



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RUCHI WORLDWIDE LIMITED

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **RUCHI WORLDWIDE LIMITED** ("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 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 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 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

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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.

BASIS OF QUALIFIED OPINION

We draw the attention towards note no. 35 that the company has accumulated losses as at the year end and its net worth has been fully eroded. The company's current liabilities exceeded its current assets and the Company has defaulted in repayment of dues to banks. Considering these conditions, there exist uncertainty about the company's ability to continue as a going concern but the financial statements of the Company have been prepared on a going concern basis

OPINION

Except as stated in the 'Basis of qualified Opinion' paragraph, 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 accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2018, and its Loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

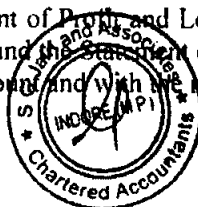
EMPHASIS OF MATTER

As discussed in Note No. 27 to the financial statements, company has made a provision for doubtful debts and advances amounting to Rs. 5,00,07,43,119/-, as the management of the company is of the opinion that the credit risk has increased significantly since initial recognition, and the loss allowance is measured at an amount equal to lifetime expected credit losses. Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

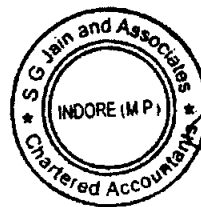
1. As required by Section 143(3) of the Act, based on our audit we report that:

- 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 and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
- 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 and with the returns received from the branches not visited by us.



- d) In our opinion, the aforesaid 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".
- 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:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note No. 38)
 - The Company did not have any long term contract including derivatives contract for which there were any material foreseeable losses.
 - There were no amounts required to be transferred to Investor's 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.

Date: May 25th 2018
Place: Indore



For and on Behalf of
S G Jain and Associates
Chartered Accountants
FRN: 023497C

A handwritten signature in black ink, appearing to read "Gunjesh Jain".

CA Gunjesh Jain
Partner
M. No. 436301

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 Ruchi Worldwide Limited of even date)

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

We have audited the internal financial controls over financial reporting of **RUCHI WORLDWIDE LIMITED** ("the Company") as of March 31, 2018 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 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 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, 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

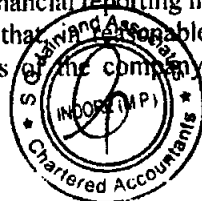
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute 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.

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 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.

Date: May 25th 2018
Place: Indore



For and on Behalf of
S G Jain and Associates
Chartered Accountants
FRN: 023497C

A handwritten signature in black ink, appearing to read "Gunjesh Jain".

CA Gunjesh Jain
Partner
M. No. 436301

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 of even date to the members of RUCHI WORLDWIDE LIMITED on the financial statements for the year ended 31st March 2018.)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - (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. In Respect of Its Inventories, The company has not maintained any Inventory at any of its location, Hence Para 2 of clause (iii) is not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any loan secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence the Para 3 of Clause (iii) of the said order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments, given any guarantee or provided any security within the meaning of Sections 185 and 186 of the Act.
- v. According to the information and explanation given to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed thereunder. As informed to us no order has been passed by the Company Law Board, National Company Law Tribunal, or Reserve Bank of India or any Court or any other Tribunal.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities (i.e. Trading Activity) carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 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, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) According to the information and explanations given to us, there are no dues of sales tax, value added tax, income tax, service tax, duties of customs, duties of excise which have not been deposited with the appropriate authorities on account of any dispute except as follows:



Name of the Statute	Nature of Liability	Amount (in Rs.)	Relevant Period	Forum where Dispute is pending
Customs Act, 1962	Custom Duty	2,20,00,000/-	2001-02	High Court
Central Sales Tax Act, 1956	Sales Tax	18,23,949/-	2014-15	Dy. Commissioner of Commercial Tax
APVAT Act, 2005	VAT	3,49,598/-	2011-12 to 2013-14	Dy. Commissioner Appeal

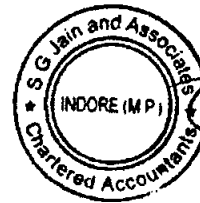
- viii. According to the records of the company examined by us and as per the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions or government as on the date of Balance Sheet except as mentioned below. The Company has not issued any debentures.

Name of Lenders	Amount of Default as at the Balance Sheet date (in Rs.)	Period of default as 31 st march 2018
DBS Bank	47,43,27,112.09/-	More than 12 months
Corporation Bank	56,46,20,308.00/-	More than 12 months
ICICI Bank	57,75,78,020.80/-	More than 12 months
Rabo Bank International	85,00,00,000.00/-	More than 12 months
The Federal bank Limited (Phoenix)	10,92,37,157.00/-	More than 12 months
HDFC Bank Limited	71,44,89,406.15/-	More than 12 months
Standard Chartered Bank	3,06,12,00,000.00/-	More than 12 months

- ix. In our Opinion and according to the information and explanation given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- 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. In our opinion and according to the information and explanations given to us, the Company

- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- 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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date: May 25th 2018
Place: Indore



For and on Behalf of
S G Jain and Associates
Chartered Accountants
FRN: 023497C

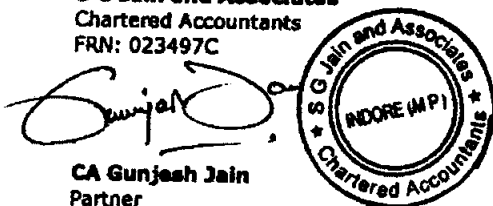
CA Gunjesh Jain
Partner
M. No. 436301

RUCHI WORLDWIDE LIMITED
CIN U15499MH1966PLC100016
Balance Sheet as at 31st March, 2018

