

NOTE - I

COMPANY INFORMATION

Lakshmi Energy and Foods Limited (LEAF) is a widely held Public Limited Company engaged in processing of Rice of various varieties and grades, Edible oil, whole Wheat Flour and Green Power generation. The Company was incorporated on 20-07-1990.

Its shares are listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE). The Registered Office of the Company is at Chandigarh and its plant is located in VPO Khamanon on the Chandigarh-Ludhiana National Highway, Distt. Fatehgarh Sahib, Punjab, India.

The financial statements for the year ended March, 31 2018 were approved by the Board of Directors and authorized for issue on 31.10.2018.

NOTE -2

SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared in accordance with IND AS's notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2016 the company prepared its financial statements in accordance with previous GAAP (under Companies (Accounting Standards) Rules, 2006. These are company's first INDAS financial statements. The date of transition is April, 1 2015. First time adoption exemptions availed by the company have been mentioned in details under note number 3.

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period.

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

II. USE OF ESTIMATES

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, (including contingent liabilities) at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

III. REVENUE RECOGNITION

Revenue is recognized to the extent it can be reliably measured and probable that economic benefits will flow to the company. Revenues considered receivable are accounted for on accrual basis except for the disposal of sundry items & scraps etc., which are accounted for on cash basis.

i) SALES

Revenue from sales of goods is recognized when the significant risk and reward of ownership of the goods are transferred to the customer and are recognized net of claims.

Significant Accounting Policies

Sale of energy is accounted for on the basis of energy supplied.

Sales are stated fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii) **INTEREST**

Interest income is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

iii) **DIVIDEND**

Income from dividend is recognized when the right to dividend has been established.

iv) **OTHER OPERATING INCOME**

Other operating revenue is recognized on accrual basis.

IV. **Operating cycle**

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

V. **Property, plant and equipment**

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Freehold land is not depreciated.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other 'non-current assets' and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Depreciation is charged on a pro rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the schedule II to the Act.

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

VI. **BORROWING COSTS**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred except for borrowings from Banks where the amount transferred to FITL payable in future installments has been recognized as Extraordinary Item in Statement of Profit & Loss for the year ended 31st March 2017. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

VII. IMPAIRMENT OF ASSETS

Impairment is ascertained at each balance sheet date in respect of each of the company's tangible and intangible assets. An impairment loss will be recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

VIII. FINANCIAL INSTRUMENTS

a. 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.

i. Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except trade receivables which are recognized at transaction price.

ii. Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair valued through profit or loss.

(iv) Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Significant Accounting Policies

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under IND AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per IND AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

c) Equity Share capital

(i) Equity Shares

Equity shares issued by the company are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

(ii) Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

(iii) Fair value measurement of financial instruments

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

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

d) Impairment of assets

(i) Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

(ii) Non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

IX. VALUATION OF INVENTORIES

The Inventories are recorded as under:

i.	Raw Materials, Components, Stores & Spare parts & Packing Material.	At lower of cost or net realizable value.
ii.	Finished Goods.	At lower of cost or net realizable value.
iii.	Goods in Process.	At Estimated Cost.
iv.	By-Products.	At Estimated Cost.

Cost of inventories is computed on a weighted average/FIFO basis.

Net realizable value represents the estimated selling price for inventories less estimated costs of completion and other costs necessary to make the sale.

X. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances on hand, cash balance with bank, and liquid investments with original maturities, at the date of purchase/ investment, of three months or less.

XI. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are affected. In case of forward contracts, if any, the difference between the forward rates and the exchange rates on the transaction dates is recognized as income or expense over the tenure of the related contracts.

The profit / loss arising out of the cancellation or renewal of forward exchange contracts are recorded as income/ expense for the period.

At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange rate differences arising on realization / payment of foreign exchange are accounted in the year of realisation / payment.

XII. EMPLOYEE / RETIREMENT BENEFITS

- (i) Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered.

Significant Accounting Policies

- (ii) Contributions to Defined Contribution Plans (Employees Provident Fund and Employees State Insurance Scheme) are made in accordance with the respective statutes, to the extent applicable, and are recognized as an expense in the period in which the employees have rendered service.
- (iii) Liability for defined benefit plans is recognized based on provisions of relevant applicable statutes and company policies in the year in which the employees have rendered service. Gratuity Provisions has been made in accordance with Actuarial Valuation Report.

XIII. ACCOUNTING FOR TAXES ON INCOME

- (i) Current tax is the amount of Income Tax payable on taxable income determined as per the Provisions of Income Tax Act, 1961.

