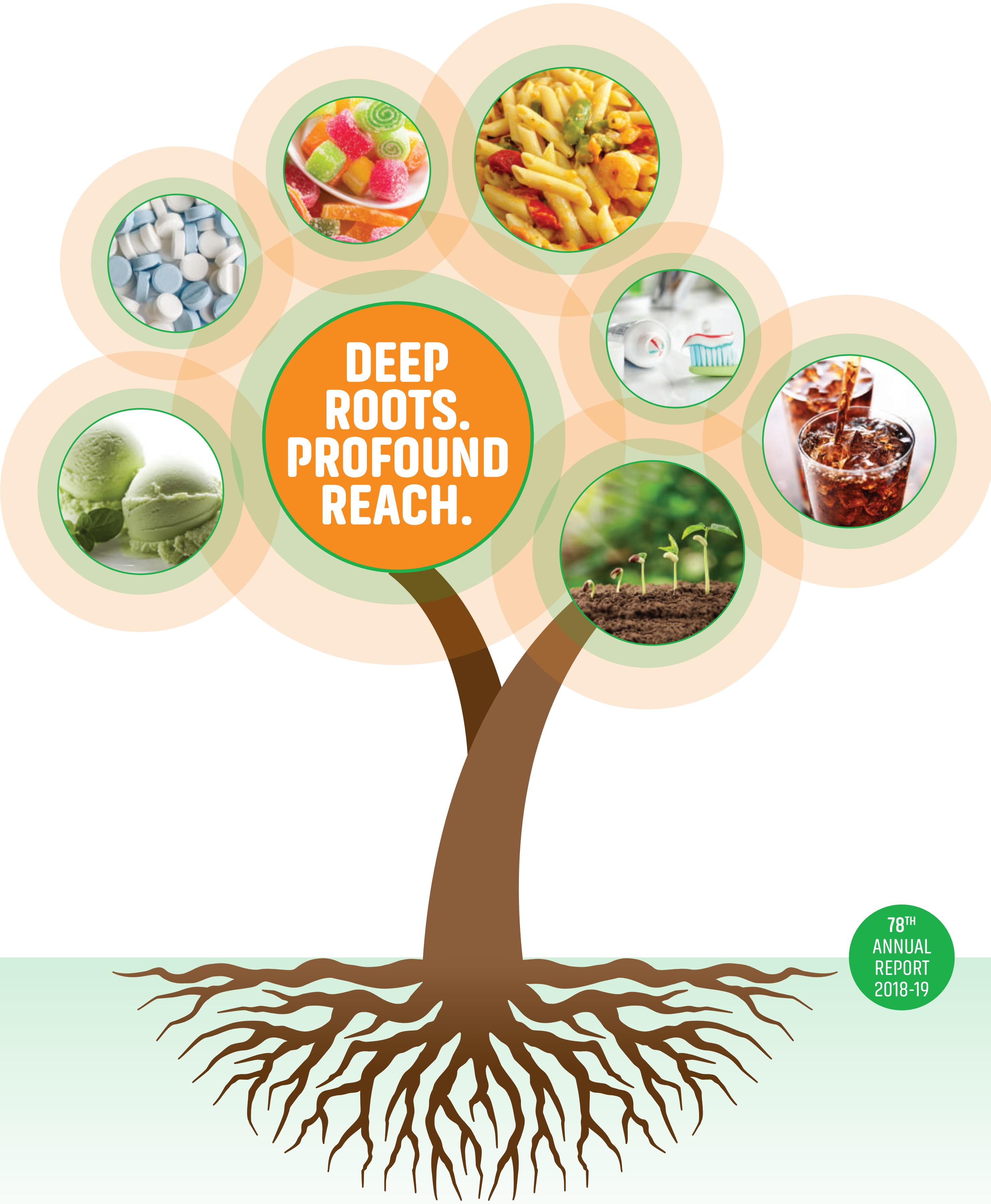
SAYAJI
INDUSTRIES LIMITED



78TH
ANNUAL
REPORT
2018-19

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Visit: **www.sayajigroup.in**
to view our report online

78th Annual General Meeting on Wednesday, 7 August 2019 at 9.00 a.m. at Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road, Odhav Circle, Odhav, Ahmedabad - 382 410.

OUR JOURNEY BEGAN OVER SEVEN DECADES AGO...

In the past seven decades, we have evolved into one of India's foremost corn starch manufacturers and suppliers with impeccable expertise, pioneering initiatives and dynamic market presence. We have come a long way since our inception more than 70 years ago. Steered by our steadfast commitment to Trust, Safety and Quality and astute focus on innovation, expansion and technology, we have carved a niche for ourselves in the starch industry. We serve a broad range of industries with our superior-quality corn starch products.

Over several years, our robust foundation has been buttressed by:

Highly skilled workforce striving tirelessly to deliver **quality products**

Improved operational efficiency through **cost optimization**, capacity enhancement and a **wide geographic network**

Diversification of **product portfolio** to meet evolving **customer**

To sum up, our rich legacy and strong roots continue to guide our operations. Powered by our solid foundation, value-added capabilities and extensive reach, we are excellently positioned to scale our business.

CORPORATE SNAPSHOT

Sayaji Industries, the flagship company of the Sayaji Group, was established in 1941 at Ahmedabad with a modest corn crushing capacity to meet the requirements of the local textile units. Over the years, we have emerged amongst the major suppliers of corn starch and its derivatives in India and across the globe. Armed with decades of sector-specific expertise, a strong R&D base and robust production capabilities, we are empowered to deliver world-class products derived from starch and support the sustainable use of natural resources at the same time.

At Sayaji Industries, we take pride in providing highest-quality products to a varied set of industries including cattle feed, food and beverages, pharmaceuticals, textile and paper. Our sprawling manufacturing facility is equipped with advanced technologies to enable smooth production. With ISO 9001 and other major certifications, we are a well-respected and trusted partner among our clients. We are one of the biggest exporters in the Indian starch industry with our products being exported to nations such as the United States, Middle East, South East Asia and Africa.

KEY STRENGTHS

Robust Procurement Structure

Judicious sourcing of raw materials and safe storage of products and ingredients in our warehouses ensure seamless and sustained production.

Huge Customer Base

We have a strong track record of serving various esteemed customers across a swath of industries.

Comprehensive Product Portfolio

Our diversified product portfolio, which we are constantly strengthening and enhancing, is designed to cater to multiple industries worldwide.

Unique Infrastructure

Our manufacturing infrastructure houses well-equipped R&D center and modern state-of-the-art production plants to ensure delivery of quality products.

SAYAJI INDUSTRIES AT A GLANCE

77
Years of Experience

30+
Products

2
Manufacturing facilities

60+
Agents Nationwide

40+ Countries
Export base

10+
Industries serving

5
Branch Offices in India

HIGHLIGHTS FY 2018-19

Rs. 648.9 Crores
Turnover

Rs. 25.3 Crores
PAT*

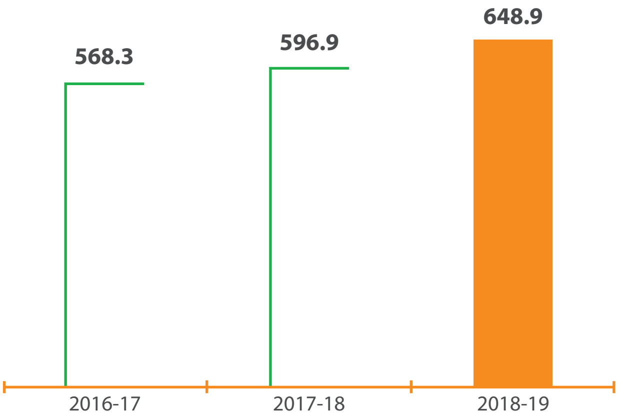
Rs. 2
Dividend Per Share

* Includes an exceptional gain of Rs. 21.2 Cr

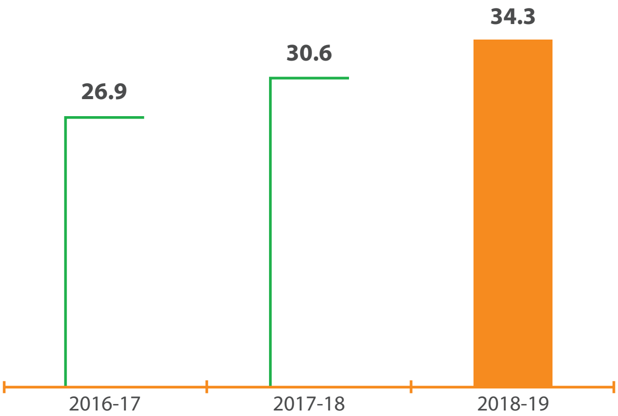
PERFORMANCE INDICATORS

(5-year Financial Metrics presented in graphical form)

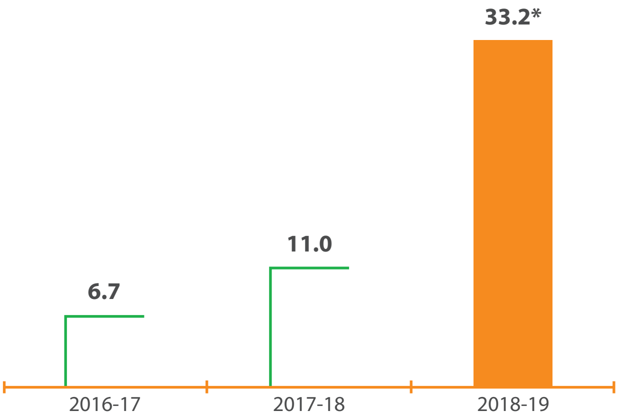
REVENUE (Rs. in Crores)



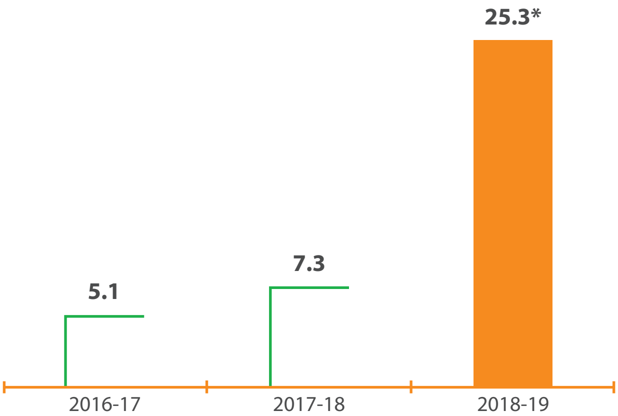
EBITDA (Rs. in Crores)



PBT (Rs. in Crores)

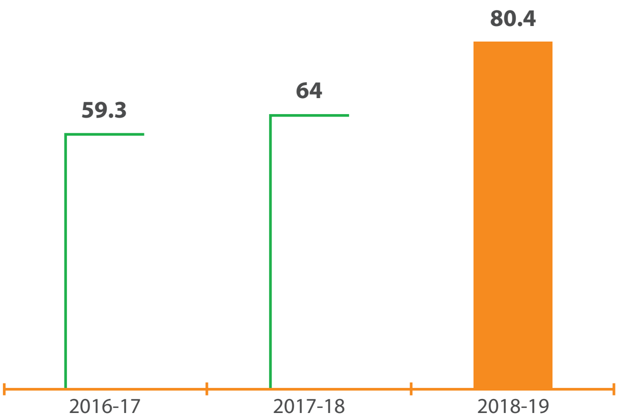


PAT (Rs. in Crores)

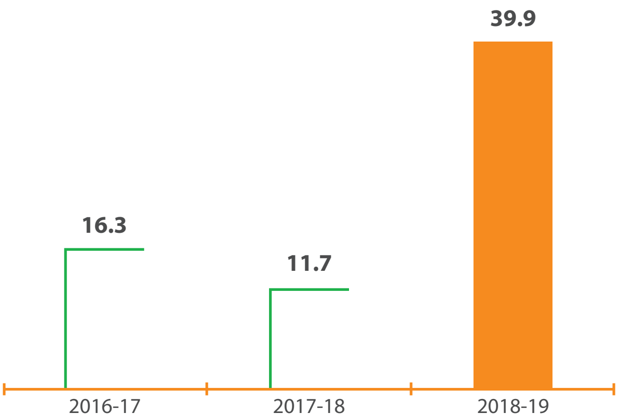


* Includes an exceptional gain of Rs. 21.2 Cr

SHAREHOLDERS' FUNDS (Rs. in Crores)



EPS (Rs.)



CHAIRMAN'S MESSAGE

Dear Shareholders,

India is currently the world's sixth-largest economy and one of the fastest-growing large countries. Reforms like Goods and Services Tax (GST), insolvency and bankruptcy process, strong thrust on infrastructure development and digitization, farm support scheme, moderate inflation, among others, are excellent indicators for strong economic growth. Consumption is set to grow on the back of favorable demographics and higher spends, while a stable policy framework will support investment and industrial growth.

Over the years, we have built an amazing product portfolio, enhanced our manufacturing prowess and sustained our market standing. Our technical expertise and wide industry experience enable us to fulfill the requirements of our unique customers going forward. We continue to broaden our product mix, drive innovation and augment our value-added capabilities, while adhering to the best quality and safety standards. In view of our commitment to a healthier environment, we continue to focus on optimal utilization of resources across our operations. We are consistently improving operational efficiencies, minimizing consumption of natural resources and treating emissions generated at our plant.

Looking ahead, evolving customer preferences for food and beverages, increased incomes and solid growth prospects of textile, pharmaceutical, paper and other user industries are the significant growth levers for high-margin corn starch products. At Sayaji Industries, we are well poised to exploit the massive opportunity with constant capacity expansion and product diversification.

I would like to thank our customers, our people, our shareholders and our partners for their persistent faith and confidence in us. We seek your support and guidance in our journey ahead.

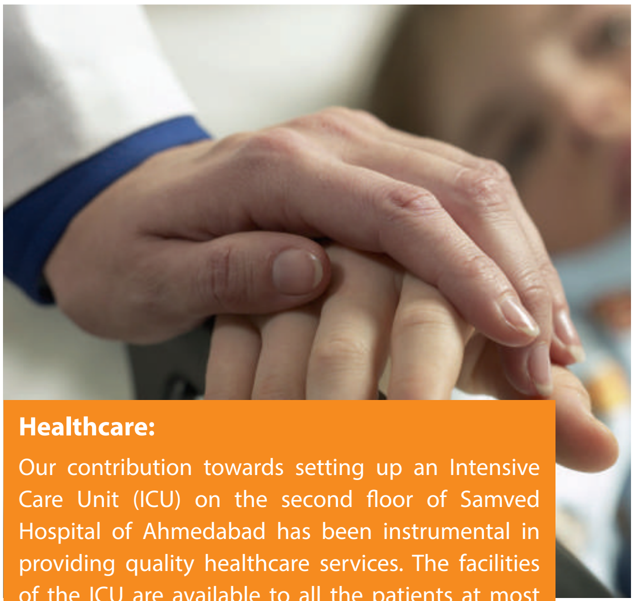
Sincerely,
Priyam B. Mehta

Over the years, we have built an amazing product portfolio, enhanced our manufacturing prowess and sustained our market standing. Our technical expertise and wide industry experience enable us to fulfill the requirements of our unique customers going forward

A GOOD CORPORATE CITIZEN

At Sayaji Industries, we believe being a responsible corporate entail us to creating sustainable and meaningful value for our communities and society at large. We strive to support and inspire people and help improve living conditions through our CSR programs.

KEY CSR INITIATIVES:

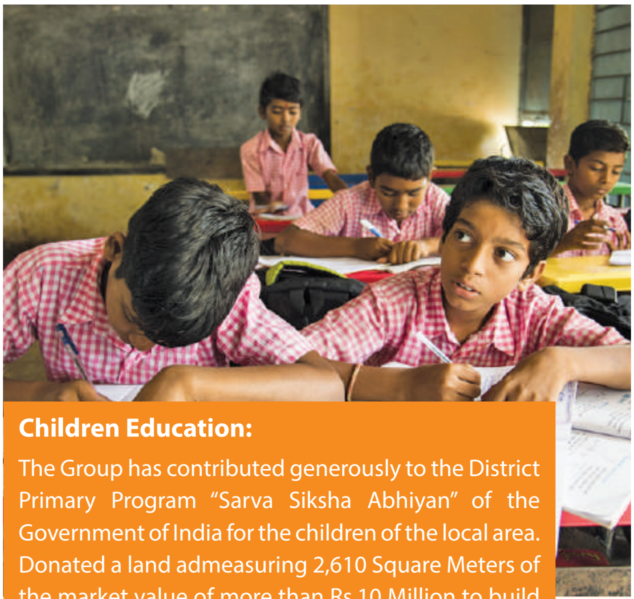


Healthcare:

Our contribution towards setting up an Intensive Care Unit (ICU) on the second floor of Samved Hospital of Ahmedabad has been instrumental in providing quality healthcare services. The facilities of the ICU are available to all the patients at most affordable costs.

Community Support:

We contributed to distribution of drinking water at Gopal Nagar and Singarwa districts of Ahmedabad and water coolers at Panchvati village for community usage.



Children Education:

The Group has contributed generously to the District Primary Program "Sarva Siksha Abhiyan" of the Government of India for the children of the local area. Donated a land admeasuring 2,610 Square Meters of the market value of more than Rs.10 Million to build and run a school for local children.

Promoting Animal Welfare:

Our major CSR achievement has been our contribution towards infrastructure creation and medical equipment provision for protection, safety and rehabilitation of rescued animals, particularly dogs. This initiative is being undertaken by the renowned Viva Charitable Trust as part of animal welfare program.

SAYAJI

GO GREEN

Tree Plantation Drive

Helping to make the future green...

CORPORATE INFORMATION

COMPANY INFORMATION

CIN: L99999GJ1941PLC000471

CHAIRMAN AND MANAGING DIRECTOR

Mr. Priyam B. Mehta

EXECUTIVE DIRECTORS

Mr. Varun P. Mehta
Mr. Vishal P. Mehta

NON EXECUTIVE DIRECTOR

Mrs. Sujata P. Mehta

NON EXECUTIVE INDEPENDENT DIRECTORS

CA Chirag M. Shah
CA Mahendra N. Shah *(Till 26/07/18)*
Dr. Gaurang K. Dalal
Dr. Janak D. Desai
Mr. Premal D. Mehta *(From 03/11/18)*
Mr. Jaysheel Hazarat *(From 03/11/18)*

BOARD COMMITTEES

AUDIT COMMITTEE

CA Chirag M. Shah - *Chairman*
CA Mahendra N. Shah *(Till 26/07/18)*
Mr. Priyam B. Mehta
Dr. Gaurang K. Dalal
Dr. Janak D. Desai *(From 03/11/18)*

NOMINATION AND REMUNERATION COMMITTEE

CA Chirag M. Shah - *Chairman*
CA Mahendra N. Shah *(Till 26/07/18)*
Dr. Janak D. Desai
Dr. Gaurang K. Dalal *(From 03/11/18)*

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Dr. Gaurang K. Dalal - *Chairman*
CA Mahendra N. Shah *(Till 26/07/18)*
Mrs. Sujata P. Mehta *(From 03/11/18)*
Mr. Varun P. Mehta
Mr. Vishal P. Mehta

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Varun P. Mehta - *Chairman*
Dr. Gaurang K. Dalal
Dr. Janak D. Desai
Mrs. Sujata P. Mehta

KEY MANAGERIAL PERSONNEL

Mr. Manan R. Shah - *Chief Financial Officer*
Mr. Rajesh H. Shah - *Company Secretary*

AUDITORS

M/s. Shah & Shah Associates
Chartered Accountants
Ahmedabad

LEGAL ADVISORS

M/s. Nanavati & Nanavati
Advocates
Ahmedabad

BANKERS

Kotak Mahindra Bank
Punjab National Bank

REGISTERED OFFICE

P.O. Kathwada-Maize Products,
Ahmedabad - 382 430.
Phone : +91 79-22901581 to 85
E-mail : maize@sayajigroup.in
Website : www.sayajigroup.in

REGISTRAR AND TRANSFER AGENTS

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda, Hyderabad - 500 032
Phone : 040-4465 5000/040-4465 5188
E-mail : einward.ris@karvy.com

FACTORY

P.O. Kathwada,
Maize Products,
Ahmedabad - 382 430, Gujarat.

NOTICE

Notice is hereby given that the seventy eighth annual general meeting of Sayaji Industries Limited will be held at Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad - 382410 on Wednesday, 7th August, 2019 at 9.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited balance sheet as at 31st March, 2019 and the statement of profit and loss and cash flow statement (including the consolidated financial statements) for the year ended on that date together with the notes attached thereto, along with the report of directors and auditors thereon.

2. To declare a dividend on equity shares of the company for the year ended 31st March, 2019.

3. To appoint a director in place of Mrs. Sujata P. Mehta (holding DIN 00037746), who retires by rotation and being eligible offers herself for reappointment.

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Dalwadi and Associates, Cost Accountants (FRN - 000338) appointed as Cost Auditors by the board of directors of the company to audit the cost records of the company for the financial year 2019-20, be paid a remuneration of Rs..1,00,000/- (Rupees one lakh only) plus goods and service tax and out of pocket expenses."

   "**RESOLVED FURTHER THAT** the board of directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 73, 76 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the company be and is hereby accorded to invite and accept deposits from general public and shareholders of the company."

   "**FURTHER RESOLVED THAT** board of directors of the company be and is hereby authorised to prepare and sign a circular or a circular in the form of advertisement in the form prescribed under the Companies (Acceptance of Deposits) Rules, 2014 for inviting and accepting the deposits from general public and shareholders of the company and file the same with the office of the Registrar of Companies for registration thereof duly signed by the majority of the directors of the company and one month thereafter issue the circular or circular in the form of an advertisement in English language in English newspaper and in vernacular language in one vernacular newspaper having wide circulation in Gujarat State and a copy of the same be uploaded on the website of the company."

   "**FURTHER RESOLVED THAT** the circular or circular in the form of advertisement so issued shall remain valid until the expiry of six months from the date of closure of the financial year 2019-20 in which it is issued or until the date on which the financial statement is laid before the company in the annual general meeting or where the annual general meeting for any year has not been held, the latest day on which that meeting should have been held in accordance with the provisions of Companies Act, 2013, whichever is earlier."

   "**FURTHER RESOLVED THAT** the board of directors of the company be and is hereby authorised to determine whether to invite and accept secured or unsecured deposits and the board be and is hereby further authorised to create necessary security in favour of deposit holders in case it decides to accept secured deposits and execute necessary documents and comply with necessary formalities in this regards."

   "**FURTHER RESOLVED THAT** the board of directors of the company be and is hereby further authorised to take all the steps to comply with the requirements of the provisions of Section 73, 76 and other applicable provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 before inviting and accepting deposits from general public and shareholders of the company and do all the necessary acts and things to ensure that all the compliances are done as required by the said Act and Rules."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any, of the

Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Premal Mehta holding DIN: 01141650, who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who was appointed as an additional director (non-executive & independent) pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the company and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director be and is hereby appointed as an independent non-executive director of the Company to hold the office for 5 (Five) consecutive years with effect from the date of his appointment by the board i.e. from 3rd November, 2018 to 2nd November, 2023 and whose office shall not be liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Jaysheel Hazarat holding DIN: 08234136, who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who was appointed as an additional director (non-executive & independent) pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director be and is hereby appointed as an independent non-executive director of the company to hold the office for 5 (Five) consecutive years with effect from the date of his appointment by the board i.e. from 3rd November, 2018 to 2nd November, 2023 and whose office shall not be liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, CA Chirag M. Shah holding DIN 00021298, independent non-executive director of the company , who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby re-appointed as an independent non-executive director of the company to hold the office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation."

   "FURTHER RESOLVED THAT any director and/or the company secretary of the company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr.Gaurang K. Dalal holding DIN 00040924, independent non-executive director of the company, who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby re-appointed as an independent non-executive director of the company to hold the office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation."

"**FURTHER RESOLVED THAT** any director and/or the company secretary of the company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Janak D. Desai holding DIN 02565216 independent non-executive director of the company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby re-appointed as an independent non-executive director of the company to hold the office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation."

"**FURTHER RESOLVED THAT** any director and/or the company secretary of the company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for time being in force) read with Schedule V to the said Act as amended from time to time, consent of the members of the company be and is hereby accorded to the terms and conditions as contained in the draft agreement to be executed with Mr. Varun P. Mehta holding DIN 00900734, who is also the executive director of N B Commercial Enterprises Ltd. and a director in Sayaji Corn Products Limited and Viva-Tex Chem Private Limited for his reappointment as the executive director of the company from 1st April, 2019 to 31st March, 2024."

"**FURTHER RESOLVED THAT** the consent of the company be and is hereby accorded to the terms and conditions including remuneration payable to Mr. Varun P. Mehta, the executive director for the period of three years from 1st April, 2019 to 31st March, 2022 as contained in the draft agreement of the re-appointment to be entered into with him as approved by the nomination and remuneration committee and the board of directors at their respective meetings held on 12th February, 2019 ensuring that the total remuneration to be paid to Mr. Varun P. Mehta shall not exceed the limits prescribed under Schedule V to the Companies Act, 2013."

"**FURTHER RESOLVED THAT** his office shall be liable to determination by retirement of directors by rotation and if he is reappointed as a director, immediately on his retirement by rotation, he shall continue to hold the office of the executive director and such reappointment as a director shall not be deemed to constitute a break in his appointment as the executive director."

FURTHER RESOLVED THAT the board of directors of the company be and is hereby authorized to execute the agreement with Mr. Varun P. Mehta the executive director of the company and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question or doubt that may arise in relation thereto and the board of directors be and is hereby also authorised to alter and vary such terms of appointment and remuneration of Mr. Varun P. Mehta so as not to exceed the limits specified in Schedule V to the Companies Act, 2013."

12. To consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 197 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for time being in force) read with Schedule V to the said act as amended from time to time the consent of the members of the company be and is hereby accorded to payment of salary upto Rs.10,00,000/- per month and other

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105-152 CONSOLIDATED FINANCIAL STATEMENT

perquisites/ allowances/ other payments as mentioned in the draft supplemental agreement to be executed with Mr. Vishal P. Mehta in connection with revision of remuneration to be paid to him as the executive director for the remaining tenure of his appointment from 1st June, 2019 to 31st March, 2021."

"FURTHER RESOLVED THAT all other terms and conditions of his appointment shall remain valid and unchanged except that his office shall be liable to determination by retirement of directors by rotation and if he is reappointed as a director, immediately on his retirement by rotation, he shall continue to hold the office of the executive director and such reappointment as a director shall not be deemed to constitute a break in his appointment as the executive director and the board of directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013."

"FURTHER RESOLVED THAT the board of directors of the company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

Place : Ahmedabad **By order of the Board of Directors**

Date : May 30, 2019

Rajesh H. Shah

Company Secretary

DETAILS OF DIRECTORS SEEKING REAPPOINTMENT AT THE 78TH ANNUAL GENERAL MEETING OF THE COMPANY.

In terms of section 149,152 and other applicable provisions of the Companies Act, 2013 for the purpose of determining the directors liable to retire by rotation, the independent directors shall not be included in the total number of directors of the company. Mrs. Sujata P. Mehta, appointed as a woman director on the board of directors of the company, shall accordingly retire at the forthcoming annual general meeting and being eligible offers herself for reappointment.

Mrs. Sujata P. Mehta aged 55 years is a B.A. from Mumbai University. She is looking after the ceramic division of the company and is also managing the affairs of a IATA approved travel agency since last two decades.

Mrs. Sujata P. Mehta is a director in Bini Commercial Enterprises Private Ltd., C.V. Mehta Private Ltd., Viva Texchem Private Ltd., and Varun Travels Private Ltd. Mrs. Sujata P. Mehta is holding 1137680 equity shares in the company and she is a member of stakeholders relationship committee and corporate social responsibility committee of the company.

Mrs. Sujata P. Mehta is interested in the resolution as it concerns her appointment. Mr. Priyam B. Mehta, Mr. Varun P. Mehta and Mr. Vishal P. Mehta being related to Mrs. Sujata P. Mehta may also be regarded as concerned or interested in the appointment of Mrs. Sujata P. Mehta. No other directors, key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the appointment of Mrs. Sujata P. Mehta.

APPOINTMENT/ REAPPOINTMENT OF OTHER INDEPENDENT DIRECTORS

For the details of Mr. Premal Mehta, Mr. Jaysheel Hazarat, CA Chirag M. Shah, Dr. Gaurang K. Desai and Dr. Janak D. Desai please refer to the explanatory statement in respect of the special business set out at item nos. 6 to 10 of the notice of the annual general meeting pursuant to section 102 of the Companies Act, 2013.

Place : Ahmedabad **By order of the Board of Directors**

Date : May 30, 2019

Rajesh H. Shah

Company Secretary

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANY MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION AND AUTHORITY.**
2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to special business at the meeting is annexed hereto.
3. The register of members and share transfer books of the company will remain closed from Saturday, the 10th August, 2019 to Monday, the 12th August, 2019 (both days inclusive).
4. The dividend on shares, if sanctioned by the members at the annual general meeting, will be payable at specified branches of Kotak Mahindra Bank Limited, in India from 21st August, 2019, by dividend warrants valid for a period of three months to those shareholders whose names appear on the register of members of the company on 9th August, 2019.
5. Members holding shares in electronic form are informed that bank particulars registered against their respective depository accounts will be used by the company for payment of dividend. The company or its registrars cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the respective depository participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the company or its registrars.
6. Under Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules, 2016), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its declaration is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The company had, accordingly, transferred Rs.2,88,700/- being the unpaid and unclaimed dividend amount pertaining to dividend 2010-11 to the IEPF. The details of the unpaid or unclaimed dividend are also uploaded as per the requirements, on the company's website www.sayajigroup.in. Members, who have not encashed their dividend pertaining to the year 2011-12, are advised to write to the company immediately claiming dividend declared by the company.
7. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, additional 4000 equity shares (before sub-division) of the company on which the dividend remained unpaid or unclaimed for seven consecutive years with reference to the due date of 25th August, 2018 were transferred during the year 2018 to IEPF Account, after following the prescribed procedure.

   Further all the shareholders who have not claimed/ encashed their dividends in the last seven consecutive years from 2011-12 are advised to claim the same. In case valid claim is not received, the company will proceed to transfer the respective shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.
8. Members are requested to note that equity shares of the company are dematerialized and ISIN of the company is INE327G01032. In terms of SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015, securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the above, members are advised to dematerialize shares held by them in physical form.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the company/ registrar and transfer agents.
10. The company has appointed M/s Karvy Fintech Private Limited as the registrar and transfer agents for carrying out all the work relating to transfer, transmission, issue of duplicate share certificates in lieu of misplaced/ lost certificates, change of address etc., to establish connectivity with NSDL and CDSL and to process the Demat/ Remat requests received from the DPs with whom members have opened their respective beneficiary accounts. The members are requested to send all their requests for share transfer, transmission, issue of duplicate share certificates, change of address etc. to M/s Karvy Fintech Private Limited at Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda,

Hyderabad - 500032.

11. Members are requested to quote their folio numbers/ beneficiary account numbers in all their correspondence.

12. Electronic copy of the annual report for the year 2018-19 is being sent to all the members whose e-mail IDs are registered with the company/ depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the annual report for the year 2018-19 is being sent by post/ courier.

13. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015), Regulation 44 of the Listing Regulations and secretarial standards on general meeting (SS2) issued by the Institute of Company Secretaries of India, the company is pleased to provide members facilitating to exercise their right to vote at the 78th annual general meeting by electronic means. The company has appointed M/s Karvy Fintech Private Limited for facilitation e- voting to enable the members to cast their votes electronically. The instruction and other information relating to e-voting are enclosed in a separate letter sent with this notice.

14. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the company during normal business hours (9.00 a.m. to 5.30 p.m.) on all working days, up to and including the date of the annual general meeting of the company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS

Item no.4

The Board, on the recommendations of the Audit Committee has approved the re-appointment of M/s Dalwadi and Associates, Cost Accountants (FRN - 000338) as cost auditor at a remuneration of Rs.1,00,000/- (Rupees One Lakh only) plus Goods and service tax and out of pocket expenses as applicable to conduct the audit of the cost records of the company for the financial year ending 31st March, 2020.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at item no. 4 of the notice for ratification of the remuneration payable to the cost auditors for the financial year ending 31st March, 2020.

Certificate dated May 2, 2019 issued by the above firm regarding their eligibility for appointment as cost auditors will be available for inspection at the registered office of the company during 9.00 a.m. to 5.30 p.m. on all working days and shall also be available at the annual general meeting of the company.

None of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item no. 4.

The board recommends the resolution as set forth at item no.4 of the notice for approval of the members.

Item no.5

The Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 allows the company to invite and accept deposits to the extent of 25% of its paid up capital and free reserves from general public and to the extent of 10% of its paid up capital and free reserves from its shareholders after passing a resolution at the annual general meeting of the company and after complying with various requirements as mentioned in Section 73 and Section 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. The consent of the members of the company is accordingly sought for the purpose of inviting and accepting deposits by way of passing an ordinary resolution as mentioned in item no.5.

It is also proposed to authorize the board of directors of the company to invite and accept secured or unsecured deposits and take all the necessary steps and to ensure compliance of the provisions of Section 73 and 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 for the purpose of accepting and inviting such deposits from general public and shareholders as aforesaid and for the purpose of filing a circular or circular in the form of advertisement with registrar of companies before one month of issuance of such circular or advertisement and subsequently issuance of such circular or advertisement in the manner as indicated in the resolution.

None of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item no.5.

The board recommends the resolution as set forth at item no.5 of the notice for approval of the members.

Item No.6

On the recommendation of the nomination and remuneration committee, the board of directors appointed Mr. Premal Mehta holding DIN: 01141650 as an additional director with effect from 3rd November, 2018 under Section 161(1) of the Companies Act, 2013 and Article 89 of the Articles of Association of the company and also as an independent non-executive director of the company under Section 149 of the Companies Act, 2013 for a term of five consecutive years to hold the office from 3rd November, 2018 to 2nd November, 2023. His appointment is subject to the approval of the members. The company has received a notice from a member proposing Mr. Premal Mehta as a candidate for the office of director of the company.

Mr. Premal Mehta, aged 53 years is MSc in civil and structural engineering from Stanford University (USA). He is MBA Finance from Nantang Technological University (NTU), Singapore and B.Tech from IIT, New Delhi.

Mr. Premal Mehta has more than 25 years of experience in insurance, risk management, technology and engineering industry. He was a co-founder of RMSI - a leading risk management solution provider and data engineering services and had led various functions including business development, operations and client management.

Mr. Premal Mehta was a country manager at Torus Insurance holding the group of more than 100 employees. Most recently he was the India country manager for Asia Risk Centre with RMS and presently the proprietor of RISXLABS, a company providing risk consulting services to insurance companies.

Mr. Premal Mehta does not hold by himself or for any other person on a beneficial basis, any shares in the company.

Mr. Mehta has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI(Listing Regulations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the board, Mr. Premal Mehta fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) of the listing regulations for his appointment as an independent non-executive director of the company and is independent of the management. Copy of the draft letter for appointment of Mr. Premal Mehta as an independent non-executive director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the company during normal business hours from 9.00 a.m. to 5.30 p.m. on any working day.

The board considers that his association would be of immense benefit to the company and it is desirable to avail services of Mr. Premal Mehta as an independent non-executive director for a term of five consecutive years from 3rd November, 2018 to 2nd November, 2023.

Except Mr. Premal Mehta, being an appointee, none of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no.6 of the accompanying notice of the annual general meeting. Mr. Mehta is not related to any director of the company.

This explanatory statement together with the accompanying notice may also be regarded as a disclosure under Regulation 36(3) of listing regulations and secretarial standards of general meetings (SS-2) of ICSI.

The board recommends ordinary resolution as set out at item no.6 of the notice for approval of the members.

Item No. 7

On the recommendation of the nomination and remuneration committee, the board of directors appointed Mr. Jaysheel Hazarat holding DIN: 08234136 as an additional director with effect from 3rd November, 2018 under Section 161(1) of the Companies Act, 2013 and Article 89 of the Articles of Association of the company and also as an independent non-executive director of the company under Section 149 of the Companies Act, 2013 for a term of five consecutive years to hold the office from 3rd November, 2018 to 2nd November, 2023. His appointment is subject to the approval of the members. The company has received a notice from a member proposing Mr. Jaysheel Hazarat as a candidate for the office of director of the company.

Mr. Jaysheel Hazarat, aged 56 years is a graduate in commerce from Sydenham College of Commerce and Economics in Mumbai and is the MBA from Indiana University of Pennsylvania.

He was Assistant General Manager at Afcon Infrastructure Ltd., Mumbai and executive director at Unique Industrial Handlers Private Limited, Mumbai. Presently he is a head of business development, marketing and communications at Comansa Construction Cranes Group, Spain.

Mr. Jaysheel Hazarat does not hold by himself or for any other person on a beneficial basis, any shares in the company.

Mr. Hazarat has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI(Listing Regulations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the board, Mr. Jaysheel Hazarat fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) of the listing regulations for his appointment as an independent non-executive director of the company and is independent of the management. Copy of the draft letter for appointment of Mr. Jaysheel Hazarat as an independent non-executive director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the company during normal business hours from 9.00 a.m. to 5.30 p.m. on any working day.

The board considers that his association would be of immense benefit to the company and it is desirable to avail services of Mr. Jaysheel Hazarat as an independent non-executive director for a term of five consecutive years from 3rd November, 2018 to 2nd November, 2023.

Except Mr. Jaysheel Hazarat, being an appointee, none of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no.7 of the accompanying notice of the annual general meeting. Mr. Hazarat is not related to any director of the company.

This explanatory statement together with the accompanying notice may also be regarded as a disclosure under Regulation 36(3) of listing regulations and secretarial standards of general meetings (SS-2) of ICSI.

The board recommends ordinary resolution as set out at item no.7 of the notice for approval of the members.

