

## INDEPENDENT AUDITOR'S REPORT

To the Members of Ruchi J-Oil Private Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Ruchi J-Oil Private Limited ("the Company") which comprise the Balance Sheet at 31<sup>st</sup> March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year-ended on that date and a summary of 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

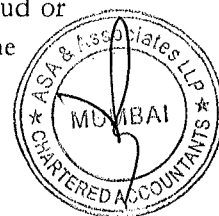
### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of these financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the



Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

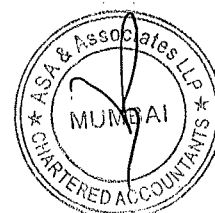
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2017; and its loss and its cash flow for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in exercise of power conferred by terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3), 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 appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 20 April 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations that would impact its financial position in its financial statements;



- ii. The Company did not have any long term contracts including derivative contracts for which there are any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 December 30, 2016 – Refer Note 38 to the financial statements. However, we are unable to verify the disclosure as the Company has not maintained denomination wise listing of “closing cash on hand as on 8 November 2016”, “permitted receipts”, “permitted payments”, “amounts deposited in banks” and “closing cash in hand as on 30 December 2016 although overall records of the above transactions have been maintained.

For ASA and Associates LLP  
Chartered Accountants  
Firm Registration No:009571N/N500006



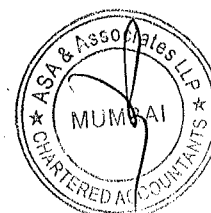
Vaijayantimala Belsare  
Partner  
Membership No. 49902  
Place: Mumbai  
Date: 9 May 2017



## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 of the Independent Auditor's Report of Ruchi J-Oil Private Limited ('the Company') on the financial statements as of and for the year ended on 31<sup>st</sup> March 2017.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of the verification is reasonable. No material discrepancies were noticed on such verification.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties covered in the register maintained under section 189 the Companies Act, 2013. Accordingly paragraphs 3(iii) (a) and (b) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not made loans, investments, guarantees and securities in respect of which provisions of section 185 and 186 the Companies Act, 2013 are applicable. Accordingly paragraphs 3(iv) of the Order are not applicable to the Company.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73 and 76 and any other relevant provisions of the Companies Act and the rules framed there under. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.
6. As informed to us, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act for any of the products of the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is *generally* regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities. There were no undisputed statutory dues outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable;  
  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Value Added Tax, Service Tax, Excise Duty, Customs Duty and Cess, which have not been deposited by the company with the appropriate authorities on account of disputes. We are informed that Employees State Insurance and Wealth Tax are not applicable to the company.



8. According to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
9. According to the information and explanations given to us, the Company has not raised money by way of initial public offer or any other further offer during the year. Also, the company did not have any term loans outstanding during the year.
10. According to the information and explanations given to us, no material fraud by the company or by any of its employees or officers has been noticed or reported during the year.
11. In our opinion and according to the information and explanations give to us, the Company has not paid or provided for managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable.
12. According to the information and explanation given to us, the Company is not a Nidhi Company; hence Clause 3(xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us the Company has complied with the requirements of Section 177 and 188 of Companies Act, 2013 in respect of related party transactions, the details of which are disclosed in the Financial Statements.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or debentures during the year; hence Clause 3(xiv) of the Order is not applicable to the Company.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions covered under Section 192 of the Companies Act, 2013 with directors or persons connected with him. Accordingly, Clause 3(xv) of the Order is not applicable to the Company.
16. According to the information and explanations given to us, the Company is not a non-banking financial company it is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For ASA and Associates LLP**  
**Chartered Accountants**  
 Firm Registration No: 009571N/N500006

  
**Vaijayantimala Belsare**  
**Partner**  
 Membership No. 49902  
 Place: Mumbai  
 Date: 9 May 2017



**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls 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 J-Oil Private Limited** ('the Company') as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable



assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

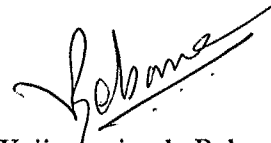
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For ASA and Associates LLP**

**Chartered Accountants**

Firm Registration No: 009571N/N500006

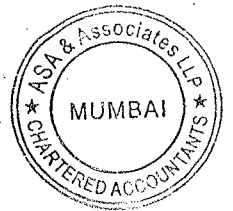


**Vaijayantimala Belsare**  
**Partner**

Membership No. 49902

Place: Mumbai

Date: 9 May 2017



**Ruchi J-Oil Private Limited**  
Balance Sheet As At March 31, 2017

PARTICULARS		Note No.	FY 2016-17	FY 2015-16
			As at 31 March 2017	As at 31 March 2016
I.	ASSETS			
(1)	Non-current assets			
	(a) Property, plant and equipment	2-4a	57,133,532	493,621,713
	(b) Capital work-in-progress	2-4a	-	-
	(c) Other Intangible assets	2-4a	1,945,782	3,007,123
	(d) Investments in subsidiaries	5	-	-
	(e) Financial Assets			
	(i) Investments	6a	-	-
	(ii) Others	6b	379,802	379,802
	(f) Other non-current assets	7	11,747,577	13,438,781
(2)	Current assets			
	(a) Inventories	8	27,654,708	42,016,543
	(b) Financial Assets			
	(i) Investments	9a	-	-
	(ii) Trade receivables	9b	15,305,817	9,288,645
	(iii) Cash and cash equivalents	9c	257,228,243	249,512,017
	(iv) Bank balances ther than (iii) above	9d	-	-
	(v) Loans	9e	2,317,980	4,358,644
	(vi) Others	9f	39,848,048	38,463,072
	(c) Other current assets	10	1,797,924	757,133
	TOTAL Assets		415,359,413	854,843,472
II.	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	11	4,000,000	4,000,000
	(b) Other Equity	12	369,925,388	838,409,696
	LIABILITIES			
(1)	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12a	-	-
	(ii) Other financial liabilities	12b	-	-
	(b) Provisions	13	46,078	659,101
	(c) Deferred tax liabilities (Net)	14	-	-
	(d) Other non-current liabilities	15	-	-
(2)	Current liabilities			
	(a) Financial Liability			
	(i) Borrowings	16	-	-
	(ii) Trade payables	16b	40,528,265	9,564,414
	(iii) Other financial liability	16c	794,893	1,516,340
	(b) Other current liabilities	17	60,873	622,073
	(c) Provisions	18	3,916	71,849
	(d) Current tax liabilities (Net)	19	-	-
	TOTAL Equity and Liabilities		415,359,413	854,843,472