Minimum Alternate Tax (MAT) credit is accounted for by the company in the case where MAT payable is higher than tax payable under normal provisions of the Income Tax Act, 1961. Such credit availed is adjusted in future years where the tax under normal provisions is higher than MAT payable to the extent of such difference.

- (ii) The difference that results between the profit offered for income tax and the profit as per the financial statements is identified and, thereafter, a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered.
- (iii) The carrying amount of the deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such written down carrying amount is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

XIV. ACCOUNTING FOR PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and a reliable estimate of the amount of the obligation can be made.

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

Contingent assets are not recognized in the financial statements.

XV. LEASE AGREEMENTS

The Company's significant leasing arrangements are in respect of operating leases for premises (office, stores, godowns etc.) These leasing arrangements which are not non-cancellable range between 6 months and 1 year generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as Rent/ Storage Charges in the Statement of Profit and Loss on a straight line basis over the lease term.

XVI. EARNING PER SHARE

Basic earnings per equity share is computed by dividing the net profit attributable to the equity share holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the

weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period; a reasonable approximation of the weighted average is adequate in many circumstances.

XVII. FINANCIAL AND MANAGEMENT INFORMATION SYSTEMS

The books of accounts and other records have been designed to facilitate compliance with the relevant provisions of the Companies Act and meet the internal requirements of information and systems for planning, review and internal control on the other.

XVIII. SEGMENT REPORTING

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the Company. Further,

- (i) Inter segment revenue has been accounted for based on the transactions price agreed to between segments which is primarily market based
- (ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

NOTE -3**FUNDAMENTAL ACCOUNTING ASSUMPTION****Going Concern**

The accounts have been prepared on principle of “going concern” basis.

NOTE -4**ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY****i. Investment in Equity instruments of subsidiary:**

During the year the company assessed the investments in equity instruments of subsidiary companies carried at cost for impairment testing. Analysis of future projections by the company has been carried out and the company is confident that there is no need of impairment.

NOTES forming part of the Financial Statements

NOTE -5
NON-CURRENT ASSETS
(5) Property, plant and equipment
As at 31 March 2018

Sr. No.	Particulars	Gross block				Depreciation			NET BLOCK	
		As at 1 April 2017	Additions	Sales/ Re-valuation Adjustment	As at 31 March 2018	As at 1 April 2017	Adjustments	Depreciation for the year	As at 31 March 2018	As at 31 March 2017
	Tangible Assets:									
1	Buildings	754.14	0.00	2,554.65	3,308.79	181.84	615.98	22.07	819.89	572.30
2	Plant & Machinery	3,195.37	0.00	1,494.44	4,689.81	3,033.20	1,418.59	2.59	4,454.38	162.17
3	Furniture & Fixtures and Office Equipments	89.20	0.68		89.88	76.45		4.04	80.49	12.75
4	Vehicles	171.67	0.80	0.00	172.47	144.62		8.54	153.16	27.06
5	Power Plant	1,539.11	26.21	910.48	2,475.80	630.19	366.55	59.43	1,056.16	908.93
6	Land	261.54	0.06	3,159.46	3,421.06	0.00			3,421.06	261.54
	Intangible Assets:									
	Total	6,011.04	27.75	8,119.03	14,157.81	4,066.29	2,401.12	96.67	6,564.08	1,944.75
	Previous Year	6,007.19	4.43	0.58	6,011.04	3,929.65		136.64	4,066.29	2,077.54
	Capital Work-in-Progress									150.85

Disclosure as per Ind-AS 16

- During the year the company has revalued the assets and increased its carrying cost 8119.03 Millions & depreciation readjustment in valuation has been to the tune of 2401.11 Million resulting to net revaluation of Rs 5717.92 Million which has been considered as comprehensive income during the year and has been made part of the Equity
- Revaluation of assets was conducted by the Independent Valuer, GATS India Ltd. on 25.02.2018.
- The carrying amount of each revalued class of property, plant and equipment has been recognised and the asset has been carried under the cost model.
- Revaluation surplus shall not be utilised for distribution of Dividend or issue of Bonus shares.