Item No. 8

CA Chirag M. Shah, holding DIN : 00021298, is an independent non-executive director of the company. He is also the chairman of the audit committee and nomination and remuneration committee of the directors of the company. He joined the board of directors of the company in July, 2011 and pursuant to the provisions of Companies Act, 2013 he was appointed as an independent non-executive director to hold the office for five consecutive years for a term upto March, 2019, by the members of the company in the 73rd annual general meeting held on 26th July, 2014.

As per Section 149(10) of the Companies Act, 2013, an independent director shall hold the office for a term upto five consecutive years on the board of directors of a company, but shall be eligible for re-appointment on passing a special resolution by the company for another term of upto five consecutive years.

Based on the recommendation of the nomination and remuneration committee, the board of directors of the company at its meeting held on 12th February, 2019 appointed CA Chirag M. Shah as an independent director for the second term of upto five consecutive years from 1st April, 2019 to 31st March, 2024 subject to approval of the members of the company and it is proposed to obtain the approval of the members of the company for his appointment as an independent director for the second term of five consecutive years as mentioned above. The company has received a notice from a member proposing CA Chirag M. Shah as a candidate for the office of director of the company.

CA Chirag M. Shah, aged about 51 years is a chartered accountant by profession. He is one of the leading chartered accountants of Ahmedabad and has vast experience in the field of audit, direct and indirect taxes and financial consultancy. He is also a partner in M/s Mahendra N. Shah & Co., Chartered Accountants, one of the leading chartered accountancy firm in Ahmedabad.

CA Chirag M. Shah is a director in M N Shah Capital Services Private Ltd.

He is holding 880 equity shares in the company as qualification shares as per the requirements of erstwhile articles of association of the company.

Mr. Shah has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the board, Mr. Shah fulfills the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of Listing Regulations for his re-appointment as an independent non-executive director of the company and is independent of the management. Copy of the draft letter for re-appointment of Mr. Shah as an independent director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the company during normal business hours from 9.00 a.m. to 5.30 p.m. on any working day.

The board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr. Shah as an independent director. Accordingly, based on the recommendation of the nomination and remuneration committee the board recommends the special resolution as set out at item no. 8 of the notice for approval of the members.

Except CA Chirag M. Shah, being an appointee, none of the directors and key managerial personnel of the company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no.8 of the accompanying notice of the annual general meeting. Mr. Shah is not related to any director of the company.

This explanatory statement together with the accompanying notice may also be regarded as a disclosure under Regulation 36(3) of listing regulations and secretarial standards of general meetings (SS-2) of ICSI.

Item No. 9

Dr. Gaurang K. Dalal, holding DIN : 00040924, is an independent non-executive director of the company. He is also the chairman of the stakeholders relationship committee and member of audit committee, nomination and remuneration committee and corporate social responsibility committee of the directors of the company. He joined the board of directors of the company in January, 2010 and pursuant to the provisions of Companies Act, 2013 he was appointed as an independent non-executive director to hold the office for five consecutive years for a term upto March, 2019, by the members of the company in the 73rd annual general meeting held on 26th July, 2014.

As per Section 149(10) of the Companies Act, 2013, an independent director shall hold the office for a term upto five consecutive years on the board of directors of a company, but shall be eligible for re-appointment on passing a special resolution by the company for another term of upto five consecutive years.

Based on the recommendation of the nomination and remuneration committee, the board of directors of the company at its meeting held on 12th February, 2019 appointed Dr. Gaurang K. Dalal as an independent director for the second term of upto five consecutive years from 1st April, 2019 to 31st March, 2024 subject to approval of the members of the company and it is proposed to obtain the approval of the members of the company for his appointment as an independent director for the second term of five consecutive years as mentioned above. The company has received a notice from a member proposing Dr. Gaurang K. Dalal as a candidate for the office of director of the company.

Dr. Gaurang K. Dalal, MBBS aged about 67 years is one of the senior and leading practicing doctors in Ahmedabad. Dr. Gaurang K Dalal is a director in Narmada Fintrade Private Ltd., Denis Chem Lab Ltd., Saubhagya Investors and Dealers Private Ltd. and Samridhi Holding Private Ltd.

He is holding 800 equity shares in the company as qualification shares as per the requirements of erstwhile articles of association of the company.

Dr. Dalal has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the board, Dr. Dalal fulfills the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of Listing Regulations for his re-appointment as an independent non-executive director of the company and is independent of the management. Copy of the draft letter for re-appointment of Dr. Dalal as an independent director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the company during normal business hours from 9.00 a.m. to 5.30 p.m. on any working day.

The board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Dr. Dalal as an independent director. Accordingly, based on the recommendation of the nomination and remuneration committee, the board recommends the special resolution as set out at item no. 9 of the notice for approval of the members.

Except Dr. Gaurang K. Dalal, being an appointee, none of the directors and key managerial personnel of the company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no.9 of the accompanying notice of the annual general meeting. Dr. Dalal is not related to any director of the company.

This explanatory statement together with the accompanying notice may also be regarded as a disclosure under Regulation 36(3) of listing regulations and secretarial standards of general meetings (SS-2) of ICSI.

Item No. 10

Dr. Janak D. Desai, holding DIN : 02565216, is an independent non-executive director of the company. He is also the member of audit committee, nomination and remuneration committee and corporate social responsibility committee of the directors of the company. He joined the board of directors of the company in January, 2011 and pursuant to the provisions of Companies Act, 2013 he was appointed as an independent non-executive director to hold the office for five consecutive years for a term upto March, 2019, by the members of the company in the 73rd annual general meeting held on 26th July, 2014.

As per Section 149(10) of the Companies Act, 2013, an independent director shall hold the office for a term upto five consecutive years on the board of directors of a company, but shall be eligible for re-appointment on passing a special resolution by the company for another term of upto five consecutive years.

Based on the recommendation of the nomination and remuneration committee, the board of directors of the company at its meeting held on 12th February, 2019 appointed Dr. Janak D. Desai as an independent director for the second term upto five consecutive years from 1st April,2019 to 31st March 2024 subject to approval to the members of the company for his appointment as an independent director for the second term of five consecutive years as mentioned above. The company has received a notice from a member proposing Dr. Janak D. Desai as a candidate for the office of director of the company.

Dr. Janak D. Desai, aged about 61 years is a M.S., M.Ch and is a senior urologist with extensive experience in endoscopic surgeries and urological cancer surgeries. He is a very senior professional in his field and is a member of various international organizations in the field of urology. Dr. Desai is a director in Samved Hospital Private Ltd. and Samved Medicare Private Limited.

He is holding 960 equity shares in the company as qualification shares as per the requirements of erstwhile articles of association of the company.

Dr. Desai has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the board, Dr. Desai fulfills the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and

Regulation 16(1) (b) of Listing Regulations for his re-appointment as an independent non-executive director of the company and is independent of the management. Copy of the draft letter for re-appointment of Dr. Desai as an independent director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the company during normal business hours from 9.00 a.m. to 5.30 p.m. on any working day.

The board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Dr. Desai as an independent director. Accordingly, based on the recommendation of the nomination and remuneration committee, the board recommends the special resolution as set out at item no. 10 of the notice for approval of the members.

Except Dr. Janak D. Desai, being an appointee, none of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no.10 of the accompanying notice of the annual general meeting. Dr. Desai is not related to any director of the company.

This explanatory statement together with the accompanying notice may also be regarded as a disclosure under Regulation 36(3) of listing regulations and secretarial standards of general meetings (SS-2) of ICSI.

Item No. 11

Mr. Varun P. Mehta aged about 33 years holds a bachelor's degree in science (business administration) from Fordham University, USA. He has been actively involved in the day-to-day management of the company since his appointment as the executive director of the company and looks after all important functions of the company like H.R., finance and plant operations. He has been instrumental in his efforts for debottlenecking, automation and modernization of the manufacturing processes of the company.

Mr. Varun P. Mehta is the executive director on the board of directors of N B Commercial Enterprises Ltd. He is also on board of directors of various other companies namely, Viva Texchem Private Ltd. and Sayaji Corn Products Ltd.

Mr. Varun P. Mehta is the chairman of the corporate social responsibility committee and a member of stakeholders relationship committee.

Concurring with the recommendations of the nomination and remuneration committee, and based on the experience and contributions of Mr. Varun P. Mehta, the board at its meeting held on 12th February, 2019 has decided to reappoint him as the executive director of the company for the period from 1st April, 2019 to 31st March, 2024 at the following remuneration fixed by the nomination and remuneration committee for the period of three years from 1st April, 2019 to 31st March, 2022 subject to approval of members of the company:

This explanatory statement together with the accompanying notice may also be regarded as a disclosure under Regulation 36(3) of listing regulations and secretarial standards of general meetings (SS-2) of ICSI.

a) Salary: Up to Rs.10,00,000/- per month as approved by the board from time to time and as permissible under Schedule V to the Companies Act, 2013.

b) Perquisites : Including residential accommodation, furniture, furnishings and fixtures, gas, electricity, water, medical benefits in India or overseas, leave and leave travel facilities, employees stock option schemes etc. as may be approved by the board of directors from time to time. Such perquisites may also be provided by way of cash allowances in lieu thereof wherever appropriate. The said perquisites and allowances shall be evaluated wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules made there under or any statutory modification(s) or re-enactment thereof and in absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Company's contribution to provident fund, super annuation or annuity fund, to the extent this singly or together not taxable under the income tax law and gratuity payable and encashment of leave, as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration.

Total salary and monetary value of perquisites to be paid to Mr. Varun P. Mehta shall be within the overall ceiling on remuneration under the provisions of Section 197, 203 and other applicable provisions of the Companies Act, 2013 and Section II of Part II of Schedule V to the said Act as may be amended from time to time.

c) Commission : on the net profits of the company in the manner as provided under Section 197 of the Companies Act, 2013 and computed in the manner as laid down under Section 198 of the Companies Act, 2013.

d) The executive director shall be allowed reimbursement of entertainment expenses. Any travelling expense, lodging and boarding including for his spouse and attendant(s) during his business trips, any medical assistance provided including for his family members and provision of cars for use on company's business, telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites. The expenses, as may be borne by the company for providing security to the executive director and his family members shall not be considered as perquisites and accordingly shall not to be included for the purpose of computation of the overall ceiling of remuneration.

e) The executive director shall not so long as he functions as such be paid any sitting fees for attending the meetings of the board of directors or committee thereof.

f) The remuneration referred to above is subject further to overall limit of 11% prescribed in section 197 of the Companies Act, 2013 Notwithstanding anything herein contained, where in any financial year during the period of his office as the executive director, the company has no profits or its profits are inadequate, the company may, subject to the requisite approvals, if required, pay Mr. Varun P. Mehta remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Schedule V to the Companies Act 2013 as may be agreed to by the board of directors and Mr. Varun P. Mehta.

Mr. Varun P. Mehta's office shall be liable to determination by retirement of directors by rotation and if he is reappointed as a director, immediately on his retirement by rotation, he shall continue to hold the office of the executive director and such reappointment as a director shall not be deemed to constitute a break in his appointment as the executive director.

The Board of Directors considers the re-appointment of Mr. Varun P. Mehta to be in the best interest of the company.

To re-appointment and remuneration of Mr. Varun P. Mehta as the executive director in the manner as mentioned above requires approval of the members of the company which is proposed to be obtained by this special resolution.

Mr. Varun P. Mehta holds 109360 equity Shares of the company in his own name and no other share or convertible instrument in the company is held by him either in his own name or in the name of any other person on a beneficial basis.

In view of the provisions of section 196, 197, 198 and other applicable provisions of the Companies Act, 2013, the board recommends the special resolution set out at item no.11 of the accompanying notice for the approval of the members.

Copy of the draft agreement referred to in the resolution would be available for inspection without any fee by the members at the registered office of the company during normal business hours on any working day upto and including date of the annual general meeting.

Mr. Varun P. Mehta is concerned and interested in the resolution. Mr. Priyam B. Mehta, Mrs. Sujata P. Mehta and Mr. Vishal P. Mehta to whom Mr. Varun P. Mehta is related may also be regarded as concerned and interested in the resolution. None of the other directors, key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution as set out at item no.11.

This explanatory statement may also be regarded as a disclosure under regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The statement of information as required by second proviso (iv) of Paragraph B of Section-II of Part - II of Schedule -V to the Companies Act, 2013

I. General Information

1. Nature of Industry

Manufacturing company engaged in the manufacture and sale of starches and its derivative products like liquid glucose, dextrose anhydrous, dextrose monohydrate, sorbitol and other by-products like maize oil, maize oil cake, maize gluten and maize wet and dry bran.

2. Date or expected date of commencement of commercial production

The company is having its manufacturing facilities at P.O. Kathwada, Ahmedabad and it is one of the oldest and largest manufacturer of starches, its derivatives and by-products in the country since last more than 78 years. The corn wet milling was commenced by the company in the year 1941 with a modest grinding capacity. However today the grinding capacity of the company has exceeded more than 700 Tons/Day with ambitious plans to expand its capacity further.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial performance based on given indicators:

(Rs. in Lakhs)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19
Total income	56771.53	59022.51	62612.93
EBIDTA	2555.44	2997.39	3264.72
Profit Before Exceptional Item	540.37	1000.70	1181.58
Exceptional Item	8.14	--	2116.30
PBT	548.51	1000.70	3297.88
PAT	393.25	612.38	2520.03
EPS (on equity share of the face value of Rs.5/- each (post sub-division)	6.22*	9.69	39.87
Net Worth	5284.73	5685.04	8042.83

* adjusted on equity shares after sub-division

5. Foreign Investments or collaborations, if any:

The company had set up a company in the name of Sethness Roquette India Limited (Formerly Sayaji Sethness Ltd.) in collaboration with Sethness Products

Company of USA for manufacture of caramel colours in 1993. However, during the year under review, the company had sold the 1200000 equity shares held by it in the said company to Sethness Products Company, the joint venture partuner pursuant to a share purchase agreement entered into by it.

II. INFORMATION ABOUT THE APPOINTEE

1. Background Details :

Mr. Varun P. Mehta, aged about 33 years holds bachelor's degree in science (business administration) from Fordham University, USA. He has been actively involved in the day-to-day management of the company since his appointment as the executive director of the company and looks after important functions of the company including H.R., finance and plant operations. He has been instrumental in his efforts for debottlenecking and automation and modernization of the manufacturing processes of the company.

2. Past Remuneration :

Salary of Rs.8,00,000/- (Rupees Eight Lakhs only) per month and other perquisites.

3. Recognition or Awards :

The company has received in past number of awards for its products, use of boiler and certifications in recognition of the company's environmental management systems, quality management systems and health and safety management system. The most recent certification received by the company are (i) OHSAS 18001:2007 certification in recognition of company's health and safety management system, (ii) ISO 9001:2015 in recognition of company's quality management system and ISO 14001:2015.

4. Job Profile and his suitability

Mr. Varun P. Mehta joined the company first as an ordinary director of the company in the year 2006 immediately on completion of his studies in USA. Subsequently, in the year 2010 he was appointed as the executive director of the company. He is presently looking after the day-to-day management of the company and the functions like H.R., finance and plant operations. There has been substantial increase in the turnover and profitability of the company due to efforts of the part of the managing director and executive directors of the company. Keeping in mind his profile and experience, it is considered to be in the interest of the company to re-appoint him as the executive director of the company.

5. Remuneration proposed :

The board based on the recommendations of nomination and remuneration committee has approved the reappointment of Mr. Varun P. Mehta as the executive director of the company for the period from 1st April, 2019 to 31st March, 2024 and his remuneration has been approved with effect from 1st April, 2019 for a period of 3 years in the manner as mentioned above.

6. comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin) :

The proposed remuneration is comparable and competitive considering the industry, size of the company, the managerial position, the credentials and experience of the executive director.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any :

Mr. Varun P. Mehta is the executive director of the company and thus receives managerial remuneration. He also receives managerial remuneration from N B Commercial Enterprises Ltd. where he is the executive director and the total remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013. He and his relatives are also entitled to various benefits in respect of his/ their shareholdings, if any, in the company and other group companies in which he/ his relatives are holding shares. Mr. Varun P. Mehta is related to Mr. Priyam B. Mehta, managing director, Mr. Vishal P. Mehta executive director and Mrs. Sujata P. Mehta director of the company.

III. OTHER INFORMATION

The company has gradually increased its grinding activity and is in the process of further increasing its grinding capacity with installation of new equipment's, de-bottlenecking, automation of the existing production processes, and improvement in effluent treatment facilities as compared to previous years. The company has set up a high tech, fully automated, most modern and sophisticated dextrose syrup plant during the year under review. The company has also introduced automation in sorbitol and HMCS plant which were operated manually in the past. As a result of this, production of the value added products like dextrose, sorbitol, anhydrous dextrose has increased and the quality has also further improved. This drive of automation, replacement of old equipment and modernization is expected to continue in future which in turn may further increase the production of value added products with improved quality and this may positively improve the top line and bottom line of your company.

IV. DISCLOSURES

The company has gradually

1. All elements of remuneration package such as salary, benefits, bonuses, stock option, pension etc. of all directors:

   Details of salary, benefits and sitting fees paid to the directors are disclosed in the annual report. The company did not give any bonuses and stock options to the directors.

2. Details of fixed components and performance linked incentives along with the performance criteria

   Details with regard to salary, benefits and sitting fees paid to the directors are disclosed in the annual report. The company does not give any performance linked incentives to the directors.

3. Service contracts, notice period, severance fees:

   Not Applicable

4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and or which exercisable:

   Not Applicable

This explanatory statement may also be regarded as a disclosure under Regulation 36(3) of listing regulations and secretarial standards of general meetings (SS-2) of ICSI.

Item No.12

The company had pursuant to the special resolution passed by the shareholders in the annual general meeting held on 13th September, 2016 executed the agreement on the same day with Mr. Vishal P. Mehta, executive director for the payment of remuneration by way of salary upto Rs.6,00,000/- per month and perquisites and commission etc. as mentioned in the said agreement for the period of three years of his appointment from 26th July, 2016 to 25th July, 2019.

He further informed that the company had pursuant to the special resolution passed by the shareholders in the annual general meeting held on 28th July 2017 executed the agreement dated 31st July, 2017 with the executive director for increase in his remuneration by way of salary of Rs.8,00,000/- and other perquisites and allowances as mentioned in the said agreement for the period from 14th November 2016 to 25th July, 2019.

The nomination and remuneration committee and the board of directors of the company at their respective meetings held on May 30, 2019 approved the following remuneration to Mr. Vishal P. Mehta as the executive director of the company for the remaining tenure of his appointment from 1st June, 2019 to 31st March, 2021 and approval of the members of the company is sought to the same in terms of Sections 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said act as may be amended from time to time:

a) **Salary:** Up to Rs.1000000/- per month as approved by the board from time to time and as permissible under Schedule V to the Companies Act, 2013.

b) **Perquisites:** Including residential accommodation, furniture, furnishings and fixtures, gas, electricity, water, medical benefits in India or overseas, leave and leave travel facilities, employees stock option schemes etc. as may be approved by the board of directors from time to time. Such perquisites may also be provided by way of cash allowances in lieu thereof wherever appropriate. The said perquisites and allowances shall be evaluated wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules made there under or any statutory modification(s) or re-enactment thereof and in absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

   Company's contribution to provident fund, superannuation or annuity fund, to the extent this singly or together not taxable under the income tax law and gratuity payable and encashment of leave, as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration.

   Total salary and monetary value of perquisites to be paid to Mr. Vishal P. Mehta shall be within the overall ceiling on remuneration under the provisions of Section 197, 203 and other applicable provisions of the Companies Act, 2013 and Section II of Part II of Schedule V to the said Act as may be amended from time to time.

c) **Commission :** on the net profits of the company in the manner as provided under Section 197 of the Companies Act, 2013 and computed in the manner as laid down under Section 198 of the Companies Act, 2013.

d) The executive director shall be allowed reimbursement of entertainment expenses, travelling expenses, lodging and boarding including for his spouse and attendant(s) during his business trips. Any medical assistance provided including for his family members and provision of cars for use on company's business, telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites. The expenses, as may be borne by the company for providing security to the executive director and his family members shall not be considered as perquisites and accordingly shall not be included for the purpose of computation of overall ceiling of remuneration.

e) The executive director shall not so long as he functions as such be paid any sitting fees for attending the meetings of the board of directors or committee thereof.

f) The remuneration referred to above is subject further to overall limit of 11% prescribed in Section 197 of the Companies Act, 2013 Notwithstanding anything herein contained, where in any financial year during the period of his office as the executive director, the company has no profits or its profits are inadequate, the company may, subject to the requisite approvals, if required, pay Mr. Vishal P. Mehta remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Schedule V to the Companies Act 2013 as may be agreed to by the board of directors and Mr. Vishal P. Mehta.

All other terms and conditions of the agreement entered into with Mr. Vishal P. Mehta remains the same and valid for the remaining tenure of his appointment till 31st March, 2021."

The Board of Directors considers that the payment of aforesaid remuneration to Mr. Vishal P. Mehta is in the best interest of the company.

Mr. Vishal P. Mehta holds 1,44,000 equity shares of the company in his own name and no other share or convertible instrument in the company is held by him either in his own name or in the name of any other person on a beneficial basis.

In accordance with the provisions of Sections 197, 203 and other applicable provisions of the Companies Act, 2013, the board recommends the special resolution set out at item no.12 of the accompanying notice for the approval of the members.

Copy of the draft supplemental agreement referred to in the resolution would be available for inspection without any fee by the members at the registered office of the company during normal business hours on any working day upto and including date of the annual general meeting.

Mr. Vishal P. Mehta is concerned and interested in the resolution. Mr. Priyam B. Mehta, Mrs. Sujata P. Mehta and Mr. Varun P. Mehta to whom Mr. Vishal P. Mehta is related may also be regarded as concerned and interested in the resolution. None of the other directors, key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the special resolution as set out at item no.12.

This explanatory statement may also be regarded as a disclosure under regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Ahmedabad

By order of the Board of Directors

Date : May 30, 2019

Rajesh H. Shah

Company Secretary

DIRECTORS' REPORT

To,

THE SHAREHOLDERS,

Your directors have pleasure in presenting the 78th annual report together with audited statements of accounts of the company for the financial year ended 31st March, 2019.

FINANCIAL RESULTS : **(Rs. in Lakhs)**

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Total income	62612.93	59022.51	64886.55	59694.12
Operating profit before interest, depreciation and taxation	3264.72	2997.39	3425.46	3190.94
Gross profit	2117.87	1817.98	2201.80	1944.40
Profit before exceptional item & tax	1181.58	1000.70	1206.22	1104.77
Exceptional item	2116.30	--	2116.30	--
Profit after exceptional item but before tax	3297.88	1000.70	3322.52	1104.77
Tax expenses	777.85	388.32	792.72	371.24
Items that will not be reclassified to profit or loss (net of tax)	(19.37)	(69.45)	(19.37)	(69.78)
Profit after tax	2500.66	542.93	2510.43	663.75

YEAR IN RETROSPECT:

A) STANDALONE BASIS :

Your directors are pleased to report that during the year under review, the total income of your company increased by 6% to Rs.62612.93 lakhs as against Rs.59022.51 lakhs in the previous year. There has been an increase in the maize grinding activity of the company. During the year under review, there has been increase in the price of maize which is the major input for the company and cost of some other inputs has gone up. The company could, however, pass major portion of this increased cost of inputs to its customers despite of adverse market conditions. The company also continued its efforts to cut the costs at all levels and to further improve its technical parameters and its product mix to concentrate more on high value products like dextrose, anhydrous dextrose and sorbitol. As a result of these efforts, your company has been able to more or less maintain its profitability during the year under review. The operating profit of the company is Rs.3264.72 lakhs as against Rs.2997.39 lakhs in the previous year. The gross profit of the company stands at. Rs.2117.87 lakhs as against Rs. 1817.98 lakhs in the previous year. The profit before tax of the company increased to Rs. 1181.58 lakhs as against Rs. 1000.70 lakhs in the previous year. During the year under review, the company sold 12,00,000 equity shares of Rs.10/- each held by it in Sethness Roquette India Limited (Formerly known as Sayaji Sethness Limited) to its J V Partners Sethness Products Company of USA at the price of USD 3.20 Million and profit on the sale of the said shares is shown as the exception item in the statement of profit and loss. After giving effect to this, the net profit after tax increased to Rs. 2500.66 lakhs as against Rs. 542.93 lakhs in the previous year.

The company has continued its efforts to strengthen industrial safety measures within the factory premises and is constantly arranging programs/ workshops to make the employees aware of the safety requirements to prevent the accidents/ breakdowns/ fire etc. due to human errors.

The long term contract entered into by the company with Yashwant Sahakari Glucose Karkhana Limited (YSGK) for purchase of certain products manufactured by YSGK at mutually agreed price was terminated due to dispute and differences between the parties. As per the terms of the termination agreement, YSGK agreed to pay a sum of Rs.250.00 Lakhs in full and final settlement. The company has received Rs.100.00 Lakhs from YSGK till 31st March, 2019 out of the said amount. For the balance outstanding amount of Rs.150.00 Lakhs (included in advances to suppliers), YSGK has issued post dated cheques to the company. The management of the company is confident of realization of the amount of Rs.150.00 Lakhs and the said amount is therefore considered as good.

B) CONSOLIDATED BASIS :

The company has recorded a total income of Rs.64886.55 lakhs as against Rs.59694.12 lakhs in the previous year. The

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Gross Profit of the Company stands at Rs.2201.80 lakhs as against. Rs.1944.40 lakhs in the previous year. During the year under review, the profit before exceptional item and tax of the company stood at Rs.1206.22 lakhs as against Rs.1104.77 lakhs in the previous year and after considering the profit on sale of equity shares held by the company in Sethness Roquette India Ltd. (Formerly Sayaji Sethness Ltd.), the net profit after tax was Rs.2510.43 lakhs as against Rs. 663.75 lakhs in the previous year.

SUB-DIVISION OF EQUITY SHARES OF THE COMPANY :

During the year under review, the company sub-divided its equity shares from existing one equity share of Rs. 10/- each into two equity shares of Rs.5/- each. Post sub-division, paid-up capital of the company is Rs.3,16,00,000/- comprising of 63,20,000 equity shares of Rs.5/- each.

DIVIDEND :

Your directors are pleased to recommend a dividend of Rs.2/- per equity share of the face value of Rs.5/- each (previous year Rs.3.75/- per equity share of the face value of Rs.10/- each) for the financial year ended 31st March, 2019 which if approved by the members, will be paid to those members whose names appear on the register of members of the company on 9th August, 2019.

The total outflow on account of dividend will be Rs.152.39 lakhs including dividend tax of Rs. 25.99 lakhs.

FUTURE OUTLOOK :

There has been a substantial increase in the price of maize in recent times and there has also been an issue of availability of the same. However, your directors are hopeful that this situation will improve with availability of maize from Bihar and good monsoon, especially in the maize growing areas.

The company has gradually increased its grinding activity and is in the process of further increasing its grinding capacity with installation of new equipment, de-bottlenecking, automation of the existing production processes and improvement in effluent treatment facilities. The company has set up a high tech, fully automated, most modern and sophisticated dextrose monohydrate plant during the year under review. The company has also introduced automation in sorbitol and HMCS plant which were operated manually in the past. As a result of this, production of the value added products like dextrose, sorbitol, anhydrous dextrose has increased and the quality has also further improved. This drive of automation, replacement of old equipment and modernization is expected to continue in future which in turn will increase the production of value added products with improved quality and your directors are hopeful that this may positively improve the top line and bottom line of your company.

SALE OF INVESTMENT IN SETHNESS ROQUETTE INDIA LIMITED (FORMERLY KNOWN AS SAYAJI SETHNESS LIMITED), THE JOINT VENTURE WITH SETHNESS PRODUCTS COMPANY

During the year under review, the company had sold its investment of 12,00,000 equity shares of Rs.10/- each in Sethness Roquette India Limited (Formerly known as Sayaji Sethness Limited), to its joint venture partner, Sethness Products Company, USA for USD 3200000 and the profit on the sale of such investment is shown in the statement of profit and loss of the company.

AWARDS AND RECOGNITION :

The company has received in past no. of awards for its products, use of boiler and certifications in recognition of the company's systems. The most recent certifications received by the company are OHSAS 18001:2007 certification in recognition of company's health and safety management system, ISO 9001:2015 in recognition of company's quality management system and ISO 14001:2015 in recognition of company's environmental management system.

TECHNICAL ASSISTANCE AGREEMENTS:

The company had availed the benefits of technical expertise from M/s Tate & Lyle, Belgium and SIGMA Mudhendislik Makine Sanayi Ve Ticaret Auaturk Mahallesi, Girne Cad, Turkey in the past. This has enabled it to further improve the technical parameters of the production processes and also improve the quality of its products.

EXPORTS:

Your directors report that the export turnover of the company during the year under review is Rs. 11111.31 lakhs as against Rs.10659.60 lakhs which shows improvement of 4.24% during the year under review. The company intends to continue with its long term export oriented marketing policy by penetrating more in its existing international market and exploring new avenues for its high value products.

MARKETING:

Your directors are pleased to inform you that there has been an increase in the turnover of your company due to extensive and effective efforts of the company's sole selling agents, M/s L G & Doctor Associates Private Limited. The company also continues to receive better price realization for its products as compared to its competitors. It is heartening to note that due to efforts on the part of the sole selling agents, despite of increase in the revenue from operations of the company, total receivables at the end of the year remained in control and average credit period has reduced during the year under review.

The directors place on record its appreciation for the persistent untiring efforts of the sole selling agents to find new markets, pursue with the customers for additional orders and to ensure timely collection of dues.

PUBLIC DEPOSITS:

Deposits aggregating Rs.34.05 lakhs due for repayment on or before 31st March, 2019 were not claimed by the depositors on that date. As on the date of this report, from the aforesaid amount, deposits aggregating Rs.18.39 lakhs have been claimed/paid.

Your company has accepted the deposits aggregating to Rs.1954.30 lakhs during the year under review after complying with the provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. There has been no default in repayment of deposits or payment of interest thereon during the year under review and there are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

Your directors appreciate the support which the company has received from the public and shareholders to its fixed deposit scheme.

INSURANCE:

All the properties and insurable interests of the company including buildings, plant and machinery, stocks, loss of profit and standing charges etc. are adequately insured.

GREEN INITIATIVE:

During the year under review, the company installed a new biogas engine of the capacity of 1870 KVA, replacing the old gas engine which utilizes biogas captured while treating the effluents which are generated from the manufacturing processes of the company. This has resulted into generation of more power at a reduced of power cost. Utilization of biogas for generation of electricity reduces emission of the green house gases into environment and thus supports green environment.

MATERIAL CHANGES:

After the end of financial year under review, your company has entered into a joint venture agreement with SOCIETE DEVELOPPEMENT PRODUITS AFRIQUE - SDPA, FRANCE, the holding company of Alland and Robert for manufacturing of Gum Arabic/ Gum Acacia, Gum Ghatti and Gum blends. The joint venture is a 50:50 venture, wherein the company and SOCIETE DEVELOPPEMENT PRODUITS AFRIQUE - SDPA, FRANCE will invest Rs.3.50 Crores each in Sayaji Ingritech LLP which is presently a subsidiary of the company. Apart from this, there are no other material changes and commitments, affecting the financial position of the company which has occurred between the end of the financial year under review of the company to which the financial statements relate and the date of this board report.

DIRECTORS:

A special resolution has been proposed for the approval of the members for reappointment of Mr. Varun P. Mehta as the executive director of the company for the period from 1st April, 2019 to 31st March, 2024 and for approving his remuneration for the period of three years from 1st April, 2019 to 31st March, 2022. A special resolution has also been proposed for revision in the payment of remuneration to Mr. Vishal P. Mehta as the executive director of the company for the period from 1st June, 2019 to 31st March, 2021. The details of such reappointment and remuneration of Mr. Varun Mehta and that of increase in remuneration of Mr. Vishal Mehta are given in the explanatory statement of the notice of the 78th annual general meeting.

Mrs. Sujata P. Mehta retires by rotation at the forthcoming annual general meeting and being eligible, offers herself for re-appointment.

CA Mahendra N. Shah, non-executive independent director passed away on 27th July, 2018. He was appointed as a director of the company in August 1983 and was a senior chartered accountant with extensive knowledge and experience in legal, finance and compliance related matters. Your directors place on record their appreciation for the services rendered by him during his tenure as a director of the company.

It is proposed to appoint Mr. Premal Mehta and Mr. Jaysheel Hazarat as independent directors for the period of five years for a term upto 2nd November, 2023. It is also proposed to reappoint CA. Chirag M. Shah, Dr. Gaurang K. Dalal and Dr. Janak D. Desai as the independent directors of the company for second term of five consecutive years till 31st March, 2024. The details of such directors who are proposed to be appointed as independent directors are mentioned in the explanatory statement annexed to the notice of the 78th annual general meeting.

Mr. Priyam B. Mehta is the chairman and managing director of the company since November, 1982. He is assisted by Mr. Varun P. Mehta who is the executive director of the company since January, 2010 and Mr. Vishal P. Mehta who is also the executive director of the company since July, 2011. The appointment of the said whole time directors and their remuneration are recommended by the nomination and remuneration committee keeping in mind their contribution to the growth of the company, the financial position of the company, prevailing industry norms, provisions of the Companies Act, 2013 and as approved by the board of directors and members of the company from time to time.

The independent directors of the company are highly qualified and stalwarts in their respective filed with wide and varied experience. They actively participate in the discussions at the board meeting and their suggestions have helped the company to grow at a rapid pace. The independent directors are paid sitting fees for attending the board and committee meetings. The nomination and remuneration committee has in place their criteria for determination of qualifications, positive attributes and independence of the directors, which they have considered for the appointment of the new independent directors and reappointment of independent directors for the second term of consecutive five years.

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the board has carried out an evaluation of its own performance, the performance of directors individually as well as the evaluation of working of its audit committee, nomination and remuneration committee, stakeholders relationship committee and corporate social responsibility committee. The manner in which the evaluation has been carried out has been explained in the corporate governance report.

The manner in which the remuneration is paid to the directors, executive directors and senior level executives of the company has also been explained in the corporate governance report.

During the year under review, six board meetings, one independent directors meeting and four audit committee meetings were convened and held the details of which are given in the corporate governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013 your directors would like to state that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as on 31st March, 2019 and of the profit of the company for that period;

(iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors have prepared the annual accounts on a "going concern" basis;

(v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014:

The extract of annual return in form no. MGT-9 as provided under Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules 2014 is annexed hereto as Annexure-1 and forms the part of this report.

Further, the disclosure in the board report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto as Annexure-2 and forms the part of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The details of loans, guarantees or investments under Section 186 of the Companies Act, 2013 at the beginning of the year, given/ made during the year and at the end of the financial year under review is as given below:

Particulars of Loans/ Guarantees/ Investments	As at 1/4/2018	Given/ Made during the financial year	As at 31/3/2019
Investment in 12.00,000 equity shares of Sethness Roquette India Ltd.(Formerly Sayaji Sethness Ltd.)	Rs.1,20,00,000/-	(Rs. 1,20,00,000/-)	Nil as stake has been sold to the joint venture partner, Sethness Products Company USA.
Investment in 2500 equity shares of Rapicut Carbide Ltd. at cost	Rs.5000/-	Nil	Rs.,5000/-
Investment in 2360 equity shares of Punjab National Bank at cost	Rs.1,84,000/-	Nil	Rs. 1,84,000/-
Investment in 159329 units of Rs.10/- each of Principal Asset Allocation Fund at cost	Rs.15,93,290/-	(Rs.15,63,290/-)	Nil
Investment in Sayaji Corn Products Ltd.	Rs.5,00,000/-	Nil	Rs.5,00,000/-
Investment in Sayaji Seeds LLP	Rs.1,80,00,000/-	Rs.60,00,000/-	Rs.2,40,00,000/-
Investment in Sayaji Ingritech LLP)	Rs.2,08,99,956/-	Nil	Rs.2,08,99,956/-
Corporate Guarantee given to Punjab National Bank for financial assistance to N B Commercial Enterprises Ltd.	Rs.17,50,00,000/-	(Rs.17,50,00,000/-)	Nil. Limits transferred to Kotak Mahindra Bank Ltd.
Corporate Guarantee given to Kotak Mahindra Bank for financial assistance to N B Commercial Enterprises Ltd	--	Rs.25,00,00,000/-	Rs.25,00,00,000/-
Corporate guarantee given to Kotak Mahindra Bank for financial assistance to Sayaji Ingritech LLP	Rs.8,25,00,000/-	Nil	Rs. 8,25,00,000/-
Corporate guarantee given to Kotak Mahindra Bank for financial assistance to Sayaji Seeds LLP	Rs.6,00,00,000/-	Rs.3,00,00,000/-	Rs.9,00,00,000/-

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. The company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable..

SUBSIDIARY COMPANIES:

The company has three subsidiaries i.e. Sayaji Corn Products Ltd., Sayaji Ingritech LLP and Sayaji Seeds LLP. Pursuant to Section 129(3) of the Companies Act, 2013 a statement in Form AOC 1 containing the salient features of the financial statements of each of the subsidiaries is attached to the annual report.

CODE OF CONDUCT:

The board of directors has approved a code of conduct which is applicable to the members of the board and all executives one level below the board. The company believes in zero tolerance against bribery, corruption and unethical dealings/ behaviour of any form and the board has laid down the directives to counter such acts. The code of conduct has been posted on company's web site www.sayajigroup.in

The code lays down the standard procedure of business conduct which is expected to be followed by the directors and executives one level below the board in their business dealings and in particular on matters relating to integrity in the work place, in business practice and in dealing with stakeholders.

All the board members and executives one level below the board have confirmed compliance with the code.

STATEMENT ON DEVELOPMENT AND IMPLEMENATION OF RISK MANAGEMENT POLICY:

The statement on development and implementation of risk management policy is given under the management discussion and analysis report which is attached with this annual report.

INTERNAL FINANCE CONTROL:

Details in respect of adequacy of internal finance control with reference to the financial statements are stated in management discussion and analysis report which forms the part of this report.