Significant Accounting Policies  
Notes to the financial statements

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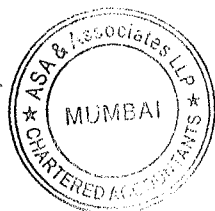
The notes referred to above form an integral part of the financial statements  
As per our report of even date attached.

For **ASA & Associates LLP**  
Chartered Accountants

Firm's Registration No: 009571N/N500006

*Vaijayantimala Belsare*  
**Vaijayantimala Belsare**  
Partner  
Membership No: 49902

Mumbai  
09-May-17



For and on behalf of the Board of Directors of  
Ruchi J-Oil Private Limited

*Satendra Aggarwal*  
**Satendra Aggarwal**  
Director  
DIN:-07603756

Mumbai  
09-May-17

*Kazuhisa Tateno*  
**Kazuhisa Tateno**  
Director  
DIN : 06734902



**Ruchi J-Oil Private Limited**  
Statement Of Profit And Loss

Particulars		Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>I</b>	Revenue from Operations	20	156,963,901	213,877,366
<b>II</b>	Other Income	21	20,339,018	27,285,657
<b>III</b>	<b>Total Income ( I+II )</b>		<b>177,302,919</b>	<b>241,163,023</b>
<b>IV</b>	<b>EXPENSES</b>			
	Cost of materials consumed	22	59,314,641	140,703,956
	Purchases of Stock-in-Trade	23	81,516,023	-
	Changes in inventories of finished goods, work-in-progress and stock in trade	24	4,223,627	(17,981,643)
	Employee Benefits Expense	25	7,123,879	13,004,520
	Finance Costs	26	6,677	14,127
	Depreciation and Amortisation Expense	27	34,962,793	31,370,836
	Other Expenses	28	56,075,784	148,905,914
	<b>Total Expenses</b>		<b>243,223,424</b>	<b>316,017,710</b>
<b>V</b>	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>(65,920,505)</b>	<b>(74,854,686)</b>
<b>VI</b>	<b>Exceptional Items</b>	29	402,563,802	-
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>		<b>(468,484,308)</b>	<b>(74,854,686)</b>
<b>VIII</b>	<b>Tax expense</b>			
	Current Tax		-	-
	Deferred Tax		-	-
	Tax for earlier years		-	-
<b>IX</b>	<b>Profit/(loss) for the period (VII-VIII)</b>		<b>(468,484,308)</b>	<b>(74,854,686)</b>
<b>X</b>	<b>Other comprehensive income</b>			
	a Items that will not be reclassified to profit or loss			
	Fair value change in equity shares - OCI			
	Tax relating to items that will not be reclassified to Statement of profit or loss account			
	b Items that will be reclassified to profit or loss			
	Tax relating to items that will be reclassified to Statement of profit or loss account			
	<b>Other Reserves</b>			
	a Items that will not be reclassified to profit or loss			
	Fair Value Changes in hedge reserve reclassified to profit and loss			
<b>XI</b>	<b>Total comprehensive income for the period</b>		<b>(468,484,308)</b>	<b>(74,854,686)</b>
<b>XII</b>	<b>Earnings per equity share</b>			
	a Basic		(1,171.21)	(187.14)
	b Diluted		(1,171.21)	(187.14)

As per our report of even date attached.

For **ASA & Associates LLP**

Chartered Accountants

Firm's Registration No: 009571N/N500006

*Vaijayantimala Belsare*

**Vaijayantimala Belsare**

Partner

Membership No: 49902

Mumbai  
09-May-17



For and on behalf of the Board of Directors of  
Ruchi J-Oil Private Limited

*Satendra Aggarwal*

**Satendra Aggarwal**

Director

DIN:-07603756

Mumbai  
09-May-17

*Kazuhisa Tateno*

**Kazuhisa Tateno**

Director

DIN : 06734902

Ruchi J-Oil Private Limited  
Statement of cash flows for the year ended March 31, 2017

