parry Sugars Refinery India Private Limited
Notes to Accounts

Note: 22		
Cost of Material Consumed	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Opening Stock	2,847,828,923	79,235,292
Add: Purchases	13,947,895,593	6,535,755,205
	16,795,724,516	6,614,990,497
Less: Closing Stock	6,713,540,389	2,847,828,923
Consumption	10,082,184,127	3,767,161,574
Material consumed comprises of:		
Raw Sugar		
Imported	8,851,266,653	2,954,060,625
Indegenious	961,212,550	653,888,953
	9,812,479,203	3,607,949,578
Coal - Imported	269,704,924	159,211,996
Total	10,082,184,127	3,767,161,574
Note: 23 Changes in Inventories of Finished Goods		
	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Inventory at the beginning of the year		
Finished Goods	1,170,243,316	-
WIP	-	-
	1,170,243,316	-
Inventory at the end of the year		
Finished Goods	1,325,961,109	1,170,243,316
WIP	51,730,870	-
	1,377,691,979	1,170,243,316
Increase in Inventories	(207,448,663)	(1,170,243,316)
Note: 24		
Employee benefits expenses	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Salaries and Wages	35,351,985	25,618,354
Contribution to Provident and Other Funds	2,570,397	2,558,311
Workmen and Staff Welfare expenses	10,209,146	7,545,168
	48,131,528	35,721,833



Parry Sugars Refinery India Private Limited
Notes to Accounts

Note: 25

Finance Cost	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
a. Interest Expenses: - on Borrowings	448,087,256	430,133,800
b. Discount on issue of debentures	50,639,521	26,841,714
c. Other borrowing costs (Refer note 26.01)	62,273,492	29,516,146
	561,000,269	486,491,660
26.01 Other borrowing costs includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.		
26.02 Details of borrowing costs capitalised during the year : Rs. NIL (Previous year included in Capital Work in Progress - Rs.1,14,80,278 and in Tangible Assets - Rs. 3,86,82,938)		

Note:26

Other Expenses	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Consumption of Stores, Spares and Consumables	285,362,066	103,717,309
Freight and Forwarding	44,454,925	21,115,007
Power & Fuel	26,987,860	25,857,324
Water Charges	36,434,111	19,792,278
Repairs and Maintenance		
Machinery	129,180,945	128,681,078
Buildings	32,807,737	9,704,181
Others	69,560,319	22,105,711
Audit Fee [Refer Note 27.01]	827,448	633,000
Communication Expenses	1,046,815	580,061
Computer and Network Maintenance	672,130	797,612
Insurance	6,840,886	5,340,276
Professional & Outsourcing Expenses	77,495,192	36,442,188
Printing and Stationery	458,118	172,592
Books & Periodicals	97,655	667,725
Rates and Taxes	11,054,874	17,348,987
Recruitment Expenses	783,603	1,734,384
Rent	167,013,311	48,857,975
Material Handling Exp	164,811,202	69,152,207
Selling Expenses	206,809,255	5,452,354
Travelling Expense	9,101,160	8,383,520
Net loss on foreign currency transactions and translation *	456,869,886	143,652,259
Advances written off	-	34,876,417
Less: Utilised from Provision for Doubtful Advances	-	(34,876,417)
Provision for Doubtful Advances	-	15,041,654
Loss on Fixed Asset Sold	-	4,146
Miscellaneous expenses	667,779	808,541
	1,729,337,277	686,042,369
* This includes unrealized Loss or Gain on restatement		
26.01 Audit Fee	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Statutory Audit	450,000	400,000
Tax Audit	50,000	50,000
Other services	327,448	183,000
Total	827,448	633,000



Parry Sugars Refinery India Private Limited
Notes to Accounts

Note: 27

Contingent Liabilities and commitments (to the extent not provided for)	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
(i) Contingent Liabilities		
Outstanding Bank Guarantee	9,989,976	1,500,000
LC Outstanding	390,083	-
Stand By letter of credit	274,937,500	-
Disputed Income Tax demand which is under appeal at Income tax Appellate Tribunal (entire amount has been paid under protest).*	17,067,705	-
* Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.		
(ii) Commitments		
Arrears of dividend on cumulative redeemable preference shares and tax thereon	174,070,943	-

Note: 28

Expenditure in Foreign Currency	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Professional and Consultation Fee	380,471	1,137,137
Commission on Commodity contracts	40,193,946	4,997,932
Finance Charges	33,137,054	-
Subscription to Books and Periodicals	44,838	-
Freight Expenses	7,566,892	9,802,673

Note: 29

Value of Imports on C.I.F basis	For the year ended 31.03.2016 Amount in INR	For the year ended 31.03.2015 Amount in INR
Raw Materials - Imports	9,120,971,577	5,782,244,201
Raw Materials - DTA*	961,212,550	823,844,361
Consumables, Stores & Spares	12,836,253	26,520,416
Capital Goods	-	3,133,617.63