CORPORATE SOCIAL RESPONSIBITY (CSR) POLICY AND CSR INITIATIVES:

The company has developed CSR policy with the objective to lay down guiding principles for proper functioning of CSR activities to attain sustainable development of nearby society. CSR policy is also available on the web-site of the company.

The company is contributing in the areas like promotion of education, public welfare and animal welfare.

The CSR policy developed by the company mentions the areas of its operation, the CSR activities, the allocation of funds and arrangements for carrying out such activities. The members of CSR committee include Mr. Varun P. Mehta as chairman Dr. Gaurang K. Dalal, Dr. Janak D. Desai and Mrs. Sujata P. Mehta as members.

The company has spent a sum of Rs.27.08 Lakhs on CSR activities during the year under review which is more than the prescribed limits of the amount of Rs.11.53 Lakhs which it is required to spend on the said activities pursuant to the provisions of Section 135 of the Companies Act, 2013. The CSR activities were overseen by the CSR Committee and also by the Board of Directors on a regular basis. The report on CSR activities is annexed hereto as Annexure - 3 and forms the part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The management discussion and analysis report as required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been attached and forms part of this directors' report.

CORPORATE GOVERNANCE:

Your company has complied with the requirements of corporate governance as prescribed under Schedule V of the SEBI (LODR) Regulations, 2015. A separate report on corporate governance forms the part of the annual report. A certificate from the Practicing Company Secretary Amrish Gandhi & Associates regarding compliance of conditions of corporate governance also forms the part of this report.

AUDITORS:

M/s Shah and Shah Associates, Chartered Accountants Ahmedabad (ICAI Registration No. 113742W) continue to act as the statutory auditors till the conclusion of 81st annual general meeting of the company to be held in the year 2022.

SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Amrish Gandhi & Associates practicing company secretary was appointed to undertake secretarial audit of the company. The secretarial audit report is annexed herewith as Annexure - 4 and forms the part of this report.

COST AUDITORS:

The Company has received a letter dated May 2, 2019 from the cost auditors M/s Dalwadi & Associates, Cost Accountants to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. The board of directors of the company at its meeting held on May 30, 2019 appointed M/s Dalwadi & Associates Cost Accountants as the cost auditors of the company to conduct the audit of cost records maintained by the company as required by the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time.

The members are requested to ratify the remuneration to be paid to the cost auditors of the company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended hereto as Annexure - 5 and forms part of this report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees particulars which is available for inspection by members at the registered office of the company during the business hours on working days of the company upto the date of ensuing 78th annual general meeting of the company. If any member is interested in inspecting the same, the member may write to the company secretary in advance.

APPRECIATION:

Your directors express their deep sense of appreciation for the valuable and devoted services rendered by the chairman and managing director and the executive directors in the management and conduct of the affairs of the company. The directors also express their appreciation for the devoted services of the sole selling agents. Your directors also thank Kotak Mahindra Bank and Punjab National Bank, bankers to the company for extending financial assistance by way of working capital facilities and term loans at competitive rates. Your directors also wish to place on record their deep sense of appreciation for the devoted services of the company's executives, staff, workers and all associated, directly and indirectly with the affairs of the company.

For and on behalf of Board of Directors

Place : Ahmedabad
Date : May 30, 2019

Priyam B. Mehta
Chairman &
Managing Director

ANNEXURE 1 TO DIRECTORS' REPORT
Form No. MGT 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019

[pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	**L99999GJ1941PLC000471**
2	Registration Date	**30th January, 1941**
3	Name of the Company	**Sayaji Industries Limited**
4	Category / Sub-Category of the Company	**Public Limited Company**
5	Address of the Registered Office and contact details	**P.O. Kathwada, Maize Products, Ahmedabad-382430** **Telephone no. 079-22901581-85** **e-mail : maize@sayajigroup.in**
6	Whether listed company	**Yes**
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	**Karvy Fintech Private Limited** Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032 Phone: 040-44655000/040-44655188 e-mail : einward.ris@karvy.com

II. REGISTRATION AND OTHER DETAILS:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and description of main products /services	NIC Code of the product/service	% to total turnover of the company
1	Maize Starch Powder	1108.12.00	24.04%
2	Sorbitol	2905.44.00	19.55%
3	Liquid Glucose	1702.30.01	13.28%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

SR. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1.	Sayaji Seeds LLP C-155, B/h C L High School, Village Kathwada, Taluka Daskroi Dist Ahmedabad-382430	AAF-1886	Subsidiary LLP	92.20	Section 2 (87) of the Companies Act, 2013
2.	Sayaji Ingritech LLP 61, GVMM, Odhav, Ahmedabad - 382410	AAF-5992	Subsidiary LLP	75.99	Section 2 (87) of the Companies Act, 2013
3.	Sayaji Corn Products Limited P.O Kathwada,Maize Products, Kathwada Ahmedabad - 382410	U15129GJ2016PLC091578	Subsidiary Company	99.99	Section 2 (87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Note : One equity share of Rs.10/- each of the company has been sub-divided into two equity shares of Rs.5/- each w.e.f. 30/12/18. To compare the shares held at the beginning of the year and at the end of the year, for each category of shareholders the shares held at the beginning of the year are increased to give effect to the sub-division of shares in the manner as mentioned herein.

i) Category-wise Share Holding

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoters **1) Indian**									
a) Individual/HUF	2426400	33440	2459840	38.92	2426400	33440	2459840	38.92	00
b) Central govt	00	00	00	00	00	00	00	00	00
c) state govt(s)	00	00	00	00	00	00	00	00	00
d) Bodies Corp.	2275120	80	2275200	36.00	2275120	80	2275200	36.00	00
e) Banks/FI	00	00	00	00	00	00	00	00	00
f) Any Other	800	2640	3440	0.06	800	2640	3440	0.06	00
Sub-total (A) (1):-	**4702320**	**36160**	**4738480**	**74.98**	**4702320**	**36160**	**4738480**	**74.98**	**00**
(2) Foreign a) NRI /Individuals	00	00	00	00	00	00	00	00	00
b) Other individuals	00	00	00	00	00	00	00	00	00
c) Bodies Corp.	00	00	00	00	00	00	00	00	00
d) Banks/FI	00	00	00	00	00	00	00	00	00
e) Any Other	00	00	00	00	00	00	00	00	00
Sub-total (A) (2):-	00	00	00	00	00	00	00	00	00
Total Shareholding of promoter (A)=(A)(1)+(A)(2)	**4702320**	**36160**	**4738480**	**74.98**	**4702320**	**36160**	**4738480**	**74.98**	**00**
B. Public Shareholding 1) institutions	00	00	00	00	00	00	00	00	00
(a) Mutual Funds	00	00	00	00	00	00	00	00	00
(b) Banks/FI	800	320	1120	0.02	800	320	1120	0.02	00
(c) Central Govt.	00	00	00	00	00	00	00	00	00
(d) State Govt(s)	00	00	00	00	00	00	00	00	00
(e) Venture Capital Funds	00	00	00	00	00	00	00	00	00
(f) Insurance Companies	00	00	00	00	00	00	00	00	00
(g) FIIS	00	00	00	00	00	00	00	00	00
(h) Foreign Venture Capital Funds	00	00	00	00	00	00	00	00	00
(I) Others (specify)	00	00	00	00	00	00	00	00	00
Sub-total (B) (1)	**800**	**320**	**1120**	**0.02**	**800**	**320**	**1120**	**0.02**	**00**
2. Non-Institutional (a) Bodies Corp.									
(I) Indian	5634	1360	6994	0.11	4645	1200	5845	0.09	-0.02
(ii) Overseas	00	00	00	00	00	00	00	00	00
(b) Individual									
(I) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	512436	689080	1201516	19.01	654765	525580	1180345	18.68	-0.33

(ii) Individual Share holders holding nominal share capital in excess of Rs. 1 lakh	188560	183200	371760	5.88	343040	51040	394080	6.23	0.35
Sub-total (B)(2) :-	706630	873640	1580270	25.00	1002450	577820	1580270	25.00	00
(c) Others -NRI	130	00	130	0.00	130	0.00	130	0.00	0.00
Total public Shareholding (B)=(B)(1)+(B)(2)+(C)	707560	873960	1581520	25.02	1003380	578140	1581520	25.02	00
Shares held by custodians for GDRs & ADRs	00	00	00	00	00	00	00	00	00
Grand Total (A+B+C)	**5409880**	**910120**	**6320000**	**100**	**5705700**	**614300**	**6320000**	**100**	**00**

(ii) Shareholding of Promoters

Sr No	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (1/4/18 to 31/3/19)	
		No of shares at the beginning (1/4/18) / end of the year (31/3/19)	% of total shares of the Company				No of shares	% of total shares of the company
1	C V Mehta Pvt Ltd	959520	15.18	1/4/2018	0	Nil movement during the year		
		959520	15.18	31/3/2019			959520	15.18
2	Priyam Commercial Enterprises Pvt Ltd	856400	13.55	1/4/2018	0	Nil movement during the year		
		856400	13.55	31/3/2019			856400	13.55
3	Mrs. Sujata Priyam Mehta	1137680	18.00	1/4/2018	0	Nil movement during the year		
		1137680	18.00	31/3/2019			1137680	18.00
4	Mr. Priyam Bipinbhai Mehta	729200	11.54	1/4/2018	0	Nil movement during the year		
		729200	11.54	31/3/2019			729200	11.54
5	Bini Commercial Enterprises Pvt Ltd	459200	7.27	1/4/2018	0	Nil movement during the year		
		459200	7.27	31/3/2019			459200	7.27
6	Mrs. Niramayiben Bipinbhai Mehta	304960	4.83	1/4/2018	0	Nil movement during the year		
		304960	4.83	31/3/2019			304960	4.83
7	Mr. Vishal Priyam Mehta	144000	2.28	1/4/2018	0	Nil movement during the year		
		144000	2.28	31/3/2019			144000	2.28
8	Mrs. Priyaben Amalbhai Kothari	29440	0.47	1/4/2018	0	Nil movement during the year		
		29440	0.47	31/3/2019			29440	0.47
9	Mr. Varun Priyam Mehta	109360	1.73	1/4/2018	0	Nil movement during the year		
		109360	1.73	31/3/2019			109360	1.73

10	Mr. Amal Kirtibhai Kothari	4000	0.06	1/4/2018	0	Nil movement during the year		
		4000	0.06	31/3/2019			4000	0.06
11	Mr. Bipinbhai Vadilal Mehta	1200	0.02	1/4/2018	0	Nil movement during the year		
		1200	0.02	31/3/2019			1200	0.02
12	Dr. Janak D Desai	960	0.02	1/4/2018	0	Nil movement during the year		
		960	0.02	31/3/2019			960	0.02
13	CA Chirag M Shah	880	0.01	1/4/2018	0	Nil movement during the year		
		880	0.01	31/3/2019			880	0.01
14	Dr. Gaurang Kantilal Dalal	800	0.01	1/4/2018	0	Nil movement during the year		
		800	0.01	31/3/2019			800	0.01
15	CA Mahendrabhai Natvarlal Shah	800	0.01	1/4/2018	0	Nil movement during the year		
		800	0.01	31/3/2019			800	0.01
16	Shri Murli packing & Trading Co. Pvt Ltd	80	0.00	1/4/2018	0	Nil movement during the year		
		80	0.00	31/3/2019			80	0.001

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SL NO		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
1	At the beginning of the year	4738480	74.98	4738480	74.98
2	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/ transfer/bonus/sweat equity etc);		There is no change in promoters' holding		
3	At the end of the year	4738480	74.98	4738480	74.98

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No	Name of shareholders	Shareholding		Date	Increase / Decreasein shareholding	Reason	Cumulative shareholding during the year (1/4/18 to 31/3/19)	
		No of shares at the beginning (1/4/18) / end of the year (31/3/19)	% of total shares of the Company				No of shares	% of total shares of the company
1	Mr. Suhasbhai V Mehta	132160	2.09	1/4/2018	0	Nil movement of shares		
		132160	2.09	31/3/2019			132160	2.09
2	IEPF	112240	1.78	1/4/2018	0	Transfer of shares to IEPF account		
				07/12/2018	8000			
		120240	1.90	31/3/2019			120210	1.90
3	Mr.Mahendra Girdharlal	45760	0.72	1/4/2018	0	Nil movement during the year		
		45760	0.72	31/3/2019			45760	0.72
4	Shri Kanhai Siddhitbhai Jhaveri	30560	0.48	1/4/2018	0	Nil movement during the year		
		30560	0.48	31/3/2019			30560	0.48

5	Unit Trust of India	27440	0.43	1/4/2018	0	Nil movement during the year		
		27440	0.43	31/3/2019			27440	0.43
6	Mr. Dhavalkumar Todarmal Sheth	23600	0.37	1/4/2018	0	Nil movement during the year		
		23600	0.37	31/3/2019			23600	0.37
7	Bhavna G. Desai	17600	0.28	1/4/2018	0	Nil movement during the year		
		17600	0.28	31/3/2019			17600	0.28
8	Mr. Suhasbhai V Mehta	14320	0.23	1/4/2018	0	Nil movement during the year		
		14320	0.23	31/3/2019			14320	0.23
9	Mr. Jawahirlal N. Jariwala	12080	0.19	1/4/2018	0	Nil movement during the year		
		12080	0.19	31/3/2019			12080	0.19
10	Mr. Atit Tarangbhai Shah	11400	0.19	1/4/2018	0	Nil movement during the year		
		11400	0.19	31/3/2019			11400	0.19
11	Devilaben Ravindrakumar Haribhakti *	9600	0.15	1/4/2018		Nil movement during the year		
		9600	0.15	31/3/2019			9600	0.15
12	Vikas Kejriwal *	9600	0.15	1/4/2018		Transfer		
				6/4/2018	-1600			
				18/5/2018	-1500			
				28/12/2018	-500			
				31/12/2018	-350			
				04/01/2019	-750			
		4900	0.08	31/3/2019			4900	0.08

* Ceased to be in the list of Top 10 shareholders as on 31/3/2019. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 1/4/2018.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No	Name of Directors and KMP	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (1/4/18 to 31/3/19)	
		No of shares at the beginning (1/4/17) / end of the year (31/3/18)	% of total shares of the Company				No of shares	% of total shares of the company
1	Mr. Priyam Bipinbhai Mehta	729200	11.54	1/4/2018	0	Nil movement during the year		
		729200	11.54	31/3/2019			729200	11.54
2	Mr. Varun Priyam Mehta	109360	1.73	1/4/2018	0	Nil movement during the year		
		109360	1.73	31/3/2019			109360	1.73
3	Mr. Vishal Priyam Mehta	144000	2.28	1/4/2018	0	Nil movement during the year		
		144000	2.28	31/3/2019			144000	2.28
4	Mrs. Sujata Priyam Mehta	1137680	18.00	1/4/2018	0	Nil movement during the year		
		1137680	18.00	31/3/2019			1137680	18.00

5	CA Mahendrabhai Natvarlal Shah[1]	800	0.01	1/4/2018	0	Nil movement during the year		
		800	0.01	31/3/2019			800	0.01
6	Dr. Janak D Desai	960	0.02	1/4/2018	0	Nil movement during the year		
		960	0.02	31/3/2019			960	0.02
7	Dr. Gaurang Kantilal Dalal	800	0.01	1/4/2018	0	Nil movement during the year		
		800	0.01	31/3/2019			800	0.01
8	CA Chirag M Shah	880	0.01	1/4/2018	0	Nil movement during the year		
		880	0.01	31/3/2019			880	0.01
9	Mr. Premal Mehta[2]	0	0	3/11/2018	0	Nil movement during the year	0	0
		0	0	31/3/2019	0		0	0
10	Mr. Jaysheel Hazarat[2]	0	0	3/11/2018	0	Nil movement during the year	0	0
		0	0	31/3/2019	0		0	0
11	Mr. Rajesh H. Shah	0	0	1/4/2018	0	Nil movement during the year	0	0
		0	0	31/3/2019			0	0
12	Mr. N J Deora[3]	800	0.01	1/4/2018	0	Nil movement during the year		
		800	0.01	31/3/2019			800	.001

1. CA Mahendra N. Shah ceased to be director with effect from 26/7/2018 due to his demise.
2. Mr. Premal Mehta and Mr. Jayesheel Hazarat were appointed as directors with effect from 3/11/18.
3. Mr. N J Deora ceased to be the CFO of the company with effect from 06/4/2019.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i)Principal Amount	8407.45	0.00	2912.41	11319.86
(ii)Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	10.02	0.00	0.00	0.00
Total(i+ii+iii)	8417.47	0.00	2912.41	11319..86
Change in Indebtedness during the financial Year				
• Addition	3540.40	590.15	587.84	4718.39
• Reduction	1784.22	0.00	700.00	2484.22
Net change	1756.18	590.15	(112.16)	2234.17
Indebtedness at the end of the financial year				
(i)Principal Amount	10163.63	590.15	2800.25	13590.36
(ii)Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	36.33	0.00	0.00	36.33
Total(i+ii+iii)	10199.96	590.15	2800.25	13590.36

VI. A. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(Rs.in Lakhs)

SL No	Particulars of remuneration	Name of MD/WTD/Manager			
		Chairman and Managing Director Mr. Priyam B. Mehta	Executive Director Mr. Varun P. Mehta	Executive Director Mr. Vishal P. Mehta	Total Amount
1.	Gross Salary (a)Salary as per provisions Contained in section 17(1) of the Income – tax Act, 1961	96.00	96.00	96.00	288.00
	(b) value of perquisites u/s 17(2) of the Income-tax Act,1961	21.12	21.20	18.92	61.24
	(c) profits in lieu of salary under section 17(3) of the income tax Act 1961	-	--	--	--
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission -as % of Profit	--	--	--	--
	- others, specify	--	--	--	--
5.	Others, please Specify	--	--	--	--
	Total	117.12	117.20	114.92	349.24
	Ceiling as per Act				

B. Remuneration to other directors:

(Rs.in Lakhs)

Sl. No.	Particulars of remuneration	CA Chirag M Shah	CA Manhendra N. Shah	Dr. Gaurang K Dalal	Dr. Janak D Desai	Mr. Premal D Mehta	Mr. Jaysheel P. Hazarat	Smt. Sujata P Mehta	Total Amount
1.	Independent Directors								
	• Fee for attending board/ committee meetings	2.45	0.75	2.75	1.30	0.60	1.20	--	9.05
	• Commission	--	--	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--	--	--
2.	Total (1)	2.45	0.75	2.75	1.30	0.60	1.20	--	9.05
3.	Other Non - Executive Directors								
	• Fee for attending board/committee meetings	--	--	--	--	--	--	2.00	--
	• Commission	--	--	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--	--	

4.	Total (2)	--	--	--	--	--	--	2.00	2.00
5.	Total (B) = (1+2)	2.45	0.75	2.75	1.30	0.60	1.20	2.00	11.05
6.	Total Managerial Remuneration	2.45	0.75	2.75	1.30	0.60	1.20	2.00	11.05
7.	Overall Ceiling as per the Act	7.00	2.00	7.00	7.00	2.00	2.00	6.00	33.00

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs.in Lakhs)

Sl. No.	Particulars of remuneration	CFO Mr. N J Deora	Company Secretary Mr. Rajesh H Shah	Total
1.	Gross Salary (a)Salary as per provisions Contained in section 17(1) of the Income–tax Act, 1961 (b) value of perquisites u/s 17(2) of the Income-tax Act,1961 (c) profits in lieu of salary under section 17(3) of the income-tax Act 1961	 39.48 6.95 --	 36.07 7.25 --	 75.55 14.20 --
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission -as % of profit - others, specify	--	--	--
5.	Others, please Specify	--	--	--
	Total	46.43	43.32	89.75

VII. PENALTIES/PUNISHMENT/COMPUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty/ Punishment Compounding Fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any(give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFF ICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

ANNEXURE - 2 TO DIRECTORS' REPORT
DISCLOSURE IN THE BOARD'S REPORT UNDER RULE5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

I	The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19	Director's name		Ratio to mean remuneration
		Mr. Priyam B. Mehta, Chairman & Managing Director		40.25 :1
		Mr. Varun P. Mehta, Executive Director		40.27 : 1
		Mr. Vishal P. Mehta, Executive Director		39.49 : 1
		CA Chirag M. Shah, Director		0.84 : 1
		CA Mahendra N. Shah, Director		0.26 : 1
		Dr. Gaurang K. Dalal, Director		0.95 :1
		Dr. Janak D. Desai, Director		0.45 :1
		Mr. Premal Mehta, Director		0.21 : 1
		Mr. Jaysheel Hazarat, Director		0.41 : 1
		Mrs. Sujata P. Mehta, Director		0.69 : 1
II	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2018-19 as compared to 2017-18	Director's CFO/CS Name		% increase in remuneration
		Mr. Priyam B. Mehta, Chairman & Managing Director		--
		Mr. Varun P. Mehta, Executive Director		-2.30
		Mr. Vishal P. Mehta, Executive Director		0.27
		CA Chirag M. Shah, Director		--
		CA Mahendra N. Shah, Director		-71.80
		Dr. Gaurang K. Dalal, Director		1.85
		Dr. Janak D. Desai, Director		-41.18
		Mr. Premal D. Mehta, Director		--
		Mr. Jaysheel Hazarat, Director		--
		Mrs. Sujata P. Mehta, Director		-3.38
		Mr. N J Deora, CFO		31.82
		Mr. Rajesh H. Shah CS		19.80
III	Percentage increase in the median remuneration of employees in the financial year 2018-19 as compared to 2017-18	-1.03%		
IV	No. of permanent employees on the roll of the company	As on 31.3.2019	As on 31.3.2018	
		796	825	
V	Explanation on the remuneration between the average increase in the remuneration and the company performance	Increase in remuneration is to compensate the inflationary effect and is in line with improvement in the profitability of the company.		
VI	Comparison of the remuneration of the KMP against the performance of the company	There is an increase in the remuneration of KMPcommensurate with industry norms and improvement in the working of the company.		
VII	Variations	Details	31.3.2019	31.3.2018
		Market Capitalization	17696.00 Lakhs	16193.42 Lakhs
		P E Ratio	7.02	29.83
		% increase / decrease of market quotation	NA	N A
		Net worth	8042.83 Lakhs	5685.04 Lakhs

<table>
<tr><td>VIII</td><td>Average percentile increase in salaries of employees other than managerial personnel</td><td colspan="2">During 2018-19</td><td colspan="3">During 2017-18</td></tr>
<tr><td></td><td></td><td colspan="2">6.69%</td><td colspan="3">24.85%</td></tr>
<tr><td></td><td></td><td colspan="2">Justification for increase with reason for any exceptional circumstances</td><td colspan="3">Normal industry standards applied and also performance of the company</td></tr>
<tr><td>IX</td><td>Comparison of remuneration of each KMP against the performance of the company</td><td>Name of the KMP</td><td colspan="3">Remuneration for the year ended</td><td>Reason against performance of the company</td></tr>
<tr><td></td><td></td><td></td><td>31.3.19</td><td>31.3.18</td><td>% change</td><td></td></tr>
<tr><td></td><td></td><td>Mr. Priyam B. Mehta CMD</td><td>117.12 Lakhs</td><td>117.26 Lakhs</td><td>--</td><td rowspan="3">The increase in the remuneration is to match industry standards and keeping in mind performance of the company.</td></tr>
<tr><td></td><td></td><td>Mr. N J Deora, CFO</td><td>43.31 Lakhs</td><td>36.15 Lakhs</td><td>19.80</td></tr>
<tr><td></td><td></td><td>Mr. Rajesh H. Shah, CS</td><td>46.43 Lakhs</td><td>35.22 Lakhs</td><td>31.82</td></tr>
<tr><td>X</td><td>Key parameters for any variable components of remuneration availed by the Directors</td><td colspan="5">Nil</td></tr>
<tr><td>XI</td><td>Ratio of the remuneration of the highest paid director to that of the employees who are not director but receive remuneration in excess of the highest paid director during the year</td><td colspan="5">Nil</td></tr>
</table>

The board of directors of the company affirms that the remuneration is as per the remuneration policy of the company.

01-08 CORPORATE OVERVIEW
09-59 STATUTORY REPORT
60-104 STANDALONE FINANCIAL STATEMENT
105-152 CONSOLIDATED FINANCIAL STATEMENT

ANNEXURE- 3 TO DIRECTORS REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **Brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program.**

   The CSR policy was approved by the Board of Directors on 26th July, 2014.

   The objective of the company's CSR policy is to lay down guiding principles for proper functioning of CSR activities to attain sustainable development of the nearby society.

   The company has been engaged in CSR related activities since many years and has contributed generously in the areas like promotion of education, public welfare, animal welfare etc.

   The CSR policy adopted by the company intends to do CSR activities in various areas which include the areas like education, infrastructure support to education centers, skill development, community health care, (specialized in medical treatment, health camps etc.) Saving wild animals, animal welfare sanitation and public health, rain water harvesting, construction, repair and maintenance of community centers, promotion of art and culture, taking measures for benefit of armed forces veterans etc.

   Web Link :

   https://www.sayajigroup.in/wp-content/uploads/2016/06/CSR.pdf

2. **Composition of CSR committee**

Name of the Member	Designation
Mr. Varun P. Mehta	Chairman
Dr. Gaurang K. Dalal	Member
Dr. Janak D. Desai	Member
Mrs. Sujata P. Mehta	Member

3. **Average net profit of the company for last three financial years :**

   Rs. 576.44 Lakhs

4. **Prescribed CSR Expenditure (2% of the amount as in item 3 above)**

   The company is required to spend Rs.11.53 Lakhs.

5. **Details of CSR expenditure done in the financial year under review :**

   a) Total sum spent for the financial year : Rs.27.08 Lakhs

   b) Amount unspent, if any : Nil

   c) Manner in which the amount is spent during the financial year is detailed below :

Sr. No.	Project Activities	Sector	Locations	Amount Outlay (Budget) Project or Program-wise (Rs.Lakhs)	Amount Spent on the project or Program (Rs. Lakhs)	Cumulative expenditure upto reporting period (Rs. Lakhs)	Amount Spent, direct or through Implementing agency (Rs. Lakhs)
1	Cleaning of Primary School, providing other facility to students and safety of students	Promotion of education	Kathwada Ahmedabad	1.50	**1.47**	**1.47**	**1.47**
2	Laying of water distribution pipeline in Singarva village from the tubewell to Gopalnagar area of the village for drinking water distribution to villagers	Making available clean drinking water	Singarva Ahmedabad	17.00	**16.93**	**16.93**	**16.93**
3	Contribution to woman social employment and community welfare	Public welfare	Ahmedabad City	0.72	**0.72**	**0.72**	**0.72**
4	Contribution to VIVA Charitable Trust for carrying out animal welfare activity being protection, safety and rehabilitation of rescue dogs	Animal Welfare	Kathwada Ahmedabad, Ahmedabad City	8.00	**7.96**	**7.96**	**7.96**
	Total			27.22	**27.08**	**27.08**	**27.08**

Note : The amounts as mentioned at point no.1, 2 and 3 was spent directly by the Company. The amount as mentioned at point no.4 of Rs.7.96 lakhs was given by the company to Viva Charitable Trust which has created facilities by way of construction of required premises for keeping of rescue animal, their cages etc. and for providing medical facilities, food etc. to the animals so saved. The company has received the compete account of the amount spent by the Viva Charitable Trust on the aforesaid CSR activity.

Reasons for lower than stipulated amount spent on CSR Activities : Not Applicable as the company has spent more than the amount required to be spent on the CSR activities.

ANNEXURE - 4 TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Sayaji Industries Limited

P.O. Kathwada, Maize Products

Ahmedabad-382430

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sayaji Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Sayaji Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Sayaji Industries Limited ("The company") for the financial year ended on 31.03.2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; --Not Applicable during the period

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -Not Applicable during the period

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable during the period

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable during the period, and

i) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The board of directors of the company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The changes in the composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the act.

The adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. During the period under review all the decisions in the board meetings were carried out unanimously in compliance with the provisions of the Act.

I have relied on the representation made by the company, its officers and reports of the statutory auditor for system and mechanism framed by the company for compliances under other Acts, Laws and Regulations applicable to the company as listed in Annexure I.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. (As mentioned above and listed in Annexure I)

I further report that during the audit period, there were no specific event/instances having major bearing on the company's affair.

Place: AHMEDABAD **AMRISH GANDHI**

Date: 30/05/2019 FCS-8193, C.P.NO.5656

ANNEXURE I

Laws applicable to the Company

a. Ozone Depleting Substances (Regulations) Rules, 2000
b. The Indian Boiler Act, 1923(Amended 1960)
c. The Chemical Accidents (emergency planning, preparedness and response) Rules, 1996
d. Food Safety and Standard, Act, 2006

And also the following laws with its regulations:

(i) Employees Provident Fund and Miscellaneous Provisions Act, 1952
(ii) Employees State Insurance Act, 1948
(iii) Employers Liability Act, 1938
(iv) Environment Protection Act, 1986 and other environmental laws
(v) Equal Remuneration Act, 1976
(vi) Factories Act, 1948
(vii) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2003
(viii) Indian Contract Act, 1872
(ix) Income Tax Act, 1961 and Indirect Tax Laws
(x) Goods and Service Tax Act.
(xi) Indian Stamp Act, 1899
(xii) Industrial Dispute Act, 1947
(xiii) Maternity Benefit Act, 1961
(xiv) Minimum Wages Act, 1948
(xv) Negotiable Instrument Act, 1881
(xvi) Payment of Bonus Act, 1965
(xvii) Payment of Gratuity Act, 1972
(xviii) Payment of Wages Act, 1936 and other applicable Labour laws

ANNEXURE - 5 TO DIRECTORS' REPORT

Information under Rule 8 (3) of Companies (Accounts) Rules 2015 and forming part of the directors' report for the year ended 31st March, 2019.

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy

(1) During the year, the company started operating a new fully automated DMH plant. This has improved efficiency and production, apart from reduction in consumption of power per ton of DMH production.

(2) The company has started drying Anhydrous Dextrose in the old Dextrose Monohydrate Dryer which has not only increased the production of Anhydrous Dextrose but has resulted in savings of power and processing cost.

(3) The company started expelling of germs in single pass for manufacturing oil cake which were earlier expelled twice. This has reduced utilization of oil expellers for same grind rate and same production which has resulted into substantial savings of power in maize oil section

(ii) Steps taken by the company for utilizing alternative source of energy

(1) The company continues to utilize biogas captured while treating the effluents which are generated from the manufacturing processes.

(iii) Capital investments on energy conservative equipment & proposals

(1) During the year under review, the company installed a new biogas engine of the capacity of 1870 KVA, replacing the old gas engine which utilizes biogas captured while treating the effluents which are generated from the manufacturing processes which has resulted into generation of more power at a reduced power cost. Utilization of biogas for generation of electricity reduces emission of the green house gases into environment and thus supports green environment.

(2) The company has installed variable frequency drive (VFD's) on all oil expeller which has resulted in to savings of power.

(3) The company started operating new crystallizer having 40M3 capacity each in place of old crystallizer having 25M3 capacity each. With this increased volume of new crystallizer, the consumption of power per ton of syrup in DMH plant has reduced substantially.

B. Technology absorption, adaption and innovation

(i) Effort in brief made towards technology absorption.

(1) Company installed high tech, fully automated, most modern and sophisticated new DMH plant with the help of Chinese technology for producing dextrose monohydrate powder.

(2) Company introduced automation in Sorbitol & HMCS plant which were operated manually in the past.

(ii) Benefits derived as a result of the above efforts

(1) With installation and operation of new fully automated DMH Plant, there has been substantial reduction of labour/ manpower required for the plant. There has also been reduction of power cost per ton of DMH.

(2) With automation of sorbitol & HMCS plant, there is a substantial reduction of labour/ manpower required in the said plant with has resulted into savings of labour cost.

(iii) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

(a) Technology Imported	The company continued its technical assistance agreements with SIGMA & Tate & Lyle till the year 2016-17. Both had shared their technical know-how and expertise in good faith for improvement of production efficiency of the plants of the company.
(b) Year of Import	-
(c) Has technology been fully absorbed.	-
(d) If not fully absorbed, areas where this has not taken Place, reasons therefore and future plan of action.	-

(iv) Research and development (R & D)

The company has developed modified starch for food application, single shot textile sizing starch and new grade of sorbitol which has substituted imported starch and polyol and has opened a new market segment for the company. The company is continuing its research to increase range of polyol, develop cold water soluble starch for different applications and also develop high degree substituted cationic starch for paper application. The company has incurred expenditure of Rs. 9.00 Lakhs on R & D activities.

CORPORATE GOVERNANCE REPORT

OVERVIEW OF CORPORATE GOVERNANCE OF SAYAJI INDUSTRIES LTD. AT A GLANCE

Sayaji Industries Limited continues to follow good corporate governance practices to achieve highest standard of transparency, integrity, accountability and good corporate practices which help all the stakeholders like the shareholders, employees, creditors, lenders and society at large. The company has been prompt in discharging its statutory and social obligations. The board of directors supports the broad principles of corporate governance and is committed to align and direct the actions of the company to achieve the objectives of transparency, accountability and integrity.

At Sayaji, corporate governance has grown since more than 78 years with its journey of efficient industrial entrepreneurship. Company is in continued compliance with guideline of corporate governance since many years as stipulated in Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Above all, we believe that corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play, sense of responsibility & justice. Achieving this balance depends upon how accountable and transparent the company is. Accountability improves decision making. Transparency helps to explain the rationale behind decisions and thereby builds stakeholders' confidence.

BOARD OF DIRECTORS

BOARD MEETINGS

The board of directors presently comprises of nine directors out of which three are executive directors and six are non-executive directors. Except Mrs. Sujata P. Mehta all other non-executive directors are independent directors and are leading professionals from varied fields whose input bring in independent judgment to the discussions and deliberations in the board meetings. During the year 2018-19 six board meetings were held on 16/05/2018, 03/07/2018, 10/08/2018, 03/11/2018, 12/02/2019 and 30/03/2019 A meeting of Independent directors of the company was also held on 30/03/2019.

Composition and attendance of each director at the meeting of the board of directors and at the last AGM

The composition of the board of directors and their attendance at the meetings of board of directors during the year and at last annual general meeting are given below:

Name of the director	DIN	Category of directorship	No. of board meetings attended	No. of directorships held in other Indian public limited companies	Attendance at the last AGM	Qualification shares held by non-executive director	Inter-se relationship
Mr. Priyam B. Mehta	00030933	Executive-chairman & managing director	6	2	Yes	-	Related to Mrs. Sujata Mehta, Mr. Varun Mehta & Mr. Vishal Mehta
Mr.Varun P. Mehta	00900734	Executive director	6	2	Yes	-	Related to Mr. Priyam Mehta, Mrs. Sujata Mehta and Mr. Vishal Mehta
Mr. Vishal P. Mehta	02690946	Executive director	6	2	No	-	Related to Mr. Priyam Mehta, Mrs. Sujata Mehta and Mr. Varun Mehta
CA Mahendra N. Shah	00021194	Non executive – Independent director	2	-	No	800	Related to CA Chirag M Shah
CA Chirag M. Shah	00021298	Non executive – Independent director	6	-	Yes	880	Related to late CA Mahendra N Shah

CORPORATE GOVERNANCE REPORT

Dr. Gaurang K. Dalal	00040924	Non executive – Independent director	6	1	No	800	Not related to any director
Dr. Janak D. Desai	02565216	Non executive – Independent director	3	-	No	960	Not related to any director
Mr. Premal Mehta	01141650	Non executive-Independent director	2	-	No	--	Not related to any director
Mr. Jaysheel Hazarat	08234136	Non executive-Independent director	3	-	No	--	Not related to any director
Mrs. Sujata P. Mehta	00037746	Non executive	6	-	Yes	-	Related to Mr. Priyam Mehta, Mr. Varun Mehta and Mr. Vishal Mehta

- None of the directors except Dr. Gaurang K Dalal of the company holds any membership/ chairmanship in board committees of other companies.
- The meeting of the independent directors of the company was held on March 30, 2019 at Office No. 609-613, Ten11, Near Union Bank of India, C G Road, Ahmedabad - 380006. The directors of the company were familiarized with the production processes of the company, the new products developed and introduced in the market by the company, the new equipment installed by the company replacing the existing equipment for improvement in efficiency and quality and also to enhance the capacity, the new activities initiated, company's clients in India and overseas.
- CA Mahendra N. Shah ceased to be the director of the company from 26th July, 2018 due to his demise and has accordingly attended first two meetings of the board of directors of the company. He has not attended the last annual general meeting of the company.
- Mr. Premal Mehta and Mr. Jaysheel Hazarat were appointed as additional directors (Non executive independent) on 3.11.2018 to hold the office till the conclusion of this annual general meeting. However, the company has received notices in writing under Section 160 of the Companies Act, 2013 from members proposing their candidature for the office of independent directors for 5 (Five) consecutive years effect from 3rd November, 2018 to 2nd November, 2023." It is also proposed to appoint CA Chirag M. Shah, Dr. Gaurang K Dalal and Dr. Janak D Desai as Independent Directors for the second term of 5 consecutive years till 31st March, 2024.
- The independent directors of the company have been with the company for a sufficiently long period of time to be appraised of the company's working and its culture. The company however, also organized programs for familiarization of the directors in earlier years and the web link where details of familiarization programs imparted to independent directors is https://www.sayajigroup.in/wp content/uploads/2018/05/ Independent-directors-familiarization-program-2016-17.pdf
- All the information required to be furnished to the board of directors as per regulation 17 (7) of part (A) of Schedule II of SEBI (LODR) Regulations was made available to them along with the detailed notes. This information includes minutes of meeting of audit committee, nomination and remuneration committee, stakeholders relationship committee, corporate social responsibility committee, annual operating plans and budgets and updates thereof, quarterly results, information about recruitment of senior officers just below the board level, materially important litigations, show cause/ demand notices, prosecution and penalty, fatal or serious accidents or dangerous occurrences, material effluent or pollution problems if any, material default in financial obligations if any, sale of material nature of investments, sale of assets which are not in the normal course of business, details of joint venture, acquisition of companies or collaboration agreement, details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, non compliance of any regulatory, statutory or listing requirements as well as shareholder services such as non-payment of dividends etc.