Particulars	For the year ended March 31, 2017 INRs	For the year ended March 31, 2016 INRs
<b>Cash flow from operating activities</b>		
Profit before tax	(46,84,84,308)	(7,48,54,686)
<b>Profit before tax</b>	<b>(46,84,84,308)</b>	<b>(7,48,54,686)</b>
<b>Adjustments to reconcile profit before tax to net cash used in operating activities</b>		
Depreciation and impairment of property, plant and equipment	43,64,65,254	3,18,25,070
Amortisation and impairment of Intangible assets	10,61,341	-
(Gain)/loss on sale of property, plant and equipment		(759)
Remeasure of the defined benefit plans		
Equity Instruments through Other Comprehensive Income		
Share-based payment expense		6,220
Other Income		(2,69,96,477)
Finance Income	(2,03,12,461)	
Dividend Income		
Finance costs	6,677	14,127
Provision for Doubtful Debts		
Provision for Gratuity and compensated absences		
Amount Debited to Business Development Reserve		
(Gain)/loss on sale of Investment		
On account of Ind AS adjustments		
Net unrealised exchange loss/(gain)		
<b>Working capital adjustments</b>	<b>(5,12,63,496)</b>	<b>(7,00,06,505)</b>
(Increase)/ Decrease in Inventories	1,43,61,834	(1,80,45,596)
(Increase)/ Decrease in trade and other receivables	(60,17,172)	(79,34,967)
(Increase)/ Decrease in other assets	(7,34,562)	(56,65,662)
(Increase)/ Decrease in Other Balance with Banks	20,40,664	
(Increase)/ Decrease in Short-term loans & advances		
Increase/ (Decrease) in trade and other payables	3,09,63,851	(82,59,836)
Increase/ (Decrease) in other liabilities	(19,63,602)	5,58,297
Income Tax paid	<b>(1,26,12,483)</b>	<b>(10,93,54,270)</b>
<b>Net cash flows from operating activities</b>	<b>(1,26,12,483)</b>	<b>(11,32,60,738)</b>
<b>Cash flow from investing activities</b>		
Payment for purchase and construction of property, plant and equipment	(11,037)	(5,23,09,973)
Proceeds from sale of property, plant and equipment	33,964	
Purchase of Investments		
Proceeds from sale of Investments		8,330
Decrease/(Increase) in other assets		69,84,122
Interest received	2,03,12,461	2,70,26,188
Dividend received		
<b>Net cash flows from investing activities</b>	<b>2,03,35,387</b>	<b>(1,82,91,333)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of share capital	-	-
Increase/(decrease) in Short Term Borrowings	-	-
Increase/(decrease) in Long Term Borrowings	-	-
Intercompany deposit (given) / Refunded	-	-
Finance charges paid	(6,677)	(14,127)
<b>Net cash flows from financing activities</b>	<b>(6,677)</b>	<b>(14,127)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>77,16,227</b>	<b>(13,15,66,198)</b>
Cash and cash equivalents at the beginning of the year	24,95,12,017	38,10,78,215
Effect of exchanges rate changes on cash and cash equivalents	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>25,72,28,244</b>	<b>24,95,12,017</b>

**Reconciliation of Cash and Cash equivalents with the Balance Sheet**

Cash and Bank Balances as per Balance Sheet [Note 10]

Cash on hand	43,982	5,32,063
Bank balances (Including bank deposits)*	25,71,84,261	24,89,79,954
<b>Cash and Cash equivalents as restated as at the year end</b>	<b>25,72,28,243</b>	<b>24,95,12,017</b>

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

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

As per our report of even date attached.

For **ASA & Associates LLP**

Chartered Accountants

Firm's Registration No: 009571N/N500006

*Vaijayantimala Belsare*

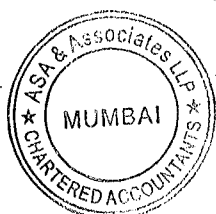
**Vaijayantimala Belsare**

Partner

Membership No: 49902

Mumbai

09-May-17



For and on behalf of the Board of Directors of

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**Satendra Aggarwal**

Director

DIN:-07603756

Mumbai

09-May-17

*Kazuhisa Tateno*

**Kazuhisa Tateno**

Director

DIN : 06734902

# Ruchi J-Oil Private Limited

## Notes to the financial statements

for the year ended 31 March 2017

(Currency : Indian Rupees)

### 1 Background

Ruchi J-Oil Private Limited ('the Company') was incorporated as a Private Limited Company on 12 June 2013. The Company is a subsidiary of Ruchi Soya Industries Limited holding 51 % of the equity share capital. The Company is engaged in the business of processing of oil-seeds and refining of crude oil for edible use, with processing facility at Shujalpur (Madhya Pradesh) and Manglia. The Company's registered office is at Industrial Area, Akodiya Road, Shujalpur- 465333 (Madhya Pradesh)

### 2 Basis of preparation of financial statements

These separate financial statements as at and for the year ended March 31, 2017 are the first financial statement prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

Financials statements up to year ended March 31, 2016 were prepared in accordance with the Accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

These are the Company's first separate financial statements (hereinafter "financial statements") prepared in accordance with Indian Accounting Standards (Ind AS) by applying Ind AS 101 – First-time Adoption of Indian Accounting Standards.

The Board of Directors approved the issuance of these financial statements on April.20, 2017.

#### 2.1 Summary of Significant Accounting policies

##### A. Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- 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.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

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

##### Transition to Ind AS

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

##### Depreciation methods

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

- Freehold Buildings	30 years
- Machinery	15 years
- Furniture, fittings and equipment	10 years

The useful lives have been determined as per schedule to the companies act; 2013, and the useful lives are not more than 5% of the cost of asset

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses)

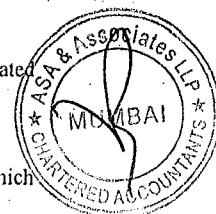
#### A 2. Intangible Assets

##### i. Recognition and measurement

Computer software have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses.

##### ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.



# Ruchi J-Oil Private Limited

## Notes to the financial statements

for the year ended 31 March 2017

(Currency : Indian Rupees)

### iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. The estimated useful lives for software licences (SAP) is 5 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

## B. 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

#### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit and loss; and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

#### Initial recognition and measurement

At initial recognition, the Company measures a financial asset at its fair value and in the case of financial assets not recorded at fair value through profit or loss by adding transaction costs that are directly attributable to the acquisition of the financial asset.

#### Debt instruments

The Company measures the debt instruments under the following measurement category

##### At Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest [SPPI] are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of the hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest Income from these financial assets is included in finance income using the effective interest rate method.

#### Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive Cash flows from financial asset, or
- Retains the Contractual rights to receive the Cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset and has transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred an financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained the control of the financial asset. Where the Company retains the control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### ii. Financial liabilities

#### Classification

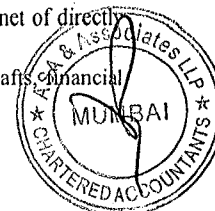
The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit and loss; and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

#### 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.



# Ruchi J-Oil Private Limited

## Notes to the financial statements

for the year ended 31 March 2017

(Currency : Indian Rupees)

### 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 Company 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.

Gains or losses on liabilities held for trading are recognised in the profit or 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.

### 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.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## C. Inventories

Inventories are measured at the lower of cost and net realisable value. Realisable by-products are measured at net realisable value. The cost of inventories is determined using the weighted average method and includes expenditure incurred in acquiring inventories, production or conversion and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The comparison of cost and Net Realisable value is made on an item by item basis.