* Amount represents purchase of Raw materials from Domestic Tariff Area in Foreign Currency



C

Parry Sugars Refinery India Private Limited
Notes to Accounts

Note: 30

Details of consumption of imported and indigenous items

Particulars	Amount in INR		Amount in INR	
	For the year ended 31.03.2016	% of Consumption	For the year ended 31.03.2015	% of Consumption
Imported	9,133,807,829	88%	3,767,161,574	97%
Indigenous	1,233,738,364	12%	103,717,309	3%
Total	10,367,546,193	100%	3,870,878,883	100%
Raw Materials	10,082,184,127	97%	3,767,161,574	97%
Consumables, Stores & Spares	285,362,066	3%	103,717,309	3%
Total	10,367,546,193	100%	3,870,878,883	100%

Note: 31

A. Defined Contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions which are defined contribution

During the year the following amounts have been recognised in the Profit and loss Statement on account of

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount in INR	Amount in INR
Employers contribution to Provident Fund	1,435,983	1,106,817
Employers contribution to Superannuation Fund	1,114,852	882,272
	2,550,835	1,989,089

B. Defined Benefit Plans

B.01 Gratuity

The following table sets forth the status of the Gratuity Plan of the Company and the amount recognised in the

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
	Amount in INR	Amount in INR
Present value of obligations at the beginning of the year	1,236,514	669,482
Current service cost	334,171	577,703
Interest cost	92,407	27,817
Benefits paid	(162,865)	(86,885)
Actuarial Loss	(332,853)	48,397
Present value of obligations at the end of the year	1,167,374	1,236,514
Changes in the fair value of planned assets:		
Fair value of plan assets at the beginning of year	565,736	441,975
Expected return on plan assets	51,061	34,641
Contributions	307,544	139,430
Benefits paid	(162,865)	(86,885)
Actuarial gain on plan assets	47,028	36,578
Fair value of plan assets at the end of the year	808,504	565,739



Parry Sugars Refinery India Private Limited

Notes to Accounts

Amount recognised in the Balance Sheet:		
Projected benefit obligation at the end of the year	1,167,373	1,236,514
Fair value of plan assets at end of the year	808,504	565,739
Funded status of the plans – Liability recognised in the balance sheet	358,869	670,775
Cost for the year:		
Current service cost	334,171	577,703
Interest cost	92,407	27,817
Expected return on plan assets	(51,061)	34,641
Net actuarial loss recognised in the year	(379,881)	11,819
Net Cost	(4,364)	651,980

Particulars	For the year ended	For the year ended
	31.03.2016	31.03.2015
	Amount in INR	Amount in INR
Present Value of Defined Benefit Obligation	1,167,373	1,236,514
Fair Value of Plan Assets	808,504	565,736
Surplus/(Deficit)	(358,869)	(670,778)
Experience Adjustment on Plan Liabilities	(332,853)	48,397
Experience Adjustment on Plan Assets	(47,028)	(71,809)
Assumptions:		
Discount rate	8.00%	8.00%
Rate of return of plan assets	8.00%	8.00%
Attrition Rate	5.00%	5.00%
Expected rate of salary increases	6.00%	6.00%
Mortality	IALM (2006-2008) Ultimate	

The Company has invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the



B.02 Compensated Absences

The assumption used for computing the accumulated compensated absences on actuarial basis are as follows:

Particulars	2015-16	2014-15
Discount rate	8.00%	8.00%
Attrition Rate	5.00%	5.00%
Expected rate of salary increases	6.00%	6.00%
Mortality	IALM (2006-2008) Ultimate	



Parry Sugars Refinery India Private Limited

Notes to Accounts

Note 32: Disclosure of Related Party Transactions

32.01 Holding Company

- 1 E.I.D. Parry (India) Limited

32.02 List of Fellow Subsidiaries with whom transactions taken place during the year

- 1 Coromandel International Limited
2 Parrys Sugar Industries Limited
3 Parry Infrastructure Company Private Limited

32.03 Key Management Personnel (KMP)

Mr S. Suresh (Whole time director) (from 28 October 2014)

Note : Related Party Relationships are as identified by the management and relied upon by the auditors.