Particulars	Note No	31st March 2018	31st March 2017
I. Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment	1	93 76 236	96 17 004
(b) Financial Assets	2	13 34 685	12 55 724
Others	3	1 02 54 194	1 02 35 943
(c) Other Non Current Assets			
(2) Current assets			
(a) Inventories	4	0	0
(b) Financial Assets			
(i) Trade Receivables	5	30 97 70 707	5 84 23 83 183
(ii) Cash and Cash Equivalents	6	21 45 424	1 02 10 812
(iii) Bank Balances (Other than (ii) above)	7	0	2 13 659
(iv) Short Term Loans and Advances	8	0	30 50 419
(v) Other Financial Assets	9	1 54 451	1 58 126
(C) Other Current Assets	10	7 53 73 180	8 91 76 788
Total		40 84 08 878	5 96 63 01 658
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	11	18 94 07 000	18 94 07 000
(b) Other Equity	12	-8 65 00 70 509	-2 48 88 12 055
(2) Liabilities			
Non- Current Liabilities			
(a) Long Term Provisions	13	1 03 896	2 99 426
(b) Deferred Tax Liabilities	14	11 31 827	9 34 278
Current Liabilities			
(a) Financial Liability			
(i) Short Term Borrowings	15	8 36 38 50 833	6 95 32 24 834
(ii) Trade Payables	16	2 50 48 469	97 52 82 101
(iii) Other Financial Liabilities	17	41 57 66 625	27 33 01 998
(b) Other current liabilities	18	6 29 11 576	6 24 94 895
(c) Short Term Provisions	19	2 59 162	1 69 181
Total		40 84 08 878	5 96 63 01 658

Summary of Significant Accounting Policies and The Accompanying Notes 1-42 are integral part of the Financial Statement.

As per our report of Even Date
For and on behalf of
S G Jain and Associates
Chartered Accountants
FRN: 023497C



CA Gunjesh Jain
Partner
M.No. 436301

Place: Indore
Date: May 25th, 2018

For and on Behalf of the Board of Director

Neeraj Jain
Company Secretary

Dinesh Shahra
Director
DIN: 00533055

Vijay Kumar Jain
Director
DIN: 00098298

RUCHI WORLDWIDE LIMITED
Profit and Loss statement for the year ended 31st March, 2018

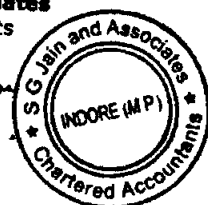
Particulars	Note No	31st March 2018	31st March 2017
Revenue:			
Revenue from Operations	20	48 73 36 924	10 95 36 23 039
Other Income	21	22 14 599	14 96 89 337
Total Revenue		48 95 51 523	11 10 33 12 376
Expenses:			
Purchases of Stock in Trade	22	46 49 62 494	10 62 57 16 679
Changes in Inventory	23	0	34 41 15 589
Employee Benefit Expenses	24	29 93 574	85 93 520
Finance Cost	25	1 13 09 83 146	91 35 28 935
Depreciation and Amortization Expenses	26	2 40 768	3 15 442
Provision for Doubtful Debt, Advances	27	5 00 07 43 119	12 42 59 926
Other Expenses	28	5 06 53 466	4 16 15 301
Total Expenses		6 65 05 76 567	12 05 81 45 391
Profit/(Loss) before exceptional items and taxes		-6 16 10 25 044	- 95 48 33 015
Add/ Less: Exceptional Items	29	0	- 11 62 20 750
Profit/(Loss) before Tax		-6 16 10 25 044	-1 07 10 53 765
Less: Tax Expenses			
Current Tax		0	0
Deferred Tax		- 1 97 548	- 3 69 964
Earlier Year Tax	14	0	7 31 049
Profit/(Loss) for the period		-6 16 12 22 592	-1 07 06 92 680
Other Comprehensive Income			
Remeasurement of the Defined Benefit Plans (Net of Taxes)	30	- 35 863	30 405
Total Comprehensive Income for the period		-6 16 12 58 455	-1 07 06 62 275
Earning per equity share of Rs. 10 each (In Rs.)	31		
a. Basic		-325.29	-56.53
b. Diluted		-325.29	-56.53

Summary of Significant Accounting Policies and The Accompanying Notes 1-42 are integral part of the Financial Statement.

As per our report of Even Date
For and on behalf of
S G Jain and Associates
Chartered Accountants
FRN: 023497C

CA Gunjesh Jain
Partner
M.No. 436301

Place: Indore
Date: May 25th, 2018



For and on Behalf of the Board of Director

Dinesh Shehra
Director
DIN: 00533055

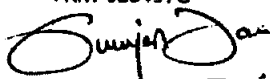
Neeraj Jain
Company Secretary

Vijay Kumar Jain
Director
DIN: 00098298

RUCHI WORLDWIDE LIMITED
Statement of cash flows for the year ended March 31, 2018

Particulars	31st March 2018	31st March 2017
Cash flow from operating activities		
Profit before tax	-6 16 10 25 044	-1 07 10 53 765
Profit before tax	-6 16 10 25 044	-1 07 10 53 765
Adjustments to reconcile profit before tax to net cash used in operating activities		
Depreciation and Impairment of property, plant and equipment	2 40 768	3 15 442
(Gain)/loss on sale of property, plant and equipment	0	159
Remeasure of the defined benefit plans	- 35 863	30 405
Net Liabilities Written off	- 18 41 919	0
Interest income	- 1 01 721	- 58 26 155
Finance costs	1 12 94 37 730	90 75 93 225
Excess allowance for doubtful debts reversed	0	- 13 72 23 107
Net (gain)/ loss on derivative contracts on account of Ind AS adjustments	0	- 8 65 08 617
Provision for Employee Benefit	- 1 95 530	0
Provision for doubtful advances/debts	5 00 07 43 119	12 42 59 926
	- 3 27 78 460	- 26 84 12 487
Working capital adjustments		
(Increase)/ Decrease in Inventories	0	34 48 08 344
(Increase)/ Decrease in trade receivables	53 43 87 845	74 47 81 524
(Increase)/ Decrease in Short Term loans and Advances	30 50 419	6 92 091
(Increase)/ Decrease in Other Short Term financial assets	3 675	40 48 955
(Increase)/ Decrease in Other current assets	81 78 591	15 07 29 878
(Increase)/ Decrease in Other Non current assets	- 18 251	0
Increase/ (Decrease) in Trade payables	- 94 52 85 184	-3 07 44 44 157
Increase/ (Decrease) in Other financial liabilities	14 24 64 627	- 2 40 546
Increase/ (Decrease) in Other liabilities	4 16 681	- 32 44 151
Increase/ (Decrease) in Short Term provisions	89 981	0
Cash generated from operations	- 28 94 90 075	-2 10 12 80 549
Income Tax Paid	0	3 23 56 896
Net cash flows from operating activities	- 28 94 90 075	-2 06 89 23 653
Cash flow from investing activities		
Payment for purchase and construction of property, plant and equipment	0	- 28 998
Proceeds from sale of property, plant and equipment	0	15 400
(Increase)/ Decrease in other bank balances	0	2 48 34 077
Interest received	1 01 721	62 22 296
Refund/ (Investment) in bank deposits for more than 3 months	1 34 697	0
Net cash flows from investing activities	2 36 418	3 10 42 775
Cash flow from financing activities		
Increase/(decrease) in Short Term Borrowings	1 41 06 25 999	2 65 25 83 725
Deemed Investment by Holding Company	0	3 52 19 975
Finance charges Paid	-1 12 94 37 730	- 66 06 80 741
Net cash flows from financing activities	28 11 88 269	2 02 71 22 959
Net increase / (decrease) in cash and cash equivalents	- 80 65 388	- 1 07 57 919
Cash and cash equivalents at the beginning of the year	1 02 10 812	2 09 68 730
Cash and cash equivalents at the end of the year	21 45 424	1 02 10 812
Increase / (Decrease) in cash and cash equivalents	- 80 65 388	- 1 07 57 919