AUDIT COMMITTEE

The company has formed the audit committee comprising of four directors. CA Chirag M. Shah is the chairman of the

CORPORATE GOVERNANCE REPORT

committee and Mr. Priyam B. Mehta, Dr. Gaurang K. Dalal and Dr. Janak D. Desai are members of the committee. CA Mahendra N. Shah, independent director and member of the audit committee ceased to be the member of the committee with effect from 26th July, 2018 due to his demise. During the year four audit committee meetings were held 16/05/2018, 10/08/2018, 03/11/2018 and 12/02/2019. The audit committee at the board level acts as a link between the independent auditors, internal auditors, the management and the board of directors and oversees the financial reporting process. The audit committee interacts with the internal auditors, independent auditors, secretarial auditors and cost auditors and reviews and recommends their appointment and remuneration. The audit committee is provided with all necessary assistance and information to enable it to carry out its functions effectively.

In general the audit committee reviews the audit and internal control procedures, accounting policies and the company's financial reporting process and ensures that the financial statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, stock exchanges and/or under the Companies Act, 2013. Further audit committee also reviews the following information mandatorily:

1. Management discussion and analysis of financial conditions and results of operations.
2. Statement of significant related party transactions submitted by the management.
3. Management letters/ letters of internal control weaknesses if any, issued by the statutory auditors.
4. Internal audit report relating to internal control weaknesses if any, and implementation of action points arising therefrom.
5. The recommendation of appointment, remuneration and terms of appointment of auditors of the company.
6. Review and monitor the auditors' independence and performance and effectiveness of audit process.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Appointment, removal and terms of remuneration of the internal auditors.
9. Quarterly and annual financial statements
10. Risk assessment and minimization procedures.
11. Matters required to be included in the director's responsibility statement to be included in the board report in terms of section 134 of the Act.
12. Changes, if any, in accounting policies and practices and reason for the same.
13. Major accounting entries involving estimates based on the exercise of judgment by the management.
14. Significant adjustments made in the financial statements arising out of audit findings.
15. Compliance with listing and other legal requirements relating to financial statements.
16. Qualifications, if any, in the draft audit report.
17. Scrutiny of inter-corporate loans and investments.
18. Evaluation of internal financial controls.
19. Reviewing the findings of any internal investigations, if any, by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
20. Reviewing functioning of whistle blower mechanism.
21. Carrying out any other function as mentioned in the terms of reference of audit committee.

The composition of audit committee and particulars of attendance at the audit committee meetings during the year under review are given below:

Name of director	Chairman/ Member	Category of directorship	No. of meetings attended
CA Chirag M. Shah	Chairman	Non-executive – independent	4
CA Mahendra N. Shah	Member *	Non-executive - independent	1
Dr. Gaurang K. Dalal	Member	Non-executive – independent	4
Dr. Janak D. Desai	Member **	Non-executive - independent	-
Mr. Priyam B. Mehta	Member	Executive–promoter	4

* CA Mahendra N. Shah, being member of audit committee and a non-executive independent director passed away on 26/7/2018 and attended one meeting of the audit committee held on 16/5/2018.

** Dr. Janak D. Desai, non-executive independent director was appointed as a member of the audit committee on 3/11/2018 and did not attend the meeting of audit committee held on 12/2/2019 after his appointment as such.

CORPORATE GOVERNANCE REPORT

The sr. executive vice president (finance) and the sr. executive vice president (accounts) are permanent invitees to the audit committee meetings. The company secretary acts as secretary to the audit committee. The chairman of the audit committee was also present at the 77th annual general meeting of the company held on 10th August, 2018.

NOMINATION AND REMUNERATION COMMITTEE

The company has three whole time directors on the board whose remuneration is approved by the committee subject to approval of the board of directors, members and if required by the Central Government in compliance with the provisions of Companies Act, 2013 and relevant schedules under the said Act. Members of nomination and remuneration committee are CA Chirag M. Shah - Independent director as the chairman, Dr. Gaurang K Dalal and Dr. Janak D. Desai – Independent director as members. CA Mahendra N. Shah, who was the chairman of the nomination and remuneration committee passed away on 26/7/2018 and thereafter CA Chirag M. Shah was appointed as the chairman of the committee. Dr. Gaurang K. Dalal was appointed as the member of the committee from 3/11/2018.

The terms of reference of the committee, inter alia, include: (a) formulation of policy for determining qualification, positive attributes and independence of a director and remuneration for the directors, key managerial personnel and other employees and recommend the same to the board and (b) identification of persons who are qualified to become directors and who may be appointed in senior management cadre in accordance with the criteria as per the policy approved by the board. The policy of the company is to remain competitive in the industry, to attract and retain the best talent and appropriately reward executives for their individual performance and contribution to the business of the company.

During the year 2018-19, meetings of nomination and remuneration committee were held on 16/5/2018, 03/11/2018 and 12/02/2019. CA Chirag M Shah attended all the three meetings. Dr. Janak D. Desai attended the meeting held on 3/11/2018 and Dr. Gaurang K. Dalal attended the committee meeting held on 12/2/2019 after his appointment as a member of the committee.

Details of remuneration paid to directors:

(Rs. in Lakhs)

Name of director	Salary	Perquisites	Sitting fees for attending meeting of board of directors and committee meetings
Mr. Priyam B. Mehta	96.00	21.12	Nil
Mr. Varun P. Mehta	96.00	21.20	Nil
Mr. Vishal P. Mehta	96.00	18.92	Nil
CA Chirag M. Shah	-	-	2.45
CA Mahendra N. Shah	-	-	0.75
Dr. Janak D. Desa	-	-	1.30
Dr. Gaurang K. Dalal	-	-	2.75
Mr. Premal Mehta	-	-	0.60
Mr. Jaysheel Hazarat	-	-	1.20
Mrs. Sujata P. Mehta	-	-	2.00

SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

As per provisions of the Companies Act, 2013 and as provided in Regulation 17 of SEBI (LODR) Regulations, 2015 as amended from time to time, the company had appointed CA Chirag M. Shah, Dr. Gaurang K. Dalal and Dr. Janak D. Desai as independent directors for the period of five consecutive years at its 73rd Annual General Meeting till March 31, 2019. It is proposed to appoint CA Chirag M. Shah, Dr. Gaurang K. Dalal and Dr. Janak D. Desai as independent directors for the second term of five consecutive years with effect from April 1, 2019 to March 31, 2024 with the approval of members at ensuing annual general meeting to be held on August 7, 2019. It is also proposed to appoint Mr. Premal Mehta and Mr. Jaysheel Hazarat as independent directors for five consecutive years from 3rd November, 2018 to 2nd November, 2023. All the independent directors of the company are highly qualified and are experts in their respective filed. They actively take part in the discussions at the board meetings and provide valuable independent inputs which enable board of directors of the company to take informed decisions on issues discussed at the meetings.

In case of appointment of new independent directors, the board and the independent directors satisfy itself with regard to independent nature of the director vis-a-vis the company so as to enable the board to discharge its functions and duties effectively. It will also be ensured that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Companies Act, 2013. The board and independent directors shall consider the

CORPORATE GOVERNANCE REPORT

attributes/ criteria like qualification, expertise and experience of the director in his respective field, personal, professional or business standing, and diversity of the board etc. and in case of reappointment of non executive director, the board shall take into consideration the performance evaluation of the director and his engagement level.

The non executive directors are entitled to receive sitting fees for each meeting of the board and committee attended by him of such sum as may be approved by the board within overall limits prescribed under the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Presently the company has three executive directors. Mr. Priyam B. Mehta is the chairman and managing director of the company and looks after the day-to-day management of the company and the domestic and international sales of the company. He has been with the company more than three decades and has been instrumental in the progress of the company since the management of the company was taken over by him with his late father Mr. Bipin V. Mehta. The company has been one of the largest exporters in the corn wet milling industry and has been able to maintain its existing international market and has added new markets for its products due to sincere and dedicated efforts on the part of Mr. Priyam Mehta. Mr. Varun P. Mehta is the Executive Director of the company and he is looking after the all important functions like H R, finance and plant operations. Mr. Vishal P. Mehta is also the executive director of the company and is looking after the functions like production, purchase and plant operations since then. There has been a substantial increase in the turnover and profitability of the company due to efforts on the part of the managing director and executive directors of company.

At the time of appointment or re-appointment, the executive directors shall be paid remuneration as agreed between the company (which includes nomination and remuneration committee and the board of directors) and the executive directors within the overall limits prescribed under the Companies Act, 2013 and Schedule V to the Act. The remuneration shall be subject to the approval of the members of the company in general meeting and subject to approval of Central Government, if required.

The remuneration of the executive directors comprises only of fixed component. The fixed components comprise salary, allowances, amenities and other benefits.

PERFORMANCE EVALUATION POLICY

The company has adopted performance evaluation policy for evaluation of performance of its directors and the board of directors itself. The board of directors has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of performance of its audit committee, nomination and remuneration committee, corporate social responsibility committee and stakeholders relationship committee. A structured questionnaire was prepared after taking into consideration various aspects of the board's functioning such as effectiveness in decision making, effectiveness in developing corporate governance structure, effectiveness in providing suggestions and advices to the management, creation of environment for open discussion and meaningful participation at the meetings, effectiveness in considering the reports and financial statements of the company and efforts for improvement in the same etc.

A separate exercise was carried out to evaluate the performance of the individual directors including the chairman and managing director who were evaluated on the parameters like leadership initiatives, new ideas suggestions and planning, effectiveness in decision making, compliance with policies of the company, its code and ethics, timely inputs on minutes etc. The performance evaluation of independent directors was carried out by the board. The performance evaluation of executive directors and non-independent director was carried out by the independent directors. The directors expressed their satisfaction with the evaluation process.

INDEPENDENT DIRECTORS MEETING

The meeting of independent directors of the company was held on 30th March, 2019 wherein the independent directors of the company were informed in detail about the business of the company, the new products manufactured and introduced in the market by the company, the production processes and clients of the company. The independent directors of the company were also enlightened of their roles, functions and duties keeping in mind the provisions of the Companies Act, 2013. The independent directors at the meeting reviewed the performance of the non-independent directors and the board of directors based on the parameters as discussed above in performance evaluation policy of the company.

RISK MANAGEMENT

The company has identified the risks associated with the business of the company and has taken measures to minimize the same and the details, if required are presented to and discussed at the board meeting. The risk management issues are discussed in the management discussion and analysis report.

CORPORATE GOVERNANCE REPORT

STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference of the committee include the issues concerning resolving grievances of shareholders, investors, public deposit holders and other stakeholders of the company.

The members of company's stakeholders relationship committee are Dr. Gaurang K. Dalal- chairman, Mrs. Sujta P. Mehta -member, Mr. Varun P. Mehta- member and Mr. Vishal P. Mehta- member. During the year 2018-19, meetings of stakeholders relationship committee were held on 16/05/2018, 10/08/2018, 03/11/2018 and 12/02/2019. CA Mahendra N. Shah, chairman of the committee passed away on 26/7/2018 and ceased to be the member of the committee and thereafter Dr. Gaurang K. Dalal – independent director was appointed as the chairman of the committee. Mrs. Sujata P. Mehta was appointed as a member of the committee on 3/11/2018. Dr. Gaurang K. Dalal, Mr. Varun P. Mehta and Mr. Vishal P. Mehta attended all the meetings of the committee. Mrs. Sujata P. Mehta could not attend the meeting of the committee held on 12/02/2019 after her appointment as a member of the committee. Number of investor complaints received, solved and pending during the period from 1.4.2018 to 31.3.2019 are as given below.

Nature of Complaints	Received	Solved	Pending
Non receipt of securities/ complaint relating to transfer of shares	31	31	0
Non receipt of dividend warrants	35	35	0
Correction of names on securities	13	13	0
Clarification regarding shares	160	160	0

CORPORATE SOCIAL RESPONSIBILITY COMMIITTEE

Pursuant to Section 135 of the Companies Act, 2013, the company has constituted corporate social responsibility committee, inter alia, to formulate and recommend to the board of directors, a corporate social responsibility (CSR) policy indicating activities to be undertaken by the company in compliance with provisions of the Companies Act, 2013 and rules made thereunder, to recommend the amount of expenditure to be incurred on the CSR activities and to monitor the implementation of the CSR Policy of the company from time to time.

The members of company's corporate social responsibility committee are Mr. Varun P. Mehta - chairman, Dr. Gaurang K. Dalal- member, Dr. Janak D Desai - member and Mrs. Sujata P. Mehta- member. During the year 2018-19, meetings of corporate social responsibility were held on 16/05/2018, 10/08/2018, 03/11/2018 and 12/02/2019. Mr. Varun P. Mehta, Dr. Gaurang K Dalal and Mrs. Sujata P. Mehta attended all the meetings of the committee. Dr. Janak D. Desai attended the committee meeting held on 3/11/2018.

Secretary of the company acts as the secretary of the corporate social responsibility committee.

WHISTLE BLOWER POLICY

The company has in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to the notified persons. The reports received from any employees will be reviewed by the audit committee. It is affirmed that no person was denied access to the audit committee in this respect. The directors and senior management are required to maintain confidentiality of such reporting and ensure that whistle blowers are not subject to any discriminatory practice.

GENERAL BODY MEETING

Location and time for the last three Annual General Meetings

Year ended	Date	Time	Venue	No, of special resolutions passed
31st March, 2018	10th August 2018	9.00 a.m.	Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road, Odhav Circle, Odhav, Ahmedabad – 382410	2
31st March, 2017	28th July 2017	9.30 a,m.	Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road, Odhav Circle, Odhav, Ahmedabad – 382410	3
31st March, 2016	13th September 2016	9.00 a,m.	Bhuriba Lallubhai Mehta, Primary School, P.O. Kathwada, Maize Products, Ahmedabad - 382430.	2

CORPORATE GOVERNANCE REPORT

SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT

During the year under review, the company passed three resolutions through postal ballot. The said resolutions include special business for obtaining approval of the shareholders for sub-division of existing one equity share of Rs.10/- each into two equity shares of Rs.5/- per share, , consequential amendment to capital clause of memorandum of association of the company and for providing security and issuance of corporate guarantee to banks/ financial institutions/ debenture holders/ others for financial assistance to subsidiaries/ entities in which directors/ key managerial personnel of the company are interested.

The Board had appointed Mr. Niraj Trivedi, practicing company secretary as a scrutinizer to ensure that the postal ballot process is conducted in a fair and transparent manner. The members of the company had the option to vote either through postal ballot or through the e-voting facility and casted their votes through Karvy e-voting platform. The details of voting pattern in respect of the resolutions passed through the postal ballot are as given below:

Resolution		Total valid votes	Votes with Assent	Percentage (Approx.)
1.	Ordinary Resolution for sub - division of equity shares of the company	2359514	2359514	100.00
2.	Special Resolution for alteration of capital clause of Memorandum of Association of the company	2359294	2359294	100.00
3.	Special Resolution for providing security and issuance of corporate guarantee to banks/ financial institutions/ debenture holders/ others for financial assistance to subsidiaries/ entities in which directors/ key managerial personnel of the company are interested	2357054	2357054	100.00

There are no Special Resolution requiring postal ballot is being proposed for the ensuing Annual General Meeting.

DISCLOSURES

Disclosures on materially significant related party transactions, i.e. transactions of the company of material nature, with its promoters, the directors or management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the company at large:

All transactions with related parties are in the ordinary course of business and at arm's length. The company has not entered into any transactions of a material nature with any related parties which are in conflict with the interest of the company. The details of related party transactions are also disclosed in the note 27 to accounts in this annual report. web link where policy on dealing with related party transactions is https://www.sayajigroup.in/wp-content/uploads/2016/06/Related-party-transaction-policy.pdf

The detail of subsidiaries and associated company are given in the report of board of directors. The company has not advanced any loans or advances in the nature of loans to its subsidiaries or to associate company or to any other firms/ companies in which directors are interested except as given in the annual report. The company is not a subsidiary of any company.

Compliance with accounting standards

In the preparation of financial statements there is no deviation from the prescribed accounting standards.

Code of conduct

The code of conduct for all board members and senior management of the company has been prescribed by the company. Certificate of compliant to that effect is attached to this report.

Compliance with corporate governance requirements

The company has complied with corporate governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Cases of non-compliance/ penalties

There are no non-compliances by the company on any matter related to the capital markets during the last three years. Similarly, there are no penalties or strictures imposed on the company by the stock exchange, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

MEANS OF COMMUNICATION

The company normally publishes the quarterly and annual results in leading English & Gujarati dailies.

The company has its own web-site www.sayajigroup.in on which the quarterly results are displayed.

The management discussion and analysis report is attached to the directors' report and forms part of the annual report.

CORPORATE GOVERNANCE REPORT

GENERAL SHAREHOLDER INFORMATION

Annual general meeting

Day and date : Wednesday 7th August, 2019

Time : 9.00 a.m.

Venue : Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad - 382410.

Financial calendar (tentative)

Financial year : April-March

First quarter results : 2nd week of August, 2019

Half yearly results : 2nd week of November, 2019

Third quarter results : 2nd week of February, 2020

Fourth quarter/ annual results : 2nd/3rd week/ end of May, 2020

Book closure date : Saturday, the 10th August, 2019 to Monday, the 12th August, 2019 (both days inclusive).

Dividend payment Date : 21st August, 2019

Listing in stock exchange(s)

Company's shares are listed at BSE Limited located at P J Towers, Dalal Street, Mumbai- 400001. Company has voluntarily delisted from The Calcutta Stock Exchange with effect from 22nd May, 2018.

Notes regarding payment of annual listing fees

The annual listing fee for the year 2019-20 has been already paid by the company to The BSE Limited and The Calcutta Stock Exchange Limited.

Stock code at The BSE Limited: 540728

ISIN with NSDL and CDSL : INE327G01032

CIN: L99999GJ1941PLC000471

MARKET PRICE DATA AND STOCK PERFORMANCE

There is no trading in the equity shares of the company at the Calcutta Stock Exchange Limited. The equity shares of the company are listed at the BSE Limited and the market price data and volume of the company's share traded in the BSE Limited from April, 2018 to March 2019 were as under.

Month	Share Price BSE		BSE Sensex		Volume
	High Rs.	Low Rs.	High	Low	No. of Shares
Apr. 18	512.45	512	35213.3	32972.56	6172
May 18	844	538.05	35993.53	34302.89	14442
Jun. 18	710	486	35877.41	34784.68	4322
Jul. 18	538	468	37644.59	35106.57	1495
Aug.18	519.75	460	38989.65	37128.99	2359
Sep. 18	630	512	38934.35	35985.63	4398
Oct. 18	524.5	447	36616.64	33291.58	5257
Nov. 18	580	500	36389.22	34303.38	4775
Dec. 18	701	366.90	36554.99	34426.29	14292
Jan. 19	479	325	36701.03	35375.51	14817
Feb. 19	358	273.15	37172.18	35287.16	3516
Mar. 19	317	271	38748.54	35926.94	5153

One equity share of the company of the face value of Rs.10/- each was sub-divided into two equity shares of Rs.5/- each with effect from 27/12/2018. So, the high and low share price on BSE is of equity share of the face value of Rs.10/- each till 26/12/2018 and market price thereafter is of equity share of the face value of Rs.5/- each.

Compliance Officer

Rajesh H. Shah
Company secretary &
Sr. Executive Vice President
Sayaji Industries Limited
P.O. Kathwada, Maize Products,
Ahmedabad-382430.
Phone : +91 (79) 22901581-85
e-mail : rhs@sayajigroup.in

Registrar and transfer agents

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda, Hyderabad - 500032
Phone No : 040-44655000/040-44655188
e-mail : einward.ris@karvy.com

Share transfer systems

Since the company's shares are traded in the demat segment on stock exchange, bulk of the transfer takes place in the electronic form. The transfer of physical shares are handled by M/s Karvy Fintech Private Limited at the address as mentioned above.

CORPORATE GOVERNANCE REPORT

Pattern of shareholding as on 31st March, 2019

Sr. No.	Category	No. of shares held	% of total shareholding
1	Promoters	4738480	74.98
2	Mutual fund	0	0
3	Banks, financial institutions, insurance companies	1120	0.02
4	Foreign institutional investors	0	0
5	Private bodies corporate	5845	0.09
6	Indian Public	1574425	24.91
7	NRIs/ OCBs	130	0
8	GDR/ ADR	0	0
	Grand total	6320000	100.00

Distribution of shareholding as on 31st March, 2019

No. of equity shares	No. of folios	% of total folios	No. of shares	% of total shareholding
Less than 50	316	8.40	6388	0.10
51 to 100	1724	45.85	138520	2.19
101 to 200	439	11.68	70598	1.12
201 to 300	167	4.44	41026	0.65
301 to 400	558	14.84	215529	3.41
401 to 500	71	1.89	33884	0.54
501 to 1000	273	7.26	204755	3.24
More than 1000	212	5.64	5609300	88.75
Total	3760	100	6320000	100.00

Dematerialization of shares and liquidity

The company's equity shares are available for dematerialization on both National Securities Depository Limited and Central Depository Services (India) Limited. Equity shares of the company are traded in demat form on stock exchange. 5705700 equity shares being 90.28% of the capital have been dematerialized by investors and bulk of transfer takes place in the demat form.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments and conversion rate and likely impact on equity: Nil

Plant location

P.O. Kathwada,
Maize Products, Ahmedabad-382 430.

Address for correspondence

Shareholders may correspond with the company at its registered office at

The Secretarial Department
Sayaji Industries Limited
P.O. Kathwada, Maize Products,
Ahmedabad-382 430.

CORPORATE GOVERNANCE REPORT

Practicing Company Secretary's Report on Corporate Governance:

To,

The Members of Sayaji Industries Limited
Ahmedabad

We have examined the compliance of conditions of corporate governance by SAYAJI INDUSTRIES LIMITED ("the Company"), for the year ended on March 31, 2019 as stipulated in Regulation 17 to 27 & 23(4), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from April1, 2018 to March 31, 2019.

1. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the company for ensuring compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
2. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations made by the directors and the Management, we certify that the company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under the paragraph 1 above, during the year ended March 31, 2019.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in SEBI Listing Regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency of effectiveness with which the management has conducted the affairs of the company.

Amrish N. Gandhi
Practicing Company Secretary
Membership No. F8193
Certificate of Practice No. 5656

Place: Ahmedabad
Date: May 30, 2019

To,
The Shareholders
Sayaji Industries Limited

Declaration by the chairman & managing director
Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Priyam B. Mehta, chairman and managing director of Sayaji Industries Limited declare that to the best of my knowledge and belief, all the members of the board of directors and senior management personnel have affirmed compliance with code of conduct for the year ended 31st March, 2019.

Place : Ahmedabad.
Date : May 30, 2019

Priyam B. Mehta
Chairman & Managing Director

CORPORATE GOVERNANCE REPORT

To
The Board of Directors
Sayaji Industries Limited
Ahmedabad

CERTIFICATE

We have reviewed the financial results and the cash flow statement of Sayaji Industries Limited for the financial year ended 31st March, 2019 and certify that

(a) This results and statements, to the best of our knowledge and belief :

(i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

(b) To the best of our knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of company's code of conduct;

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and audit committee, deficiencies in the design or the operation of such internal controls, if any, of which we are aware, and the steps we have taken or propose to take to rectify this deficiency;

(d) We have also indicated to the auditors and to the audit committee :

(i) significant changes in the internal controls with respect to the financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) to the best of our knowledge and belief, there are no instance of significant fraud of which we have become aware involving either the management or employee having a significant role in the company's internal control systems over financial reporting.

Place : Ahmedabad

Date: May 30, 2019

Manan R. Shah
Chief Financial Officer

Priyam B. Mehta
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Your directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2019.

ECONOMIC OVERVIEW

Global Economy

Following a strong economic growth of 3.8% in 2017, the global economy contracted in the second half of 2018, leading to softer growth of 3.6% in 2018. Heightened trade tensions between the United States (US) and China, uncertainty about the Brexit outcome, tightening financial conditions and higher policy uncertainties were the major contributors to the global slowdown. Advanced Economies and Emerging Market and Developing Economies (EMDE) witnessed a subdued growth of 2.2% and 4.5% in 2018, respectively, compared to 2.3% and 4.8% growth, respectively, achieved in 2017. Weakness persists in early 2019, with global growth projected to dip further to 3.3% during the year. However, growth is likely to pick up soon after and the economy is projected to grow by 3.6% in 2020.

(Source: IMF, World Economic Outlook, April 2019)

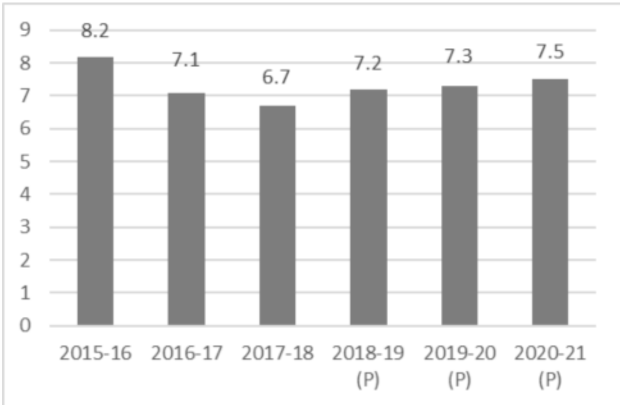
Indian Economy

On the domestic front, the Indian economy continues to retain its tag as the world's fastest-growing major economy. India's Gross Domestic Product (GDP) is estimated to grow by 7.2% in FY 2018-19, up from 6.7% in FY 2017-18, according to the Central Statistics Office (CSO) estimates. Growth was primarily driven by an upswing in consumption, strong domestic demand and a pick-up in investment, given the receding impact of structural economic reforms such as demonetization and the implementation of Goods and Services Tax (GST). India has leapfrogged to the 77th position in the World Bank's ease of doing business rankings, jumping 23 notches from the previous year. This steep rise can be attributed to the landmark measures enforced by the government such as bank recapitalization, Insolvency and Bankruptcy framework, Real Estate (Regulation and Development Act), thrust on infrastructure development, greater access to banking, among others, that have translated into remarkable progress.

Further, supported by an increase in sales, output and employment in the manufacturing sector, the Nikkei India Manufacturing Purchasing Managers' Index (PMI) rose to a 14-month high of 54.3 in February 2019. GST collections touched Rs. 11.77 lakh crore in FY 2018-19, with record realization of Rs. 1.06 lakh crore in March 2019. Exports touched a new high of USD 331 billion in FY 2018-19, the highest ever in the past five years. These positive developments, with subdued inflation and moderating oil prices, are expected to stimulate economic activity further.

India's Interim Union Budget 2019-20 focused on the ease of living and supporting the agrarian and rural economy. The announcement of the Direct Income Transfer scheme of Rs. 6,000 per year for small and marginal farmers is expected to strengthen rural demand and boost consumption. Going forward, IMF has projected the economic growth to accelerate further to 7.3% in FY 2019-20 and 7.5% in FY 2020-21. These estimates are on account of strengthening of investment and robust consumption, amid favourable monetary and fiscal policies.

Expanding GDP Growth in India (%)



(Source: CSO, IMF World Economic Outlook 2019)

INDUSTRY OVERVIEW

Starch Industry – Global

Starch is a naturally occurring biopolymer and a major source of energy stored in cereal grains. Maize is the primary raw material for starch owing to the high content of starch found in it – at nearly 60%. Starch derivatives are derived by treating starch physically, chemically and enzymatically so as to obtain compounds with better properties than native starches. Owing to their safety, bio-degradability, low-cost and excellent physiochemical properties, starch products find extensive usage across a wide spectrum of industries.

Key Application areas of Starch and its Derivatives:

- Textile, Paper and Packaging Industries
- Food & Beverages
- Pharmaceuticals
- Animal feed

As per industry reports, the global starch derivative market, which was valued at USD 55 billion in 2017, is estimated to grow at a Compound Annual Growth Rate (CAGR) of 5.70% during 2018-23. The Food & Beverages sector dominates the market for starch derivatives, accounting for 54% of the market share. Growing consumption of convenience foods, due to

MANAGEMENT DISCUSSION AND ANALYSIS

burgeoning global population and sharp growth in textile and paper industries across the world have been the most important growth drivers of the global market.

The Asia Pacific countries, especially India and China, are expected to lead the global market. Growth can be attributed to the increasing utilization of modified starch due to rapid industrialization and upsurge in the spending capacity of people in these emerging economies. Further, sustained investments in R&D and capacity expansion by leading industry players are boosting growth of the starch derivatives market.

Starch Industry – India

The starch and starch derivatives industry in India has been affected since the 3rd quarter of FY 2018-19 due to sudden spike in maize prices and the reduced availability of the crop. Though there has been a healthy demand from major user industries such as food, paper, FMCG, pharmaceuticals and textile for starches, the industry is finding it difficult to cope up with the all-time high prices of corn. Thus, though starch processing is one of India's top food processing industries and is credited for generating huge employment, growth of food products and development of food infrastructure, the growth of the sector is likely to remain sluggish till the second quarter of the financial year 2019-2020.

Over the years, the number of corn wet millers has grown significantly with new capacity additions. The capacity addition for corn wet millers during the period 2018-19 is estimated to be around 1,500 tonnes to 1,800 tonnes. However, there is a possibility of this remaining unutilized due to underutilization of capacities in the starch industry. The industry might witness elimination of smaller players who have a limited product profile and largely cater to the unorganized market.

The silver lining for the starch industry is that the established players have been able to pass on the increased raw material prices to the customers in a much better way than witnessed in the past. The healthy bottom line of all the large industrial players in spite of the unprecedented increase in maize prices underpins the fact that the starch and sweeteners industry has consolidated and matured over the years.

Growth Drivers

Outlook for Maize: Maize is the major raw material for producing starch and its derivatives in India. However, lower crop in Kharif 2018 season coupled with weak monsoon rains in key producing states such as Karnataka and Telangana have been shrinking the maize output since third quarter of the year 2018-19. Corn prices have soared to an all-time high in the market because of weak supply which has triggering demand for duty-free import of maize. Bihar's minor crop from its Rabi season may not be sufficient for the industry demand till the next crop arrives in October 2019. Nevertheless, the situation may improve after October 2019, provided there is sufficient rainfall in the maize growing areas of Karnataka, Maharashtra and Telangana.

Government Support: The Minimum Support Price (MSP) of maize has been increased to Rs. 1,700 per quintal for the 2018-19 agricultural season, up from Rs. 1,425 per quintal approved in the previous season. Increase in MSP, coupled with announcement of farm relief package, may encourage farmers to enhance maize farming provided there is sufficient rain in the major maize growing areas. This, in turn, may improve the supply of raw materials to maize-based starch industries. Additionally, the revision in modified starch regulation by the Food Safety and Standards Authority of India (FSSAI) may result in higher dosage of modified starch in its user applications which may benefit the industry.

Robust Demand: Growing consumer awareness about health and nutrition, along with evolving preferences for quality food may propel demand for starch and its derivatives in food. This is further complemented by the fast expanding population and increasing income levels. Surging requirement of sweeteners and additives in confectionery, soups, baby food, bakery, noodles, and others is likely to further spur consumption. However, this will largely depend on enhanced capacity utilization by industry players based on the availability of maize after October 2019.

COMPANY OVERVIEW

Sayaji Industries Ltd., the flagship company of the Sayaji Group is one of the leading manufacturers of maize starch and its derivatives. Established in 1941, the Company was initially set up as a corn wet milling unit with modest corn crushing capacity of one ton/day in Ahmedabad, primarily to serve it's textile units. Within a span of over seven decades, the company has emerged as one of the largest corn refiners in India. With an annual capacity of 750 Metric Tonnes Per Day (MTPD), the company runs one of the largest corn wet milling plants in India, making it among the foremost corn starch producers in the country.

Supported by its state-of-the-art manufacturing facilities and cutting-edge R&D prowess, the company delivers quality modified starches and other derivatives to a wide range of industries, including textiles, paper, pharmaceutical, food processing, consumer products, animal nutrition, among others. Globally, the company has a market in more than 40

MANAGEMENT DISCUSSION AND ANALYSIS

countries and is one of the largest exporters in India's starch industry. Its commendable export work has been credited with the Export House Status by the government of India. Besides, the company has a strong distribution network in India, with over branches and agents to fulfil the requirements of its extensive customer base.

Product Portfolio

Products Covered	Industries Served
Starch	Paper, food products (soups, ketchup, jellies, custard powders, mayonnaises, salad dressing), gypsum board, pharmaceutical formulations
Liquid Glucose	Used in food products like jams, jellies, chewing gums, canned fruits to prevent spoilage
Fabrilose	Textile sizing – to provide elasticity to yarn, gypsum board
Dextrose Anhydrous	Used in special food preparation s and is the best sweetener for water sensitive systems such as chocolate. Also used in medical critical conditions like comas and operations
Dextrose Monohydrate	Used in quality yeast for bakery, confectionery, dairy products, carbonated beverages, formulations with vitamins and minerals
Sorbitol	For use in mints, cough syrups, tooth paste, cigarettes and baked food items to maintain freshness, softness and flexibility
By Products	For use in food products, cattle feed and poultry farming

REVIEW OF FINANCIAL & OPERATIONAL PERFORMANCE

Despite of unprecedented rise in the price of maize, being the major input cost for the company and increase in the cost of other inputs, the company was able to pass major portion of the increased costs to its customers despite adverse market conditions. Efforts of the company to cut the costs at all levels and further improved technical parameters and a product mix which concentrated on the high value products ensured that the company improved its earnings before interest, depreciation and tax as compared to previous year. The gross profit of the company also improved by 16.50 % during the year under review and the net profit before tax and exceptional item also improved by 18.07%. The company earned a profit of Rs.2116.30 Lakhs on the sale of its investment in the equity shares of Sethness Roquette India Limited (Formerly known as Sayaji Sethness Limited) which is shown as the exceptional item and as a result of this the net profit of the company after tax and exceptional item increased to Rs.2500.65 Lakhs and the EPS increased to 39.87. The company has set up a high tech, fully automated, most modern and sophisticated dextrose monohydrate plant and has also introduced automation in sorbitol and HMCS Plant which will ensure increase in the production of high value products in the times to come. The grinding capacity of the company is also gradually increased. The company is hopeful that with the aforesaid efforts and good rains in the maize growing areas, the top and bottom line of the company may improve in future.

RISKS AND THREATS

Competition Risk

The corn starch industry has been witnessing increased capacity expansion by existing players and growing availability of substitute materials. Due to the abrupt increase in maize prices in the domestic market, the company is facing pricing pressure in the international Market (where the prices of maize have remained steady). This, in turn, may impact the export market share of the company.

Mitigation

Over the years, the company has cemented its reputation as a leading manufacturer and supplier of high-quality corn starch products at right prices to diverse industries. Further, its consistent focus on capacity expansion for production of high-margin products and cost optimization are likely to drive the overall profitability and sustain the market position.

Raw Material Risk

Maize is an agricultural product and its supply is subject to forces of nature. Shortage of corn production due to adverse weather, pests and regulatory changes may lead to high production costs and under-utilization of capacities in the industry. It may also result in increased usage of substitute raw materials to meet the demand. This, coupled with increase in the cost of power, which is the other major input for starch manufacturing, may impact the company's margins and profitability.

Mitigation

The company has an effective maize procurement policy in place for continuous supply of quality corn at competitive prices. Its storing facilities are situated in the vicinity of its manufacturing plants, thereby ensuring maintenance of adequate quantities of raw materials for sustained production. Besides, the company has set up a power generating turbine and has also installed biogas engine which utilizes the methane gas obtained while treating its effluents for generating power at a comparatively lower rate. It also procures power from the open market to mitigate the impact of rising cost of power.

MANAGEMENT DISCUSSION AND ANALYSIS

Demand Risk

Factors such as a volatile macro-economic environment, social and political unrest and inflationary pressures can affect consumer demand. A declining consumer demand may have an adverse impact on the company's products.

Mitigation

The company has diversified its product portfolio across various industries including food, paper, paints, pharmaceuticals, textiles and others. This diversification empowers the company to offset the risk of subdued demand from any particular industry. Moreover, with the Indian economy growing at an accelerated pace, these industries are likely to witness strong growth.

Geographic Risk

The company is located far from the maize growing area, resulting in increased logistics cost and reduced margins.

Mitigation

The company is situated in close proximity to the end-user industries consuming its products. This strategic location negates the geographical risk and gives it a significant competitive advantage.

Environmental Risk

Failure to meet the environmental laws and regulations may damage the company's reputation and impact its operations.

Mitigation

The company has robust effluent treatment facilities to treat the emissions generated from its manufacturing processes. Additionally, it generates electricity from the biogas processed, while treating its effluents in bio digestors. It undertakes all the relevant measures to minimize its environmental footprint and ensure adherence to the emission limits prescribed by the pollution control authorities.

OUTLOOK

Demand for corn starch products is set to grow with rising incomes, favourable demographics and swift industrial growth. The company offers quality products to consumers worldwide by combining customer insights with scientific and technical excellence. To remain competitive, the company is investing in modernizing its plant and machinery and reducing the bottlenecks in the production process. It is aggressively focused on strengthening its cost competitiveness and raising production of higher-margin value-added products to enhance profitability. It is hopeful that sufficient rain in the maize growing areas like Karnataka, Maharashtra, Telangana, MP, etc. in this monsoon season coupled with culmination of the aforesaid factors will offer sustainable growth opportunities to the company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has an adequate internal control framework commensurate with the size, nature and complexity of its business operations. The internal control systems are formulated as part of the principles of good governance and ensure proper recording and reporting of transactions, safeguarding of assets and protection against losses from any unauthorized use or disposition and misappropriation of funds.

The Internal Audit Department of the company comprising two internal auditors ensures, checks and reviews the internal controls and proactively recommends measures for strengthening them. The internal controls are supplemented by documented policies and procedures, which provide reasonable assurance about the reliability of financial and operational information, fraud control, compliance with applicable statutes and internal policies. The audit committee of the board periodically reviews the internal audit reports to ensure the effectiveness of the internal controls. The management as well as the statutory auditors of the company review the internal audit findings and undertake relevant action.