As at 31 March 2017

Sr. No.	Particulars	Gross block				Depreciation			NET BLOCK	
		As at 1 April 2016	Additions	Sales/ Adjust-ment	As at 31 March 2017	As at 1 April 2016	Adjustments	Depreciation for the year	As at 31 March 2017	As at 31 March 2016
	Tangible Assets:									
1	Buildings	754.14	0.00	0.00	754.14	159.76		22.07	181.84	594.38
2	Plant & Machinery	3,194.92	1.03	0.58	3,195.37	2,992.50		40.70	3,033.20	202.42
3	Furniture & Fixtures and Office Equipments	88.92	0.27		89.20	72.32		4.13	76.45	16.60
4	Vehicles	171.41	0.26	0.00	171.67	134.30		10.31	144.62	37.11
5	Power Plant	1,539.11			1,539.11	570.76		59.43	630.19	968.35
6	Land	258.67	2.87		261.54				261.54	258.67
	Intangible Assets:									
	Total	6,007.19	4.43	0.58	6,011.04	3,929.65		136.64	4,066.29	2,077.54
	Previous Year	5,976.35	33.28	2.44	6,007.19	3,612.30	1.51	318.86	3,929.65	2,364.05
	Capital Work-in-Progress									150.85

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 6		
Non Current Investments		
Un-Quoted Equity Instrument		
Investment in Subsidiaries at Cost		
1,07,99,940 (P.Y 1,07,99,940) of Rs. 10/- each in Punjab Greenfield Resources Ltd	500.00	500.00
10,00,000(P.Y 7,50,000) Equity Shares of Rs. 10/- each in Lakshmi Green Power Ltd	10.00	10.00
In equity Shares Unquoted,		
10,00,000(P.Y 10,00,000) Equity Shares of Rs. 10/- each in Nav Bharat International Limited, fully paid	100.00	100.00
Financial assets at Fair value through Profit & Loss A/c		
(Quoted)		
11,360 Equity Shares of Rs. 10/- each in IDBI, fully paid	0.89	0.85
Other Investments		
Gold	0.11	0.11
Total Non Current Investments	611.00	610.96
Aggregate Value of Unquoted Investment	610.00	610.00
Book Value of Unquoted Investment	610.00	610.00
Market Value of Quoted Investment	0.89	0.85
Book Value of Quoted Investment	0.92	0.92
Other Investment	0.11	0.11

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 7		
OTHER FINANCIAL NON-CURRENT ASSETS		
Financial assets at amortized cost		
-Advances for Capital Goods	3.42	35.71
-Security Deposits/Earniest monies (Unsecured, Considered Good)	56.84	56.80
Balance with Govt Authorities and Claim recoverable	104.60	-12.48
Amount recoverable from parties	67.62	67.62
Other Recoverable (Intt Recoverable)	97.49	97.49
- Advances recoverable in cash or in kind or for value to be received	310.62	561.67
	640.60	806.81

Note :- These financial assets are carried at amortised cost unless otherwise stated.

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 8		
OTHER NON-CURRENT ASSETS		
- In Deposit Accounts		
FD's Against Bank Guarantee	7.62	6.92
FD to Sales tax Dept	0.10	0.10
FD's Against L/c margin	3.59	3.59
- Mat Credit Entitlement	348.45	348.45
	359.76	359.06

Note :- These financial assets are carried at amortised cost unless otherwise stated.

Notes Forming Part of the Financial Statements

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 9		
INVENTORIES		
(As taken, valued and certified by management)		
Raw Materials	3,342.20	4,326.21
Semi Finished / Finished Goods	1,599.23	3,589.94
Gunny Bags/Packaging/Other Consumables Stores	470.70	328.49
	5,412.13	8,244.64

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 10		
TRADE RECEIVABLES		
(unsecured and considered good, unless otherwise stated)		
Debts outstanding for a period exceeding six months	3,620.75	3,770.58
Others	0.00	0.00
	3,620.75	3,770.58

Note :Trade receivables includes 3465.55 millions from companies in which Directors are interested and have been considered good by the management.

Out of which debtors having outstanding balance of Rs 3261.86 millions are outstanding since long, for which no provision has been made and considered good by the management.