As per our report of Even Date
For and on behalf of
S G Jain and Associates
Chartered Accountants
FRN: 023497C


CA Gurjesh Jain
Partner
M.No. 436301

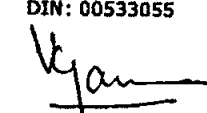


Place: Indore
Date: May 25th, 2018

For and on Behalf of the Board of Director


Nataraj Jain
Company Secretary


Dinesh Shahra
Director
DIN: 00533055


Vijay Kumar Jain
Director
DIN: 00098298

RUCHI WORLDWIDE LIMITED
Statement of Changes in Equity (SOCIE)

i Equity Share Capital

	2 0 1 8		2 0 1 7	
At the Beginning of the Year	1 89 40 700	18 94 07 000	1 89 40 700	18 94 07 000
Issued during the year	0	0	0	0
Outstanding at the end of the year	<u>1 89 40 700</u>	<u>18 94 07 000</u>	<u>1 89 40 700</u>	<u>18 94 07 000</u>

ii Other Equity

Particulars	Reserve & Surplus				
	General Reserve	Deemed Equity	Retained Earning	Other Comprehensive Income	Total
Balances as at 31st March 2017	2496063	60857810	-2552189209	23282	-2488612054
Profit for the year	-	-	-6161222592	-	-
Other comprehensive income (Remeasurement of net benefit plans)	-	-	-	-35863	-
Deemed equity contribution of holding company during the year	-	-	-	-	-
Balances as at 31st March 2018	2496063	60857810	-8713411801	-12581	-8650070509



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

General Information

Ruchi Worldwide Ltd., a subsidiary company of Ruchi Soya Industries Ltd. and a part of Ruchi Group of Industries, was incorporated on 05-06-1996. The Company is engaged in the business of dealing in edible oils, oil seed extractions, wains, cotton, coffee and other agri products and commodities. The company is recognized as "Star Export House" from Govt. of India.

Basis of Preparation

These separate financial statements as at end for the year ended March 31, 2018 have been prepared in accordance with Indian Accounting standards ("Ind AS") notified, by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

The accounting policies set out in this note have been applied in preparing the financial statements for the year ended March 31, 2018 and the comparative information presented in these financial statements for the year ended March 31, 2017.

Accounting Policies

a Functional and Presentation Currency

These separate financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest Rupees unless otherwise indicated.

b Use of Estimates:

The preparation of financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013

c Revenue:

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

(i) Sale of Goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. Export sales are recognized based on the shipped on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

Revenue from sales is measured net of returns, trade discounts and volume rebates. Further, the revenue amount is adjusted for the time value of money if that contract contains a significant financing component.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

The timing of the transfer of control varies depending on the individual terms of the sales agreement. For sale of products on CIF terms, the transfer usually occurs when the product is delivered to the customer; however, for some international shipments the transfer occurs on loading the goods onto the relevant carrier at the port.

(ii) Interest and Other Income

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.

d Employee Benefit

(i) Short Term Employee benefit

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined Benefit Plans

The company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefit of a plan are changed or when a plan is curtailed, the resulting change in the benefit that related to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Other Long Term Employee Benefit

Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognised in profit or loss in the period in which they arise.

e Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

- (a) has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset only if:

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

f Foreign Currency Transaction

Transactions in foreign currencies are translated into the respective functional currencies of the company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in statement of profit and loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

g Inventories

Stock-in-trade at lower of cost and net realisable value except for cases where Company is acting as Commodity Broker Trader inventories are measured at fair value less costs to sell. The cost of inventories is determined using the weighted average method and includes expenditure incurred in acquiring inventories and other costs incurred in bringing them to their present location and condition.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

h Property, Plant and Equipment

(i) Recognition and Measurement

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation and any accumulated Impairment losses.

The Cost of an item of property plant and equipment comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.

(ii) Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

(iii) Depreciation

Depreciation is provided in the manner specified in Schedule II to the Companies Act, 2013. Depreciation is charged to the statement of profit and loss over the useful life of an asset on straight line method. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

The range of estimated useful lives of Property, Plant & Equipments are as under:

Category of Assets	Useful Life
Building	60 Years
Plant and Equipment	15 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years
Vehicles	
- Bikes	8 Years
- cars	10 Years

Depreciation on addition / disposal of assets has been provided on pro rata basis with reference to month of addition / disposal.

i Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

j Cash and Cash Equivalent

For the purpose of presentation in the statement of the cash flows, cash and cash equivalent includes the cash on hand, deposits held at call with financial institutions other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

k Cash Flow Statement

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

l Earnings Per Share

(i) Basic EPS is arrived at based on Net profit/ (Loss) after tax available to equity share holders divided by weighted average number of shares, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per shares is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per shares including dilutive potential equity shares.

m Impairment of Financial Assets

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

n Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

o Leases

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognized as expenses in the statement of profit and loss on a straight line basis over the lease term.

p Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

(i) Financial Assets

(a) Classification

The Company shall classify 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.

(b) Initial Recognition and Measurement

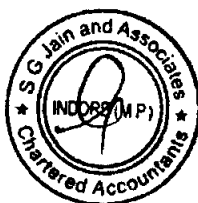
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets 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.