Net realisable value is estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to selling prices of finished products.

## D. Trade Receivables

Trade receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

## E. 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, and bank

## (F) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

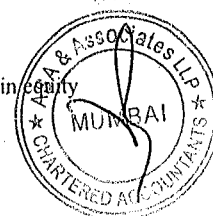
### (a) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

the profit attributable to owners of the group

by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.



## Ruchi J-Oil Private Limited

Notes to the financial statements (Continued)  
for the year ended 31 March 2016

(Currency : Indian Rupees)

### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

### (ac) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

## G. Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## H. Revenue

### i. Sale of goods

Revenue from sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivables net of returns, trade discount and volume rebates. This inter alia involves discounting of the consideration due to the present value if the payment extends beyond normal credit terms. Revenue is recognised when the significant risk and rewards of the ownership have been transferred to the buyer, recovery of consideration is probable, the associated cost and possible return of goods can be measured reliably, there is no continuing effective control/managerial involvement in respect of the goods, and the amount of revenue can be measured reliably.

The timing of the transfer of control varies depending on the individual terms of the sale.

### ii. Sale of Services

Revenue from services is recognised on rendering of services.

### iii. Other Income

b) Interest and other income are recognised on accrual basis on time proportion basis and measured on effective interest rate.

## I. Employee benefits

### i. Short term employee benefits

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 contribution plans

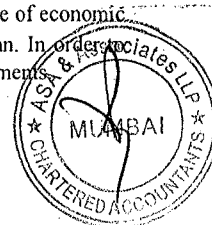
A defined contribution plan is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered Provident Fund scheme.

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

### iv. 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. In order to calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.



# Ruchi J-Oil Private Limited

Notes to the financial statements (Continued)  
for the year ended 31 March 2016

(Currency : Indian Rupees)

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 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 benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates 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.

## v. Other long-term employee benefits

The 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 the Statement of profit or loss in the period in which they arise.

## vi. Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates.

- a) when the Company can no longer withdraw the offer of those benefits; and
- b) when the entity recognises cost for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of reporting period are discounted to the present value.

## J. 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.

### 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. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to the Income taxes. It is measured using tax rates and tax laws 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

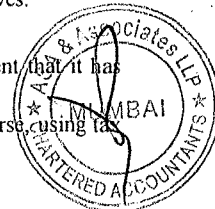
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company 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 are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future profits may not be available therefore in case of history of recent losses the group recognises the deferred tax assets only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax assets can be realised. 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.

Unrecognized or recognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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.



## Ruchi J-Oil Private Limited

Notes to the financial statements (Continued)  
for the year ended 31 March 2016

(Currency : Indian Rupees)

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

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.

### K. Leases

#### i. Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

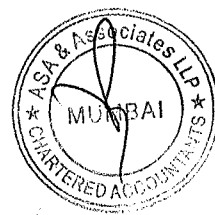
##### As a lessee

Leases of property plant and equipment where the Company, as lessee, has substantially all the risks and rewards of the ownership are classified as finance leases. Finance lease are capitalised at the lease's inception at the fair value of the lease property or, if lower, the present value of minimum lease payments. The corresponding rental obligations net of finance charges are included in borrowing or other financial liabilities as appropriate. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of liability for each period.

Leases in which a significant portion of risk and rewards of ownership are not transferred to the Company as a lessee are classified as operating lease. Payments made under operating leases (net of any incentives received from the lessor) are charged to Profit and Loss on a straight line basis over the period of lease unless the payments are structured to increase in line with the expected general inflation to compensate for the lessors expected inflationary cost increases.

##### As a lessor

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





2 Note - 2  
Property, plant and equipment

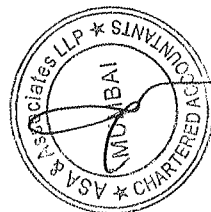
PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on April, 2016	Additions	As on March 31, 2017	Upto March 31, 2016	Charge for the year	Disposals/adjustments	Assets classified as held for sale	Impairment Charge	Up to March 31, 2017	As on March 31, 2016
(1) TANGIBLE ASSETS										
Own Assets:										
Freehold land	100,195,821	-	108,195,821	9,811,448	4,842,927	-	-	81,864,855	96,519,230	98,384,273
Plant & Equipment	444,596,872	11,037	444,559,909	52,149,757	28,349,605	-	-	320,698,947	401,198,369	392,399,115
Windmill	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	517,288	-	517,288	97,161	49,142	-	-	-	146,303	420,127
Vehicles	1,454,890	-	1,454,890	369,633	173,061	-	-	-	542,694	1,062,127
Office Equipments	2,223,549	-	2,114,703	695,769	486,717	-	-	-	1,342,543	1,332,840
Assets given on Operating Lease:										
Lease Hold Land	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Plant & Equipment	-	-	-	-	-	-	-	-	-	-
	556,946,420	11,037	556,882,611	63,318,708	33,901,452	34,883	-	402,563,802	499,749,079	57,133,552
										493,621,713

3 Note - 3  
Capital Work-in-Progress

PARTICULARS	[Current reporting period]		[Previous reporting period]	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
TANGIBLE ASSETS	-	-	-	-
Plant & Equipment	-	-	-	-
Expenditure during Construction period	-	-	-	-
Inventory of Capital Items	-	-	-	-

4 Note - 4  
Intangible assets

PARTICULARS	GROSS BLOCK				DEPRECIATION/ AMORTISATION				NET BLOCK	
	As on April, 2016	Additions	As on March 31, 2017	Upto March 31, 2016	Charge for the year	Disposals/adjustments	Impairment Charge	Up to March 31, 2017	As on March 31, 2017	As on March 31, 2016
Own Assets:										
Trade Marks	5,306,706	-	5,306,706	2,299,583	1,061,341	-	-	-	3,360,924	3,007,123
Computer Software	-	-	-	-	-	-	-	-	-	-
	5,306,706	-	5,306,706	2,299,583	1,061,341	-	-	-	3,360,924	3,007,123