HUMAN RESOURCES

Human capital is pivotal for the company's growth and success. Keeping this in mind, it endeavours to provide a safe and conducive workplace to its employees. The skill-building programs and activities at the company are aimed at sharpening the skills and capabilities of its workforce. Moreover, it periodically conducts expert visits at its plants and factories to ensure high levels of employee engagement and foster a knowledge-sharing environment. The company continues to offer encouraging opportunities to its people to ensure that they grow professionally and deliver best results. During the year, the company maintained a cordial and harmonious relationship with its employees.

Form AOC-I (Part "A": Subsidiaries)

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013
read with the rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries

(Rs. in lakhs)

Sr. No.	Particulars	Sayaji Seeds LLP	Sayaji Corn products Ltd	Sayaji Ingritech LLP
1	Share Capital/ Partners capital account	**260.30**	**5.00**	**275.00**
2	Other equity/Partners current account	**(9.08)**	**(0.11)**	**6.97**
3	Total Assets	**1,193.48**	**4.99**	**1,471.88**
4	Total Liabilities	**942.26**	**0.11**	**1,189.91**
5	Investments	-	-	-
6	Turnover/Total Income	**1,119.54**	**(0.06)**	**1,251.03**
7	Profit/(Loss) Before Tax	**(13.10)**	**(0.02)**	**62.75**
8	Provision for Tax (Including Deferred Tax)	**(4.08)**	-	**18.95**
9	Profit/(Loss) After Tax	**(9.02)**	**(0.02)**	**43.80**
10	Proposed Dividend	-	-	-
11	% of Shareholding	**92.20%**	**99.99%**	**75.99%**

Note: Sayaji Corn Products Ltd. is yet to commence its operations.

(Part "B": Associates and Joint Ventures)

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

Sr. No.	Particulars	Sayaji Sethness Limited (Joint Venture)
1	Latest Audited Balance Sheet Date	Not applicable as the company sold its stake in its Joint Venture Company, Sayaji Sethness Limited to its Joint Venture Partner Sethness Products Company USA during the year – 2018-19 and there are no other Associate and Joint Venture in the group.
2	Shares of Associate/ Joint Venture held by the Company on the year end	
	No.	
	Amount of Investment in Associate/ Joint Venture	
	Extent of holding in percentage	
3	Description of how there is significant influence	
4	Reason why the associate/ joint venture is not consolidated	
5	Net worth attributable to shareholding as per latest audited balance sheet	
6	Profit/ Loss for the year	
i	Considered in consolidation	
ii	Not considered in consolidation	

There are no associates or joint ventures which are yet to commence operations.

Ahmedabad
Dated: 30th May,2019

Independent Auditor's Report

To,
The Members of
SAYAJI INDUSTRIES LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SAYAJI INDUSTRIES LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements').

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 Companies Act, 2013 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 (financial position) of the Company as at March 31, 2019, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Attention is invited to Note 10 to the standalone financial statement regarding Rs. 150.00 lakhs due from Yashwant Sahakari Glucose Karkhana Limited (YSGKL). The management of the company has considered this outstanding amount as good for realisation on the basis of post-dated cheques received from YSGKL. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report,but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and,based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 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, to the extent

01-08 CORPORATE OVERVIEW
09-59 STATUTORY REPORT
60-104 STANDALONE FINANCIAL STATEMENT
105-152 CONSOLIDATED FINANCIAL STATEMENT

applicable.

2. As requited by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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".

g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/ provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

h. 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 which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For, SHAH & SHAH ASSOCIATES
Chartered Accountants
FRN: 113742W

BHARAT A. SHAH
Partner
Membership Number: 030167

Ahmedabad, Gujarat : May 30, 2019

"Annexure A" to the Independent Auditors' Report of even date on the standalone financial statements of SAYAJI INDUSTRIES LIMITED,

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2019:

1. **In respect of its fixed assets:**

a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

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 included in fixed assets are held in the name of the Company.

2. As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. The discrepancies noticed on physical verification during the year have been properly dealt with in the books of accounts.

3. The company has not granted any loans, secured or unsecured to companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) 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 complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.

5. According to the information and explanations given to us, the company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014(as amended). According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or The Reserve Bank of India or any Court or any other Tribunal.

6. In respect of business activities of the Company, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company and are of the opinion that prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made detailed examinations of the records with a view to determining whether they are accurate or complete.

7. a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, goods and service tax, duty of customs, duty of excise, goods & service tax, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.

   b) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, service tax, goods and service tax, excise duty and cess which have not been deposited on account of any dispute, except for the following:.

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in lakhs)	Amount Unpaid (Rs. in lakhs)
The Gujarat VAT Act, 2006	Gujarat VAT	Honourable Gujarat Value Added tax Tribunal	F.Y 2010-11	9.03	6.22
Central Sales Tax Act, 1956	Central sales Tax	Joint Commissioner of Sales Tax(Appeal)-1,Mumbai	F.Y. 2012 -13	56.31	53.31

8. Based on our audit procedures and as per the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowings from banks, financial institution. Further, during the year under review, the company has not issued debentures; hence the question of reporting for default in repayment of debentures does not arise.

9. The company has not raised money by way of initial public offer or further public offer including debt instruments. However, as explained to us, the company has obtained loans from companies which have been utilised for the purpose for which the same have been obtained.

10. There has been neither any fraud by the company nor any fraud on the company by its officers or employees has been noticed or reported during the period under review.

11. In our opinion and according to the information and explanation given to us, managerial remuneration has been paid /provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12. The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13. In our opinion, the Company has entered in to transactions with related parties in compliance with Sections 177 and 188 of Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required under applicable Indian Accounting Standard.

14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the company.

15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, SHAH & SHAH ASSOCIATES
Chartered Accountants
FRN: 113742W

BHARAT A. SHAH
Partner
Membership Number: 030167

Ahmedabad, Gujarat : May 30, 2019

"Annexure B" to the Independent Auditors' Report of even date on the standalone financial statements of SAYAJI INDUSTRIES LIMITED.

Referred to in paragraph 2(f) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2019.

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 **SAYAJI INDUSTRIES LIMITED** ("the Company") as of March 31, 2019 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". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 Companies Act, 2013, 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 Auditors' judgement, including the assessment of the risks of material misstatement of the standalonefinancial 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 standalone 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 standalone 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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 March 31, 2019, 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, SHAH & SHAH ASSOCIATES
Chartered Accountants
FRN: 113742W

BHARAT A. SHAH
Partner
Membership Number: 030167

Ahmedabad, Gujarat: May 30, 2019

STANDALONE FINANCIAL STATEMENT

Standalone Balance Sheet

As at March 31, 2019

(Rs. in lakhs)

	Particulars	Note	As at March 31, 2019	As at March 31, 2018
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	4	19,817.64	14,795.97
	(b) Capital work-in-progress	4	389.04	399.35
	(c) Other Intangible assets	5	52.15	71.20
	(d) Financial assets			
	(i) Investments	6	455.24	510.19
	(ii) Other financial assets	9	11.21	11.21
	(e) Non-current tax assets (net)	19	227.49	108.78
	(f) Other non-current assets	10	279.54	195.28
	Total non-current assets		**21,232.31**	**16,091.98**
	Current assets			
	(a) Inventories	11	4,478.39	3,744.67
	(b) Financial assets			
	(i) Trade receivables	7	3,963.43	3,590.75
	(ii) Cash and cash equivalents	8	61.83	83.71
	(iii) Bank balances other than (ii) above	8	217.34	224.45
	(iv) Other financial assets	9	573.76	157.67
	(c) Other current assets	10	450.65	376.43
	Total current assets		**9,745.40**	**8,177.68**
	Total Assets		**30,977.71**	**24,269.66**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	12	316.00	316.00
	(b) Other equity	13	7,726.83	5,369.04
	Total equity		**8,042.83**	**5,685.04**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	5,602.43	3,148.53
	(ii) Other financial liabilities	16	12.99	14.16
	(b) Provisions	18	265.52	330.01
	(c) Deferred tax liabilities (net)	19	1,388.71	1,023.75
	Total non-current liabilities		**7,269.65**	**4,516.45**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	6,682.34	6,850.81
	(ii) Trade payables	15		
	(a) Total outstanding dues of micro enterprises and small enterprises		5.81	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,186.52	3,428.60
	(iii) Other financial liabilities	16	2,257.25	2,272.68
	(b) Other current liabilities	17	1,208.82	1,168.98
	(c) Provisions	18	324.49	322.04
	(d) Current tax liabilities (net)	19	-	25.06
	Total current liabilities		**15,665.23**	**14,068.17**
	Total liabilities		**22,934.88**	**18,584.62**
	Total Equity and Liabilities		**30,977.71**	**24,269.66**

See accompanying notes forming part of the standalone financial statements (Including significant accounting policies)

As per attached report of even date

For and on behalf of the Board of Directors

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership No. 030167

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Executive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Ahmedabad, Gujarat : May 30, 2019

Standalone Statement of Profit and Loss

for the year ended March 31, 2019

(Rs. in lakhs)

	Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
	Income:			
I	Revenue from operations	21	62,122.95	58,688.54
II	Other Income	22	489.98	333.97
III	**Total income (I+II)**		**62,612.93**	**59,022.51**
IV	**Expenses:**			
	(a) Cost of materials consumed	23.a	42,713.74	38,839.80
	(b) Purchases of stock-in-trade	23.b	43.48	3.08
	(c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	23.c	(605.74)	232.14
	(d) Employee benefit expenses	24	4,770.19	4,605.95
	(e) Finance costs	25	1,146.85	1,179.41
	(f) Excise duty on sales		-	743.13
	(g) Depreciation and amortisation expenses	4-5	936.29	817.28
	(h) Other expenses	26	12,426.54	11,601.02
	Total expenses		**61,431.35**	**58,021.81**
V	**Profit/(loss) before exceptional items and tax (III-IV)**		**1,181.58**	**1,000.70**
VI	Exceptional items - gain/(loss)	42	2,116.30	-
VII	**Profit/(loss) before tax (V+VI)**		**3,297.88**	**1,000.70**
VIII	Tax expense/(credit):	19		
	(a) Current tax		409.52	173.00
	(b) Short/(excess) provision of earlier years		(6.33)	0.16
	(c) Deferred tax charge/(credit)		374.66	215.16
	Total tax expenses		**777.85**	**388.32**
IX	**Profit/(Loss) for the year (VII-VIII)**		**2,520.03**	**612.38**
X	Other comprehensive income			
	A (a) Item that will not be reclassified to profit and loss			
	- Measurements of defined employee benefit plans	20	(29.07)	(104.26)
	A (b) Income tax related to Item that will not be reclassified to profit and loss		9.70	34.81
	B (a) Item that will be reclassified to profit and loss		-	-
	B (b) Income tax related to Item that will be reclassified to profit and loss		-	-
	Total comprehensive Income (net of tax)		**(19.37)**	**(69.45)**
XI	**Total comprehensive Income for the year (IX+X)**		**2,500.66**	**542.93**
XII	**Earnings per equity share of face value of Rs. 5/- each:**	36		
	(a) Basic (Rs.)		39.87	9.69
	(b) Diluted (Rs.)		39.87	9.69

See accompanying notes forming part of the standalone financial statements (Including significant accounting policies)

As per attached report of even date

For and on behalf of the Board of Directors

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
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Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Ahmedabad, Gujarat : May 30, 2019

Standalone Cash Flow Statement

for the year ended March 31, 2019

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
A	**Cash flow from operating activities:**				
	Net profit before tax		**3,297.88**		**1,000.70**
	Adjustments for:				
	(a) Depreciation and amortisation	936.29		817.28	
	(b) Interest expenses	1,146.85		1,179.41	
	(c) Dividend income	(292.85)		(60.04)	
	(d) Share of (profit)/loss in Sayaji Ingritech LLP	(33.29)		27.24	
	(e) Share of (profit)/loss in Sayaji Seeds LLP	8.32		(1.21)	
	(f) Provision for doubtful trade receivable	8.46		21.58	
	(g) Loss on sale of property, plant and equipment	23.21		9.59	
	(h) (Profit) on sale of investments in joint venture	(2,116.30)		-	
	(i) MTM loss on long term investment	0.11		0.29	
	(j) MTM (gain) of derivative financial instruments	(0.37)		(17.88)	
	(k) Unrealised exchange fluctuation (gain)	(81.54)	**(401.11)**	(28.19)	**1,948.07**
	Operating profit before working capital changes:		**2,896.77**		**2,948.77**
	Adjustments for:				
	(a) Trade and other receivables	(862.99)		690.37	
	(b) Inventories	(733.72)		319.47	
	(c) Trade and other payables	1,792.03	**195.32**	(332.03)	**677.81**
	Cash generated from operations:		**3,092.09**		**3,626.58**
	Income taxes paid (net)		546.96		186.05
	Net cash generated/(used) from/(in) operations: (A)		**2,545.13**		**3,440.53**
B	**Cash flow from investing activities:**				
	(a) Purchase of property, plant and equipment	(6,074.13)		(2,793.85)	
	(b) Sale of property, plant and equipment	38.05		97.39	
	(c) Purchase of investments	(60.00)		(309.00)	
	(d) Sale of investments in joint venture/mutual fund	2,255.86		-	
	(e) Dividend received	292.85		60.04	
	(f) Interest received	-		14.36	
	(g) Bank deposits received/(placed)	9.60		(33.37)	
	(h) Margin money or security deposits	-		19.60	
	(i) Balance in earmarked accounts	(2.49)		(4.49)	
	Net cash generated/(used) from/(in) investing activities: (B)		**(3,540.25)**		**(2,949.32)**
C	**Cash flow from financing activities:**				
	(a) Proceeds from borrowings	4,718.39		1,799.30	
	(b) Repayment of loans	(2,484.22)		(980.96)	
	(c) Interest paid	(1,120.55)		(1,193.77)	
	(d) Dividend & tax thereon paid	(140.38)		(142.62)	
	Net cash generated/(used) from/(in) financing activities: (C)		**973.25**		**(518.05)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(21.88)**		**(26.84)**
	Add: Cash and cash equivalents at the beginning of the year		83.71		110.55
	Cash and cash equivalents at the end of the year		**61.83**		**83.71**

Standalone Cash Flow Statement

for the year ended March 31, 2019

Note :

1. The above Standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

2. Cash and cash equivalents includes:

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A)	Components of cash and cash equivalents		
	a) Cash on hand	2.56	6.82
	b) Balance with banks In current accounts	59.27	76.89
		61.83	**83.71**
B)	Cash and cash equivalent not available for immediate use		
	(a) Bank deposits having maturity beyond 3 months	182.73	192.33
	(b) Earmarked balances with bank In unpaid dividend accounts	34.61	32.12
		217.34	**224.45**
	Cash and Cash Equivalents as per Note 8 (A+B)	**279.17**	**308.16**

3. **Reconciliation of movements of cash flows arising from financing activities:**

The amendments to the Ind AS-7 Cash Flow Statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendments has become effective from April 01, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendments.

	Particulars	As at March 31, 2018	Cash Flows	Non-Cash Changes	As at March 31, 2019
(a)	Borrowings - Non-current	3,148.53	2,453.90	-	5,602.43
(b)	Borrowings - Current	6,850.81	(168.47)	-	6,682.34
(c)	Other financial liabilities (Current position of non-current borrowings)	1,320.52	(51.26)	-	1,269.26
	Total	**11,319.86**	**2,234.17**	**-**	**13,554.03**

4. The previous year's figures have been regrouped wherever necessary.

See accompanying notes forming part of the standalone financial statements (Including significant accounting policies)

As per attached report of even date

For and on behalf of the Board of Directors

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Executive Director
DIN : 00900734

Vishal P. Mehta
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DIN : 02690946

Bharat A. Shah
Partner
Membership No. 030167

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Ahmedabad, Gujarat : May 30, 2019

Standalone Statement of Changes in Equity

for the year ended March 31, 2019

A) Equity share capital

(Rs. in lakhs)

Particulars	Amount
Issued, subscribed and paid-up share capital	
Balance as at April 1, 2017	79.00
Issue of bonus shares during the year	237.00
Balance as at March 31, 2018	**316.00**
Balance as at April 1, 2018	316.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**316.00**

B) Other equity

(Rs. in lakhs)

Particulars	Reserve and Surplus				Total
	Capital Redemption Reserve	General Reserve	Security Premium	Retained Earnings	
Balance as at April 1, 2017	**53.59**	**3,715.15**	**275.50**	**1,161.49**	**5,205.73**
Profit/(loss) for the year	-	-	-	612.38	612.38
Items of other comprehensive income, net of tax	-	-	-	(69.45)	(69.45)
Amount utilised for issue of bonus shares	(53.59)	-	(183.41)	-	(237.00)
Dividend including dividend distribution tax	-	-	-	(142.62)	(142.62)
Balance as at March 31, 2018	**-**	**3,715.15**	**92.09**	**1,561.80**	**5,369.04**
Balance as at April 1, 2018	**-**	**3,715.15**	**92.09**	**1,561.80**	**5,369.04**
Profit/(loss) for the year	-	-	-	2,520.03	2,520.03
Items of other comprehensive income, net of tax	-	-	-	(19.37)	(19.37)
Dividend including dividend distribution tax	-	-	-	(142.87)	(142.87)
Balance as at March 31, 2019	**-**	**3,715.15**	**92.09**	**3,919.59**	**7,726.83**

See accompanying notes forming part of the standalone financial statements (Including significant accounting policies)

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership No. 030167

Ahmedabad, Gujarat : May 30, 2019

For and on behalf of the Board of Directors

Priyam B. Mehta
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Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 1 : Corporate Information

The Standalone financial statements comprise of financial statements of Sayaji Industries Limited (the "Company") for the year ended March 31, 2019. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on BSE, a recognised Stock Exchange in India. The registered office of the Company is located at Maize Products, P.O. Kathwada, Ahmedabad - 382430, India.

The Company is engaged in the business of manufacture of Starches, Modified Starches as well as other derivatives like Liquid Glucose, Dextrose Monohydrate, Dextrose Anhydrous, Sorbitol and its bye-products like Maize Oil, Maize Gluten at Kathwada, Ahmedabad. The Company caters its product to Textile, Pharmaceutical, Food Processing, Paper & Packaging, Confectionary, Soaps & Detergent industries.

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 30, 2019.

Note 2 : Basis of preparation

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The standalone financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets & liabilities measured at fair value and defined benefit plans - plan assets measured at fair value; (refer accounting policy regarding financial instruments).

The standalone financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs (Rupees 00,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Note 3 : Significant accounting policies and key accounting estimates

(A) Significant accounting policies

1. Current / non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is:

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

a) expected to be settled in normal operating cycle;

b) held primarily for the purpose of trading;

c) due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets/materials for processing and their realisation in cash and cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

2. Foreign currencies

The Company's standalone financial statements are prepared in Indian Rupee which is the also the Company's functional currency.

Transactions and balances

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction, i.e. spot rate.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

b) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

c) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the Company after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant note.

4 <u>Property, plant and equipment</u>

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities).

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of the project costs and are capitalized. Such expenses are capitalized only if the project to which they relate, involve substantial expansion of capacity or up-gradation.

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Freehold land is carried at historical cost and not depreciated.

Depreciation on all fixed assets is provided on Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on Property, plant and equipment purchased/acquired during the year is provided on pro-rata basis according to the period each asset was put to use during the year. Similarly, depreciation on assets sold/discarded/demolished during the year is provided on pro-rata basis

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

The Company assesses at each reporting date using external and internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

Useful life considered for calculation of depreciation for various assets class are as follows:

Assets Class	Economic Useful Life
Factory Building	30 years
Plant & Machinery	15-25 years
Computers	3 years
Furniture and Fixtures	10 years
Office Equipment's	5 years
Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

5. Leases

The determination of whether an arrangement is (or contains) a lease or not is based on the substance of the arrangement at the inception of the lease. The arrangement is, (or contains), a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company does not have any arrangement during or at the reporting period that can be classified as finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except in the case where incremental lease reflects inflationary effect in which case, lease expense is accounted by actual rent for the period.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

6. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7. Intangible assets

Intangible assets acquired separately are measured, on initial recognition, at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful economic life of intangible assets is six years.

The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Intangible assets are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of de-recognition.

8. Inventories

Inventories are valued at lower of cost and net realisable value, except by-products which is valued at Net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out (FIFO) basis except for Stores, Spares (including Packing Materials & Chemicals), where monthly weighted average cost basis method is adopted. Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Finished Goods and Process Stock are valued at cost or net realisable value whichever is lower. Cost thereof is determined on absorption costing method. Obsolete, slow moving and defective inventories are identified and provided for.

Net Realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make sale.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

9. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

10. Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sales tax/ value added tax (VAT)/Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer, usually on delivery of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Export Incentives

Export benefits are accounted for in the year of the exports based on the eligibility and when there is no uncertainty in receiving the same.

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded 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 or to the amortised cost of a financial liability. 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.

Insurance Claims

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

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

terms and is included in operating income in the statement of profit and loss due to its operating nature.

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with effect from April 01, 2018. The application of Ind AS 115 did not have any material impact on the financials statements of the company.

11. 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 assets

Initial recognition and measurement.

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

Investments in subsidiaries and Joint Venture are carried at cost as per Ind AS 27 'Separate Financial Statements'.

Subsequent measurement

For purposes of subsequent measurement, financial assets are primarily classified in three categories:

a) Debt instruments at amortised cost;

b) Debt instruments at fair value through other comprehensive income (FVTOCI); and

c) Other financial instruments measured at fair value through profit and loss (FVTPL).

a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

b) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

ii) The asset's contractual cash flows represent SPPI.

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

c) Other financial instruments measured at fair value through profit and loss (FVTPL)

Any financial asset that does not qualify for amortised cost measurement or measurement at FVTOCI must be measured subsequent to initial recognition at FVTPL.

d) Forward Contracts measured at fair value through other comprehensive income or fair value through profit and loss

Forward contract which meet the criteria of hedge effectiveness are cash flow hedge which are measured at FVTOCI and which fails to meet the effectiveness criteria are measured at FVTPL.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Lease receivables under Ind AS 17; and

d) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or as those measured at amortised cost.

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such 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 the statement of profit & loss. 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 and loss. The Company has not designated any financial liability as at fair value through profit and loss.

b) Financial liabilities at amortised cost

Financial liabilities at amortised cost include loans and borrowings and payables.

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

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

De-recognition

A financial liability is de-recognised 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 de-recognition 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 and loss.

12. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks such as forward currency contracts. Further details of derivatives financial instruments are disclosed in note 39.

Derivatives are re-measured at FVTPL at the end of each reporting period and the resulting gain or loss is recognised in the statement of profit and loss

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

13. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

14. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

15. Employee benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post- Employment Benefit

Defined Contribution Plans

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the company at the time of resignation /superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

AS per IND AS 19, when a company pays insurance premiums to fund a post-employment benefit plan, the company shall treat such a plan as a defined contribution plan unless the company will have (either directly, or indirectly through the plan) a legal or constructive obligation either: (a) to pay the employee benefits directly when they fall due; or (b) to pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior periods. If the company retains such a legal or constructive obligation, the company shall treat the plan as a defined benefit plan.

Other Long Term Employment Benefits

Provision in respect of accumulated leave encashment/ compensated absences is made as per actuarial valuation report.

16. Earnings Per Share

The basic earnings per share is computed by dividing the net

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

17. Dividend distribution

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

18. Provisions & contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability arises when the Company has:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:

   (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;

   or

   (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recorded in the financial statement but, rather, are disclosed in the note to the financial statements.

19. Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

20. Recent Accounting Developments

Standards issued but not yet effective:

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain Ind AS. The Standard / amendments are applicable to the Company with effect from April 1 2019 but there will be not any impact on the financials of the company.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income taxes – Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes - Accounting for Dividend Distribution Taxes
3. Ind AS 23, Borrowing costs
4. Ind AS 28, Investment in associates and joint ventures
5. Ind AS 103 and Ind AS 111, Business combinations and joint arrangements
6. Ind AS 109, Financial instruments
7. Ind AS 19, Employee benefits

The Company is in the process of evaluating the impact of such amendments.

B. Key accounting estimates

1. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 29 for further disclosures.

2. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

3. Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has Rs. 922.89 lakhs as at March 31, 2019 (Rs. 538.60 lakhs as at March 31, 2018) of tax credits carried forward. These credits can be utilised over the period of 15 years. The Company has taxable temporary difference and tax planning opportunities available that could support the recognition of these credits as deferred tax assets. On this basis, the Company has determined that it can recognise deferred tax assets on the tax credits carried forward. Refer to Note 19 for further details.

4. Defined benefit plan

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter that is subject to change the most is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are after considering the expected future inflation rates for the country.

Refer to Note 20 for further details.

5. Property, Plant and Equipment

Refer to Note 3 (A) - 4 for the estimated useful life of Property, Plant and Equipment. The carrying values of Property, plant and equipment have been disclosed in Note 4.

6. Intangible assets

Refer to Note 3 (A) - 7 for the estimated useful life of Intangible assets. The carrying values of Intangible assets have been disclosed in Note 5.

7. Allowance for doubtful trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc. The allowances for doubtful trade receivables were Rs. 108.62 lakhs as at March 31, 2019 (Rs. 100.16 lakhs as at March 31, 2018).

Individual trade receivables are written off when the management deems them not to be collectable.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 4: Property, plant and equipment

(Rs. in lakhs)

Particulars	Freehold land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Other Agriculture Equipment	Total	Capital Work-in -Progress
Gross carrying amount:									
Balance as at April 1, 2017	0.80	3,249.78	18,192.38	185.35	242.82	567.16	0.35	22,438.64	265.89
Additions during the year	-	565.92	1,363.57	22.83	44.59	503.34	-	2,500.25	337.83
Deductions during the year	-	-	-	-	-	266.22	-	266.22	-
Capitalised from/reduction in CWIP	-	-	-	-	-	-	-	-	204.37
Balance as at March 31,2018	**0.80**	**3,815.70**	**19,555.95**	**208.18**	**287.41**	**804.28**	**0.35**	**24,672.67**	**399.35**
Balance as at April 1, 2018	0.80	3,815.70	19,555.95	208.18	287.41	804.28	0.35	24,672.67	399.35
Additions during the year	-	1,252.63	4,495.97	31.16	31.62	188.80	-	6,000.17	5,989.86
Deductions during the year	-	-	-	-	-	113.78	-	113.78	-
Capitalised from/reduction in CWIP	-	-	-	-	-	-	-	-	6000.17
Balance as at March 31,2019	**0.80**	**5,068.33**	**24,051.92**	**239.34**	**319.03**	**879.29**	**0.35**	**30,559.06**	**389.04**
Accumulated depreciation:									
Balance as at April 1, 2017	-	875.69	7,784.14	131.79	169.51	276.24	0.34	9,237.71	-
Depreciation for the year	-	115.74	560.61	11.20	28.71	81.97	-	798.23	-
Deductions during the year	-	-	-	-	-	159.24	-	159.24	-
Balance as at March 31, 2018	**-**	**991.43**	**8,344.75**	**142.99**	**198.22**	**198.97**	**0.34**	**9,876.70**	**-**
Balance as at April 1, 2018	-	991.43	8,344.75	142.99	198.22	198.97	0.34	9,876.70	-
Depreciation for the year		124.80	659.43	13.78	29.12	90.10	-	917.24	-
Deductions during the year	-	-	-	-	-	52.52	-	52.52	-
Balance as at March 31, 2019	**-**	**1,116.23**	**9,004.18**	**156.77**	**227.34**	**236.55**	**0.34**	**10,741.42**	**-**
Net Carrying Amount:									
Balance as at March 31, 2018	**0.80**	**2,824.27**	**11,211.20**	**65.19**	**89.19**	**605.31**	**0.01**	**14,795.97**	**399.35**
Balance as at March 31, 2019	**0.80**	**3,952.10**	**15,047.74**	**82.57**	**91.69**	**642.74**	**0.01**	**19,817.64**	**389.04**

Note:
a) Buildings include Rs. 313.42 lakhs (Previous Year Rs. 313.42 lakhs) being the cost of ownership premises in a co-operative housing society including cost of fifteen shares of the face value of Rs. 750/- received under the Bye-laws of the Society in the name of the company.
b) Buildings include Rs. 4.50 lakhs (Previous Year Rs. 4.50 lakhs) being the cost of ownership premises in a cloth market association including cost of one share of the face value of Rs. 100/- received under rules and regulation of the association in the name of the company.
c) Additions for the year includes Rs. 33.63 lakhs (Previous Year Rs. 27.02 lakhs) being interest capitalised.

Note 5: Intangible assets

(Rs. in lakhs)

Particulars	Computer Software's
Gross carrying amount:	
Balance as at April 1, 2017	120.32
Additions	-
Deductions	-
Balance as at March 31, 2018	**120.32**
As at April 1, 2018	120.32
Additions	-
Deductions	-
Balance as at March 31, 2019	**120.32**
Accumulated amortisation:	
Balance as at April 1, 2017	30.07
Amortisation for the year	19.05
Deductions	-
Balance as at March 31, 2018	**49.12**
At April 1, 2018	49.12
Amortisation for the year	19.05
Deductions	-
Balance as at March 31, 2019	**68.17**
Net carrying amount:	
Balance as at March 31, 2018	**71.20**
Balance as at March 31, 2019	**52.15**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 6: Non-current investments

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current Investments:		
A Investment at Cost		
(a) In limited liability partnership (LLP)		
Subsidiary Company/LLP		
(i) Sayaji Seeds LLP	231.69	180.01
(ii) Sayaji Ingritech LLP	215.05	181.76
(b) In unquoted equity instruments		
(i) Of Subsidiary Company		
49,994 Equity Shares (49,994 Equity shares at March 31, 2018) of Sayaji Corn Products Limited of Rs. 10/- each	5.00	5.00
(ii) Joint Venture Company		
Nil Equity Shares (12,00,000 Equity shares at March 31, 2018) of Sayaji Sethness Limited of Rs. 10/- each	-	120.00
	451.74	**486.77**
B Investment at fair value through profit and loss (FVTPL):		
(a) In equity instruments		
Quoted		
i) 2,500 Equity Shares (2500 Equity shares at March 31, 2018) of Rs. 10/- each of Rapicut Carbide Limited.	1.25	1.61
ii) 2360 Equity Shares (2360 Equity shares at March 31, 2018) of Punjab National Bank of Rs. 2/- each.	2.25	2.25
	3.50	**3.86**
(b) In Mutual Funds		
Quoted		
Nil Units (1,59,329 Units at March 31, 2018) of "Principal Assets Allocation Fund" of Rs.10/- each.	-	19.56
Total (A+B)	**455.24**	**510.19**
Total	**455.24**	**510.19**
Aggregate value of quoted investments and market value thereof.	3.50	23.42
Aggregate value of unquoted investments and market value thereof.	451.74	486.77

Note 7: Trade receivables

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Trade receivables considered good- Secured	-	-
(b) Trade receivables considered good- Unsecured	3,963.43	3,590.75
(c) Trade receivables - Credit impaired	108.62	100.16
Less : Allowance for expected credit loss	108.62	100.16
Total	**3,963.43**	**3,590.75**

Trade receivables includes debts due from related parties:

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Sayaji Sethness Ltd.	-	0.01
(b) N.B. Commercial Enterprises Ltd.	-	1.29

Summary of movement in allowance for credit impaired of trade receivables:

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	100.16	140.03
Provision created during the year	8.46	21.58
Less: Write off bad debts	-	61.45
Balance at the end of the year	**108.62**	**100.16**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 8: Cash and cash equivalents and bank balances other than cash and cash equivalents

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Cash on hand	2.56	6.82
(b)	Balances with banks in current accounts	59.27	76.89
	Total cash and cash equivalents	**61.83**	**83.71**
Other bank balances (Bank balances other than (ii) above)			
(a)	Bank deposits having maturity beyond 3 months	182.73	192.33
(b)	Earmarked balances with bank in unpaid dividend accounts	34.61	32.12
	Total other bank balances	**217.34**	**224.45**
	Total	**279.17**	**308.16**

Note 9: Other financial assets, Non-current / current

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
[Unsecured and considered good, unless otherwise stated]			
Non-Current			
(a)	Security deposits	11.21	11.21
		11.21	**11.21**
Current			
(a)	Advances/recoverable to/from related parties	265.41	30.90
(b)	Financial derivative asset	78.82	17.88
(c)	Export incentive receivable	228.86	108.48
(d)	Interest receivable	0.67	0.41
		573.76	**157.67**
	Total	**584.97**	**168.88**

Note 10: Other Non-current / current assets

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
[Unsecured and considered good, unless otherwise stated]			
Non-Current			
(a)	Capital advances	279.54	195.28
		279.54	**195.28**
Current			
(a)	Prepaid expenses	140.17	88.14
(b)	Advances to employees	3.02	0.22
(c)	Balances with revenue authorities	34.18	25.27
(d)	Advance to suppliers		
	Considered good	268.64	260.46
	Considered doubtful	-	1,063.00
	Less: Provisions	-	1,063.00
		268.64	**260.46**
(e)	Others	4.64	2.34
		450.65	**376.43**
	Total	**730.19**	**571.71**

Note: The long term contract entered into by the company with Yashwant Sahakari Glucose Karkhana Limited (YSGK) for purchase of certain products manufactured by YSGK at mutually agreed price was terminated due to dispute and differences between the parties. As per the terms of the termination agreement, YSGK agreed to pay a sum of Rs. 250.00 lakhs in full and final settlement. The company has received Rs.100.00 lakhs from YSGK till March 31, 2019 out of the said amount. For the balance outstanding amount of Rs. 150.00 lakhs (included in advances to suppliers), YSGK has issued post dated cheques to the company. The management of the company is confident of realisation of the amount of Rs.150.00 lakhs and the said amount is therefore considered as good.

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Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 11: Inventories

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Raw materials	1,367.55	1,506.52
(b)	Chemicals and packing material	134.21	108.25
(c)	Work-in-progress	691.02	592.52
(d)	Finished goods	1,260.09	630.85
(e)	Stock in transit - finished goods	185.51	61.20
(f)	By-products	272.59	518.91
(g)	Stores, spares and fuel	567.42	326.42
	Total	**4,478.39**	**3,744.67**

Note 12: Share capital

	Particulars	As at March 31, 2019		As at March 31, 2018	
		Number of Shares	Rs. in lakhs	Number of Shares	Rs. in lakhs
(a)	**Authorised**				
	Equity shares of Rs. 5/- each with voting rights	1,00,00,000	500.00		
	Equity shares of Rs. 10/- each with voting rights			50,00,000	500.00
(b)	**Issued, Subscribed and fully paid up**				
	Equity shares of Rs. 5/- each with voting rights	63,20,000	316.00		
	Equity shares of Rs. 10/- each with voting rights			31,60,000	316.00
	Total	**63,20,000**	**316.00**	**31,60,000**	**316.00**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Changes if any during the year in the Share Capital	Closing Balance
Equity shares with voting rights			
Year ended March 31, 2019			
- Number of shares	**31,60,000**	**31,60,000**	**63,20,000**
- Amount (Rs. in Lakhs)	**316.00**		**316.00**
Year ended March 31, 2018			
- Number of shares	79,000	30,81,000	31,60,000
- Amount (Rs. in Lakhs)	79.00	237.00	316.00

Note: Changes in the share capital during the year ended March 31, 2019 in case of number of shares of 31,60,000, is on account of share split from a face value of Rs. 10/- to face value of Rs. 5/- each.

(ii) Details of Shareholders holding more than 5% shares:

Class of shares / name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of Shares held	% holding in that class of share	Number of Shares held	% holding in that class of share
Equity shares with voting rights				
Sujata Priyam Mehta	11,37,680	18.00	5,68,840	18.00
C.V. Mehta Private Limited	9,59,520	15.18	4,79,760	15.18
Priyam Commercial Enterprises Private Limited	8,56,400	13.55	4,28,200	13.55
Priyam B. Mehta	7,29,200	11.54	3,64,600	11.54
Bini Commercial Enterprises Private Limited	4,59,200	7.27	2,29,600	7.27

Pursuant to the approval of the members accorded on December 07, 2018 by way of postal ballot, 1 (one) equity share of the parent company having face value of Rs. 10/- (Rupee Ten only) each was sub-divided into 2 (two) equity shares having face value of Rs. 5/- (Rupee Five only) each.

The company has issued only one class of shares referred to as equity shares having a par face value of Rs. 5/-.

All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared.

All equity shares rank equally with regards to the company's residual assets.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 13 : Other equity

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	General reserve	3,715.15	3,715.15
(b)	Security premium	92.09	92.09
(c)	Retained earnings	3,919.59	1,561.80
	Total	**7,726.83**	**5,369.04**

Nature and purpose of reserves

General reserve:

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Security premium:

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognised in Securities Premium.

Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Note 14: Borrowings (Non-current / current)

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
Non-current			
Secured			
(a)	Term loans from banks	3,179.15	736.68
(b)	Vehicle loan from banks/financial institutions	207.09	241.57
Unsecured			
(a)	Public deposits*	1,837.69	1,431.78
(b)	Inter-corporate deposits from related parties	378.50	738.50
		5,602.43	**3,148.53**
Current			
Secured			
(a)	Working capital loan from banks	6,041.47	6,829.41
Unsecured			
(a)	Public deposits*	50.72	21.40
(b)	Working capital loan from banks	590.15	-
		6,682.34	**6,850.81**
	Total	**12,284.77**	**9,999.34**

* Public Deposits includes deposits accepted from directors amounting to Rs. 584.50 lakhs (As at March 31, 2018 Rs. 542.50 lakhs).

Note:

(I) Term Loan by way of overdraft from Punjab National Bank of Rs. Nil (As at March 31, 2018 Rs. 389.71 lakhs) was secured by mortgage of property situated at Kathwada Unit. The outstanding of overdraft has been taken over by Kotak Mahindra Bank Limited in the current financial year.