(c) Debt Instrument at Amortised Cost

A debt instrument is measured at Amortised Cost if both the following conditions are met:

- A. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- B. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

(d) Debt Instrument at Fair Value through Other Comprehensive Income (FVTOCI)

A debt instrument is measured at FVTOCI if both the following conditions are met:

- A. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- B. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

(e) Debt Instrument at Fair Value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the group may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(f) Derecognition

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

- A. The rights to receive cash flows from the asset have expired, or
- B. 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.
- C. 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.
- D. 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.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

(g) Impairment of Financial Assets

In Accordance with Ind AS 109, the company applies expected Credit loss (ECL) Model for measurement and recognition of Impairment loss on following financial assets and credit risk exposure:

A. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

B. Trade Receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

A. Trade receivables which do not contain a significant financing component.
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

(II) Financial Liabilities

(a) 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.

(b) Initial Recognition and Measurement

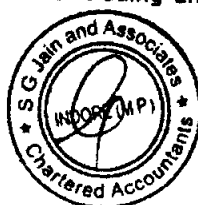
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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.

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

(c) Gain or Loss on liabilities held for trading are recognised in the Profit and Loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

(d) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

(e) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(f) Derivatives Financial Instruments

The company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(g) Measurement of Fair Values

The Company's accounting policies and disclosures require the measurement of fair values, for traded inventories and financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When Measuring the Fair value of an asset or a liability, the company uses observable market data as far as possible. Fair Values are Categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows.



RUCHI WORLDWIDE LIMITED
Significant Accounting Policies

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the Inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



Ruchi Worldwide Limited
Notes to the Accounts for the Year Ended 31.03.2018

Nota 1
PROPERTY, PLANT AND EQUIPMENT

Particulars	Historical Cost		Depreciation		Closing Balance	
	Opening Balance	Additions	Deductions	Opening Balance	As at 31.03.2018	As at 31.03.2017
TANGIBLE ASSETS						
Buildings	1 00 95 195	0	0	8 34 873	9 94 307	92 60 322
Furniture & Fixtures	5 83 037	0	0	3 76 154	4 14 436	1 68 601
Vehicles	7 02 968	0	0	7 02 968	7 02 968	2 06 883
Office Equipments	3 40 511	0	0	2 76 801	0	0
Computer	16 32 564	0	0	15 46 475	49 339	63 710
					57 408	86 089
Previous year	1 33 54 275	28 998	0	37 37 271	93 76 236	96 17 004
	1 34 82 545		1 57 268	35 63 538	37 37 271	99 19 007



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

2 OTHER NON-CURRENT FINANCIAL ASSETS	31.03.2018	31.03.2017
Interest Accrued but not due (on Fixed Deposits with bank)	78 551	1 07 254
Balance With Banks- In Deposit A/C (Maturity more than 12 Months)	12 56 134	11 48 470
Total Other Financial Assets	<u>13 34 685</u>	<u>12 55 724</u>
3 OTHER NON-CURRENT ASSETS		
Advance Income Tax (Including TDS Deducted)	1 02 54 194	1 02 35 943
Total Other Non- Current Assets	<u>1 02 54 194</u>	<u>1 02 35 943</u>
4 INVENTORIES (As Valued and certified by the management)		
a. Stock in trade	0	0
b. Packing Material	0	0
Total Inventories	<u>0</u>	<u>0</u>
5 TRADE RECEIVABLES		
Secured, Considered Good		
Unsecured, Considered Good	6 78 01 51 102	7 31 76 45 476
Less: Provision for Doubtful Debt	-6 47 03 80 395	-1 47 52 62 293
Total Trade Receivables	<u>30 97 70 707</u>	<u>5 84 23 83 183</u>
Note:		
a. Trade Receivables includes balance of parties whose bills has been discounted by the company from Bank.	71 44 89 406	71 44 89 406
b. Trade Receivables Includes amount due from holding company.	3 70 10 35 523	3 87 28 88 808
6 CASH AND CASH EQUIVALENT		
Cash In Hand		
Balances with Banks (In Current Accounts)	25 102 21 20 322	42 798 1 01 68 014
Total Cash and Cash Equivalent	<u>21 45 424</u>	<u>1 02 10 812</u>
7 BANK BALANCE (Other than cash and Cash equivalent)		
Bank Balance- In Deposit Account (Less than 12 months but more than 3 months)	0	2 13 659
Total Bank Balance	<u>0</u>	<u>2 13 659</u>
8 LOANS AND ADVANCES		
Unsecured, Considered Good (Unless Otherwise Stated)		
Security Deposit	0	30 28 253
Staff Advances	0	22 166
Total Loans and Advances	<u>0</u>	<u>30 50 419</u>
9 OTHER CURRENT FINANCIAL ASSETS		
Unsecured, Considered Good		
Interest Accrued but not due on FDR	0	3 675
Other Receivables	1 54 451	1 54 451
Total Financial Assets	<u>1 54 451</u>	<u>1 58 126</u>



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

10 OTHER CURRENT ASSETS

Advance to Suppliers		
- Unsecured, considered Good	44 93 822	2 44 78 864
- Unsecured, considered doubtful	12 98 84 943	12 42 59 926
Less: Provision for Doubtful Advances	- 12 98 84 943	- 12 42 59 926
	<hr/>	<hr/>
	44 93 822	2 44 78 864
Prepaid Expenses	21 099	57 264
Unamortized Guarantee Commission	2 55 13 044	2 55 13 044
Balances with Government Authorities*	4 51 27 170	3 89 88 732
Others	2 18 046	1 38 884
Total Other Current Assets	<hr/>	<hr/>
	7 53 73 180	8 91 76 788

*Balances with Government Authority
Custom Duty Under Protest
Sales Tax Under Protest
CST Under Protest
MOD VAT Credit Receivable
SGST Input
CGST Input
IGST Input
IGST Input- RCM
VAT Receivable Input
VAT Refundable
Cenvat Service Tax
Additional VAT/ Surcharge
Total Balances With Government Authorities

54 95 250
49 943
6 85 420
46 76 968
1 09 575
1 09 575
61 200
23 625
2 99 45 963
69 819
38 84 660
15 172
<hr/>
4 51 27 170