32.03	Transaction with Related Parties during the year	2015-16			2014-15	
		Holding Company	KMP	Fellow Subsidiaries	Holding Company	Fellow Subsidiaries
	Purchase/ Receipt of Goods					
	Parrys Sugar Industries Limited	-	-	18,541,433	-	159,626,801
	E.I.D. Parry (India) Limited	332,803,309	-	-	246,310,497	-
	Receipt of services					
	E.I.D. Parry (India) Limited	32,318,124	-	-	27,880,475	-
	Parrys Sugar Industries Limited	-	-	-	-	(5,000)
	Parry Infrastructure Company Private Limited	-	-	16,526,682	-	18,195,205
	Coromandel International Limited	-	-	4,943	-	6,695
	Sale of Goods					
	E.I.D. Parry (India) Limited	36,296,902	-	-	-	-
	Lease deposit refund					
	Parry Infrastructure Company Private Limited	-	-	150,000,000	-	-
	Allotment of Preference Shares					
	(i) For conversion of loan (including interest)	-	-	-	1,000,000,000	-
	(ii) For Share Application Money received during previous year	-	-	-	20,000,000	-
	(iii) Against receipt of cash	280,000,000	-	-	-	-
	Allotment of Equity Shares					
	E.I.D. Parry (India) Limited	500,000,000	-	-	-	-
	Purchase of capital goods					
	E.I.D. Parry (India) Limited	1,905,862	-	-	-	-
	Interest on Term Loan - E.I.D. Parry (India) Limited					
	Loan Interest	-	-	-	60,706,467	-
	Remuneration for Whole time director, reimbursed to EID Parry (India) Limited, the holding company	-	6,876,000	-	-	-
	Closing Balance - Receivables/ (Payables)					
	E.I.D. Parry (India) Limited	(18,629,928)	-	-	52,592,710	-
	Parry Infrastructure Company Private Limited - Lease deposit	-	-	150,000,000	-	253,677,740
	Parry Infrastructure Company Private Limited - Rent payable	-	-	(4,874,014)	-	-
	Parrys Sugar Industries Limited	-	-	-	-	(5,000)
	Gaurantees given by holding company	13,495,000,000	-	-	3,600,000,000	-



Parry Sugars Refinery India Private Limited
Notes to Accounts
Note: 33

Derivative Transactions:

The Company uses forward exchange contracts, interest rate swap, currency swap, put options and call options to hedge its exposure in foreign currency. The

a. Outstanding Forward Exchange / Swap contracts/ Options entered into by the Company as at March 31, 2016:

Particulars	Currency	Amount in INR	Amount in INR	Buy/ Sell
		2015-16	2014-15	
(i) Forward Exchange Contracts:	USD/ INR	-	207,627,400	Buy
(ii) NCD Swaps	USD/ INR	3,148,219,800	3,148,219,800	Buy
(iii) Put options	USD/ INR	-	2,162,826	Sell
(iv) Call options	USD/ INR	-	2,694,784	Buy

b. Outstanding Futures with the Company as at March 31, 2016 for hedging commodity risks:

Particulars	As at 31.03.2016		As at 31.03.2015	
	Purchase	Sales	Purchase	Sales
Raw Sugar (MT)	157,378.40		67,868.80	
White Sugar (MT)		445,950.00		206,300.00

c. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at 31.03.2016		As at 31.03.2015	
	Receivables/ Payables (INR)	Receivables/ Payables (In Foreign Currency)	Receivables/ Payables (INR)	Receivables/ Payables (In Foreign Currency)
Receivables	3,785,206,469	\$ 57,135,192.00	7,557,270	\$ 120,926
Payables	4,572,583,902	\$ 69,020,134.00	2,963,973,863	\$ 47,427,376
Payables	1,608,973	EURO 21,348		
Buyers' Credit	5,045,750,144	\$ 76,162,266.00	1,442,854,875	\$ 23,087,525
PCFC Credit	3,002,383,750	\$ 45,319,000.00		
Other Advances	5,098,632	\$ 76,167.00	279,291,967	\$ 4,469,029
Other Advances	74,366	\$ 1,509.00		

Note: 34

Earnings Per Share

Particulars	For the year ended	For the year ended
	31.03.2016	31.03.2015
	Amount in INR	Amount in INR
Net Loss	(774,491,492)	(1,448,128,135)
Less: Preference dividend and tax thereon	132,225,272	-
Loss for the year attributable to the equity shareholders	(906,716,764)	(1,448,128,135)
Number of Equity Shares of Rs.10 each outstanding at the beginning of the year	116,281,225	116,281,225
Number of Equity Shares of Rs.10 each outstanding at the end of the year	166,281,225	116,281,225
Weighted Average number of Equity Shares	150,570,842	116,281,225
Basic and Diluted Earnings Per Share	(6.02)	(12.45)

34.01 The Basic earnings per share are computed by dividing the net loss attributable to equity shareholders for the year by the weighted average number of equity shares during the year. There are no potential equity shares hence the Basic and Diluted earnings per share are the same.

Note 35

Segment Information

The company is engaged in the business of refining sugar which is the only business segment determined in accordance with the Accounting Standard 17 "Segment Reporting". Hence there are no reportable business segments to be disclosed as required by the said standard. The entire sales are made outside India and hence there are no reportable geographical segments to be disclosed as required under Accounting Standard 17 "



Parry Sugars Refinery India Private Limited
Notes to Accounts

Note : 36

The company has changed its accounting policy with respect to valuation of raw material (raw sugar) from weighted average basis to specific identification basis. However, the impact of this change is not material to the financial statements.

Note : 37

Previous year's figures have been regrouped / reclassified to conform to current year's classification.

For and on behalf of the Board of Directors


Chairman


Director


Chief Financial Officer


Company Secretary

Chennai
May 5, 2016