(ii) Term Loan - 2 from Kotak Mahindra Bank of Rs. 400.00 lakhs (As at March 31, 2018 Rs. 800.00 lakhs) is secured by way of Hypothecation charge on all existing and future current assets as well as moveable fixed assets of the company and also secured by way of mortgage of land and Building of the Kathwada Unit. The said loan is repayable in 20 equal quarterly instalments starting from May 27, 2015.

(iii) Term Loan - 3 from Kotak Mahindra Bank of Rs. 3,368.74 lakhs (As at March 31, 2018 Rs. Nil) is secured by way of Hypothecation charge on all existing and future current assets as well as moveable fixed assets of the company and also secured by way of mortgage of land and Building of the Kathwada Unit. The said loan is repayable in 24 equal quarterly instalments starting from January, 2020.

(iv) Vehicle loan from Banks & Financial Institutions amounting to Rs. 402.65 lakhs (As at March 31, 2018 Rs. 391.35 lakhs) are secured by way of hypothecation of respective motor vehicles purchased. The said loans are repayable in 36 equal monthly instalments.

(v) Working Capital loans from Kotak Mahindra Bank Limited are secured by way of Hypothecation charge on all existing and future current assets as well as moveable fixed assets of the company and also secured by way of mortgage of land and Building of the Kathwada Unit.

(vi) Rate of Interest on the above loans ranges from 8.00% to 11.50% p.a.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 15: Trade payables

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
(a) Total outstanding dues of micro enterprises and small enterprises	5.81	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,186.52	3,428.60
Total	**5,192.33**	**3,428.60**

Information relating to Micro and Small enterprises (MSME)s:

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act, 2006):		
(a) Principal	5.81	-
(b) Interest	0.16	-
(ii) Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year:	-	-
(a) Principal	-	-
(b) Interest	-	-
(iii) Amount of interest due and payable for the year of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006:	-	-
(a) Principal	-	-
(b) Interest	-	-
(iv) Amount of interest accrued and remaining unpaid at the end of the accounting year:	0.16	-
(v) Amount of further interest remaining due and payable in succeeding years:	-	-

Note: The above information has been compiled in respect of parties to the extent to wh ch they could be iden :ified as Micro and Small Enterprises on the basis of information available with the Company.

Note 16: Other financial liabilities - Non-current / current

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
(a) Trade/security deposits	12.99	14.16
	12.99	**14.16**
Current		
(a) Current maturities of long term debt (Refer note 14)	1,269.26	1,320.52
(b) Unclaimed dividend	34.61	32.12
(c) Unclaimed matured public deposits and interest thereon	95.72	100.12
(d) Creditors for capital goods	204.89	171.19
(e) Interest accrued but not due on borrowings	36.33	10.03
(f) Other payables	616.44	638.70
	2,257.25	**2,272.68**
Total	**2,270.24**	**2,286.84**

Note 17: Other current liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Statutory liabilities	545.08	420.47
(b) Advance from customers	662.20	746.47
(c) Other payables	1.54	2.04
Total	**1,208.82**	**1,168.98**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 18: Provisions

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits		
Non-current		
(a) Provision for gratuity	44.36	130.34
(b) Provision for compensated absences	221.16	199.67
	265.52	**330.01**
Current		
(a) Provision for gratuity	217.04	210.66
(b) Provision for compensated absences	107.45	111.38
	324.49	**322.04**
Total	**590.01**	**652.05**

Note 19: Income taxes

1. Components of Income tax expenses

The major component of Income tax expenses for the year ended March 31, 2019 and March 31,2018 are as follows

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Tax		
(a) Current income tax	409.52	173.00
(b) Adjustment of tax relating to earlier periods	(6.33)	0.16
	403.19	**173.16**
Deferred Tax		
(a) Deferred Tax	758.96	302.73
(b) MAT credit entitlement	(384.30)	(87.57)
	374.66	**215.16**
Income tax expenses	**777.85**	**388.32**

2. Reconciliation of effective tax

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	3,297.88	1,000.70
Enacted income tax rate in India applicable to the Company	34.944%	33.063%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	1,152.41	330.86
Adjustment for :		
(a) Expenses not allowed as deduction	16.91	18.93
(b) MAT credit not recognised / created	(209.85)	80.16
(c) Excess provision created during current periods	-	(4.41)
(d) Income exempted from income taxes	(111.06)	(19.85)
(e) Impact of earlier years tax	(6.33)	0.16
(f) Tax rate differences/non recognition of deferred tax	(75.57)	-
(g) Others	11.34	(17.53)
Tax Expenses/(Benefit)	**777.85**	**388.32**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

3. Movement in deferred tax assets and liabilities for the year ended March 31,2018

(Rs. in lakhs)

Particulars	As at April 1, 2017	Credit/(Charge) in the Statement of Profit & Loss	Credit/(Charge) in the Other Comprehensive Income	As at March 31, 2018
Deferred tax assets/(liabilities)				
(a) Accelerated depreciation for tax purpose	(1,947.07)	(214.34)	-	**(2,161.41)**
(b) Deferred tax imposed on employee benefits	153.67	27.11	34.81	**215.59**
(c) Provision for doubtful debt/advances	397.77	(13.20)	-	**384.57**
(d) Unabsorbed depreciation	103.22	(103.22)	-	**-**
(e) Deferred tax on amortisation of loan processing fees	(2.02)	0.92	-	**(1.10)**
Total	**(1,294.43)**	**(302.73)**	**34.81**	**(1,562.35)**

3A. Movement in deferred tax assets and liabilities for the year ended March 31,2019

(Rs. in lakhs)

Particulars	As at April 1, 2018	Credit/(Charge) in the Statement of Profit & Loss	Credit/(Charge) in the Other Comprehensive Income	As at March 31, 2019
Deferred tax assets/(liabilities)				
(a) Accelerated depreciation for tax purpose	(2,161.41)	(366.99)	-	**(2,528.40)**
(b) Deferred tax imposed on employee benefits	215.59	(28.32)	9.70	**196.97**
(c) Provision for doubtful debt/advances	384.57	(348.31)	-	**36.26**
(d) Deferred tax on amortisation of loan processing fees	(1.10)	(15.34)	-	**(16.44)**
Total	**(1,562.35)**	**(758.96)**	**9.70**	**(2,311.60)**

4. Deferred tax liabilities

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Deferred tax liability	2,311.60	1,562.35
(b)	MAT credit entitlement	(922.89)	(538.60)
	Total	**1,388.71**	**1,023.75**

5. Current /Non-Current tax assets and liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Advance tax (net of income tax provisions)	227.49	108.78
Current		
Provision for income tax (net of advance tax)	-	25.06

Note 20: Employee benefits

A. Defined contribution plans:

The Company deposits amount of contribution to government under Provident Fund and other schemes operated by government amount of Rs. 360.73 lakhs (P.Y.: Rs. 348.55 lakhs) is recognised as expenses and included in note 24 "Employee benefit expense".

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Provident and other funds	360.73	348.55
Total	**360.73**	**348.55**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

B. Defined benefit plans (Gratuity):

The Company has following post employment benefits which are in the nature of defined benefit plans:

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death/disability of employee during service. The vested benefit is payable on separation from the Company, on retirement, death or termination.

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
i.	**Expenses recognized in statement of profit and loss**		
	Current service cost	66.43	53.00
	Interest cost (net)	26.87	14.57
	Past service cost	-	166.84
	Expected return on plan assets	-	-
	Net actuarial losses (gains)	-	-
	Component of defined benefit costs recognised in statement of profit and loss	**93.30**	**234.41**
	Remeasurement of the net defined benefit liability:		
	Actuarial losses/(gains)	41.54	106.08
	Return on plan assets excluding interest income amounts	(12.47)	(1.83)
	Component of defined benefit costs recognised in other comprehensive income	**29.07**	**104.26**
ii.	**Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation**		
	Opening defined benefit obligation as on April 1, 2018	1,561.30	1,237.60
	Service cost	66.43	53.00
	Interest cost	123.03	89.85
	Past Service cost	-	166.84
	Actuarial losses (gains)- Due to change in Financial Assumptions	15.58	(50.87)
	Actuarial losses (gains)- Due to Experience	25.96	156.95
	Benefits paid	(140.25)	(92.07)
	Closing defined benefit obligation as at March 31, 2019	**1,652.05**	**1,561.30**
iii.	**Reconciliation of Opening and Closing balances of changes in fair value of the assets**		
	Opening fair value of plan assets as at April 1, 2018	1,220.30	1,036.95
	Interest Income	96.16	75.28
	Expected return on plan assets	12.47	1.83
	Contributions by employer	201.96	198.31
	Benefits paid	(140.25)	(92.07)
	Closing balance of fair value of plan assets as at March 31, 2019	**1,390.64**	**1,220.30**
iv.	**Net Liability recognized in the Balance Sheet as at March 31, 2019**		
	Defined Benefit Obligation as at March 31, 2019	1,652.05	1,561.30
	Fair Value of plan assets as at March 31, 2019	1,390.64	1,220.30
	Present Value of unfunded obligation recognized as liability as at March 31, 2019	**261.40**	**341.00**
v.	**Actuarial Assumptions**		
	Discount rate	7.69%	7.88%
	Expected Return on Plan Assets	7.69%	7.88%
	Future salary increase	4.00%	4.00%
	Attrition rate	2.00%	2.00%
	Mortality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

vi. Quantitative sensitivity analysis for significant assumption is as shown below:

(Rs. in lakhs)

Particulars	Sensitivity level	For the year ended March 31, 2019	For the year ended March 31, 2018
Gratuity			
Discount rate	1% increase	(77.95)	(74.14)
	1% decrease	88.74	84.14
Salary increase	1% increase	91.17	86.60
	1% decrease	(81.27)	(77.74)
Withdrawal Rates	1% increase	25.54	25.26
	1% decrease	(28.66)	(28.28)

vii. The followings are the expected future benefit payments for the defined benefit plan:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gratuity		
1st following year	456.73	431.99
2nd following year	77.17	95.28
3rd following year	214.59	97.17
4th following year	122.73	201.74
5th following year	120.54	114.41
Sum of years 6 to 10	689.00	709.95
Sum of years 11 and above	1,181.45	1,092.23

viii. Weighted average duration (years) of defined plan obligation:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gratuity	**7**	**6**

C. Other Long term employee benefit plans

Leave encashment

Salaries, Wages and Bonus include Rs. 127.96 lakhs (P.Y.: Rs. 127.55 lakhs) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

Note 21: Revenue from operations

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products	61,754.23	58,420.72
(b) Other operating revenues		
i) Export incentives	368.72	267.48
ii) VAT/excise refund	-	0.34
	368.72	**267.82**
Total	**62,122.95**	**58,688.54**

Note: Post implementation of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operations is disclosed net of GST. Revenue from the operations for the year ended March 31, 2018 includes excise duty till June 30, 2017 only. Accordingly, revenue from operations for the year ended March 31, 2019 and year ended March 31, 2018 are not comparable with those of previous periods presented.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 22: Other income

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Dividend income		
	i) Joint venture company	292.80	60.00
	ii) Others	0.05	0.04
(b)	Net gain on foreign currency transactions and translation	99.00	230.41
(c)	Rental income	5.28	5.30
(d)	Sundry balances written off (net)	54.80	36.98
(e)	Share of profit in Sayaji Ingritech LLP	33.29	-
(f)	Share of profit in Sayaji Seeds LLP	-	1.21
(g)	Miscellaneous income	4.76	0.03
	Total	**489.98**	**333.97**

Note 23.a: Cost of materials consumed

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Raw material consumed	38,199.54	34,928.11
Chemicals and packing material consumed	4,514.20	3,911.69
Total	**42,713.74**	**38,839.80**

Note 23.b: purchase of traded goods

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Starches & others	43.48	3.08
Total	**43.48**	**3.08**

Note 23.c: Changes in inventories of finished goods, work-in-progress and stock in trade

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year			
(a)	Finished goods & By-products	1,532.69	1,149.76
(b)	Stock in transit - finished goods	185.51	61.20
(c)	Work in progress	691.02	592.52
		2,409.22	**1,803.48**
Inventories at the beginning of the year			
(a)	Finished goods & By-products	1,149.76	1,313.71
(b)	Stock in transit - finished goods	61.20	233.54
(c)	Work in progress	592.52	488.37
		1,803.48	**2,035.62**
	Total	**(605.74)**	**232.14**

Note 24: Employee's benefits expense

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Salaries and wages	4,025.09	3,734.32
(b)	Contribution to provident and other funds	444.83	574.15
(c)	Staff welfare expenses	300.27	297.48
	Total	**4,770.19**	**4,605.95**

Note 25: Finance cost

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Interest costs on borrowing	1,110.16	1,163.87
(b)	Other borrowing costs	36.69	15.54
	Total	**1,146.85**	**1,179.41**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 26: Other expenses

(Rs. in lakhs)

	Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Consumption of stores, spare parts		227.88	270.41
(b)	Power and fuel		5,242.84	4,238.23
(c)	Rent including Lease Rentals (Refer note 34)		72.17	131.81
(d)	Repairs and maintenance - Buildings		78.45	66.16
(e)	Repairs and maintenance - Machinery		618.81	536.33
(f)	Repairs and maintenance - Others		135.43	156.71
(g)	Operation and maintenance charges		201.33	168.57
(h)	Contract labour charges		1,022.42	998.72
(I)	Insurance		59.66	43.55
(j)	Rates and taxes		25.61	30.35
(k)	Commission and brokerage		534.90	571.02
(l)	Freight outward and clearing charges		2,135.87	2,241.77
(m)	Selling and distribution expenses		211.30	257.47
(n)	Donations and contributions		19.54	3.85
(o)	Corporate social responsibilities expenses (Refer note 38)		27.08	15.48
(p)	Loss on sale of fixed assets (net)		23.21	9.59
(q)	Payment to auditors (Refer note 41)		11.48	10.82
(r)	Provision for bad and doubtful debts and advances		8.46	21.58
(s)	Advances write off	1063.00		
	Less: Provision for doubtful advances written back	1063.00	-	-
(t)	Bad debts		4.54	-
(u)	Share of loss in Sayaji Ingritech LLP		-	27.24
(v)	Share of loss in Sayaji Seeds LLP		8.32	-
(w)	Directors sitting fees		11.05	13.59
(x)	Managerial remuneration		402.15	401.68
(y)	General charges		1,344.04	1,386.09
	Total		**12,426.54**	**11,601.02**

Note 27: Related party transactions

Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below.

(A) List of Related Parties and Relationships:

Subsidiary Company/LLP:	Sayaji Seeds LLP Sayaji Ingritech LLP Sayaji Corn Products Ltd.
Joint Venture:	Sayaji Sethness Limited (till September 5, 2018)
Entities under Common Control:	C.V. Mehta Pvt. Ltd. Bini Commercial Enterprises Pvt. Ltd. N.B. Commercial Enterprises Ltd. Varun Travels Pvt. Ltd. Priyam Commercial Enterprises Pvt. Ltd. Viva Tex Chem Pvt. Ltd. Sayaji Properties LLP Sayaji Agrosciences LLP Sayaji Samruddhi LLP Viva Public Charitable Trust
Key Managerial Personnel:	Shri Priyam B. Mehta (Managing Director) Shri Varun P. Mehta (Executive Director) Shri Vishal P. Mehta (Executive Director) Shri Rajesh H Shah (Company Secretary) Shri Narayansingh J. Deora (CFO)
Relatives of Key Managerial Personnel: (With whom transactions have taken place)	Smt. Niramayi B. Mehta Smt. Kavisha V. Mehta Smt. Priyanka Agarwal Smt. Sujata P. Mehta (Non-Executive Director - Non Independent Director) Priyam B Mehta - HUF

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

(B) Related party transaction and balances:

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in an arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except in case of advances. Outstanding advances are either settled through supply of goods or services.

The details of material transactions and balances with related parties are given below:

(Rs. in lakhs)

a)	Transactions during the year	For the year ended March 31, 2019	For the year ended March 31, 2018
(i)	**Sales**		
	To subsidiary Company/LLP		
	Sayaji Ingritech LLP	12.54	1.73
	Sayaji Seeds LLP	26.53	-
	To joint Venture Company		
	Sayaji Sethness Ltd.	0.91	2.49
	To entities under common control		
	N.B. Commercial Enterprises Ltd.	47.84	41.78
	Varun Travels Pvt. Ltd.	0.07	
ii)	**Corporate Gurantee Income**		
	From subsidiary Company/LLP		
	Sayaji Ingritech LLP	2.90	-
	Sayaji Seeds LLP	2.78	-
	From entities under common control		
	N.B. Commercial Enterprises Ltd.	8.50	-
iii)	**Dividend Income**		
	From joint Venture Company		
	Sayaji Sethness Ltd	292.80	-
iv)	**Sale of investments**		
	Joint Venture Company		
	Sayaji Sethness Ltd	2,278.71	-
v)	**Expenses Recovered on Reimbursement Basis/Service rendered**		
	From subsidiary Company/LLP		
	Sayaji Ingritech LLP	12.78	15.14
	Sayaji Seeds LLP	17.68	21.06
	From Joint Venture Company		
	Sayaji Sethness Ltd	32.00	70.94
	From entities under common control		
	N.B. Commercial Enterprises Ltd.	43.74	7.00
vi)	**Rent Income**		
	From entities under common control		
	Bini Commercial Enterprises Pvt. Ltd.	-	0.63
vii)	**Goods Purchases**		
	From subsidiary company/LLP		
	Sayaji Ingritech LLP	54.79	-
viii)	**Services Purchased :**		
	From entities under common control		
	Varun Travels Pvt. Ltd.	178.30	141.16
ix)	**Interest Paid :**		
	To Joint Venture Company		
	Sayaji Sethness Ltd.	13.50	56.00

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

a) Transactions during the year	For the year ended March 31, 2019	For the year ended March 31, 2018
To Entities under common control		
Priyam Commercial Enterprise Pvt. Ltd.	9.53	-
C. V. Mehta Pvt. Ltd.	2.34	2.60
Bini Commercial Enterprises Pvt. Ltd.	4.53	0.48
To Key Managerial Personnel		
Shri Priyam B. Mehta	15.66	14.96
Shri Varun P. Mehta	8.78	7.00
Shri Vishal P. Mehta	7.27	5.97
To Relatives of Key Managerial Personnel		
Smt. Sujata P. Mehta	21.45	18.06
Smt. Niramayi B. Mehta	6.29	5.43
Smt. Kavisha V. Mehta	2.02	2.12
Priyam B Mehta - HUF	1.47	0.69
x) **Rent Expenses**		
To entities under common control		
Sayaji Properties LLP	6.60	-
xi) **Corporate Social Responsibility Expenses**		
To Entities under common control		
Viva Public Charitable Trust	8.00	5.00
xii) **Remuneration**		
To Key Managerial Personnel		
Shri Priyam B. Mehta	134.76	134.70
Shri Varun P. Mehta	134.83	134.94
Shri Vishal P. Mehta	132.55	132.04
Shri Rajesh H Shah	52.16	41.35
Shri Narayansingh J. Deora	49.18	42.38
To Relatives of Key Managerial Personnel		
Smt. Kavisha V. Mehta	33.84	32.65
Smt. Priyanka Agarwal	33.84	27.41
xiii) **Directors Sitting Fees**		
To Relatives of Key Managerial Personnel		
Smt. Sujata P. Mehta	2.00	2.07
xiv) **Deposits Received**		
From Key Managerial Personnel		
Shri Priyam B. Mehta	38.00	42.00
Shri Varun P. Mehta	10.00	66.00
Shri Vishal P. Mehta	17.00	53.00
From Relatives of Key Managerial Personnel		
Smt. Sujata P. Mehta	77.00	64.00
Smt. Kavisha V. Mehta	5.00	-
Smt. Niramayi B. Mehta	46.00	-
xv) **Deposits Paid**		
To Key Managerial Personnel		
Shri Priyam B. Mehta	28.00	9.00
Shri Varun P. Mehta	10.00	9.00
Shri Vishal P. Mehta	17.00	9.00
To Relatives of Key Managerial Personnel		
Smt. Sujata P. Mehta	45.00	-
Smt. Niramayi B. Mehta	31.00	-
Smt. Kavisha V. Mehta	5.00	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

a)	Transactions during the year	For the year ended March 31, 2019	For the year ended March 31, 2018
xvi)	**Loan Received**		
	From entities under common control		
	Priyam Commercial Enterprise Pvt. Ltd.	230.00	-
	Bini Commercial Enterprises Pvt. Ltd.	110.00	-
xvii)	**Loan Repaid**		
	To Joint Venture Company		
	Sayaji Sethness Ltd	700.17	-
xviii)	**Investment made**		
	In subsidiary Company/LLP		
	Sayaji Ingritech LLP	-	209.00
	Sayaji Seeds LLP	60.00	100.00

(Rs. in lakhs)

b)	Balances at the end of the year	As at March 31, 2019	As at March 31, 2018
I)	**Outstanding Receivables**		
	From Joint Venture Company		
	Sayaji Sethness Ltd	-	0.01
	From Entities under common control		
	N.B. Commercial Enterprises Ltd.	-	1.29
ii)	**Other Recoverable**		
	From subsidiary Company/LLP		
	Sayaji Ingritech LLP	265.41	29.78
iii)	**Outstanding Payables**		
	To Entities under common control		
	Varun Travels Pvt. Ltd.	5.75	1.86
iv)	**Loan payable**		
	To Joint Venture Company		
	Sayaji Sethness Ltd	-	700.17
	To Entities under common control		
	Priyam Commercial Enterprise Pvt. Ltd.	230.00	-
	C. V. Mehta Pvt. Ltd.	32.50	32.50
	Bini Commercial Enterprises Pvt. Ltd.	116.00	6.00
v)	**Deposits payable**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	156.00	146.00
	Shri Varun P. Mehta	81.00	81.00
	Shri Vishal P. Mehta	68.00	68.00
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	219.50	187.50
	Smt. Niramayi B. Mehta	63.00	48.00
	Smt. Kavisha V. Mehta	19.00	19.00
	Priyam B Mehta - HUF	14.00	14.00

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

b)	**Balances at the end of the year**	**As at March 31, 2019**	**As at March 31, 2018**
vi)	**Investments Balances**		
	In subsidiary Company/LLP		
	Sayaji Seeds LLP	231.69	180.01
	Sayaji Ingritech LLP	215.05	181.76
	Sayaji Corn Products Ltd.	5.00	5.00
	In Joint Venture Company		
	Sayaji Sethness Ltd.	-	120.00
vii)	**Remuneration payable**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	3.74	3.64
	Shri Varun P. Mehta	3.10	3.00
	Shri Vishal P. Mehta	3.00	3.20
	Shri Rajesh H Shah	1.47	1.79
	Shri Narayansingh J. Deora	2.17	1.68
	To Relatives of Key Managerial Personnel		
	Smt. Kavisha V. Mehta	1.49	1.49
	Smt. Priyanka Agarwal	1.49	1.49

Note 28: Financial assets and liabilities

Financial assets by category

(Rs. in lakhs)

Particulars	**As at March 31, 2019**				**As at March 31, 2018**			
	Cost	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Cost**	**FVTPL**	**FVTOCI**	**Amortised cost**
Investments in								
- Subsidiaries, LLP & Joint Venture	451.74	-	-	-	486.77	-	-	-
- Equity Shares- quoted	-	3.50	-	-	-	3.86	-	-
- Mutual fund - quoted	-	-	-	-	-	19.56	-	-
Trade receivables	-	-	-	3,963.43	-	-	-	3,590.75
Cash & cash equivalents								
(including other bank balances)	-	-	-	279.17	-	-	-	308.16
Other financial assets								
- Security deposits	-	-	-	11.21	-	-	-	11.21
- Advances/recoverable to/								
from related parties	-	-	-	265.41	-	-	-	30.90
- Financial derivative asset	-	78.82	-	-	-	17.88	-	-
- Export Incentive receivable	-	-	-	228.86	-	-	-	108.48
- Interest receivable	-	-	-	0.67	-	-	-	0.41
Total Financial assets	**451.74**	**82.32**	**-**	**4,748.75**	**486.77**	**41.30**	**-**	**4,049.91**

Financial liabilities by category

(Rs. in lakhs)

Particulars	**As at March 31, 2019**				**As at March 31, 2018**			
	Cost	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Cost**	**FVTPL**	**FVTOCI**	**Amortised cost**
Borrowings	-	-	-	12,284.77	-	-	-	9,999.34
Trade payables	-	-	-	5,192.33	-	-	-	3,428.60

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	Cost	FVTPL	FVTOCI	Amortised Cost	Cost	FVTPL	FVTOCI	Amortised cost
Other financial liabilities								
- Security deposits	-	-	-	12.99	-	-	-	14.16
- Current maturities of long-term borrowings	-	-	-	1,269.26	-	-	-	1,320.52
- Unclaimed dividend	-	-	-	34.61	-	-	-	32.12
- Unclaimed matured public deposits and interest thereon	-	-	-	95.72	-	-	-	100.12
- Creditors for capital goods	-	-	-	204.89	-	-	-	171.19
- Interest accrued but not due on borrowings	-	-	-	36.33	-	-	-	10.03
- Other payables	-	-	-	616.44	-	-	-	638.70
Total Financial liabilities	**-**	**-**	**-**	**19,747.34**	**-**	**-**	**-**	**15,714.78**

Note 29: Fair values

Quantitative disclosures fair value measurement hierarchy for assets

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019 (Valuation date - March 29, 2019)

(Rs. in lakhs)

Particulars	Date of valuation	Fair value measurement using			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value					
FVTPL investments					
(a) Equity shares-quoted	March 29, 2019	3.50	-	-	3.50
(b) Financial derivative asset	March 29, 2019	-	78.82	-	78.82

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018 (Valuation date - March 31, 2018)

(Rs. in lakhs)

Particulars	Date of valuation	Fair value measurement using			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value					
FVTPL investments					
(a) Mutual fund-quoted	March 31, 2018	19.56	-	-	19.56
(b) Equity shares-quoted	March 31, 2018	3.86	-	-	3.86
(c) Financial derivative asset	March 31, 2018	-	17.88	-	17.88

Note 30: Financial risk management

The Company’s principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the Company's operations. The Company’s principal financial assets include investments, loans, cash and cash equivalents, trade receivables and other financial assets.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in financial instruments for speculative purposes may be undertaken.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or Net asset value ("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk:

'Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity:

'The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Rs. in lakhs)

Particulars	Increase / (decrease) in basis points	Increase / (decrease) in profit before tax
March 31, 2019		
Rupee borrowings	+50	(53.52)
	-50	53.52
March 31, 2018		
Rupee borrowings	+50	(40.08)
	-50	40.08

'The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk:

'Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, i.e. when revenue or expense is denominated in a foreign currency.

'Given below is the foreign currency exposure arising from the non derivative financial instruments:

Particulars	Foreign Currency Amount (In lakhs)		Reporting Currency Amount (Rupees lakhs)	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial Assets				
Trade Receivable				
USD	8.10	16.36	560.16	1,066.41
AED	3.51	2.59	66.36	45.96
Financial Liabilities				
'Trade Payables				
EUR	0.01	-	0.72	-
Net foreign currency exposure	**11.60**	**18.95**		

Foreign currency sensitivity:

'The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and AED exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

Particulars	Change in Rate	Effect on Profit before Tax
March 31, 2019	+5%	31.29
	-5%	(31.29)
March 31, 2018	+5%	55.62
	-5%	(55.62)

2. Credit risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables:

Customer credit risk is managed by the Company's internal policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an credit rating scorecard and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Trade receivables are non-interest bearing and are generally on 0 days to 60 days credit term. Credit limits are established for all customers based on internal rating criteria. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Cash deposits:

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counter parties who meet the minimum threshold requirements under the counter party risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counter parties. Based on its on-going assessment of counter party risk, the group adjusts its exposure to various counter parties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2019, March 31, 2018 is the carrying amount as disclosed in Note 7 except for financial guarantees.

3. Liquidity Risk

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cash flow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

(Rs. in lakhs)

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
As at year ended				
March 31, 2019				
(a) Borrowings (including current maturities of long-term borrowings)	7,951.60	5,602.43	-	13,554.03
(b) Trade payables	5,192.33	-	-	5,192.33
(c) Other financial liabilities	987.99	12.99	-	1,000.98
March 31, 2018				
(a) Borrowings (including current maturities of long-term borrowings)	8,171.33	3,148.53	-	11,319.86
(b) Trade payables	3,428.60	-	-	3,428.60
(c) Other financial liabilities	952.16	14.16	-	966.32

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 31: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest-bearing loans and borrowings (Note 14 & 16)	13,554.03	11,319.86
Less: cash and cash equivalent and other bank balances (Note 8)	279.17	308.16
Net debt (A)	**13,274.86**	**11,011.70**
Equity share capital (Note 12)	316.00	316.00
Other equity (Note 13)	7,726.83	5,369.04
Total capital (B)	**8,042.83**	**5,685.04**
Capital and net debt (C)=(A+B)	**21,317.69**	**16,696.74**
Gearing ratio (%) (A/C)	**62.27%**	**65.95%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019, March 31, 2018

Note 32: Contingent liabilities & assets

i) Contingent liabilities not provided for in respect of:

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Bills discounted but not matured.	-	47.21
(b)	Guarantees given by the bankers on behalf of the company.	81.62	195.62
(c)	Disputed demand of income tax as the company expects to succeed in the appeal.	-	16.16
(d)	Disputed demand of Value Added Tax & Central sales tax as the company expects to succeed in the appeal.	65.34	65.34
(e)	Guarantee to Bank against credit facilities (fund based & non-fund based limits) extended to the other companines/LLP (To the extent of credit facilities enjoyed as at the date of balance sheet)	2,863.96	2,556.82
(f)	**Providend Fund:** The Honourable Supreme Court, has passed a decision on February 28, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.	Amount not determinable	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

ii) Contingent assets

There are no contingent assets recognised as at March 31, 2019.

Note 33: Commitments and obligations

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on Capital Account and not provided (net of advances)	486.58	508.84

Note 34: Leases

The Company has entered into agreements for taking on leave and license basis. The specified disclosure in respect of these agreements is given below:

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
A. Lease payments recognised in the statement of Profit and Loss	47.50	116.29
B. Future Minimum Lease Payments		
(i) Not Later than one year	-	49.88
(ii) Later than one year, but not later than five years	-	-
(iii) Later than five years	-	-

Note 35: Segment reporting

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 3 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

Note 36: Earnings per share

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Basic and Diluted EPS		
a) Computation of profit (Numerator)		
Profit available to equity shareholders	2,520.03	612.38
b) Weighted average number of shares (Denominator)		
Weighted average number of Equity Shares of Rs. 5/- each (PY Rs. 10/- each) used for calculation of basic and diluted earnings per share.	63,20,000	63,20,000
c) Basic and Diluted EPS (In Rupees)	39.87	9.69

Pursuant to the approval of the members accorded on December 07, 2018 by way of postal ballot, 1(one) equity share of the company having face value of Rs. 10/- (Rupee Ten only) each was sub-divided into 2 (two) equity shares having face value of Rs. 5/- (Rupee Five only) each. The earning per share for the year ended March 31, 2018 have been adjusted to give effect to the spilt of shares, as required by Ind AS-33 'Earnings per share'.

Note 37: Dividend on equity shares

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Dividend declared and paid during the year		
Final Dividend of Rs. 3.75 per equity share face value of Rs. 10/- each for the year ended March 31, 2018 (Rs. 150.00 per equity share face value of Rs. 100/- each for the year ended March 31, 2017)	118.50	118.50

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 38: Expenditure for corporate social responsibility activities

During the year ended March 31, 2019, the company has spent Rs. 27.08 lakhs towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 and Rules thereon by way of contribution to various Trusts/NGOs/Societies/Agencies.

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross Amount required to be spent by the company	**11.53**	**15.00**
Amount Spent during the year on Construction / Acquisition of any asset		
Cash	-	-
Yet to be paid	-	-
Total (A)	**-**	**-**
On purpose other than above		
Cash	27.08	15.48
Yet to be paid	-	-
Total (B)	**27.08**	**15.48**
Total (A+B)	**27.08**	**15.48**

Note 39: Disclosure regarding derivative instruments

i) The Company has taken derivatives to hedge its trade receivable. The outstanding position of derivative instruments is as under:

Nature	Purpose	As at March 31, 2019		As at March 31, 2018	
		Rs. in lakhs	Foreign currency in lakhs (USD)	Rs. in lakhs	Foreign currency in lakhs (USD)
Forward contracts	Hedging of trade receivable	397.08	5.74	379.24	5.82

ii) The details of foreign currency exposures not hedged by derivative instruments are as under:

Nature	Purpose	As at March 31, 2019		As at March 31, 2018	
		Rs. in lakhs	Foreign currency in lakhs (USD)	Rs. in lakhs	Foreign currency in lakhs (USD)
Trade receivables	USD	163.08	2.36	687.17	10.54
Trade receivables	AED	66.36	3.51	45.96	2.59

Note: The company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to twelve months.

Note 40: Events after reporting period

a) The Board of Directors of the company has recommended a final dividend of Rs. 2.00 per equity share face value of Rs. 5/- each, aggregating Rs. 152.39 lakhs (including dividend distribution tax of Rs. 25.99 lakhs) for the year ended March 31, 2019, subject to the approval of shareholders at the ensuing annual general meeting.

b) The joint venture agreement is entered into between the Company, Sayaji Ingritech LLP (Subsidiary of company) and 'Societe Developpment Products Afrique (SDPA), France, Alland & Robert Group for manufacturing of gum arabic / gum acacia, gum ghatti and gum blends. The Company is holding 75.99% of capital of Sayaji Ingritech LLP as on March 31, 2019. After the joint venture, the Company's holding will be 50% and SDPA will hold 50% in Sayaji Ingritech LLP. The agreement will be effective from the April 01, 2019.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2019

Note 41: Other notes

Payment to auditors

Details of payment to auditors are as follows:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Audit fees	6.00	6.00
Tax audit fees	1.15	1.00
Certification and other services	4.08	3.82
Reimbursement of expenses	0.25	-
Total	**11.48**	**10.82**

Note 42: Exceptional Items

The Company has sold 12,00,000 equity shares held by it in Sayaji Sethness Limited, a joint venture between the Company and Sethness Products Company, USA. The profit on the sale of the said shares, net of expenses amounting to Rs. 2,116.30 lakhs is shown as exceptional item.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership No. 030167

Ahmedabad, Gujarat : May 30, 2019

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Executive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Independent Auditor's Report

To,
The Members of
SAYAJI INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **SAYAJI INDUSTRIES LIMITED** (hereinafter referred to as the" parent Company") and its subsidiary (parent Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2019 and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2019, of consolidated profit (financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statementsdoes not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income) and consolidated cash flows of the Group including in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors in case of company and Designated Partners in case of Limited Liability Partnerships included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intendsto liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not aguarantee thatan audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economicdecisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required todraw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of Rs. 2670.36 lakhs (after eliminating inter-company balances) as at 31st March, 2019, total revenues of Rs. 2319.99 lakhs (after eliminating inter-company transactions) and net cash outflows amounting to Rs.3.08 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the otherauditors.

(c) The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015.

(e) On the basis of the written representations received from the directors of the parentCompany as on March 31, 2019 taken on record by the Board of Directors of the parent Company and the reports of the statutoryauditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "AnnexureA".

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. There were no pending litigations which would impact the consolidated financial position of the Group.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the parent Company. Further, there were no amount which was required to be transferred to the Investor Education and Protection Fund by its subsidiaries company incorporated in India.