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

11 SHARE CAPITAL	31.03.2018	31.03.2017
a Particulars		
<u>Authorized Share Capital</u>		
19000000 Equity Shares of Rs. 10 Each (Previous Year 19000000)	19 00 00 000	19 00 00 000
	<u>19 00 00 000</u>	<u>19 00 00 000</u>
<u>Issued, Subscribed and Paid Up Capital</u>		
18940700 Equity Shares of Rs. 10 Each (Previous Year 18940700)	18 94 07 000	18 94 07 000
	<u>18 94 07 000</u>	<u>18 94 07 000</u>

Out of the above, 9940700 Equity Shares (Previous Year 9940700 Equity Shares) of rs. 10/- each are held by Ruchi Soya Industries Limited (Holding Company), Which includes 1500 Shares held by Nominee.

b Reconciliation of Shares outstanding at the beginning and at the end of the year	2 018	2 017
At the Beginning of the Year	1 89 40 700	1 89 40 700
Issued during the year	0	0
Outstanding at the end of the year	<u>1 89 40 700</u>	<u>1 89 40 700</u>

c Terms / Rights Attached to Shares

i Equity Shares

The Company has one class of Equity shares having a par value of 10/- . Each holder of equity shares is entitled to vote as per their Paid up ratio.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the Year Ended 31st March 2018 the amount per share dividend recognized as distributions to equity shareholders was Rs. Nil.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of 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.

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

Name of the Share holders	31.03.2018	%	31.03.2017	%
	Nos.		Nos.	
Equity				
Ruchi Soya Industries Limited (Including 1500 Equity Shares held by Nominee)	99 40 700	52.48%	99 40 700	52.48%
Shri Dinesh Khandelwal (In the capacity of Trustee of Disha Foundation)	90 00 000	47.52%	90 00 000	47.52%

e For the Period of the years immediately preceeding the date of which the Balance Sheet is prepared i.e. 31st March 2018, the company has not:

- Allotted any shares pursuant to contract (s) being payment being received in cash.
- Allotted any shares as fully paid up by way of bonus shares.
- Bought back any shares or class of shares.

12 OTHER EQUITY

a General reserve	24 96 063	24 96 063
b Deemed Equity Contribution (From Holding Company)	6 08 57 810	6 08 57 810
c Retained Earnings	-8 71 34 11 801	-2 55 21 89 209
d Other Comprehensive Income	- 12 581	23 282

RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

b. Deemed Equity Contribution

(From Holding Company)

Balance as at beginning of the year

Add: Transfer from Statement of P&L

Balance as at the end of the year

6 08 57 810	2 56 37 835
0	3 52 19 975
<u>6 08 57 810</u>	<u>6 08 57 810</u>

c. Retained Earnings

Balance as at beginning of the year

Add: Net Profit/ (Loss) for the period

Less: Remeasurement of the Defined

Benefit Plans

Balance as at the end of the year

-2 55 21 89 209	-1 48 14 96 529
-6 16 12 22 592	-1 07 06 92 680
0	0
<u>-8 71 34 11 801</u>	<u>-2 55 21 89 209</u>

d. Other Comprehensive Income

Balance as at beginning of the year

Add: During the Year

Balance as at the end of the year

23 282	- 7 123
- 35 863	30 405
<u>- 12 581</u>	<u>23 282</u>

13 LONG TERM PROVISIONS

Provision for Employee Benefit

Total Long Term Provisions

1 03 896	2 99 426
<u>1 03 896</u>	<u>2 99 426</u>

14 DEFERRED TAX

Deferred Tax Liabilities

Depreciation on Plant, Property and

Equipment

Deferred Tax Assets

Other Timing Differences

Net Deferred Tax Liability

11 31 827	10 79 078
0	1 44 800
<u>11 31 827</u>	<u>9 34 278</u>

Considering Losses and Other timing differences resulting in DTA as per Tax Laws, it is reasonably not certain that company will have taxable income in near future against which such losses or timing differences can be set off / adjusted, hence deferred tax assets on the same has not been recognized in the books of accounts.

15 SHORT TERM BORROWINGS

Loans Repayable on demand

i. Secured

Working Capital Loans and O/D From Bank.

6 35 14 52 004	6 11 36 96 929
----------------	----------------

Overdraft from bank (Letter of Credit)

ii. Unsecured

2 01 23 98 829	83 95 27 905
0	0

<u>8 36 38 50 833</u>	<u>6 95 32 24 834</u>
-----------------------	-----------------------

a Working capital loan(s) and overdraft from banks are secured by Pari passu charge in favour of Axis Trustee Services Ltd., acting for and on behalf of multiple lender banks, by way of mortgage on all present and future book debts, outstanding moneys receivable, claims, bills and stock in trade consisting of raw materials, semi finished goods, goods in process, finished goods etc, and property at village Marol Maroshi, Taluka Andheri, Mumbai, Maharashtra and corporate guarantee of holding company to the extent of 52.48% of credit limits.

b Working capital loan as on 31st march 2018 includes Rs. 6,35,14,52,004 default in repayment of dues to banks details of the same are as under :

Name of the Bank (Credit facility)	Amount Outstanding	Amount Over Due	Overdue Period
Corporation Bank (LC)	56 46 20 308	56 46 20 308	October 2016 to Feb 2018
Standard Chartered Bank (EPC)	3 06 12 00 000	3 06 12 00 000	More than 12 Months
ICICI Bank (CC)	57 75 78 021	57 75 78 021	More than 12 Months
DBS BANK (LC)	47 43 27 112	47 43 27 112	More than 20 Months
Rabo Bank International (WCDL)	85 00 00 000	85 00 00 000	More than 22 Months
Phoenix Assets Reconstruction Company Private Limited (WCDL)	10 92 37 157	10 92 37 157	More than 17 Months
HDFC Bank Ltd (Foreign Bill Discounted)	71 44 89 406	71 44 89 406	More than 12 Months



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

c Loan amounting Rs. 10,92,37,157/- Included in working capital loan due to Federal Bank has been assigned by the Bank to Phoenix Asset Reconstruction company (PARC) Private Limited, Mumbai with effect from 31/03/2017.

d (i) Overdraft from bank represents LC Overdue (including Interest) From Standard Chartered Bank Rs. 2,01,23,90,551/- from August 2016 (Previous year 83,95,27,905/-).

(ii) It is secured by Pari pasu charged by way of mortgage on all present and future book debts and stock in trade.

e Confirmations from certain banks in respect of bank balances aggregating to Rs. 5,10,00,16,518/- have not been received by the company from the banks in response to the request sent. The account balances and the interest and other charges have been accounted on the basis of information available with the company and the provisions of various sanction letters/ agreements available.