Ruchi J-Oil Private Limited  
Notes forming part of financial statements

Particulars	IND AS Financials	
	FY 2016-17	FY 2015-16
	As at 31 March 2017	As at 31 March 2016

**Note - 5**  
**Investments In Subsidiaries**

**FINANCIAL ASSETS**

**Note - 6a**  
**Non -Current Financial Investments**

**Note - 6b**  
**Other Financial assets**

Fixed Deposits With Bank	325,000	325,000
Interest Accrued on Above	54,802	54,802
Derivative Assets		
Others		
	<u>379,802</u>	<u>379,802</u>

**Note - 7**  
**Other non-current assets**

Capital Advances	-	-
Advances Other than Capital Advances		
- Prepaid expenses and Prepaid Lease rent	11,747,577	13,438,781
- Advance to Related parties		
- Advance Income-Tax including tax deducted at source (Net)		
- Other loans and advances		
	<u>11,747,577</u>	<u>13,438,781</u>

**Note - 8**  
**Inventories**  
**(As valued and certified by the Management)**

Stock-in-trade (At lower of cost and net realisable value except for cases where Company is acting as Commodity Broker Trader)

a) Raw Materials (including packing material)		
Goods in transit		
others	384,558	1,218,468
b) Work-in-progress		
c) Finished goods	4,525,652	18,378,601
Goods in transit		
others		
d) Stock in Trade ( in respect of goods acquired for trading)		
e) Realisable by-products		
f) Stores and Spares	22,744,499	22,419,473
g) Consumables and others		
	<u>27,654,708</u>	<u>42,016,543</u>

**Note - 9a**  
**Current investments**

**Note - 9b**  
**Trade Receivables**

<b>Trade Receivables</b>	15,305,817	1,547,626
Receivables from related parties.	-	7,741,019
Less: Allowance for doubtful debts	-	-
<b>Total Receivables</b>	<u>15,305,817</u>	<u>9,288,645</u>

**Breakup of security details and more than 6 months overdue**

**Outstanding for a period exceeding 6 months from the date they were due for payment**

Secured, considered good	-	-
(Guaranteed by bank to the extent of ` Nil (Previous year ` Nil))		
Unsecured, considered good *	-	-
Considered Doubtful	-	-
	<u>-</u>	<u>-</u>

**Other trade receivables**

Secured, considered good	-	-
Unsecured, considered good	15,305,817	9,288,645
	<u>15,305,817</u>	<u>9,288,645</u>

Less: Allowance for doubtful debts  
Other Receivables



**Ruchi J-Oil Private Limited**  
**Notes forming part of financial statements**

Particulars	IND AS Financials	
	FY 2016-17	FY 2015-16
	As at 31 March 2017	As at 31 March 2016
	15,305,817	9,288,645

**Note - 9c**

**Cash and cash equivalents**

Balances with Banks

i) In Current Accounts

ii) In Deposit Accounts with less than or equal to 3 months maturity

- Against Buyers Credit

- Others

Cheques, drafts on hand

Cash on hand

39,388,549

18,046,965

217,795,713

230,932,989

43,982

532,063

257,228,243

249,512,017

**Note - 9d**

**Bank balances Other than cash and cash equivalents above**

**Note - 9e**

**Loans**

Unsecured, considered good (unless otherwise stated):

Security and Other Deposits

Loans to Related parties

Loan to employees

Loan to Others

2,073,422

3,609,034

244,557

128,625

620,985

2,317,980

4,358,644

**Note - 9f**

**Other Financial assets**

Unsecured considered good

Share Application Money Pending Allotment

Other Receivables

Interest Accrued but not due

On Investments

On Fixed Deposits with Banks

On Other deposits

Derivative Assets

- Forward exchange forward contract

- Foreign currency options

- Interest rate swaps

- Advance Income-Tax including tax deducted at source (Net)

12,953,747

10,932,510

18,665,112

16,968,294

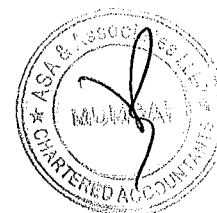
23,006

8,229,189

10,539,263

39,848,048

38,463,072



Particulars	IND AS Financials	
	FY 2016-17	FY 2015-16
	As at 31 March 2017	As at 31 March 2016

**Statement of change in Equity (SOCIE)**

**Note - 11**

**Share Capital**

**A Authorised**

i) Equity Shares

5,00,000 (Previous year 5,00,000) equity shares of Rs 10 each

50,00,000 50,00,000

50,00,000 50,00,000

**B Issued, Subscribed and paid-up**

Equity Shares

4,00,000 (previous year 400,000) equity shares of Rs 10 each fully paid up

40,00,000 40,00,000

40,00,000 40,00,000

**Note - 12**

**Other Equity**

**Other Reserves**

**A Securities Premium Reserve**

Balance as at the beginning of the year

95,27,75,180 95,27,75,180

Add: On exercise of employee stock options

Balance as at the end of the year

95,27,75,180 95,27,75,180

**B Retained Earnings**

Balance as at the beginning of the year

(11,43,65,484) (3,95,10,798)

Add: Adjustments on Account of IND AS Charged to Retained Earnings

Add: Profit/(Loss) for the year

(46,84,84,308) (7,48,54,686)

Less: Depreciation taken to Retained Earnings on account of Transition provisions of Schedule II of Companies Act, 2013 (Net of Deferred tax)

Less: Appropriations

Transferred to General Reserve

Transferred to Proposed Dividend

Preference

Equity

Dividend Distribution tax

Balance as at the end of the year

(58,28,49,792) (11,43,65,484)