For, SHAH & SHAH ASSOCIATES
Chartered Accountants
FRN: 113742W

BHARAT A. SHAH
Partner
Membership Number: 030167

Ahmedabad, Gujarat : May 30, 2019

"Annexure A" to the independent auditor's report of even date on the consolidated financial statements of SAYAJI INDUSTRIES LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **SAYAJI INDUSTRIES LIMITED** (hereinafter referred to as "the parent Company') and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the parent company, its subsidiary company which are companies incorporated in India, are 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standardson 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 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 ~ on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms .of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the parent Company and its subsidiary company, which are companies incorporated in India, have. in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For, SHAH & SHAH ASSOCIATES
Chartered Accountants
FRN: 113742W

BHARAT A. SHAH
Partner
Membership Number: 030167

Ahmedabad, Gujarat : May 30, 2019

CONSOLIDATED FINANCIAL STATEMENT

Consolidated Balance Sheet

As at March 31, 2019

(Rs. in lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	20,486.02	15,510.33
(b) Capital work-in-progress	4	389.04	399.35
(c) Other Intangible assets	5	102.05	76.00
(d) Financial assets			
(i) Investments	6	3.50	858.70
(ii) Other financial assets	9	40.73	40.93
(e) Deferred tax assets (net)	19	4.10	17.22
(f) Non-current tax assets (net)	19	227.49	108.78
(g) Other non-current assets	10	279.54	195.28
Total non-current assets		**21,532.47**	**17,206.59**
Current assets			
(a) Inventories	11	5,397.86	4,414.51
(b) Financial assets			
(i) Trade receivables	7	4,594.40	3,815.75
(ii) Cash and cash equivalents	8	72.70	97.66
(iii) Bank balances other than (ii) above	8	217.34	224.45
(iv) Other financial assets	9	309.69	129.39
(c) Current tax assets (net)	19	0.26	-
(d) Other current assets	10	806.20	553.67
Total current assets		**11,398.45**	**9,235.43**
Total Assets		**32,930.92**	**26,442.02**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	316.00	316.00
(b) Other equity	13	7,726.73	6,084.22
Equity attributable to equity holders of the parent		**8,042.73**	**6,400.22**
(c) Non-controlling interest		86.44	76.61
Total equity		**8,129.17**	**6,476.83**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	5,815.45	3,468.07
(ii) Other financial liabilities	16	51.69	30.95
(b) Provisions	18	265.52	330.01
(c) Deferred tax liabilities (net)	19	1,390.46	1,023.77
Total non-current liabilities		**7,523.12**	**4,852.80**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	7,792.13	7,518.62
(ii) Trade payables	15		
(a) Total outstanding dues of micro enterprises and small enterprises		5.81	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,473.07	3,638.41
(iii) Other financial liabilities	16	2,390.65	2,379.39
(b) Other current liabilities	17	1,292.48	1,229.07
(c) Provisions	18	324.49	322.04
(d) Current tax liabilities (net)	19	-	24.86
Total current liabilities		**17,278.63**	**15,112.39**
Total liabilities		**24,801.75**	**19,965.19**
Total Equity and Liabilities		**32,930.92**	**26,442.02**

See accompanying notes forming part of the consolidated financial statements (Including significant accounting policies)

As per attached report of even date
For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership No. 030167
Ahmedabad, Gujarat : May 30, 2019

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Executive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

(Rs. in lakhs)

	Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
	Income:			
I	Revenue from operations	21	64,404.98	59,359.98
II	Other Income	22	481.57	334.14
III	**Total income (I+II)**		**64,886.55**	**59,694.12**
IV	**Expenses:**			
	(a) Cost of materials consumed	23.a	44,459.70	39,472.01
	(b) Purchases of stock-in-trade	23.b	43.48	3.08
	(c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	23.c	(859.83)	(25.62)
	(d) Employee benefit expenses	24	4,926.39	4,669.24
	(e) Finance costs	25	1,223.66	1,246.54
	(f) Excise duty on sales		-	743.50
	(g) Depreciation and amortisation expenses	4-5	995.58	839.63
	(h) Other expenses	26	12,891.35	11,770.34
	Total expenses		**63,680.33**	**58,718.72**
V	**Profit before exceptional items and tax (III-IV)**		**1,206.22**	**975.40**
VI	Share of profit in join venture - gain/(loss)		-	129.37
VII	Exceptional items - gain/(loss)	42	2,116.30	-
VIII	**Profit before tax (V+VI+VII)**		**3,322.52**	**1,104.77**
IX	**Tax expense :**	19		
	(a) Current tax		409.52	173.00
	(b) Short/(excess) provision of earlier years		(6.33)	0.16
	(c) Deferred tax charge/(credit)		389.53	198.08
	Total tax expenses		**792.72**	**371.24**
X	**Profit/(Loss) for the year (VII-IX)**		**2,529.80**	**733.53**
XI	**Other comprehensive income**			
	A (a) Item that will not be reclassified to profit and loss - Measurements of defined employee benefit plans	20	(29.07)	(104.71)
	A (b) Income tax related to Item that will not be reclassified to profit and loss		9.70	34.81
	B (a) Item that will be reclassified to profit and loss		-	-
	B (b) Income tax related to Item that will be reclassified to profit and loss		-	-
	Total comprehensive Income (net of tax)		**(19.37)**	**(69.78)**
XII	**Total comprehensive Income for the year (X+XI)**		**2,510.43**	**663.75**
XIII	**Profit for the year attributable to:**			
	-Owners of the company		2,519.97	741.98
	-Non-controlling interest		9.83	(8.45)
			2,529.80	**733.53**
XIV	**Other comprehensive income for the year attributable to:**			
	-Owners of the company		(19.37)	(69.78)
	-Non-controlling interest		-	-
			(19.37)	**(69.78)**
XV	**Total comprehensive income for the year attributable to: (XIII+XIV)**			
	-Owners of the company		2,500.60	672.20
	-Non-controlling interest		9.83	(8.45)
			2,510.43	**663.75**
XVI	**Earning per equity share of face value of Rs. 5/- each:**	36		
	(a) Basic (Rs.)		39.87	11.74
	(b) Diluted (Rs.)		39.87	11.74

See accompanying notes forming part of the consolidated financial statements (Including significant accounting policies)

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership No. 030167
Ahmedabad, Gujarat : May 30, 2019

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

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Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Consolidated Cash Flow Statement

for the year ended March 31, 2019

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
A	**Cash flow from operating activities:**				
	Net profit before tax		**3,322.52**		**1,104.77**
	Adjustments for:				
	(a) Depreciation and amortisation	995.58		839.63	
	(b) Interest expenses	1,223.66		1,246.54	
	(c) Dividend income	(292.85)		(60.04)	
	(d) Provision for doubtful trade receivable	8.46		21.58	
	(e) Profit from Joint Venture	-		(129.37)	
	(f) Loss on sale of property, plant and equipment (PPE)	23.21		9.59	
	(g) (Profit) on sale of investments in joint venture	(2,116.30)		-	
	(h) MTM loss on long term investment	0.11		0.29	
	(i) MTM (gain) of derivative financial instruments	(0.37)		(17.88)	
	(j) Unrealised exchange fluctuation (gain)	(81.54)	**(240.04)**	(28.19)	**1,882.15**
	Operating profit before working capital changes:		**3,082.48**		**2,986.92**
	Adjustments for:				
	(a) Trade and other receivables	(1,211.48)		303.94	
	(b) Inventories	(983.35)		(201.17)	
	(c) Trade and other payables	1,937.45	**(257.38)**	34.32	**137.09**
	Cash generated from operations:		**2,825.10**		**3,124.01**
	Income taxes paid (net)		546.76		186.25
	Net cash generated/(used) from/(in) operations: (A)		**2,278.34**		**2,937.76**
B	**Cash flow from investing activities:**				
	(a) Purchase of PPE and intangible assets	(6,136.69)		(3,535.36)	
	(b) Sale of property, plant and equipment	42.20		97.39	
	(c) Sale of investments in joint venture/mutual fund	2,255.86		-	
	(d) Dividend received	292.85		60.04	
	(e) Interest received	-		14.36	
	(f) Bank deposits received/(placed)	9.60		(33.37)	
	(g) Margin money or security deposits	0.20		19.60	
	(h) Balance in earmarked accounts	(2.49)		(4.49)	
	Net cash generated/(used) from/(in) investing activities: (B)		**(3,538.46)**		**(3,381.83)**
C	**Cash flow from financing activities:**				
	(a) Proceeds from borrowings	5,160.36		2,868.56	
	(b) Repayment of borrowings	(2,590.73)		(980.96)	
	(c) Interest paid	(1,194.10)		(1,260.90)	
	(d) Dividend & tax thereon paid	(140.37)		(202.62)	
	Net cash generated/(used) from/(in) financing activities: (c)		**1,235.17**		**424.08**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(24.96)**		**(19.99)**
	Add: Cash and cash equivalents at the beginning of the year		97.66		117.65
	Cash and cash equivalents at the end of the year		**72.70**		**97.66**

Consolidated Cash Flow Statement

for the year ended March 31, 2019

Note :

1. The above consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".
2. Cash and cash equivalents includes:

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A)	Components of cash and cash equivalents		
	a) Cash on hand	2.72	7.01
	b) Balance with banks in current accounts	69.98	90.65
		72.70	**97.66**
B)	Cash and cash equivalent not available for immediate use		
	(a) Bank deposits having maturity beyond 3 months	182.73	192.33
	(b) Earmarked balances with bank in unpaid dividend accounts	34.61	32.12
		217.34	**224.45**
	Cash and Cash Equivalents as per Note 8 (A+B)	**290.04**	**322.11**

3. **Reconciliation of movements of cash flows arising from financing activities:**

The amendments to the Ind AS-7 Cash Flow Statements requires the entitles to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendments has become effective from April 01, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendments.

	Particulars	As at March 31, 2018	Cash Flows	Non-Cash Changes	As at March 31, 2019
(a)	Borrowings - Non-current	3,468.07	2,347.38	-	5,815.45
(b)	Borrowings - Current	7,518.62	273.51	-	7,792.13
(c)	Other financial liabilities (Current position of non-current borrowings)	1,427.03	(51.26)	-	1,375.77

4. The previous year's figures have been regrouped wherever necessary.

See accompanying notes forming part of the consolidated financial statements (Including significant accounting policies)

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership No. 030167

Ahmedabad, Gujarat : May 30, 2019

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Executive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Consolidated Statements of Changes in Equity

for the year ended March 31, 2019

A) Equity share capital

(Rs. in lakhs)

Particulars	Amount
Issued, subscribed and paid-up share capital	
Balance as at April 1, 2017	79.00
Issue of bonus shares during the year	237.00
Balance as at March 31, 2018	**316.00**
Balance as at April 1, 2018	316.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**316.00**

B) Other equity

(Rs. in lakhs)

Particulars	Reserve and Surplus				Total Other equity attributable to the owners of the company	Non controll--ing interest	Total
	Capital Redemption Reserve	General Reserve	Security Premium	Retained Earnings			
Balance as at April 1, 2017	**53.59**	**4,149.93**	**275.50**	**1,372.62**	**5,851.64**	**8.67**	**5,860.31**
Profit/(loss) for the year	-	-	-	741.98	741.98	(8.45)	733.53
Amount utilised for issue of bonus shares	(53.59)	-	(183.41)	-	(237.00)	-	(237.00)
Items of other comprehensive income, net of tax	-	-	-	(69.78)	(69.78)	-	(69.78)
Dividend including dividend distribution tax	-	-	-	(202.62)	(202.62)		(202.62)
Addition/adjustments during the year	-	-	-	-	-	76.39	76.39
Balance as at March 31, 2018	**-**	**4,149.93**	**92.09**	**1,842.20**	**6,084.22**	**76.61**	**6,160.83**
Balance as at April 1, 2018	**-**	**4,149.93**	**92.09**	**1,842.20**	**6,084.22**	**76.61**	**6,160.83**
Profit/(loss) for the year	-	-	-	2,519.97	2,519.97	9.83	2,529.80
Items of other comprehensive income, net of tax	-	-	-	(19.37)	(19.37)	-	(19.37)
Dividend including dividend distribution tax	-	-	-	(142.86)	(142.86)	-	(142.86)
Adjustment on account of sale of stake in joint venture (Sayaji Sethness Limited)	-	(434.78)	-	(280.45)	(715.23)	-	(715.23)
Balance as at March 31, 2019	**-**	**3,715.15**	**92.09**	**3,919.49**	**7,726.73**	**86.44**	**7,813.17**

See accompanying notes forming part of the consolidated financial statements (Including significant accounting policies)

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership No. 030167

Ahmedabad, Gujarat : May 30, 2019

For and on behalf of the Board of Directors

Priyam B. Mehta
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DIN : 00030933

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Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 1 : Corporate Information

The Consolidated financial statements comprise financial statements of Sayaji Industries Limited ("the Parent Company") and its subsidiaries Sayaji Corn Products Ltd, Sayaji Seeds LLP and Sayaji Ingritech LLP (collectively referred to as "the Group") for the year ended March 31, 2019. The parent company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Parent company's shares are listed on BSE, a recognised stock exchange in India. The registered office of the parent company is located at P.O. Kathwada, Ahmedabad.

The Group is engaged in the business of manufacture of Starches, Modified Starches as well as other derivatives like Liquid Glucose, Dextrose Monohydrate, Dextrose Anhydrous, Sorbitol and its bye-products like Maize Oil, Maize Gluten. The Group also manufactures caramel colour, spray drying of fruits & vegetables powder, processing & selling of seeds at Ahmedabad. The Group cater its products to Textile, Pharmaceutical, Foods & beverages Industries, Paper & Packaging, Confectionary, Soaps & Detergent industries, Seeds Industries.

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 30, 2019.

Note 2 : Basis of preparation

The consolidated financial statements of the group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as "Ind AS") as notified by the Ministry of corporate affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provision of the Act.

The accounting policies are applied consistently to all the periods presented in the consolidated financials statements.

The consolidated financial statements of the group has been consolidated using uniform accounting policies.

The consolidated financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs (Rupees 00,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Principles of consolidation accounting

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adapted by the Group.

Non-controlling interests, if any, in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the Company	Relationship	Country of incorporation	% of Holding Current year	% of Holding Previous Year
1.	Sayaji Seeds LLP	Subsidiary	India	92.20%	89.86%
2.	Sayaji Ingritech LLP	Subsidiary	India	75.99%	75.99%
3.	Sayaji Corn Products Limited	Subsidiary	India	99.99%	99.99%
4.	Sayaji Sethness Limited	Joint Venture	India	0.00%	40.00%

Note 3 : Significant accounting policies and key accounting estimates

(A) Significant accounting policies

1) Current / non-current classification

The Group presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is:

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

a) expected to be settled in normal operating cycle;

b) held primarily for the purpose of trading;

c) due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets/materials for processing and their realisation in cash and cash equivalents. As the group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

2. Foreign currencies

The group's consolidated financial statements are prepared in Indian Rupee which is the also the group's functional currency.

Transactions and balances

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction, i.e. spot rate.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

2) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

3) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the group after discussion with and approval by the group's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The group, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

agreeing the information in the valuation computation to contracts and other relevant documents. The Group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

4. **Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities).

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of the project costs and are capitalized. Such expenses are capitalized only if the project to which they relate, involve substantial expansion of capacity or upgradation.

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Freehold land is carried at historical cost and not depreciated.

Depreciation on all fixed assets is provided on Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on Property, plant and equipment purchased/acquired during the year is provided on pro-rata basis according to the period each asset was put to use during the year. Similarly, depreciation on assets sold/discarded/demolished during the year is provided on pro-rata basis.

The Group assesses at each reporting date using external and internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

Useful life considered for calculation of depreciation for various assets class are as follows:-

Assets Class	Economic Useful Life
Factory Building	30 years
Plant & Machinery	15-25 years
Computers	3 years
Furniture and Fixtures	10 years
Office Equipment's	5 years
Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

5. **Leases**

The determination of whether an arrangement is (or contains) a lease or not is based on the substance of the arrangement at the inception of the lease. The arrangement is, (or contains), a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. The Group does not have any arrangement during or at the reporting period that can be classified as finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except in the case where incremental lease reflects inflationary effect in which case, lease expense is accounted by actual rent for the period.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

6. **Borrowing costs**

Borrowing costs directly attributable to the acquisition,

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7. **Intangible assets**

Intangible assets acquired separately are measured, on initial recognition, at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful economic life of intangible assets is three to six years.

The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Intangible assets are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of de-recognition.

8. **Inventories**

Inventories are valued at lower of cost and net realisable value, except by-products which is valued at Net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out (FIFO) basis except for Stores, Spares (including Packing Materials & Chemicals), where monthly weighted average cost basis method is adopted. Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Finished Goods and Process Stock are valued at cost or net realisable value whichever is lower. Cost thereof is determined on absorption costing method. Obsolete, slow moving and defective inventories are identified and provided for.

Net Realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make sale.

9. **Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Group bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

10. **Revenue recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sales tax/ value added tax (VAT)/Goods and Service Tax

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2019

(GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer, usually on delivery of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Export Incentives

Export benefits are accounted for in the year of the exports based on the eligibility and when there is no uncertainty in receiving the same.

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded 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 or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Insurance Claims

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

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in operating income in the statement of profit and loss due to its operating nature.

The Group has adopted Ind AS 115 'Revenue from Contracts with Customers' with effect from April 01, 2018. The application of Ind AS 115 did not have any material impact on the financials statements of the group.

11. 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 assets

Initial recognition and measurement

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

Investments in subsidiaries are carried at cost as per Ind AS 27 'Separate Financial Statements'.

Subsequent measurement

For purposes of subsequent measurement, financial assets are primarily classified in three categories:

a) Debt instruments at amortised cost;

b) Debt instruments at fair value through other comprehensive income (FVTOCI); and

c) Other financial instruments measured at fair value through profit and loss (FVTPL).

a) Debt instruments at amortised cost

A' Debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

b) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

ii) The asset's contractual cash flows represent SPPI.

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

c) Other financial instruments measured at fair value through profit and loss (FVTPL)

Any financial asset that does not qualify for amortised cost measurement or measurement at FVTOCI must be measured subsequent to initial recognition at FVTPL.

d) Forward Contracts measured at fair value through other comprehensive income or fair value through profit and loss.

Forward contract which meet the criteria of hedge effectiveness are cash flow hedge which are measured at FVTOCI and which fails to meet the effectiveness criteria are measured at FVTPL.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Lease receivables under Ind AS 17; and

d) Financial guarantee contracts which are not measured as at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or as those measured at amortised cost.

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition,

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

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 the statement of profit & loss. However, the Group 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 and loss. The Group has not designated any financial liability as at fair value through profit and loss.

b) Financial liabilities at amortised cost

Financial liabilities at amortised cost include loans and borrowings and payables.

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

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

De-recognition

A financial liability is de-recognised 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 de-recognition 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 and loss.

12. Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks such as forward currency contracts. Further details of derivatives financial instruments are disclosed in note 39.

Derivatives are re-measured at FVTPL at the end of each reporting period and the resulting gain or loss is recognised in the statement of profit and loss

13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

14 Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

15. Employee benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Post- Employment Benefits

Defined Contribution Plans

The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Group pays gratuity to the employees who have completed five years of service with the Group at the time of resignation /superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

AS per IND AS 19, when a Group pays insurance premiums to fund a post-employment benefit plan, the Group shall treat such a plan as a defined contribution plan unless the Group will have (either directly, or indirectly through the plan) a legal or constructive obligation either:

(a) to pay the employee benefits directly when they fall due; or

(b) to pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior periods. If the Group retains such a legal or constructive obligation, the Group shall treat the plan as a defined benefit plan.

Other Long Term Employment Benefits

Provision in respect of accumulated leave encashment/ compensated absences is made as per actuarial valuation report.

16. Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

17. Dividend distribution

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

18. Provisions & contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability arises when the Group has:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources

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for the year ended March 31, 2019

embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recorded in the financial statement but, rather, are disclosed in the note to the financial statements.

19. Government grant

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Grants of the State and Central Government which are intended to compensate a specified percentage of the interest on borrowings are netted off against the related interest expenditure on borrowings.

Government grants whose primary condition is that Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss in the period in which they become receivable.

20. Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

21. Recent Accounting Developments

Standards issued but not yet effective:

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain Ind AS. The Standard / amendments are applicable to the group with effect from April 1 2019. The group is in the process of evaluating the impact of such amendments.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income taxes – Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes - Accounting for Dividend Distribution Taxes
3. Ind AS 23, Borrowing costs
4. Ind AS 28, Investment in associates and joint ventures
5. Ind AS 103 and Ind AS 111, Business combinations and joint arrangements
6. Ind AS 109, Financial instruments
7. Ind AS 19, Employee benefits

The group is in the process of evaluating the impact of such amendments.

(B) Key accounting estimates

1. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 31 for further disclosures.

2. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

3. Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has Rs. 922.89 lakhs as at March 31, 2019 (Rs. 538.60 lakhs as at March 31, 2018) of tax credits carried forward. These credits can be utilised over the period of 15 years. The Group has taxable temporary difference and tax planning opportunities available that could support the recognition of these credits as deferred tax assets. On this basis, the Group has determined that it can recognise deferred tax assets on the tax credits carried forward. Refer to Note 19 for further details.

4. **Defined benefit plan**

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter that is subject to change the most is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are after considering the expected future inflation rates for the country. Refer to note 20 for further details.

5. **Property, Plant and Equipment**

Refer to Note 3 (A) - 4 for the estimated useful life of property, plant and equipment. The carrying values of property, plant and equipment have been disclosed in note 4.

6. **Intangible assets**

Refer to note 3 (A) - 7 for the estimated useful life of Intangible assets. The carrying values of Intangible assets have been disclosed in note 5.

7. **Allowance for doubtful trade receivables**

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc. The allowances for doubtful trade receivables were Rs. 108.62 lakhs as at March 31, 2019 (Rs. 100.16 lakhs as at March 31, 2018).

Individual trade receivables are written off when the management deems them not to be collectable.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 4: Property, plant and equipment

(Rs. in lakhs)

Particulars	Freehold land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Other Agriculture Equipment	Total	Capital Work-in -Progress
Gross carrying amount:									
Balance as at April 1, 2017	0.80	3,249.78	18,192.38	185.35	242.82	567.16	0.35	22,438.64	265.89
Additions during the year	-	686.04	1,972.86	29.96	44.59	503.34	-	3,236.79	337.83
Deductions during the year	-	-	-	-	-	266.22	-	266.22	-
Capitalised from/reduction in CWIP	-	-	-	-	-	-	-	-	204.37
Balance as at March 31,2018	**0.80**	**3,935.82**	**20,165.24**	**215.31**	**287.41**	**804.28**	**0.35**	**25,409.21**	**399.35**
Balance as at April 1, 2018	0.80	3,935.82	20,165.24	215.31	287.41	804.28	0.35	25,409.21	399.35
Additions during the year	-	1,252.63	4,501.37	31.34	31.62	188.80	-	6,005.76	5,995.46
Deductions during the year	-	-	4.26	-	-	113.78	-	118.04	-
Capitalised from/reduction in CWIP	-	-	-	-	-	-	-	-	6005.76
Balance as at March 31,2019	**0.80**	**5,188.45**	**24,662.35**	**246.65**	**319.03**	**879.29**	**0.35**	**31,296.93**	**389.04**
Accumulated depreciation:									
Balance as at April 1, 2017	-	875.69	7,784.14	131.79	169.51	276.24	0.34	9,237.71	-
Depreciation for the year	-	118.30	579.79	11.64	28.71	81.97	-	820.41	-
Deductions during the year	-	-	-	-	-	159.24	-	159.24	-
Balance as at March 31, 2018	**-**	**993.99**	**8,363.93**	**143.43**	**198.22**	**198.97**	**0.34**	**9,898.88**	**-**
Balance as at April 1, 2018	-	993.99	8,363.93	143.43	198.22	198.97	0.34	9,898.88	-
Depreciation for the year	-	128.61	699.55	14.47	31.93	90.10	-	964.66	-
Deductions during the year	-	-	0.11	-	-	52.52	-	52.63	-
Balance as at March 31, 2019	**-**	**1,122.60**	**9,063.37**	**157.90**	**230.15**	**236.55**	**0.34**	**10,810.91**	**-**
Net Carrying Amount:									
Balance as at March 31, 2018	**0.80**	**4,065.85**	**15,598.98**	**88.75**	**88.88**	**642.74**	**0.01**	**15,510.33**	**399.35**
Balance as at March 31, 2019	**0.80**	**2,941.83**	**11,801.31**	**71.88**	**89.19**	**605.31**	**0.01**	**20,486.02**	**389.04**

Note:

a) Buildings include Rs. 313.42 lakhs (Previous Year Rs. 313.42 lakhs) being the cost of ownership premises in a co-operative housing society including cost of fifteen shares of the face value of Rs. 750/- received under the Bye-laws of the Society in the name of the parent company.

b) Buildings include Rs. 4.50 lakhs (Previous Year Rs. 4.50 lakhs) being the cost of ownership premises in a cloth market association including cost of one share of the face value of Rs. 100/- received under rules and regulation of the association in the name of the parent company.

c) Additions for the year includes Rs. 33.63 lakhs (Previous Year Rs. 27.02 lakhs) being interest capitalised.

Note 5: Intangible assets

(Rs. in lakhs)

Particulars	Computer Software's
Gross carrying amount:	
Balance as at April 1, 2017	120.32
Additions	4.97
Deductions	-
Balance as at March 31, 2018	**125.29**
As at April 1, 2018	125.29
Additions	56.97
Deductions	-
Balance as at March 31, 2019	**182.26**
Accumulated amortisation:	
Balance as at April 1, 2017	30.07
Amortisation for the year	19.22
Deductions	-
Balance as at March 31, 2018	**49.29**
At April 1, 2018	49.29
Amortisation for the year	30.92
Deductions	-
Balance as at March 31, 2019	**80.21**
Net carrying amount:	
Balance as at March 31, 2018	**76.00**
Balance as at March 31, 2019	**102.05**

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2019

Note 6: Non-current investments

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current Investments:			
A	**Investment at Cost**		
	Equity Instruments of joint venture company (unquoted)		
	Nil Equity Shares (12,00,000 Equity shares at March 31, 2018) of Sayaji Sethness Limited of Rs. 10/- each		
	Cost of Investment	-	120.00
	Add: Share of Reserves	-	715.28
		-	**835.28**
B	**Investment at fair value through profit and loss (FVTPL):**		
	(a) In equity instruments		
	Quoted		
	i) 2,500 Equity Shares (2500 Equity shares at March 31, 2018) of Rs. 10/- each of Rapicut Carbide Limited.	1.25	1.61
	ii) 2360 Equity Shares (2360 Equity shares at March 31, 2018) of Punjab National Bank of Rs. 2/- each.	2.25	2.25
		3.50	**3.86**
	(b) In Mutual Funds		
	Quoted		
	Nil Units (1,59,329 Units at March 31, 2018) of "Principal Assets Allocation Fund" of Rs.10/- each.	-	19.56
	Total (A+B)	**3.50**	**858.70**
	Total	**3.50**	**858.70**
Aggregate value of quoted investments and market value thereof.		3.50	23.42
Aggregate value of unquoted investments and market value thereof.		-	835.28

Note 7: Trade receivables

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Trade receivables considered good- Secured	-	-
(b)	Trade receivables considered good- Unsecured	4,594.40	3,815.75
(c)	Trade receivables - Credit impaired	108.62	100.16
	Less : Allowance for expected credit loss	108.62	100.16
	Total	**4,594.40**	**3,815.75**

Trade receivables includes debts due from related parties:

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Sayaji Sethness Ltd.	-	0.01
(b)	N.B. Commercial Enterprises Ltd.	-	1.29

Summary of movement in allowance for credit impaired of trade receivables:

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	100.16	140.03
Provision created during the year	8.46	21.58
Less: Write off bad debts	-	(61.45)
Balance at the end of the year	**108.62**	**100.16**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 8: Cash and cash equivalents and bank balances other than cash and cash equivalents

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Cash on hand	2.72	7.01
(b)	Balances with banks in current accounts	69.98	90.65
	Total cash and cash equivalents	**72.70**	**97.66**
Other bank balances (Bank balances other than (ii) above)			
(a)	Bank deposits having maturity beyond 3 months	182.73	192.33
(b)	Earmarked balances with bank in unpaid dividend accounts	34.61	32.12
	Total other bank balances	**217.34**	**224.45**
	Total	**290.04**	**322.11**

Note 9: Other financial assets, Non-current / current

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
[Unsecured and considered good, unless otherwise stated]			
Non-Current			
(a)	Security deposits	40.73	40.93
		40.73	**40.93**
Current			
(a)	Advances/recoverable to/from related parties	-	1.12
(b)	Financial derivative asset	78.82	17.88
(c)	Export incentive receivable	228.86	108.48
(d)	Interest receivable	2.01	1.91
		309.69	**129.39**
	Total	**350.42**	**170.32**

Note 10: Other Non-current / current assets

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
[Unsecured and considered good, unless otherwise stated]			
Non-Current			
(a)	Capital advances	279.54	195.28
		279.54	**195.28**
Current			
(a)	Prepaid expenses	145.05	98.62
(b)	Advances to employees	9.18	0.22
(c)	Subsidy receivable	71.79	-
(d)	Balances with revenue authorities	112.15	86.50
(e)	Advance to suppliers		
	Considered good	463.39	361.33
	Considered doubtful	-	1,063.00
	Less: Provisions	-	1,063.00
		463.39	**361.33**
(f)	Others	4.64	7.00
		806.20	**553.67**
	Total	**1,085.74**	**748.95**

Note: The long term contract entered into by the parent company with Yashwant Sahakari Glucose Karkhana Limited (YSGK) for purchase of certain products manufactured by YSGK at mutually agreed price was terminated due to dispute and differences between the parties. As per the terms of the termination agreement, YSGK agreed to pay a sum of Rs. 250.00 lakhs in full and final settlement. The parent company has received Rs.100.00 lakhs from YSGK till March 31, 2019 out of the said amount. For the balance outstanding amount of Rs. 150.00 lakhs (included in advances to suppliers), YSGK has issued post dated cheques to the parent company. The management of the parent company is confident of realisation of the amount of Rs.150.00 lakhs and the said amount is therefore considered as good.

Notes forming part of the Consolidated Financial Statements

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Note 11: Inventories

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Raw materials	1,731.41	1852.71
(b)	Chemicals and packing material	134.21	108.25
(c)	Work-in-progress	691.02	592.52
(d)	Finished goods	1,815.70	932.37
(e)	Stock in transit - finished goods	185.51	61.20
(f)	By-products	272.59	518.91
(g)	Stores, spares and fuel	567.42	348.55
	Total	**5,397.86**	**4,414.51**

Note 12: Share capital

	Particulars	As at March 31, 2019		As at March 31, 2018	
		Number of Shares	Rs. in lakhs	Number of Shares	Rs. in lakhs
(a)	**Authorised**				
	Equity shares of Rs. 5/- each with voting rights	1,00,00,000	500.00		
	Equity shares of Rs. 10/- each with voting rights			50,00,000	500.00
(b)	**Issued, Subscribed and fully paid up**				
	Equity shares of Rs. 5/- each with voting rights	63,20,000	316.00		
	Equity shares of Rs. 10/- each with voting rights			31,60,000	316.00
	Total	**63,20,000**	**316.00**	**31,60,000**	**316.00**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Change if any during the year in the Share Capital	Closing Balance
Equity shares with voting rights			
Year ended March 31, 2019			
- Number of shares	**31,60,000**	**31,60,000**	**63,20,000**
- Amount (Rs. in Lakhs)	**316.00**	**-**	**316.00**
Year ended March 31, 2018			
- Number of shares	79,000	30,81,000	31,60,000
- Amount (Rs. in lakhs)	79.00	237.00	316.00

Note: Changes in the share capital during the year ended March 31, 2019 in case of number of shares of 31,60,000, is on account of share split from a face value of Rs. 10/- to face value of Rs. 5/- each.

(ii) Details of shares held by shareholders holding more than 5% of the aggregate shares:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares held	% holding in that class of share	Number of Shares held	% holding in that class of share
Equity shares with voting rights				
Sujata Priyam Mehta	11,37,680	18.00	5,68,840	18.00
C.V. Mehta Private Limited	9,59,520	15.18	4,79,760	15.18
Priyam Commercial Enterprises Private Limited	8,56,400	13.55	4,28,200	13.55
Priyam B. Mehta	7,29,200	11.54	3,64,600	11.54
Bini Commercial Enterprises Private Limited	4,59,200	7.27	2,29,600	7.27

The group pursuant to the approval of the members accorded on December 07, 2018, by way of a postal ballot, 1 (one) equity share having face value of Rs. 10/- each were sub-divided into 2 (Two) equity shares having face value of Rs. 5/- (Rupee five only) each.

The group has issued only one class of shares referred to as equity shares having a par face value of Rs. 5/-. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All equity shares rank equally with regards to the group's residual assets.

Notes forming part of the Consolidated Financial Statements
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Note 13 : Other equity

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	General reserve	3,715.15	4,149.93
(b)	Security premium	92.09	92.09
(c)	Retained earnings	3,919.49	1,842.20
	Total	**7,726.73**	**6,084.22**

Nature and purpose of reserves

General reserve:

General reserve is created from time to time by way of transfer profits from retained earnir gs for appropriation ɼ urposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comɿ rehensive income.

Security premium:

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognised in Securities Premium.

Retained earnings:

Retained earnings are the profits that the group has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Note 14: Borrowings (Non-current / current)

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
	Non-current		
	Secured		
(a)	Term loans from banks	3,392.17	1,056.22
(b)	Vehicle loan from banks/financial institutions	207.09	241.57
	Unsecured		
(a)	Public deposits*	1,837.69	1,431.78
(b)	Inter-corporate deposits from related parties	378.50	738.50
		5,815.45	**3,468.07**
	Current		
	Secured		
(a)	Working capital loan from banks	6,985.09	7,381.06
	Unsecured		
(a)	Public deposits*	50.72	21.40
(b)	Loans from related parties	166.17	116.16
(c)	Working capital loan from banks	590.15	-
		7,792.13	**7,518.62**
	Total	**13,607.58**	**10,986.69**

* Public Deposits includes deposits accepted from directors amounting to Rs. 584.50 lakhs (As at March 31, 2018 Rs. 542.50 lakhs)

Note:

(i) Term Loan by way of overdraft from Punjab National Bank of Rs. Nil (As at March 31, 2018 Rs. 389.71 lakhs) was secured by mortgage of property situated at Kathwada Unit. The outstanding of overdraft has been taken over by Kotak Mahindra Bank Limited in the current financial year.

(ii) Term Loan - 2 from Kotak Mahindra Bank of Rs. 400.00 lakhs (As at March 31, 2018 Rs. 800.00 lakhs) is secured by way of Hypothecation charge on all existing and future current assets as well as moveable fixed assets of the company and also secured by way of mortgage of land and Building of the Kathwada Unit. The said loan is repayable in 20 equal quarterly instalments starting from May 27, 2015.

(iii) Term Loan - 3 from Kotak Mahindra Bank of Rs. 3,368.74 lakhs (As at March 31, 2018 Rs. Nil) is secured by way of Hypothecation charge on all existing and future current assets as well as moveable fixed assets of the company and also secured by way of mortgage of land and Building of the Kathwada Unit. The said loan is repayable in 24 equal quarterly instalments starting from January, 2020.

(iv) Term Loan - 4 from Kotak Mahindra Bank of Rs. 319.54 lakhs (As at March 31, 2018 Rs. 426.05 lakhs) is secured by way of Hypothecation charge on all existing and future current assets and fixed assets of the company/entity and also guarantee by the parent company. The said loan is repayable in 20 equal quarterly instalments starting from April, 2017.

(v) Vehicle loan from Banks & Financial Institutions amounting to Rs. 402.65 lakhs (As at March 31, 2018 Rs. 391.35 lakhs) are secured by way of hypothecation of respective motor vehicles purchased. The said loans are repayable in 36 equal monthly instalments.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note:

(vi) Working Capital loans from Kotak Mahindra Bank Limited are secured by way of Hypothecation charge on all existing and future current assets as well as moveable fixed assets of the company and also secured by way of mortgage of land and Building of the Kathwada Unit.

(vii) Working Capital loans from Kotak Mahindra Bank Limited are secured by way of Hypothecation charge on all existing and future current assets as well as fixed assets of the entity/company and also given corporate guarantee by Sayaji Industries Limited. (Sayaji Ingritech LLP).

(viii) Working Capital loans from Kotak Mahindra Bank Limited are secured by way of Hypothecation charge on all existing and future current assets of the entity/company and first and exclusive mortgage charge on immoveable property being commercial property admeasuring 4870 sq. ft. situated at Ten 11, Near C.G.Road, Swastik Society, Navrangpura, Ahmedabad belonging to Sayaji Properties LLP and also corporate guarantee given by Sayaji Industries Limited & Sayaji Properties LLP. (Sayaji Seeds LLP).

(ix) Rate of Interest on the above loans ranges from 8.00% to 12.00% p.a.

Note 15: Trade payables

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
(a) Total outstanding dues of micro enterprises and small enterprises	5.81	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,473.07	3,638.41
Total	**5,478.88**	**3,638.41**

Information relating to Micro and Small enterprises (MSME)s:

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act, 2006):		
(a) Principal	5.81	-
(b) Interest	0.16	-
(ii) Amount of interest paid by the group in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year:	-	-
(a) Principal	-	-
(b) Interest	-	-
(iii) Amount of interest due and payable for the year of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006:	-	-
(a) Principal	-	-
(b) Interest	-	-
(iv) Amount of interest accrued and remaining unpaid at the end of the accounting year:	0.16	-
(v) Amount of further interest remaining due and payable in succeeding years:	-	-

Note: The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises on the basis of information available with the Group.

Note 16: Other financial liabilities - Non-current / current

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
(a) Trade/security deposits	51.69	30.95
	51.69	**30.95**
Current		
(a) Current maturities of long term debt (Refer note 14)	1,375.77	1427.03
(b) Unclaimed dividend	34.61	32.12
(c) Unclaimed matured public deposits and interest thereon	95.72	100.12
(d) Creditors for capital goods	210.07	171.19
(e) Interest accrued but not due on borrowings	39.59	10.03
(f) Other payables	634.89	638.90
	2,390.65	**2,379.39**
Total	**2,442.34**	**2,410.34**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 17: Other current liabilities

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Statutory liabilities	547.36	422.59
(b)	Advance from customers	743.58	791.69
(c)	Other payables	1.54	14.79
	Total	**1,292.48**	**1,229.07**

Note 18: Provisions

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits			
Non-current			
(a)	Provision for gratuity	44.36	130.34
(b)	Provision for compensated absences	221.16	199.67
		265.52	**330.01**
Current			
(a)	Provision for gratuity	217.04	210.66
(b)	Provision for compensated absences	107.45	111.38
		324.49	**322.04**
	Total	**590.01**	**652.05**

Note 19: Income taxes

1. Tax expenses recognised in the statement of profit and loss

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Tax			
(a)	Current income tax	409.52	173.00
(b)	Adjustment of tax relating to earlier periods	(6.33)	0.16
		403.19	**173.16**
Deferred Tax			
(a)	Deferred Tax	773.82	285.65
(b)	MAT credit entitlement	(384.30)	(87.57)
		389.53	**198.08**
	Income tax expenses	**792.72**	**371.24**

2. A reconciliation between the statutory income tax rate applicable to the group and the effective income tax rate as follows:

(Rs. in lakhs)

	Reconciliation of effective tax	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax		3,322.52	1,104.77
Enacted income tax rate in India applicable to the group		34.944%	33.063%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India		1,161.02	365.27
Adjustment for :			
(a)	Expenses not allowed as deduction	16.91	7.05
(b)	MAT credit not recognised	(209.85)	80.16
(c)	Excess provision created during current periods	-	(4.14)
(d)	Income exempted from income taxes	(102.33)	(62.62)
(e)	Impact of earlier years tax	(6.33)	0.16
(f)	Deferred tax created on difference tax rates	0.17	(2.89)
(g)	Tax rate differences/non recognition of deferred tax	(75.57)	-
(h)	Others	8.70	(11.75)
	Income tax expenses	**792.72**	**371.24**

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2019

3. Movement in deferred tax assets and liabilities for the year ended March 31,2018

(Rs. in lakhs)

Particulars	As at April 1, 2017	Credit/(Charge) in the Statement of Profit & Loss	Credit/(Charge) in the Other Comprehensive Income	As at March 31, 2018
Deferred tax assets/(liabilities)				
(a) Accelerated depreciation for tax purpose	(1,947.08)	(238.61)	-	**(2,185.69)**
(b) Deferred tax imposed on employee benefits	153.67	27.11	34.81	**215.59**
(c) Provision for doubtful debt/advances	397.77	(13.20)	-	**384.57**
(d) Unabsorbed depreciation	103.22	(61.74)	-	**41.48**
(e) Deferred tax on amortisation of loan processing fees	(2.01)	0.91	-	**(1.10)**
Total	(1,294.43)	(285.53)	34.81	**(1,545.15)**

3A. Movement in deferred tax assets and liabilities for the year ended March 31,2019

(Rs. in lakhs)

Particulars	As at April 1, 2018	Credit/(Charge) in the Statement of Profit & Loss	Credit/(Charge) in the Other Comprehensive Income	As at March 31, 2019
Deferred tax assets/(liabilities)				
(a) Accelerated depreciation for tax purpose	(2,185.69)	(380.16)	-	**(2,565.85)**
(b) Deferred tax imposed on employee benefits	215.59	(28.32)	9.70	**196.97**
(c) Provision for doubtful debt/advances	384.57	(348.31)	-	**36.26**
(d) Unabsorbed depreciation	41.48	(1.67)	-	**39.81**
(e) Deferred tax on amortisation of loan processing fees	(1.10)	(15.34)	-	**(16.44)**
Total	(1,545.15)	(773.80)	9.70	**(2,309.25)**

4. Deferred tax liabilities

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Deferred tax liability	2,313.35	1,562.37
(b)	MAT credit entitlement	(922.89)	(538.60)
	Deferred Tax Liability (Net)	**1,390.46**	**1,023.77**
	Deferred Tax Assets (net)	**4.10**	**17.22**
	Deferred Tax (net)	**1,386.38**	**1,006.55**

5. Current /Non-Current tax assets and liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Non-current tax assets (net)	227.49	108.78
Current		
Current tax assets (net)	0.26	-
Current tax liabilities (net)	-	24.86

Note 20: Employee benefits

A. Defined contribution plans:

The group deposits amount of contribution to government under Provident Fund and other schemes operated by government amount of Rs. 361.67 lakhs (P.Y. : Rs. 348.55 lakhs) is recognised as expenses and included in note 24 "Employee benefit expense".