16 TRADE PAYABLES

Due to Micro and Small Enterprises
Sundry Creditors

0
2 50 48 469 97 52 82 101

Total Trade Payables

2 50 48 469 97 52 82 101

The Company has identified (based on information available) certain suppliers as those registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the MSMED Act are as follows:

	As at	
	March 31, 2018	March 31, 2017
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under the MSMED Act, for payments already made	-	-
Interest remaining due and payable for earlier years	-	-
Amount of Interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-

17 OTHER SHORT TERM FINANCIAL LIABILITIES

Interest Payable

41 57 66 625 27 31 14 528

Overdraft in Bank Current Account

0 1 87 470

41 57 66 625 27 33 01 998

18 OTHER CURRENT LIABILITIES

Statutory Dues

84 95 957 67 81 467

Advance from Customers

5 43 85 025 5 43 85 025

Other Liabilities

30 594 13 28 403

6 29 11 576 6 24 94 895

19 SHORT TERM PROVISIONS

Provision for Employee Benefit

59 162 1 69 181

Provision for Expenses

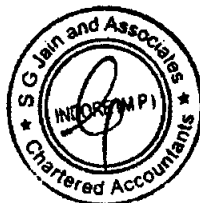
2 00 000 0

2 59 162 1 69 181



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

	31.03.2018	31.03.2017
20 REVENUE FROM OPERATIONS		
a SALE OF PRODUCTS	46 95 03 924	10 94 82 10 699
b OTHER OPERATING REVENUE		
Export Incentive	0	6 60 300
Gain on contract settlement (Net)	1 78 33 000	47 52 041
Total Revenue from Operation	<u>48 73 36 924</u>	<u>10 95 36 23 039</u>
21 OTHER INCOME		
Interest Income	1 01 721	58 26 155
Liabilities Written Back	18 41 919	56 85 872
Reversal of Provision for doubtful Debts	0	13 72 23 107
Other Receipts	2 70 959	9 54 203
Total Other Income	<u>22 14 599</u>	<u>14 96 89 337</u>
22 PURCHASES OF STOCK IN TRADE		
Merchandise Purchases	24 09 42 170	
Soya Extraction	16 76 78 500	
Crude Palm Oil Purchases (Imported)	5 63 41 824	
Purchases	-	10 62 57 16 679
Total Purchases	<u>46 49 62 494</u>	<u>10 62 57 16 679</u>
23 CHANGES IN INVENTORY		
Traded Goods		
Opening Stock	0	34 41 15 589
Closing Stock	0	0
Net Changes in Inventory	<u>0</u>	<u>34 41 15 589</u>
24 EMPLOYEE BENEFIT EXPENSES		
Salary, wages and Bonus	29 90 209	84 94 933
Staff Welfare Expenses	3 365	98 587
Total Employee Benefit Expenses	<u>29 93 574</u>	<u>85 93 520</u>
25 FINANCE COST		
Interest Expenses	1 12 94 37 730	90 55 83 225
Other Borrowing cost	0	20 10 000
Bank Commission and Charges	15 45 417	59 35 710
Total Finance Charges	<u>1 13 09 83 146</u>	<u>91 35 28 935</u>
26 DEPRECIATION AND AMORTIZATION		
Depreciation on Property, plant and Equipment (As per Annexure)	2 40 768	3 15 442
Total Depreciation and Amortization	<u>2 40 768</u>	<u>3 15 442</u>
27 Provision for Doubtful Debt & Advances		
Provision for Doubtful Debt	4 99 51 18 102	0
Provision for Doubtful Advances	56 25 017	12 42 59 926
Total Provision for Doubtful Debt & Advances	<u>5 00 07 43 119</u>	<u>12 42 59 926</u>
28 OTHER EXPENSES		
Office Rent	29 025	2 32 91 292
Rates and Taxes	3 39 585	14 86 789
Freight and Forwarding Expenses	0	13 08 724
Loss on Sale of Fixed Assets	0	159
Loss on Foreign Currency Transaction/ Translation	3 27 24 787	2 51 63 339
Loss/ (gain) on derivatives contract	0	- 8 65 08 617
Export Expenses	0	6 96 770



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

Commission and Rebate		
Insurance	0	19 66 468
Travelling and Conveyance Exp.	1 54 304	15 95 722
Legal and Professional Expenses	5 26 918	6 18 900
Concukancy Charges	31 98 697	43 19 041
Duty Drawback Reversed	38 84 112	2 35 000
Other Expenses	89 79 426	0
	8 16 682	6 74 41 714
Total Other Expenses	5 06 53 466	4 16 15 301

Auditor's Remuneration

Statutory Audit Fees		
Tax Audit Fees	1 75 000	4 50 000
Certification	25 000	50 000
Total	0	10 000
Add: GST/Service Tax	2 00 000	5 10 000
Total Remuneration	36 000	76 450
	2 36 000	5 86 450

29 EXCEPTIONAL ITEMS

claim raised by the company in earlier years against settlement of sales contract but not accepted by parties, Reversed in Financial year 2016-17.	0	- 11 62 20 750
--	---	----------------

30 OTHER COMPREHENSIVE INCOME

a Items that will not be reclassified to P&L

Remeasurement of the Defined Benefit Plans	- 35 863	30 405
Income Tax (relating to items mentioned above)	0	0
	- 35 863	30 405

b Items that will be reclassified to P&L

Income Tax (relating to items mentioned above)	0	0
	0	0
	0	0
	- 35 863	30 405

Total Other Comprehensive Income

31 EARNINGS PER SHARE

Particulars

Net Profit / Loss after Tax

No of Shares Basic

No of Shares Diluted

Earning Per Share Basic

Earning Per Share Diluted

	-6 16 12 22 592	-1 07 06 92 680
	1 89 40 700	1 89 40 700
	1 89 40 700	1 89 40 700
	-325.29	-56.53
	-325.29	-56.53

32 LEASES

The Company has taken office premises under Operating Lease Agreement. These are renewable on periodic basis at the option of both Lessor and Lessee.

The aggregate amount of operating lease payments recognised in the statement of profit and loss is Rs. 29,025/- (previous year Rs. 2,32,91,292/-)

The company has not recognised any contingent rent as expenses in the statement of profit and loss.