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 11		
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents		
- cash in hand	0.14	0.98
Balance with banks :		
- On current accounts & CC A/c	3.95	15.99
	4.10	16.97

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 12		
OTHER FINANCIAL CURRENT ASSETS		
Financial assets at amortized cost		
(Unsecured, Considered Good)		
- Advances recoverable in cash or in kind or for value to be received	0.00	0.00
	0.00	0.00

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 13		
OTHER CURRENT ASSETS (Unsecured considered good, unless otherwise stated)		
Financial assets at amortized cost		
Advances to Suppliers		
- For supply of goods and rendering of services		
Prepaid expenses	4.20	1.91
Balances and Deposits with Government Authorities & Others	0.09	0.95
	4.29	2.86

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 14		
EQUITY SHARE CAPITAL		
Authorised		
Equity Shares, Rs.2/- par value		
100,000,000 '(Previous Year '100,000,000)	200.00	200.00
	200.00	200.00
Issued & Subscribed		
Equity Shares, Rs.2/- par value		
74,050,000 (Previous Year 70,390,000) equity shares fully paid up	148.10	140.78
	148.10	140.78
Paid-up		
Equity Shares, Rs.2/- par value		
73,630,000 (Previous Year 69,970,000) equity shares fully paid up	147.26	139.94
Total fully paid-up share capital	147.26	139.94

Notes :

- 84,000 Equity shares of the face value of Rs.10/- each were already forfeited in the earlier years.
- During the year, the company has allotted 36,60,000 equity shares of Rs.2/- each on conversion of 36,60,000 convertible warrants.

(a) Reconciliation of the share outstanding at the beginning and at the end of the reporting period

Particulars	As At 31.03.2018		As At 31.03.2017	
	Number of shares	Rs. in Millions	Number of shares	Rs. in Millions
At the beginning of the period	69,970,000	139.94	66,490,000	132.98
Add: Warrant Converted into Shares during the reporting period	3,660,000	7.32	3,480,000	6.96
Less: Bought back during the period	-	0.00	-	0.00
Outstanding at the end of period	73,630,000	147.26	69,970,000	139.94

Notes Forming Part of the Financial Statements

(b) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assests of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has issued only one class of ordinary equity shares having a par value of ` 2/- per share. Each holder of ordinary shares is entitled to one vote per share. 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 31/03/2018, the amount of dividend per share recognised for distribution to ordinary shareholders during the year is.NIL

(c) Shares held by holding company and/ or their subsidiaries/ associates : NIL

(d) Details of shareholders holding more than 5% shares in the company

Names of Shareholders	As At 31.03.2018		As At 31.03.2017	
	No. of shareholders	% of Shareholding	No. of shareholders	% of Shareholding
BALBIR SINGH UPPAL	16,175,985	21.97%	16,175,985	23.12%
GANESHAY OVERSEAS INDUSTRIES LIMITED	11,131,949	15.12%	8,112,000	11.59%
LOIL HEALTH FOODS LTD	5,605,000	7.61%	5,605,000	8.01%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Aggregate number of bonus shares issued, Shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: Nil .

**NOTE: 15
OTHER EQUITY**

	(Rs. in Millions)													
	Reserves & Surplus					Items of other comprehensive income					Total			
	Equity Share Capital	Equity component of compound financial instruments Share Warrants	Capital Reserve	Securities premium	Re-valuation Reserve	General Reserve	Retained Earnings	Investments through other comprehensive income	Equity instruments through other comprehensive income	Effective portion of Cash Flow Hedges	Revaluation on surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of other comprehensive income	Total
Balance as at 1 April 2017	139.94	16.01	19.14	1,768.81		478.81	614.56	0.00	0.00	0.00	0.00	0.00	0.00	2,897.33
Profit for the Year							-2,927.26							-2,927.26
Other Comprehensive Income for the year					5,717.91			0.00					0.00	5,717.91
Total Comprehensive Income for the year		0.00	0.00	0.00	5,717.91	0.00	-2,927.26	0.00	0.00	0.00	0.00	0.00	0.00	2,790.65
Adjustment							109.93							109.93
Addition during the period	0.00	-16.01	0.00	56.73	0.00		0.00							40.72
Conversion of warrants in Equity Shares	7.32						0.00							0.00
Balance as at 31 March 2018	147.26	0.00	19.14	1,825.54	5,717.91	478.81	-2,202.77	0.00	0.00	0.00	0.00	0.00	0.00	5,838.63

	(Rs. in Millions)												
	Reserves & Surplus					Items of other comprehensive income					Total		
	Equity Share Capital	Equity component of compound financial instruments Share Warrants	Capital Reserve	Securities premium	General Reserve	Retained Earnings	Investments through other comprehensive income	Equity instruments through other comprehensive income	Effective portion of Cash Flow Hedges	Revaluation on surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of other comprehensive income	Total
Balance as at 1 April 2016	132.98	0.00	19.14	1,714.87		478.81	625.69	0.00	0.00	0.00	0.00	0.00	2,838.50
Profit for the Year							-11.12						-11.12
Other Comprehensive Income for the year								0.00				0.00	0.00
Total Comprehensive Income for the year		0.00	0.00	0.00	0.00	0.00	-11.12	0.00	0.00	0.00	0.00	0.00	-11.12
Adjustment							0.00						0.00
Addition during the period		16.01	0.00	53.94			0.00						69.95
Conversion of warrants in Equity Shares	6.96						0.00						0.00
Balance as at 31 March 2017	139.94	16.01	19.14	1,768.81	478.81	614.56	0.00	0.00	0.00	0.00	0.00	0.00	2,897.33

Note : Rs. 19.14 millions forfeited against 3480000 convertible warrants of series 2, which has been transferred to Capital Reserve.