36,99,25,388 83,84,09,696

**Note - 12 a**

**Borrowings**

**Note - 12 b**

**Other financial liabilities**

**Note - 13**

**Provisions**

**A Provision for employee benefits**

i) Provision for Gratuity

ii) Provision for compensated absences

46,078 65,91,011

**B Others Provisions**

Provision for Taxation

46,078 6,59,101

**Note - 14**

**Deferred Tax Asset (Net)**

**Deferred tax assets**

Carry forward business losses

8,16,33,703 2,49,30,922

Unabsorbed depreciation

12,92,31,675 4,84,24,476

21,08,65,378 7,33,55,398

**Deferred tax liability**

Excess of depreciation/ amortisation on fixed assets under income-tax law over depreciation/ amortisation provided in accounts

13,01,44,514 (3,57,31,738)

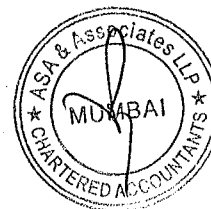
Net deferred tax Asset

34,10,09,892 3,76,23,660

As per the Accounting Standard 22, "Accounting for taxes on income", the Company would have net deferred tax Asset of Rs 341,009,892 (Previous year: Rs 37,623,660) are not recognized, as they are not considered to be virtually certain of realisation.

**Note - 15**

**Others non current liabilities**



**Ruchi J-Oil Private Limited**  
**Notes forming part of financial statements**

Particulars	IND AS Financials	
	FY 2016-17	FY 2015-16
	As at 31 March 2017	As at 31 March 2016

**Note - 16 a**  
**Borrowings**

**Note - 16 b**  
**Trade Payables**

- Due to Related Party(Holding Company)	38,227,641	-
- Due to others	2,300,624	9,564,414
	<b>40,528,265</b>	<b>9,564,414</b>

**Note - 16 c**  
**Other Financial liabilities**

Current maturities of long-term debt	-	-
- From Banks	-	-
- From State Government	-	-
Current Maturities of finance lease obligations	-	-
Derivative Liability [ Refer Note 53 ]	-	-
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	-	-
Unclaimed Dividends (refer note i below)	-	-
Agency & Other Deposits	-	-
Others	794,893	1,516,340
	<b>794,893</b>	<b>1,516,340</b>

**Note - 17**

**Other current liabilities**

Customers' Advances	60,422	622,073
Other liabilities	451	-
	<b>60,873</b>	<b>622,073</b>

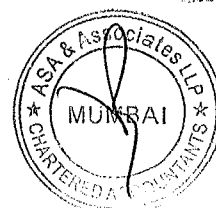
**Note - 18**

**Provision for employee benefits**

i) Provision for Gratuity	-	-
ii) Provision for Compensated absences	3,916	71,849
iii) Provision for Dividend payable	-	-
	<b>3,916</b>	<b>71,849</b>

**Note - 19**

**Current tax liabilities (Net)**



Particulars	IND AS Financials	IND AS Financials
	As at 31 March 2017	As at 31 March 2016

**Note - 20**

**Revenue from operations**

<b>A Sales of products ( including excise duty)</b>	155,016,038	130,668,597
<b>B Sale of Services</b>		
Processing charges received	1,947,863	83,208,769
<b>C Other Operating revenue</b>		
Export Incentive	-	-
Vat/CST/Entry tax Refund claim/Remission claim	-	-
Income from Power generation	-	-
Other operating income	-	-
	<b>156,963,901</b>	<b>213,877,366</b>

**Note - 21**

**Other Income**

<b>A Net Gain/(loss) on sale of current investments</b>		
<b>B Net Gain/(Loss) on Sale/Discard of Fixed Assets</b>		
<b>C Net Gain/ (Loss) on foreign currency transaction/translation</b>		
<b>D Lease Rent</b>		1,413
<b>E Other Non-Operating Income (Refer (ii) below)</b>	26,558	57,383
<b>F Interest Income</b>	20,312,461	26,996,477
<b>G Insurance Claim</b>	-	230,384
<b>H Dividend Income</b>		
- From Subsidiaries	-	-
- From Other than Subsidiary Companies	-	-
	<b>20,339,018</b>	<b>27,285,657</b>

**ii) Other Non-Operating Income comprises**

	2015-2016	
	Figures In `	
Liabilities no longer required written back		
Sales Tax Refund		
Guarantee Commission		
Other Receipts	26,558	
	<b>26,558</b>	

**Note - 22**

**Cost of Material Consumed**

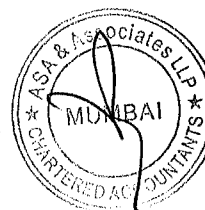
**a) Raw Material**

Raw Materials	55,834,521	132,235,742
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**b) Packing Material**

Packing Materials	3,480,121	8,468,215
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	<b>59,314,641</b>	<b>140,703,956</b>
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Particulars	IND AS Financials	IND AS Financials
	As at 31 March 2017	As at 31 March 2016

**Note - 23**

**Purchases of Stock-in-Trade**

81,516.023

Particulars	2015-2016	2015-2016
Textured Soya Proteins/Flours		
Realisable by products		
Seed Extractions		
Oils	81,516.023	
Vanasoatis		
Pulses/Grains/Other traded items		
	<b>81,516.023</b>	<b>-</b>

**Note - 24**

**Changes in inventories of Finished goods, Work-in-progress and Stock in Trade**

<b>Finished goods</b>		
Opening Stock	6,823,546	396,958
Closing Stock	2,599,919	18,378,601
Add: Ind AS adjustments		
	<b>4,223,627</b>	<b>(17,981,643)</b>
<b>Work-in-progress</b>		
Opening Stock		
Closing Stock		
	<b>-</b>	<b>-</b>
<b>Traded goods</b>		
Opening Stock		
Closing Stock		
	<b>-</b>	<b>-</b>
<b>Variation in Excise duty on closing stock</b>		
	<b>4,223,627</b>	<b>(17,981,643)</b>

**Note - 25**

**Employee benefits expense**

Salary, Wages and Bonus	7,032,670	11,433,320
Contribution to Provident and Other Funds	292,080	573,997
Gratuity	(359,768)	271,122
Employee Stock Option Scheme (ESOP)		
Staff Welfare expenses	158,897	726,081
	<b>7,123,879</b>	<b>13,004,520</b>