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

31.03.2018

31.03.2017

33 RELATED PARTY DISCLOSURE

a Names of Related Parties and Related Party Relationship

Related Parties	Relationship
Ruchi Soya Industries Limited	Holding Company
Mrig Trading Private Limited	Fellow Subsidiary
Ruchi J-Oil Private Limited	Fellow Subsidiary
RSIL Holdings Private Limited	Fellow Subsidiary
Ruchi Hi-Rich Seeds Private Limited	Step-down Subsidiary of Fellow Subsidiary
Ruchi Industries Pte. Limited	Fellow Subsidiary
Ruchi Ethiopia Holdings Limited	Fellow Subsidiary
Ruchi Agri Plantation (Cambodia) Co. Ltd.	Step-down subsidiary of Fellow Subsidiary
Ruchi Agritrading Pte. Limited	Step-down subsidiary of Fellow Subsidiary
Ruchi Agri SARLU	Step-down subsidiary of Fellow Subsidiary
Ruchi Agri PLC	Step-down subsidiary of Fellow Subsidiary
Palmollen Industries Pte. Limited	Step-down subsidiary of Fellow Subsidiary
Ruchi Middle East DMCC	Step-down Subsidiary of Fellow Subsidiary
Indian Oil Ruchi Bio Fuels	Joint Venture of Holding Company
Mr. Neeraj Jain (Company Secretary)	Key Managerial Person
Mr. Sandesh Sangrurderkar (Manager)	Key Managerial Person
Mr. Dinesh Shahra	Director
Mr. V. K Jain	Director
Mr. N. Murugan	Director
Mr. Naveen Khandelwal	Director
Mrs. Meena Dinesh Rajda	Director

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

b Related Party Transactions

Name of Related Party	Nature of transaction		
Ruchi Soya Industries Limited	Purchases of goods	16 93 55 285	6 73 54 339
Ruchi Soya Industries Limited	Sale of goods	0	4 03 28 94 013
Ruchi Soya Industries Limited	Gain/ (Loss) Contract Settlement	0	- 16 80 90 500
Ruchi Soya Industries Limited	Guarantee Given by Holding	0	3 89 68 79 729
Ruchi Soya Industries Limited	Guarantee Commission	0	2 86 33 977
Ruchi Soya Industries Limited	Trade Receivables	3 70 10 35 523	3 87 28 88 808
Mr. Neeraj Jain (Company Secretary)	Remuneration	6 82 332	6 71 532
Mr. Sandesh Sangrurderkar (Manager)	Remuneration	14 66 957	15 92 137
Mr. Ramesh Gupta	Remuneration	0	5 65 570

34 INCOME TAXES

a Tax Expenses recognised in Statement of P&L

	2 018	2017
Current Tax		
Current Tax Expense for Current Year		
Current tax (benefit) / expense pertaining to prior periods	0	- 7 31 049
Deferred tax Liability	- 1 97 548	3 69 964
Total Income Tax Expense / (credit)	- 1 97 548	- 3 61 085

b A reconciliation of the Income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows :

Enacted Income tax Rate In India	30.9%	30.9%
Profit/ (Loss) before Tax	-6 16 10 25 044	-1 07 10 53 765
Income Tax for the year	0	0
Tax Pertaining to prior Years	0	- 7 31 049
Others	1 97 548	3 69 964
Income Tax as per Statement of P&L	- 1 97 548	- 3 61 085



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

35 The Company has made losses during the current year and the preceding year. As a result of the losses, the liquidity position of the Company and consequently the operations of the Company have been hampered, impacting the working capital availability and regularization of dues to banks. The improvement in the realization from trade receivables and the debt structuring with the working capital support by the banks would facilitate the company to turnaround the operations of the company for better. The management has an intention to continue and enhance the business activities of the company. The prospects of the company are, however, dependent on continuous working capital support and debt structuring by the lenders and the management is hopeful of finding a solution for the same. These financial statements have accordingly been prepared as a going concern basis.

36 Considering Lossess as per tax laws it is reasonably not certain that company will have taxable income in near future against which such losses can be set off / adjusted, hence deferred tax assets due to loss not recognized.

37 Disclosure as per IND AS 19 "Employee Benefit"

a Reconciliation of opening and closing balances of Gratuity

	2017-18	2016-17
Change in obligation during the year ended 31st March 2018		
Obligation at the beginning of the year	5 96 943	9 45 152
Service cost	58 304	1 04 690
Interest Cost	39 219	69 752
Actuarial (Gains) /Losses on obligation - Due to Change in Financial Assumption	- 1 626	8 858
Actuarial (Gains) /Losses on obligation -Due to Experience	18 384	- 41 571
Actuarial (Gains) /Losses on obligation -Due to demographic assumption	0	2 050
Benefits payments	- 4 95 900	- 4 91 988
Obligations at the end of the year	2 15 324	5 96 943
Change in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	7 35 827	9 05 132
Interest Income	48 344	66 799
Contributions by the employer	1 64 204	2 56 142
Benefits paid	- 4 95 900	- 4 91 988
Return on plan assets (excluding interest)	- 19 105	- 258
Fair value of plan assets at the end of the year	4 33 370	7 35 827
Amount recognized in balance sheet		
Present value of defined benefit obligation at the end of the year	- 2 15 324	- 5 96 943
Fair value of plan assets at the end of the year	4 33 370	7 35 827
Net (Liability) / Assets recognized in balance sheet	2 18 046	1 38 884
Balance sheet reconciliation		
Net liability at the beginning of the year	- 1 38 884	40 020
Expenses recognized in Profit & loss during the year	49 179	1 07 643
Expenses recognized in OCI during the year	35 863	- 30 405
Contributions during the year	- 1 64 204	- 2 56 142
Net liability /(Assets) as at the end of the year	- 2 18 046	- 1 38 884
Amounts recognized in the profit and loss account		
Current service cost	58 304	1 04 690
Interest cost recognised in Profit & Loss	- 9 125	2 953
Expected return on plan assets for the year	49 179	1 07 643
Expenditure recognized in the profit and loss account		
Amounts recognized in the Other Comprehensive		
Current service cost		
Interest cost recognised in Profit & Loss		
Return on plan assets (excluding interest)	19 105	258
Actuarial (Gains)/ Losses on obligation	16 758	- 30 663
Net (Income)/expenses recongnised in OCI	35 863	- 30 405