Notes Forming Part of the Financial Statements

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 16		
FINANCIAL LIABILITIES		
Non Current Borrowings		
Secured, Long Term Loans From Banks		
Bank Term Loan	7,496.15	7,502.26
Less: Current Maturities of Long Term Debts	0.00	343.20
	7,496.15	7,159.06
Unsecured, Long Term Loan from Related Parties		
- From Directors	95.22	123.58
	95.22	123.58
Total Long Term Debts	7,591.37	7,282.64

Notes:

- (i) Working capital Term Loans and FITL facilities (fund based & non fund based limits) are secured by first pari passu charge over stocks, stores, raw materials, inventories, work in progress, finished goods and also book debts, bills and moneys receivable of the company by way of hypothecation and second pari passu charge on the fixed assets of the company, present and future except term loan of Rs. 320 million which is secured by first charge by way of equitable mortgage on immovable properties and movable fixed assets and second pari passu charge over stocks, stores, raw materials, inventories, work in progress, finished goods and also book debts, bills and moneys receivable of the Company by way of hypothecation. Further, the facilities would have personal guarantees of S. Balbir Singh Uppal and S. Janak Raj Singh Directors of the company. Vehicle Loan are secured by way of hypothecation by lenders.

Details		As at 31.03.2018		As at 31.03.2017
S. No.	Type of Secured Loan, Name of Bank & Sanctioned Amount	Terms of repayment	Rate of Interest	Terms of repayment
1	Term Loans (including WCTL and FITL) from Punjab National Bank (Sanctioned Amount Rs.3836.50 mn.)	Repayable in 32 quarterly instalments starting from December 2016 and maturing on September 2024	B.Rate+ 0.50% p.a.	Repayable in 32 quarterly instalments starting from December 2016 and maturing on September 2024
2	Term Loans (including WCTL and FITL) from Syndicate Bank (Sanctioned Amount Rs.1679.50 mn.)	Repayable in 32 quarterly instalments starting from December 2016 and maturing on September 2024	B.Rate+ 0.50% p.a.	Repayable in 32 quarterly instalments starting from December 2016 and maturing on September 2024
3	Term Loans (including WCTL and FITL) from ICICI Bank (Sanctioned Amount Rs.915.20 mn.)	Repayable in 32 quarterly instalments starting from December 2016 and maturing on September 2024	I.BASE+ 0.75% p.a.	Repayable in 32 quarterly instalments starting from December 2016 and maturing on September 2024
4	Term Loans (including WCTL and FITL) from AXIS Bank (Sanctioned Amount Rs.430.40 mn.)	Repayable in 32 quarterly instalments starting from December 2016 and maturing on September 2024	PNB B.Rate+ 0.50% p.a.	Repayable in 32 quarterly instalments starting from December 2016 and maturing on September 2024

The Company has initiated legal proceedings with the consortium of banks and henceforth the above said facilities were not serviced on the basis of restructured non performing account.

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 17		
LONG-TERM PROVISIONS		
Provision for employee benefits		
- Provision for gratuity (unfunded)	8.63	8.63
-- Provision for employee benefits(Bonus, PF)	10.10	5.92
- Unpaid Dividend	2.24	2.24
	20.98	16.80

The provision for employee benefits includes gratuity , supplemental payment on retirement. The increase/decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year. However, provision in respect to Gratuity has not been made by the Company as per Ind(AS) 19.

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 18		
DEFERRED TAX LIABILITIES (Net)		
Deferred tax liabilities (net)	344.43	348.78
	344.43	348.78

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 19		
SHORT-TERM BORROWINGS		
Secured :		
Cash credit from banks (secured)*	4,382.75	4,452.46
	4,382.75	4,452.46

*Cash credit from banks is secured by hypothecation of entire present and future tangible current assets and second charge on all movable assets.