**Note - 26**

**Finance costs**

Interest Expense		
-On Loans		
-On Others	6,677	14,127
Other borrowing costs		
Dividend on Cumulative Redeemable Preference Shares		
Applicable net gain/loss on foreign currency transactions and translation		
	<b>6,677</b>	<b>14,127</b>

**Note - 27**

**Depreciation and Amortization Expense**

Depreciation & Impairment on Tangible assets	33,901,452	30,309,495
Amortisation on Intangible assets	1,061,341	1,061,341
Less: Adjusted to Business		
	<b>34,962,793</b>	<b>31,370,836</b>

**Note - 28**

**Other Expenses**

Manufacturing expenses	7,648,730	24,664,168
Consumables	(584,247)	12,205,191
Consumption Stores & Spares and others	103,432	9,434,488
Power & Fuel (net of recoveries)	13,633,848	53,376,502
Rent (net of recoveries)	618,475	553,408
Repairs to Buildings	23,093	1,549,408
Repairs to Machinery	10,515	1,657,265
Repairs to Others	29,980	84,113
Rates & Taxes	192,538	2,442,643
Insurance (net of recoveries)	993,972	1,174,022
Freight & forwarding (net of recoveries)	5,119,862	4,255,080
Donations		
Factory Expenses	7,933,538	12,343,376
Legal & Professional Expenses	4,564,298	4,479,062
Audit Fees	322,000	1,200,682
Training & recruitment Expenses		6,388
Security & Service Expenses	1,865,641	2,601,380
Net (Gain)/ Loss on foreign currency transaction/translation		22,912
Export expenses		
Commission & rebate	4,075,808	3,159,732
Advertisement & sales promotion	7,546,930	7,102,572
Travelling & conveyance	554,821	2,183,215
Bank Commission & charges	4,973	5,179
Other expenses (Net of recoveries)	1,417,577	4,405,128
	<b>56,075,784</b>	<b>148,905,914</b>

**Note - 29**

**Exceptional Items**

- Impairment of Fixed Assets	402,563,802	-
	<b>402,563,802</b>	<b>-</b>



# Ruchi J-Oil Private Limited

## Notes to the financial statements(Continued) for the year ended 31 March 2017

(Currency: Indian Rupees)

### 30. Contingent liability(To the extent not provided for)

	<u>2017</u>	<u>2016</u>
Bank guarantee	7,368,111	7,368,111

### 31. Auditors' remuneration (excluding Service Tax)

	<u>2017</u>	<u>2016</u>
Statutory audit fees	280,000	550,000
Tax audit fees	70,000	100,000

### 32. Earnings per share

The number of shares used in computing basic/diluted earnings per share (EPS) is the weighted average number of shares outstanding during the year.

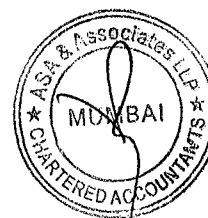
Computation of Earnings per share	<u>2017</u>	<u>2016</u>
Loss after tax attributable to equity shareholders (A)	(468,484,308)	(74,848,468)
Nominal Value per share	10	10
Weighted average number of equity shares outstanding during the year (B)	400,000	400,000
Basic and diluted earnings per equity share (A / B) (Rs)	(1171.21)	(187.12)

### 33. Related party disclosure

In accordance with the requirements of Accounting Standard 18 on "Related Party transactions"

#### List of Related Parties

Nature of Relationship	Name of Related Party
Holding Company	Ruchi Soya Industries Limited
Enterprises having significant influence	Toyota Tsusho Corporation J Oil Mill, Inc





# Ruchi J-Oil Private Limited

## Notes to the financial statements(Continued) for the year ended 31 March 2017

(Currency: Indian Rupees)

### 33. Related party disclosure(Continued)

#### Transaction with related party

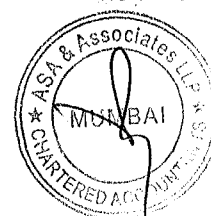
	<u>2017</u>	<u>2016</u>
<b>HOLDING COMPANY</b>		
<b><u>Revenue</u></b>		
Sales of goods	74,306,408	114,409,877
Processing charges received	1,947,863	83,208,769
<b><u>Expenses</u></b>		
Purchases of goods (including Power)	134,824,061	141,807,826
Processing charges paid	490,746	-
Reimbursement of Expenses (Net)	11,718,053	12,503,139
		-
<b>Closing balances</b>		
Payables (net of withholding tax)	38,227,641	-
Receivables (net of withholding tax)	-	7,741,019
 Enterprises having significant influence		
J Oil Mill, Inc(Testing & Analysis charges)	-	392,869

### 34. Expenditure in foreign currency (on accrual basis)

	<u>2017</u>	<u>2016</u>
Travelling expenses	-	-
Testing and analysis charges	-	392,869
	-	392,869

### 35. Transfer pricing

The Company's management is of the opinion that the specified domestic transactions covered by the regulation are at arm's length and that the transfer pricing legislation will not have any impact on the financial statements, particularly on the amount of tax expense. The Company's management has a system of maintenance of information and document as required by the transfer pricing legislation.



# Ruchi J-Oil Private Limited

## Notes to the financial statements(*Continued*)

*for the year ended 31 March 2017*

(Currency: Indian Rupees)

### 36. Disclosure pursuant to Accounting Standard - 15 (Revised) 'Employee Benefits'

Contribution to provident fund aggregating to Rs.289,080 (Previous year Rs. 570,997) is recognized as an expense and included in "Employee benefits".

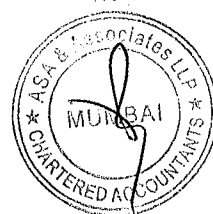
#### *Defined benefit plan and long term employment benefit*

##### *General description*

##### **Gratuity (Defined benefit plan)**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn basic salary) for each completed year of service subject to maximum of Rs 1,000,000.