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

Sensitivity Analysis

Projected Benefit Obligation on Current Assumptions	2 15 324	5 96 943
Delta Effect of +1% Change in Rate of Discounting	- 4 345	- 10 881
Delta Effect of -1% Change in Rate of Discounting	4 601	11 483
Delta Effect of +1% Change in Rate of Salary Increase	4 598	11 436
Delta Effect of -1% Change in Rate of Salary Increase	- 4 422	- 11 039
Delta Effect of +1% Change in Rate of Employee Turnover	- 423	- 8
Delta Effect of -1% Change in Rate of Employee Turnover	429	5

Percentage of each category of plan assets to fair value

Insurer managed funds	0	0
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Actuarial assumptions

Discount Rate Current	6.57%	6.57%
Salary escalation Current	6.00%	6.00%
Rate of return on plan assets Current	6.57%	6.57%

b Leave Encashment Expenses

i) The liability in respect of leave encashment is determined using actuarial valuation carried out as at Balance Sheet date.

ii) Actuarial gain or losses are recognised in full in Statement of Profit and Loss for the year in which they occur.

iii) Liability on account of leave encashment as at the year end 1,63,058/- (Previous year 4,68,607/-).

38 CONTINGENT LIABILITY AND COMMITMENT

a Contingent Liability not provided for	2 018	2017
Demad Disputed in Appeals		
Sales Tax (Amount deposited Rs. 735365 (Previous Year Rs. 314665)).	28 59 160	28 59 160
Custom Duty (Amount Deposited against demand Rs. 5495250 (Previous Year Rs. 5495250)).	2 20 00 000	2 20 00 000

b Commitments	0	0
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39 CSR EXPENDITURE

The Company is required to spent under section 135 of the Companies Act 2013, for the year ended 31st March 2018 is Rs. NIL. (Previous Year Rs. NIL)

Expenditure Incurred on Corporate Social responsibility Activities during the year is NIL

40 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the hedging reserve.

The Company's adjusted net debt to equity ratio at March 31, 2018 was as follows.

	2 018	2017
Total Liability	8 86 75 77 502	8 26 43 03 827
Less: Cash and Cash Equivalent	21 45 424	1 02 10 812
Adjusted Net Debt	<u>8 86 54 32 078</u>	<u>8 25 40 93 016</u>
Total Equity	-8 46 06 63 509	-2 29 94 05 055
Adjusted Equity	<u>-8 46 06 63 509</u>	<u>-2 29 94 05 055</u>
Adjusted net debt to adjusted equity ratio	-1.05	-3.59



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

41 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
 - (a) Currency risk;
 - (b) Interest rate risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

Risk Management Framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

(i) Market Risk

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

(a) Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, against the respective functional currencies (INR)

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to Currency Risk

The summary quantitative data about the Company's exposure to currency risk as reported by the management of the Company is as follows:

Particulars	2 018	2 017
	USD Exposure in INR	USD Exposure in INR
Receivable Net Exposure	2 46 08 47 552	1 78 25 76 844
Net Statement of Financial Position Exposure	2 46 08 47 552	1 78 25 76 844
Forward Exchange Contracts against Exports	0	0
Receivable Net Exposure	2 46 08 47 552	1 78 25 76 844
Payable Net Exposure		
Borrowings	0	0
Trade Payables and Other Financial Liabilities	5 43 85 025	46 86 50 174
Net Statement of Financial Position Exposure	5 43 85 025	46 86 50 174
Forward exchange contracts against Imports and foreign currency payables	0	0
Payable Net Exposure	5 43 85 025	46 86 50 174
Net Exposure on Receivable/ (Payable)	2 40 64 62 527	1 31 39 26 670



Interest Rate Sensitivity - Variable Rate Instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date.

RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

Expected credit loss assessment for customers as at and March 31st, 2018

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at March 31, 2018 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Reconciliation of Provision for Loss on Doubtful Debts

2016-17

Opening Provision	1 61 24 85 400
Additional Provision made during the year	0
Provision Reversed	13 72 23 107
Closing Provision	<u>1 47 52 62 293</u>

2017-18

Opening Provision	1 47 52 62 293
Additional Provision made during the year	4 99 51 18 102
Provision Reversed	0
Closing Provision	<u>6 47 03 80 395</u>

Cash and Cash Equivalents

The Company holds cash and cash equivalents with credit worthy banks and financial institutions of 21,45,423/- as at 31st March 2018. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

(III) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors various funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities.

As at 31st March 2018

	Carrying Amount		Contractual Cash Flows	
	1 Year or Less	1-5 Years	More than 5 years	
Non Derivatives Financial Liabilities				
- Secured term loans and borrowings	8 36 38 50 833	8 36 38 50 833	0	0
-Trade and other Payables	2 50 48 469	2 50 48 469	0	0
-Other Financial Liability (Repayable on Demand)	41 57 66 625	41 57 66 625	0	0
Derivatives Financial Liabilities	0	0	0	0



RUCHI WORLDWIDE LIMITED
Notes to the Accounts for the Year Ended 31.03.2018

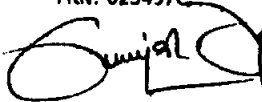
As at 31st March 2017

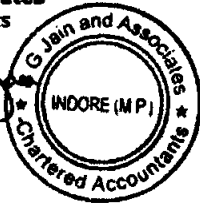
	Carrying Amount	1 Year or Less	Contractual Cash Flows 1-5 Years	More than 5 years
Non Derivatives Financial Liabilities				
- Secured term loans and borrowings	6 95 32 24 834	6 95 32 24 834	0	0
-Trade and other Payables	97 52 82 101	97 52 82 101	0	0
-Other Financial Liability (Repayable on Demand)	27 31 14 528	27 31 14 528	0	0
Derivatives Financial Liabilities	0	0	0	0

42 PREVIOUS YEAR FIGURES

Previous year figures are taken from the audited Balance Sheet for the year ended 31st March, 2017.

As per our report of Even Date
For and on behalf of
S G Jain and Associates
Chartered Accountants
FRN: 023497C


CA Gunjeesh Jain
Partner
M.No. 436301



Place: Indore
Date: May 25th, 2018

For and on Behalf of the Board of Director


Dinesh Shaha
Director
DIN: 00533055


Neeraj Jain
Company Secretary


Vijay Kumar Jain
Director
DIN: 00098298