- (i) Working capital facilities (fund based & non fund based limits) are secured by first pari passu charge over stocks, stores, raw materials, inventories, work in progress, finished goods and also book debts, bills and moneys receivable of the Company by way of hypothecation.
- (ii) The interest on the above term loans from banks are linked to the respective banks base rates which are floating in nature.
- (iii) For defaults in repayment in bank loan, please refer note no 16

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 20		
TRADE PAYABLES		
Trade payables (including acceptances)		
- Dues to Micro, Small and Medium Enterprises	0.00	0.00
- Others	92.46	378.28
	92.46	378.28

*There are no Micro, Small and Medium Enterprises, (P.Y. NIL) to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2018. This information, required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. Moreover, the Company primarily deals in procurement of agri-products which are sourced from the Farmers and Aartias (Commission Agents) who are not covered under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006

Notes Forming Part of the Financial Statements

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 21		
OTHER FINANCIAL CURRENT LIABILITIES:		
Financial liabilities at amortized cost		
- Current Maturities of Long Term Debt	0.00	343.20
- Other Liabilities	39.41	43.70
- Employee Benefits Payable	0.62	0.82
' - Advances from customers	11.68	1.33
	51.71	389.06

* Not due for transfer to Investor Education & Protection Fund

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 22		
OTHER CURRENT LIABILITIES		
- Withholding and other tax payables	1.21	2.15
	1.21	2.15

(Rs. in Millions)

Particulars	As At 31.03.2018	As At 31.03.2017
NOTE: 23		
SHORT TERM PROVISIONS		
- Leave Encashment	0.11	0.03
	0.11	0.03

(Rs. in Millions)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
NOTE: 24		
REVENUE FROM OPERATIONS		
Sale of products		
Food Grains	140.07	434.57
Traded Goods	5,374.36	9,115.11
Power	569.68	646.16
Rice Bran Oil	5.96	16.83
Other Revenue	9.43	1.72
	6,099.51	10,214.39

(Rs. in Millions)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
NOTE: 25 OTHER INCOME		
Interest income on financial assets carried at amortized cost	0.78	0.76
Other Interest income	0.11	0.08
Rebate & Discount	0.40	0.50
Transport Revenue	0.37	0.58
Misc. Receipts	0.01	0.00
Dividend Income	0.00	0.00
	1.67	1.91

(Rs. in Millions)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
NOTE: 26 COST OF MATERIALS CONSUMED		
Inventory at the beginning of the year	7,916.15	7,008.87
Add : Purchases	5,776.65	9,721.55
	13,692.80	16,730.42
Less: inventory at the end of the year	4,941.43	7,916.15
Less: Changes in Inventory	1,990.71	-1,467.35
Less: Purchases Stock in trade	5,376.53	8,180.13
Cost of raw material and components consumed	1,384.13	2,101.49
Less: Amount of change in inventory raw material	1,057.54	0.00
Cost of Materials Consumed	326.59	2,101.49

(Rs. in Millions)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
NOTE: 27 PURCHASES OF STOCK-IN-TRADE		
Food Grains	5,376.53	8,180.13
	5,376.53	8,180.13

Notes Forming Part of the Financial Statements

(Rs. in Millions)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
NOTE: 28 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN- PROGRESS AND STOCK IN TRADE		
Inventories at the beginning of the year		
Finished Goods/Work-in-Process	3,589.94	2,122.59
	3,589.94	2,122.59
Less - Inventories at the end of the year		
Finished Goods/Work-in-Process	1,599.23	3,589.94
	1,599.23	3,589.94
Changes in inventories	1,990.71	-1,467.35
Amount of change in inventory raw material	1,057.54	0.00
Total Change in inventories	3,048.25	-1,467.35

(Rs. in Millions)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
NOTE: 29 EMPLOYEE BENEFIT EXPENSES		
Salaries	49.68	47.58
Directors' Remuneration & Prequisites	18.00	0.00
Contribution to Provident and other Funds	1.01	0.76
Staff welfare expense	1.21	0.84
Recruitment expenses	0.09	0.00
	70.00	49.17

(Rs. in Millions)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
NOTE: 30 FINANCE COSTS		
Interest on		
- Term Loan	0.00	1,003.63
- Working capital	0.00	167.12
- Other	8.26	3.65
Less: Amount Transfer to Exceptional Items	0.00	-924.53
Add: Measurement of Financial Liabilities at Amortised Cost		
	8.26	249.86