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Provident and other funds	361.67	348.55
Total	**361.67**	**348.55**

B. Defined benefit plans (Gratuity):

The group has following post employment benefits which are in the nature of defined benefit plans:

The group operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the group, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death/disability of employee during service. The vested benefit is payable on separation from the group, on retirement, death or termination.

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
i.	**Expenses recognized in statement of profit and loss**		
	Current service cost	66.43	53.00
	Interest cost (net)	26.87	14.57
	Past service cost	-	166.84
	Expected return on plan assets	-	-
	Net actuarial losses (gains)	-	-
Component of defined benefit costs recognised in Statement of Profit and Loss		**93.30**	**234.41**
Remeasurement of the net defined benefit liability:			
	Actuarial losses/(gains)	41.54	106.53
	Return on plan assets excluding interest income amounts	(12.47)	(1.83)
Component of defined benefit costs recognised in other comprehensive income		**29.07**	**104.71**
ii.	**Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation**		
	Opening defined benefit obligation as on April 1, 2018	1,561.30	1,237.60
	Service cost	66.43	53.00
	Interest cost	123.03	89.85
	Past Service cost	-	166.84
	Actuarial losses (gains)- Due to change in Financial Assumptions	15.58	(50.87)
	Actuarial losses (gains)- Due to Experience	25.96	156.95
	Benefits paid	(140.25)	(92.07)
	Closing defined benefit obligation as at March 31, 2019	**1,652.05**	**1,561.30**
iii.	**Reconciliation of Opening and Closing balances of changes in fair value of the assets**		
	Opening fair value of plan assets as at April 1, 2018	1,220.30	1,036.95
	Interest Income	96.16	75.28
	Expected return on plan assets	12.47	1.83
	Contributions by employer	201.96	198.31
	Benefits paid	(140.25)	(92.07)
	Closing balance of fair value of plan assets as at March 31, 2019	**1,390.64**	**1,220.30**
iv.	**Net Liability recognized in the Balance Sheet as at March 31, 2019**		
	Defined Benefit Obligation as at March 31, 2019	1,652.05	1,561.30
	Fair Value of plan assets as at March 31, 2019	1,390.64	1,220.30
Present Value of unfunded obligation recognized as liability as at March 31, 2019		**261.41**	**341.00**
v.	**Actuarial Assumptions**		
	Discount rate	7.69%	7.88%
	Expected Return on Plan Assets	7.69%	7.88%
	Future salary increase	4.00%	4.00%
	Attrition rate	2.00%	2.00%
	Mortality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2019

vi. Quantitative sensitivity analysis for significant assumption is as shown below:

(Rs. in lakhs)

Particulars	Sensitivity level	For the year ended March 31, 2019	For the year ended March 31, 2018
Gratuity			
Discount rate	1% increase	(77.95)	(74.14)
	1% decrease	88.74	84.14
Salary increase	1% increase	91.17	86.60
	1% decrease	(81.27)	(77.74)
Withdrawal Rates	1% increase	25.54	25.26
	1% decrease	(28.66)	(28.28)

vii. The followings are the expected future benefit payments for the defined benefit plan:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gratuity		
1st following year	456.73	431.99
2nd following year	77.17	95.28
3rd following year	214.59	97.17
4th following year	122.73	201.74
5th following year	120.54	114.41
Sum of years 6 to 10	689.00	709.95
Sum of years 11 and above	1,181.45	1,092.23

viii. Weighted average duration (years) of defined plan obligation:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gratuity	**7**	**6**

C. Other Long term employee benefit plans

Leave encashment

Salaries, Wages and Bonus include Rs. 127.96 lakhs (P.Y.: Rs. 127.55 lakhs) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

Note 21: Revenue from operations

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Sale of products	64,036.26	59,092.16
(b)	Other operating revenues		
	i) Export incentives	368.72	267.48
	ii) VAT/excise refund	-	0.34
		368.72	**267.82**
	Total	**64,404.98**	**59,359.98**

Note: Post implementation of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operations is disclosed net of GST. Revenue from the operations for the year ended March 31, 2018 includes excise duty till June 30, 2017 only. Accordingly, revenue from operations for the year ended March 31, 2019 and year ended March 31, 2018 are not comparable with those of previous periods presented.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 22: Other income

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Dividend income		
	i) Joint venture company	292.80	60.00
	ii) Others	0.05	0.04
(b)	Net gain on foreign currency transactions and translation	99.07	230.41
(c)	MTM gain/(loss) on long term investment	-	(0.29)
(d)	Rental income	5.28	5.30
(e)	Sundry balances written off (net)	72.49	36.98
(f)	Interest income	1.30	1.67
(g)	Miscellaneous income	10.58	0.03
	Total	**481.57**	**334.14**

Note 23.a: Cost of materials consumed

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Raw material consumed	39,945.50	35,560.32
Chemicals and packing material consumed	4,514.20	3,911.69
Total	**44,459.70**	**39,472.01**

Note 23.b: purchase of traded goods

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Starches & others	43.48	3.08
Total	**43.48**	**3.08**

Note 23.c: Changes in inventories of finished goods, work-in-progress and stock in trade

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year			
(a)	Finished goods & By-products	2,088.30	1,451.28
(b)	Stock in transit - finished goods	185.51	61.20
(c)	Work in progress	691.02	592.52
		2,964.83	**2,105.00**
Inventories at the beginning of the year			
(a)	Finished goods & By-products	1,451.28	1,357.47
(b)	Stock in transit - finished goods	61.20	233.54
(c)	Work in progress	592.52	488.37
		2,105.00	**2,079.38**
	Total	**(859.83)**	**(25.62)**

Note 24: Employee's benefits expense

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Salaries and wages	4,180.35	3,796.89
(b)	Contribution to provident and other funds	445.77	574.87
(c)	Staff welfare expenses	300.27	297.48
	Total	**4,926.39**	**4,669.24**

Note 25: Finance cost

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Interest costs on borrowing (Refer note 41(ii))	1,184.41	1,231.00
(b)	Other borrowing costs	39.25	15.54
	Total	**1,223.66**	**1,246.54**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 26: Other expenses

(Rs. in lakhs)

	Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Processing and packing charges		38.54	19.02
(b)	Consumption of stores, spare parts and chemicals		229.40	271.85
©	Power and fuel (Refer note 41(iii))		5,328.93	4,283.40
(d)	Rent including Lease Rentals (Refer note 34)		73.76	133.13
(e)	Repairs and maintenance - Buildings		78.45	66.16
(f)	Repairs and maintenance - Machinery		620.51	536.33
(g)	Repairs and maintenance - Others		135.43	156.90
(h)	Operation and maintenance charges		201.33	168.57
(i)	Contract labour charges		1,022.42	998.72
(j)	Insurance		61.98	45.88
(k)	Rates and taxes		56.27	33.98
(l)	Commission and brokerage		560.29	578.36
(m)	Freight outward and clearing charges		2,221.11	2,278.53
(n)	Selling and distribution expenses		211.30	257.47
(o)	Donations and contributions		19.54	3.85
(p)	Corporate social responsibilities expenses (Refer note 38)		27.08	15.48
(q)	Loss on sale of fixed assets (net)		23.21	9.59
(r)	Payment to auditors (Refer note 41(i))		11.70	11.04
(s)	Provision for bad and doubtful debts and advances		8.46	21.58
(t)	Advances write off	1,063.00		
	Less: Provision for doubtful advances written back	1,063.00	-	-
(u)	Bad debts		4.54	-
(v)	Directors sitting fees		11.05	13.59
(w)	Managerial remuneration		402.15	401.68
(x)	General charges		1,543.90	1,465.23
Total			**12,891.35**	**11,770.34**

Note 27: Related party transactions

Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below.

(A) List of Related Parties and Relationships:

Joint Venture:
Sayaji Sethness Limited (till September 5, 2018)

Entities under Common Control:
C.V. Mehta Pvt. Ltd.
Bini Commercial Enterprises Pvt. Ltd.
N.B. Commercial Enterprises Ltd.
Varun Travels Pvt. Ltd.
Priyam Commercial Enterprises Pvt. Ltd.
Viva Tex Chem Pvt. Ltd.
Sayaji Properties LLP
Sayaji Agrosciences LLP
Sayaji Samruddhi LLP
Viva Public Charitable Trust

Key Managerial Personnel:
Shri Priyam B. Mehta (Managing Director)
Shri Varun P. Mehta (Executive Director)
Shri Vishal P. Mehta (Executive Director)
Shri Rajesh H Shah (Company Secretary)
Shri Narayansingh J. Deora (CFO)

Relatives of Key Managerial Personnel:
(With whom transactions have taken place)
Smt. Niramayi B. Mehta
Smt. Kavisha V. Mehta
Smt. Priyanka Agarwal
Smt. Sujata P. Mehta (Non-Executive Director - Non Independent Director)
Priyam B Mehta - HUF

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2019

(B) Related party transaction and balances:

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in an arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except in case of advances. Outstanding advances are either settled through supply of goods or services.

Balance and transactions between the Parent Company and its subsidiary, which is related party of the Parent Company, have been eliminated on consolidation and are not disclosed in the note. Details of transactions between the Group and other related parties are disclosed below:

(Rs. in lakhs)

a)	Transactions during the year	For the year ended March 31, 2019	For the year ended March 31, 2018
(i)	**Sales**		
	To Joint Venture Company		
	Sayaji Sethness Ltd.	2.25	3.76
	From entities under common control		
	N.B. Commercial Enterprises Ltd.	47.84	41.78
	Varun Travels Pvt. Ltd.	0.07	-
ii)	**Corporate Gurantee Income**		
	From entities under common control		
	N.B. Commercial Enterprises Ltd.	8.50	-
iii)	**Dividend Income**		
	From joint Venture Company		
	Sayaji Sethness Ltd	292.80	-
iv)	**Sale of investments**		
	Joint Venture Company		
	Sayaji Sethness Ltd	2,278.71	-
v)	**Expenses Recovered on Reimbursement Basis/Service rendered**		
	Joint Venture Company		
	Sayaji Sethness Ltd	32.00	70.94
	From entities under common control		
	N.B. Commercial Enterprises Ltd.	43.74	7.00
vi)	**Rent Income**		
	From entities under common control		
	Bini Commercial Enterprises Pvt. Ltd.	-	0.63
vii)	**Services Purchased**		
	From entities under common control		
	Varun Travels Pvt. Ltd.	188.38	142.11
viii)	**Interest Paid**		
	To Joint Venture Company		
	Sayaji Sethness Ltd.	13.50	56.00
	To Entities under common control		
	Priyam Commercial Enterprise Pvt. Ltd.	9.53	-
	C. V. Mehta Pvt. Ltd.	2.34	2.60
	Bini Commercial Enterprises Pvt. Ltd.	4.53	0.48
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	15.66	14.96
	Shri Varun P. Mehta	8.78	7.00
	Shri Vishal P. Mehta	7.27	5.97

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

a)	Transactions during the year	For the year ended March 31, 2019	For the year ended March 31, 2018
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	21.45	18.06
	Smt. Niramayi B. Mehta	6.29	5.43
	Smt. Kavisha V. Mehta	2.02	2.12
	Priyam B Mehta - HUF	1.47	0.69
ix)	**Rent Expenses**		
	To entities under common control		
	Sayaji Properties LLP	6.60	-
	Priyam Commercial Enterprise Pvt. Ltd.	0.36	0.36
	N. B. Commercial Enterprises Pvt. Ltd.	0.96	0.96
x)	**Corporate Social Responsibility Expenses**		
	To Entities under common control		
	Viva Public Charitable Trust	8.00	5.00
xi)	**Remuneration**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	134.76	134.70
	Shri Varun P. Mehta	134.83	134.94
	Shri Vishal P. Mehta	132.55	132.04
	Shri Rajesh H Shah	52.16	41.35
	Shri Narayansingh J. Deora	49.18	42.38
	To Relatives of Key Managerial Personnel		
	Smt. Kavisha V. Mehta	33.84	32.65
	Smt. Priyanka Agarwal	33.84	27.41
xii)	**Directors Sitting Fees**		
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	2.00	2.07
xiii)	**Deposits Received**		
	From Key Managerial Personnel		
	Shri Priyam B. Mehta	38.00	42.00
	Shri Varun P. Mehta	10.00	66.00
	Shri Vishal P. Mehta	17.00	53.00
	From Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	77.00	64.00
	Smt. Kavisha V. Mehta	5.00	-
	Smt. Niramayi B. Mehta	46.00	-
xiv)	**Deposits Paid**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	28.00	9.00
	Shri Varun P. Mehta	10.00	9.00
	Shri Vishal P. Mehta	17.00	9.00
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	45.00	-
	Smt. Kavisha V. Mehta	5.00	-
	Smt. Niramayi B. Mehta	31.00	-
xv)	**Loan Received**		
	From entities under common control		
	Priyam Commercial Enterprise Pvt. Ltd.	230.00	-
	Bini Commercial Enterprises Pvt. Ltd.	110.00	-

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

a)	Transactions during the year	For the year ended March 31, 2019	For the year ended March 31, 2018
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	10.00	-
	Shri Varun P. Mehta	88.00	9.00
	Shri Vishal P. Mehta	56.00	-
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	-	17.00
	Smt. Niramayi B. Mehta	26.00	41.00
	Priyam B Mehta - HUF	5.00	-
xvi)	**Loan Repaid**		
	To Joint Venture Company		
	Sayaji Sethness Ltd	700.17	-
	To Key Managerial Personnel		
	Shri Varun P. Mehta	85.00	4.72
	Shri Vishal P. Mehta	50.00	4.72

(Rs. in lakhs)

b)	Balances at the end of the year	As at March 31, 2019	As at March 31, 2018
I)	**Outstanding Receivables**		
	From Joint Venture Company		
	Sayaji Sethness Ltd	-	0.01
	From Entities under common control		
	N.B. Commercial Enterprises Ltd.	-	1.29
ii)	**Outstanding Payables**		
	To Entities under common control		
	Varun Travels Pvt. Ltd.	5.75	2.81
iii)	**Loan payable**		
	To Joint Venture Company		
	Sayaji Sethness Ltd	-	700.17
	To Entities under common control		
	Priyam Commercial Enterprise Pvt. Ltd.	230.00	-
	C. V. Mehta Pvt. Ltd.	32.50	32.50
	Bini Commercial Enterprises Pvt. Ltd.	116.00	6.00
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	10.00	-
	Shri Varun P. Mehta	23.00	20.08
	Shri Vishal P. Mehta	10.08	4.08
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	17.00	17.00
	Smt. Kavisha V. Mehta	19.50	19.50
	Smt. Niramayi B. Mehta	81.50	55.50
	Priyam B Mehta - HUF	5.00	-
iv)	**Deposits payable**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	156.00	146.00
	Shri Varun P. Mehta	81.00	81.00
	Shri Vishal P. Mehta	68.00	68.00

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

a)	Transactions during the year	For the year ended March 31, 2019	For the year ended March 31, 2018
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	219.50	187.50
	Smt. Niramayi B. Mehta	63.00	48.00
	Smt. Kavisha V. Mehta	19.00	19.00
	Priyam B Mehta - HUF	14.00	14.00
v)	**Investments Balances**		
	In Joint Venture		
	Sayaji Sethness Ltd.	-	120.00
vi)	**Remuneration payable**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	3.74	3.64
	Shri Varun P. Mehta	3.10	3.00
	Shri Vishal P. Mehta	3.00	3.20
	Shri Rajesh H Shah	1.47	1.79
	Shri Narayansingh J. Deora	2.17	1.68
	To Relatives of Key Managerial Personnel		
	Smt. Kavisha V. Mehta	1.49	1.49
	Smt. Priyanka Agarwal	1.49	1.49

Note 28: Financial assets and liabilities

Financial assets by category

(Rs. in lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	Cost	FVTPL	FVTOCI	Amortised Cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in								
- Joint Venture	-	-	-	-	835.28	-	-	-
- Equity Shares- quoted	-	3.50	-	-	-	3.86	-	-
- Mutual fund - quoted	-	-	-	-	-	19.56	-	-
Trade receivables	-	-	-	4,594.40	-	-	-	3,815.75
Cash & cash equivalents								
(including other bank balances)	-	-	-	290.04	-	-	-	322.11
Other financial assets								
- Security deposits	-	-	-	40.73	-	-	-	40.93
- Advances/recoverable to/								
from related parties	-	-	-	-	-	-	-	1.12
- Financial derivative asset	-	78.82	-	-	-	17.88	-	-
- Export Incentive receivable	-	-	-	228.86	-	-	-	108.48
- Interest receivable	-	-	-	2.01	-	-	-	1.91
Total Financial assets	**-**	**82.32**	**-**	**5,156.04**	**835.28**	**41.30**	**-**	**4,290.30**

Financial liabilities by category

(Rs. in lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	Cost	FVTPL	FVTOCI	Amortised Cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings	-	-	-	13,607.58	-	-	-	10,986.69
Trade payables	-	-	-	5,478.88	-	-	-	3,638.41

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2019

(Rs. in lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	Cost	FVTPL	FVTOCI	Amortised Cost	Cost	FVTPL	FVTOCI	Amortised cost
Other financial liabilities								
- Security deposits	-	-	-	51.69	-	-	-	30.95
- Current maturities of long-term borrowings	-	-	-	1,375.77	-	-	-	1,427.03
- Unclaimed dividend	-	-	-	34.61	-	-	-	32.12
- Unclaimed matured public deposits and interest thereon	-	-	-	95.72	-	-	-	100.12
- Creditors for capital goods	-	-	-	210.07	-	-	-	171.19
- Interest accrued but not due on borrowings	-	-	-	39.59	-	-	-	10.03
- Other payables	-	-	-	634.89	-	-	-	638.90
Total Financial liabilities	**-**	**-**	**-**	**21,528.80**	**-**	**-**	**-**	**17,035.44**

Note 29: Fair values

Quantitative disclosures fair value measurement hierarchy for assets

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019 (Valuation date - March 29, 2019)

(Rs. in lakhs)

Particulars	Date of valuation	Fair value measurement using			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value					
FVTPL investments					
(a) Equity shares-quoted	March 29, 2019	3.50	-	-	3.50
(b) Financial derivative asset	March 29, 2019	-	78.82	-	78.82

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018 (Valuation date - March 31, 2018)

(Rs. in lakhs)

Particulars	Date of valuation	Fair value measurement using			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value					
FVTPL investments					
(a) Mutual fund-quoted	March 31, 2018	19.56	-	-	19.56
(b) Equity shares-quoted	March 31, 2018	3.86	-	-	3.86
(c) Financial derivative asset	March 31, 2018	-	17.88	-	17.88

Note 30: Financial risk management

The group's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the group's operations. The group's principal financial assets include investments, loans, cash and cash equivalents, trade receivables and other financial assets.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

The group is exposed to market risk, credit risk and liquidity risk. The group's senior management oversees the management of these risks. The group's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the group's policies and risk objectives. It is the group's policy that no trading in financial instruments for speculative purposes may be undertaken.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or Net asset value ("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk:

'Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates.

Interest rate sensitivity:

'The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Rs. in lakhs)

Particulars	Increase / (decrease) in basis points	Increase / (decrease) in profit before tax
March 31, 2019		
Rupee borrowings	+50	(59.84)
	-50	59.84
March 31, 2018		
Rupee borrowings	+50	(44.97)
	-50	44.97

'The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk:

'Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the group's operating activities, i.e. when revenue or expense is denominated in a foreign currency.

'Given below is the foreign currency exposure arising from the non derivative financial instruments:

Particulars	Foreign Currency Amount (In lakhs)		Reporting Currency Amount (Rupees lakhs)	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial Assets				
Trade Receivable				
USD	8.10	16.36	560.16	1,066.41
AED	3.51	2.59	66.36	45.96
Financial Liabilities				
'Trade Payables				
EUR	0.01	-	0.72	-
Net foreign currency exposure	**11.60**	**18.95**		

Foreign currency sensitivity:

'The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and AED exchange rates, with all other variables held constant. The impact on the group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

(Rs. in lakhs)

Particulars	Changes in Rates	Effect on Profit before Tax
March 31, 2019	+5%	31.29
	-5%	(31.29)
March 31, 2018	+5%	55.62
	-5%	(55.62)

2. Credit risk:

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables:

Customer credit risk is managed by the group's internal policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an credit rating scorecard and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Trade receivables are non-interest bearing and are generally on 0 days to 60 days credit term. Credit limits are established for all customers based on internal rating criteria. The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Cash deposits:

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counter parties who meet the minimum threshold requirements under the counter party risk assessment process. The Group monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Group's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2019, March 31, 2018 is the carrying amount as disclosed in Note 7 except for financial guarantees.

3. Liquidity Risk

The Group monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Group's objective is to maintain a balance between continuity of funding and flexibility largely through cash flow generation from its operating activities and the use of bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's financial liabilities (including future interest payable) based on contractual undiscounted payments.

(Rs. in lakhs)

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
At the year ended				
March 31, 2019				
(a) Borrowings (including current maturities of long-term borrowings)	9,167.90	5,815.45	-	14,983.35
(b) Trade payables	5,478.88	-	-	5,478.88
(c) Other financial liabilities	1,014.88	51.69	-	1,066.57
March 31, 2018				
(a) Borrowings (including current maturities of long-term borrowings)	8,945.65	3,468.07	-	12,413.72
(b) Trade payables	3638.41	-	-	3638.41
(c) Other financial liabilities	952.16	30.95	-	983.31

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 31: Capital management

For the purpose of the group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The group includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest-bearing loans and borrowings (Note 14 & 16)	14,983.35	12,413.72
Less: cash and cash equivalent and other bank balances (Note 8)	290.04	322.11
Net debt (A)	**14,693.31**	**12,091.61**
Equity share capital (Note 12)	316.00	316.00
Other equity (Note 13)	7,726.73	6084.22
Total capital (B)	**8,042.73**	**6400.22**
Capital and net debt (C)=(A+B)	**22,736.04**	**18,491.83**
Gearing ratio (%) (A/C)	**64.63%**	**65.39%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019, March 31, 2018.

Note 32: Contingent liabilities & assets]

i) Contingent liabilities not provided for in respect of:

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Bills discounted but not matured.	-	47.21
(b)	Guarantees given by the bankers on behalf of the parent company.	81.62	195.62
(c)	Disputed demand of income tax as the parent company expects to succeed in the appeal.	-	16.16
(d)	Disputed demand of Value Added Tax & Central sales tax as the parent company expects to succeed in the appeal.	65.34	65.34
(e)	Guarantee to Bank against credit facilities (fund based & non-fund based limits) extended to the other companies/LLP (To the extent of credit facilities enjoyed as at the date of balance sheet)	1,600.81	1,579.13
(f)	**Providend Fund:** The Honourable Supreme Court, has passed a decision on February 28, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.	Amount not determinable	-

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

ii) Contingent assets

There are no contingent assets recognised as at March 31, 2019.

Note 33: Commitments and obligations

(Rs. in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on Capital Account (Net of advance paid)	486.58	508.84

Note 34: Leases

The group has entered into agreements for taking on leave and license basis. The specified disclosure in respect of these agreements is given below:

(Rs. in lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
A.	Lease payments recognised in the statement of Profit and Loss	48.82	117.61
B.	Future Minimum Lease Payments		
	(i) Not Later than one year	17.30	51.20
	(ii) Later than one year, but not later than five years	69.20	5.28
	(iii) Later than five years	380.58	30.36

Note 35: Segment reporting

i) Products and services from which reportable segments derive their revenues:

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The directors have chose to organise the Group around difference in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

In accordance with the requirement of Ind AS 108 "Operating Segments", the only reportable segment is manufacturing of starch and its derivative.

There are no revenue from transactions with the single customers amounting to 10% or more of the group's revenues during the current year and previous years.

ii) Geographical information:

Geographical revenue is allocated based on the location of the customers. Group's all non-current assets are located in India (i.e. its country of domicile).

The Group's revenue from external customers by location of operations are detailed below:

(Rs. in lakhs)

Revenue from external customers	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations		
(a) India	53,293.67	48,700.38
(b) Outside India	11,111.31	10,659.60
Total	**64,404.98**	**59,359.98**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 36: Earnings per share

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Basic and Diluted EPS		
a) Computation of profit (Numerator)		
Profit for the year attributable to equity shareholders of parent company	2,519.97	741.98
b) Weighted average number of shares (Denominator)		
Weighted average number of Equity Shares of Rs. 5/- each		
used for calculation of basic and diluted earnings per share	63,20,000	63,20,000
c) Basic and Diluted EPS (In Rupees)	**39.87**	**11.74**

Pursuant to the approval of the members accorded on December 07, 2018 by way of postal ballot, 1(one) equity share of the parent company having face value of Rs.10/- (Rupee Ten only) each was sub-divided into 2 (two) equity shares having face value of Rs. 5/- (Rupee Five only) each. The earning per share for the year ended March 31, 2018 have been adjusted to give effect to the split of shares, as required by Ind AS-33 "Earnings per share".

Note 37: Dividend on equity shares

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Dividend declared and paid during the year		
Final Dividend of Rs. 3.75 per equity share face value of Rs. 10/- each for the year ended March 31, 2018 (Rs. 150.00 per equity share face value of Rs. 100/- each for the year ended March 31, 2017)	118.50	118.50

Note 38: Expenditure for corporate social responsibility activities

During the year ended March 31, 2019, the group has spent Rs. 27.08 lakhs towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 and Rules thereon by way of contribution to various Trusts/NGOs/Societies/Agencies.

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross Amount required to be spent by the group	**11.53**	**15.00**
Amount Spent during the year on Construction / Acquisition of any asset		
Cash	-	-
Yet to be paid	-	-
Total (A)	**-**	**-**
On purpose other than above		
Cash	27.08	15.48
Yet to be paid	-	-
Total (B)	**27.08**	**15.48**
Total (A+B)	**27.08**	**15.48**

Note 39: Disclosure regarding derivative instruments

i) The Group has taken derivatives to hedge its trade receivable. The outstanding position of derivative instruments is as under:

Nature	Purpose	As at March 31, 2019		As at March 31, 2018	
		Rs. in lakhs	Foreign currency in lakhs (USD)	Rs. in lakhs	Foreign currency in lakhs (USD)
Forward contracts	Hedging of trade receivable	397.08	5.74	379.24	5.82

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

ii) The details of foreign currency exposures not hedged by derivative instruments are as under:

Nature	Purpose	As at March 31, 2019		As at March 31, 2018	
		Rs. in lakhs	Foreign currency in lakhs (USD)	Rs. in lakhs	Foreign currency in lakhs (USD)
Trade receivables	USD	163.08	2.36	687.17	10.54
Trade receivables	AED	66.36	3.51	45.96	2.59

Note: The group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to twelve months.

Note 40: Events after reporting period

a) The Board of Directors of the group has recommended a final dividend of Rs. 2.00 per equity share face value of Rs. 5/- each, aggregating Rs. 152.39 lakhs (including dividend distribution tax of Rs. 25.99 lakhs) for the year ended March 31, 2019, subject to the approval of shareholders at the ensuing annual general meeting.

b) The joint venture agreement is entered into between the Parent Company, Sayaji Ingritech LLP (Subsidiary of Parent Company) and 'Societe Developpment Products Afrique (SDPA), France, Alland & Robert Group for manufacturing of gum arabic / gum acacia, gum ghatti and gum blends. The Parent Company is holding 75.99% of capital of Sayaji Ingritech LLP as on March 31, 2019. After the joint venture, the Parent Company's holding will be 50% and SDPA will hold 50% in Sayaji Ingritech LLP. The agreement will be effective from the April 01, 2019.

Note 41: Other notes

i) Payment to auditors

Details of payment to auditors are as follows:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Audit fees	6.22	6.22
Tax audit fees	1.15	1.00
Certification and other services	4.08	3.82
Reimbursement of expenses	0.25	-
Total	**11.70**	**11.04**

ii) Interest on borrowings is net of interest subsidy of Rs. 64.74 lakhs (previous year Rs. Nil).

iii) Power and fuel is net of power subsidy of Rs. 7.05 lakhs (previous year Rs. Nil).

Note 42: Exceptional Items

The Parent Company has sold 12,00,000 equity shares held by it in Sayaji Sethness Limited, a joint venture between the Parent Company and Sethness Products Company, USA. The profit on the sale of the said shares, net of expenses amounting to Rs. 2,116.30 lakhs is shown as exceptional item.

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2019

Note 43 : Disclosures mandated by Schedule III of Companies Act 2013 by way of Additional Information

Name of Subsidiary	Principal Activities	Place of incorporation and Operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2019	As at March 31, 2018
Sayaji Corn Products Limited	Yet to commence business	India	99.99%	99.99%
Sayaji Ingritech LLP	Manufacturing of Spray dried food products	India	75.99%	75.99%
Sayaji Seeds LLP	Manufacturing of Seeds	India	92.20%	89.86%

Name of Joint Venture	Principal Activities	Place of incorporation and Operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2019	As at March 31, 2018
Sayaji Sethness Limited	Manufacturing of caramel colour	India	0.00%	40.00%

(Rs. in lakhs)

As at March 31, 2019										
Name of the Entities	Country	Net Assets i.e. total assets minus total liabilities		Profit/(Loss) for the year		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)		
		Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/(Loss) for the year	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	
Parent company										
Sayaji Industries Limited	India	7,591.95	93.39%	2,495.02	98.63%	(19.37)	(100.00%)	2,475.65	98.61%	
Subsidiaries										
Sayaji Seeds LLP	India	231.62	2.85%	(8.32)	(0.33%)	-	-	(8.32)	(0.33%)	
Sayaji Ingritech LLP	India	214.27	2.64%	33.29	1.32%	-	-	33.29	1.33%	
Sayaji Corn Products Limited	India	4.89	0.06%	(0.03)	-	-	-	(0.03)	-	
Total		**8,042.73**	**98.94%**	**2,519.97**	**99.61%**	**(19.37)**	**(100.00%)**	**2,500.60**	**99.61%**	
Non-controlling interest	India	86.44	1.06%	9.83	0.39%	-	-	9.83	0.39%	
Grand Total		**8,129.17**	**100.00%**	**2,529.80**	**100.00%**	**(19.37)**	**(100.00%)**	**2,510.43**	**100.00%**	

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2019

Note 43 : Disclosures mandated by Schedule III of Companies Act 2013 by way of Additional Information (contd....)

(Rs. in lakhs)

As at March 31, 2018									
Name of the Entities	**Country**	**Net Assets i.e. total assets minus total liabilities**		**Profit/(Loss) for the year**		**Other Comprehensive Income (OCI)**		**Total Comprehensive Income (TCI)**	
		Amount	**As % of Consolidated Net Assets**	**Amount**	**As % of Consolidated Profit/(Loss) for the year**	**Amount**	**As % of Consolidated OCI**	**Amount**	**As % of Consolidated TCI**
Parent company									
Sayaji Industries Limited	India	5,168.50	79.80%	638.72	87.07%	(69.45)	(99.53%)	569.27	85.77%
Subsidiaries									
Sayaji Seeds LLP	India	180.01	2.78%	1.21	0.16%	-	-	1.21	0.18%
Sayaji Ingritech LLP	India	211.54	3.27%	(27.24)	(3.71%)	-	-	(27.24)	(4.10%)
Sayaji Corn Products Limited	India	4.92	0.08%	(0.08)	(0.01%)	-	-	(0.08)	(0.01%)
Total		**5,564.97**	**85.92%**	**612.61**	**83.52%**	**(69.45)**	**(99.53%)**	**543.16**	**81.83%**
Non controlling interest in Subsidiaries	India	76.61	1.18%	(8.45)	(1.15%)	-	-	(8.45)	(1.27%)
Joint Venture									
Sayaji Sethness Limited	India	835.25	12.90%	129.37	17.64%	(0.33)	(0.47%)	129.04	19.44%
Grand Total		**6,476.83**	**100.00%**	**733.53**	**100.00%**	**(69.78)**	**(100.00%)**	**663.75**	**100.00%**

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership No. 030167

Ahmedabad, Gujarat : May 30, 2019

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Executive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat : May 30, 2019

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SAYAJI INDUSTRIES LIMITED

CIN- L99999GJ1941PLC000471

Registered office: P.O. Kathwada-Maize products, Ahmedabad-382430

Joint shareholders may obtain additional slip at the venue of the meeting.

ATTENDANCE SLIP

Dp Id.*	
Client Id*	

Folio no.	
No. of shares	

Name and address of the shareholder

I hereby record my presence at the 78th annual general meeting of the company held on Wednesday, 7th August, 2019 at 9.00 a.m. at Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad- 382410.

*Applicable for investors holding shares in electronic form.

Signature of shareholder/ Proxy

-- Tear here --

SAYAJI INDUSTRIES LIMITED
CIN- L99999GJ1941PLC000471
Regd. office: P.O. Kathwada-Maize products,
Ahmedabad-382430.

Proxy Form
[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the shareholder(s)
Registered Address

Email-Id:
Folio No/*Client Id:
*DP No:

I/we, being the shareholder(s) holding ____________ shares of Sayaji Industries Limited, hereby appoint

1)__________________________ of ______________________________ having e-mail id ________________ or failing him

2)__________________________ of ______________________________ having e-mail id________________ or failing him

3)__________________________ of ______________________________ having e-mail id ________________ and whose signature(s) are appended below as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 78th Annual general meeting of the company, to be held on Wednesday, 7th August, 2019 at 9:00 a.m at Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad -382410, and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

Resolution	For	Against
1. Consider and adopt the audited financial statements, reports of the board of directors and auditors for the year ended March 31, 2019		
2. Declaration of dividend on equity shares		
3. Appointment of Mrs. Sujata P. Mehta who retires by rotation and being eligible offers herself for reappointment		
4. Approval of remuneration to cost auditors		
5. Granting consent to invite and accept the deposits from general public and shareholders		
6. Appointment of Mr. Premal Mehta as independent director of the company to hold office for five consecutive years till 02.11.2023		
7. Appointment of Mr. Jaysheel Hazarat as independent director of the company to hold office for five consecutive years till 02.11.2023		
8. Appointment of CA Chirag M. Shah as independent director of the company to hold the office for second term of five consecutive years till 31.03.2024		

9. Appointment of Dr. Gaurang K. Dalal as independent director of the company to hold the office for second term of five consecutive years till 31.03.2024		
10. Appointment of Dr. Janak D. Desai as independent director of the company to hold the office for second term of five consecutive years till 31.03.2024		
11. Approval to reappointment of Mr. Varun P. Mehta as the executive director of the company for the period from 01.04.2019 to 31.3.2024 and to approve his remuneration for the period of three years from 01.04.2019 to 31.03.2022		
12. Approval to increase in remuneration to Mr. Vishal P. Mehta as the executive director of the company for the remaining teneure of his appointment from 01.06.2019 to 31.03.2021		

Signed this ______ day of ________, 2019

Signature of the share holder ___________________

Signature of the first proxy holder(s) ___________________

Signature of the second proxy holder(s) ___________________

Signature of the third proxy holder(s) ___________________

Affix Revenue stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.
2. A proxy need not be a member.
3. A proxy can act as a proxy on behalf of shareholders not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A shareholder holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.

**4 This is only optional. Please put 'X' in the appropriate column against the resolution indicated in the box. If you leave the "for" or "against" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.

5. Appointing a proxy does not prevent a shareholder from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.


NIRA'S CERAMICS
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ME..
NIRA'S
HAND CRAFTED CERAMICS

www.sayajigroup.in

SAYAJI INDUSTRIES LIMITED
CIN: L99999GJ1941PLC000471

Registered Office:
P.O. Kathwada-Maize Products, Ahmedabad - 382 430
Te.: +91 79-22901581 to 85 | Email: maize@sayajigroup.in

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