Salary escalation is considered in line with the industry practice considering promotion and demand and supply of the employees.



# Ruchi J-Oil Private Limited

## Notes to the financial statements(Continued)

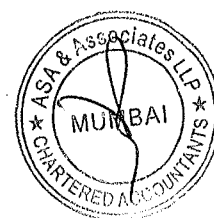
for the year ended 31 March 2017

(Currency: Indian Rupees)

### 36. Disclosure pursuant to Accounting Standard - 15 (Revised) 'Employee Benefits'(Continued)

#### Change in the present value of the defined benefit obligation

	2016-2017 Gratuity	2015-2016 Gratuity
<b>I Change in benefit obligation</b>		
Liability at the beginning of the period	1,435,443	1,124,700
Interest cost	114,692	88,851
Current service cost	164,169	134,495
Past Service Cost- Vested Benefits	-	-
Liability Transferred In/Acquisitions	-	-
Benefits paid	(1,012,567)	(66,486)
Actuarial (gain) / loss on obligations	565,411	153,883
<b>Liability at the end of the year</b>	<b>136,326</b>	<b>1,435,443</b>
<b>II Change in Fair Value of Assets</b>		
Fair value of Plan Assets at the beginning of the year	1,472,336	1,419,165
Expected return on Plan Assets	117,640	112,114
Contributions	10,363	13,550
Benefits Paid	(1,012,567)	(66,486)
Liability Transferred In/Acquisitions	-	-
Actuarial gain/(Loss) on Plan Assets	(44,432)	(6,007)
Fair Value of Plan Assets at the end of the year	-	-
<b>Total Actuarial gain/(loss) to be recognised</b>	<b>543,340</b>	<b>1,472,336</b>
<b>Amount recognised in the balance sheet</b>		
Liability at the end of the year	(136,326)	(1,435,443)
Fair value of plan assets at the end of the year	543,340	1,472,336
<b>Amount recognised in the balance sheet</b>	<b>407,014</b>	<b>36,893</b>
<b>III Actual return on Plan Assets</b>		
Expected return on Plan Assets	117,640	112,114
Actuarial gain/(loss) on Plan Assets	(44,432)	(6,007)
<b>Actual return on Plan Assets</b>	<b>73,208</b>	<b>106,107</b>
<b>IV Expenses recognised in the statement of profit and loss</b>		
Current service cost	164,169	134,495
Interest cost	(2,948)	(23,263)
Expected return on plan assets	-	-
Past Service Cost- Vested Benefit Recognised	-	-
Net actuarial (gain) / loss to be recognised	(520,979)	159,890
<b>Expense recognised in profit and loss</b>	<b>(359,758)</b>	<b>271,122</b>



# Ruchi J-Oil Private Limited

## Notes to the financial statements(Continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 36. Disclosure pursuant to Accounting Standard - 15 (Revised) 'Employee Benefits'(Continued)

#### Change in the present value of the defined benefit obligation

	2016-2017 Gratuity	2015-2016 Gratuity
<b>V Balance sheet reconciliation</b>		
Opening net liability	(36,893)	(294,465)
Expense as above	(359,758)	271,122
Past Service Cost- Vested Benefit Recognised	-	-
Employers contribution paid	(10,363)	(13,550)
Amount recognised in the balance sheet	(407,014)	(36,893)
<b>VI Actuarial assumptions:</b>		
Discount rate	7.99%	7.90%
Salary escalation	6.00%	6.00%
Retirement age	58 years	58 years

#### Compensated absences

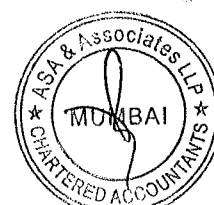
Compensated absences for employee benefits of Rs.76,427(Previous year Rs. 730,950) expected to beaid in exchange for the services recognized as an expense during the year is included in 'Salary, wages and bonus' in Employee benefits.

### 37. Impairment of Assets.

Company is in a business of processing soya seed, refining soya oil and trading of edible oil. In the current scenario Indian crushers are finding tough to sustain their operations, this has led to shut-down or suspension of crushing and refinery operations. The Company has been also adversely impacted by this scenario and there is no crushing and refinery activity at plant since April 2016. Accordingly to preserve the capital, the management has put a lay off- on plant from June/July 2016. However company is still doing its edible oil trading business.

Presently, Company is in the process of searching prospective buyers for sale of the above facility. Accordingly, to facilitate the search, they have appointed independent advisers/consultants. However, in view of the present market conditions, it is expected that there is a less chance of selling the Soya oil business to any third party buyers. Therefore, the Company is exploring applicability of requirements of "IND AS 36 – Impairment of Assets" for preparation and presentation of financial statement for the year ended March 31, 2017.

Accordingly, Building is impaired by Rs.8,18,64,855 and Plant & Machinery is impaired by Rs.32,06,98,947 and Rs.40,25,63.802 is debited in Profit& loss Account.



# Ruchi J-Oil Private Limited

## Notes to the financial statements(Continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 38. Specified Bank Notes (SBN)

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	0	150236	150236
(+) Permitted receipts	0	100000	100000
(-) Permitted payments	0	30612	30612
(-) Amount deposited in Banks	0	0	0
Closing cash in hand as on 30.12.2016	0	219624	219624

### 39. Other information

Information with regard to other matters specified in revised schedule III to the Act, is either nil or not applicable to the Company for the year

### 40. Prior year comparative

Prior year's figures have been regrouped wherever necessary to confirm the current year's classification.

As per our report of even date attached.

For ASA & Associates LLP

Chartered Accountants

Firm's Registration No: 009571N/N500006

Partner

Membership No: 49902

Mumbai

May 09, 2017



For and on behalf of the Board of Directors of  
Ruchi J-Oil Private Limited

Satendra Aggarwal

Director

DIN:07603756

Mumbai

May 09, 2017

Kazuhisa Tateno

Director

DIN : 06734902