(Rs. in Millions)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
NOTE: 31		
OTHER EXPENSES		
Power and fuel	13.35	6.59
Sale Distribution Exp.	4.42	5.61
Repair and maintenance		
-Machinery Repairs	5.79	8.00
-Building repairs	0.10	0.00
-Other repairs	0.41	1.06
Rent	2.24	1.29
Bank Charges	0.05	0.14
Insurance	17.88	7.52
Payment to auditor		
- Audit Fees	1.43	1.40
- Tax Audit Fees	0.34	0.34
- Reimbursement of Exp.	0.11	0.11
Brokerage on Sales	1.34	1.64
Advertisement Exp.	0.22	0.60
Business Promotion Exp.	5.29	4.60
Freight Outward Exp.	1.06	0.00
Postage, Telephone & Internet Exp.	0.71	0.57
Legal & Professional Exp.	16.98	6.20
Charity & Donation	5.34	2.64
Fees & Subscription	2.88	2.72
Watch & Ward Exp.	0.73	0.53
Vehicle Expenses	4.16	6.43
Office Expenditure	1.19	0.26
Travelling & Conveyance	3.81	2.94
Other Expenditure	16.67	7.12
	106.48	68.30

Other Notes to Accounts

32. OTHER NOTES TO ACCOUNTS

1. In the opinion of the company's management, the current assets, loans and advances are an approximation of the value stated, if realized in the ordinary course of business. The provision for all the known liabilities has been made and is adequate and not in excess of the amount considered reasonably necessary.
2. The balance outstanding as the debit and credit to the parties / persons / agencies are subject to confirmation by the parties / person/agencies concerned.
3. Figures of previous year have been regrouped and rearranged wherever necessary.
4. Contingent Liabilities:
 - a. Income-tax demand raised for the earlier years is Rs.65.50 millions (Previous year – Rs.65.50 million). Appeals against the demand are pending before ITAT and Punjab & Haryana High Court and the Management is expecting a favorable decision.
 - b. Claims amounting to Rs.648.50 million (Previous year – Rs.648.50 million) by various creditors, suppliers, agents, various state procurement agencies etc. are pending before various Courts and quasi-judicial authorities, which are contested by the company.

5. Managerial Remuneration:

	Current Period (Rs. in million)	Previous Year (Rs. in million)
Whole time Directors		
Remuneration	18.00	0.00
Directors' sitting fee	0.31	0.56
Grand Total	18.31	0.56

8. Foreign Currency Forward cover contracts outstanding as at 31st March 2018 are NIL. (Previous Year Nil).
9. Earnings per share are calculated by dividing the profit after provision for income tax by the weighted average number of equity shares outstanding during the period.
10. The calculation of Earnings per share (EPS) as disclosed in the statement of Profit and Loss as per requirements of Ind As 33.

	Current period	Previous year
Profit/(Loss) after Tax (Rs. in Millions)	(2927.26)	(11.12)
Weighted Average Number of Equity Shares outstanding during the period(Basic)	71343753	68911699
Basic Earnings per share (in Rs.)	(41.03)	(0.16)
Weighted Average Number of Equity Shares outstanding during the period (Diluted)	73630000	72396699
Diluted Earnings per share (in Rs.)	(39.76)	(0.15)
Nominal Value per Share (in Rs.)	2.00	2.00

11. Deferred Tax Liability mentioned in Note no. 18 is the net of deferred tax asset and deferred tax liability. As per the books of accounts opening balance of DTL Rs.348.78 millions, during the period due to timing difference on account of depreciation and provisions Rs.4.35 millions provided as deferred tax asset. Thus the net DTL at the end of period on 31.03.2018 remains Rs.344.43 millions.
12. The figures of 'Sales' appearing in the statement of profit & loss is the consolidated figure of sales affected through different offices of the company

13. Future minimum lease payments under non-cancelable operating leases are NIL
14. The information given below is in respect of the transactions entered into by the company during the period with the related parties as per the requirement of IND AS 24.

A. Names of related parties and description of relationship:

i) Particulars of Subsidiaries/Associate Parties:

Name of Related Party	Nature of Relationship
• Ganeshay Overseas Industries Limited	Promoter Group Company
• LOIL Health Foods Limited	Promoter Group Company
• LOIL Overseas Foods Limited	Promoter Group Company
• LOIL Continental Foods Limited	Promoter Group Company
• Punjab Greenfield Resources Limited	Subsidiary Company
• Lakshmi Green Power Ltd	Subsidiary Company
• Green Energy and Foods Pte. Ltd. Singapore	Subsidiary Company
• BVM Logistics Pvt. Ltd	Directors having Significant influence
• Victor Foods India Ltd	Directors having Significant influence
• LOIL International Foods Limited	Directors having Significant influence

ii) Key Managerial Personnel:

Name of Related Party	Nature of Relationship
• Mr. Balbir Singh Uppal	Chairman Cum Managing Director
• Mr. Janak Raj Singh	Joint Managing Director
• Mr. Ajay Ratra	Company Secretary
• Mr. PC Jain	Chief Financial Officer

B. Transactions during the period and balance outstanding at the end in respect of transactions entered during the period with the related parties.

S. No.	Nature of Transactions	Subsidiaries		Promoter Group Companies		Key Management Personnel		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
i.	Sale	-	26.42	5374.85	9115.12	-	-	5370.85	9141.54
ii.	Purchase	-	6.25	5376.52	9117.17	-	-	5376.52	9123.42
iii.	Expenses	-	-	-	-	-	0.78	-	0.78
iv.	Salary	-	-	-	-	21.32	3.32	21.32	3.32
v.	Loans Received	-	-	-	-	114.70	1.45	114.70	1.45
vi.	Loans Repaid	-	-	-	-	161.50	86.15	161.50	86.15
vii.	Loan & Advance	-	-	-	-	-	-	-	-
viii.	Closing Balance Receivable/ Payable	200.78 Receivable	196.78 Receivable	3292.90 Receivable	3272.90 Receivable	95.21 Payable	39.40 Receivable	3398.47 Receivable	3509.08 Receivable

Other Notes to Accounts

15. Land measuring 49 Kanal & 5 Marla situated at Village Khamanon, Tehsil & District Fatehgarh Sahib, Punjab has been leased by the company from S. Janak Raj Singh Uppal, the Joint Managing Director of the company for the purpose of Power Plant.
16. The information given below is about the segment reporting as per IndAS-108.

(Rs. In Millions)

PARTICULARS STANDALONE	2017-18			2016-17		
	AGRI	ENERGY	TOTAL	AGRI	ENERGY	TOTAL
A PRIMARY SEGMENT						
I SEGMENT REVENUE						
Sales:	5941.64	545.29	6486.93	9954.36	699.28	10653.64
Less: Inter segment revenue	0	0	(387.42)	0	0	(439.25)
Revenue net of Inter segment	0	0	6099.51	0	0	10214.39
2 SEGMENT RESULT	(2964.84)	138.16	(2826.68)	1005.72	278.83	1284.55
Less: Other unallocable Expenditure net of unallocable Income	0	0	96.67	0	0	136.64
Interest			8.26			249.86
Loss before Tax			(2931.61)			898.05
Exceptional Items			-			924.53
Provision for Tax						
Deferred Tax			(4.35)			(15.35)
Loss / Profit after Tax			(2927.26)			(11.12)
Extra Ordinary Items						
Profit After Tax from Operation			(2927.26)			(11.12)
Segment Assets	17051.26	1419.64	18470.90	15,231.73	908.93	16,140.66
Segment Liabilities	12481.55	3.47	12485.02	12716.85	19.49	12736.34
3 SEGMENT CAPITAL EMPLOYED						
B SECONDARY SEGMENT (GEOGRAPHICAL)						
India	5499.29	534.14	6033.43	9533.36	646.16	10179.52
Deemed Export	66.07	0.00	66.07	34.87	0.00	34.87
Rest of World	0.00	0.00		0.00	0.00	

17. Information Regarding Foreign Currency Transactions

(Rs.in Millions.)

Sr. No.	Description	2017-18	2016-17
1)	CIF value of Imports made during the period in respect of		
	Raw Material	NIL	NIL
	Components and Spare Parts Purchased	NIL	NIL
	Capital Goods Purchased	-	-
	Components and Spare Parts Purchased	NIL	-
2)	Earnings in foreign exchange	-	-
3)	F.O.B. value of exports	-	-
4)	Expenditure in foreign currency		
	Foreign Travel	1.00	0.16
	Professional Charges	3.91	3.63
	Buyer Credit	-	-

As per our report of even date attached

For **K. Singh & Associates**
Chartered Accountants
Firm Registration No.: 012458N



Kultar Singh
Partner
Membership No.: 091673

Balbir Singh Uppal
Chairman & Managing Director
DIN: 00064718

V.K.Mishra
Director
DIN: 00174380

P C Jain
Chief Financial
Officer

Ajay K. Ratra
Company Secretary

Place: Khamanon
Date : 31/10/2018