

29th May 2017

BSE Limited
P.J.Towers
Dalal Street
Mumbai – 400 001

National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra East
Mumbai – 400 051

Sirs

Sub: Financial results for the quarter and financial year ended 31st March 2017.

In compliance with Regulation 33 of SEBI (LODR) Regulations, 2015, we herewith enclose the following for the quarter and financial year ended 31st March 2017.

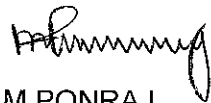
- 1) Audited standalone and consolidated financial results
- 2) Auditors' reports for both standalone and consolidated financial results
- 3) A declaration from Chairperson and Managing Director stating that the Audit Reports issued on the financial results (standalone and consolidated) are unmodified.

The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held today, the 29th May 2017. The Board meeting was commenced at 5 PM and concluded at 7.35 PM today, the 29th May 2017.

We request you to take the same on record.

Thanking you

For and on behalf of
RAJSHREE SUGARS & CHEMICALS LIMITED



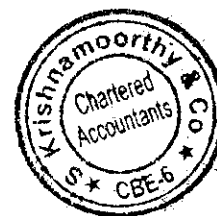
M PONRAJ
Company Secretary

Enc: as above



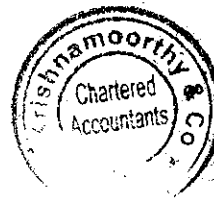
Statement of Standalone / Consolidated Audited Financial Results for the year ended 31st March 2017								
Sl. No.	Particulars	Standalone				Consolidated		
		3 months ended		Year ended		Year ended		
		31.3.17 (Audited)	31.12.16 (Unaudited)	31.3.16 (Audited)	31.3.17 (Audited)	31.3.16 (Audited)	31.3.17 (Audited)	31.3.16 (Audited)
1	Income from operations							
	a) Net Sales/Income from operations (Net of excise duty)	16,755	16,940	15,621	66,670	56,990	74,690	71,291
	b) Other Operating Income	36	31	(33)	115	138	121	277
	Total Income from operations (net)	16,791	16,971	15,588	66,785	57,128	74,811	71,568
2	Expenses							
	a) Cost of materials consumed	22,813	4,877	18,387	47,238	43,388	50,409	52,430
	b) Purchase of stock-in-trade	149	1,438	-	1,587	-	-	-
	c) Changes in inventories of finished goods, work in progress and stock-in-trade	(16,497)	6,794	(12,824)	(8,754)	(1,839)	(4,085)	1,498
	d) Employees benefits expense	993	947	884	3,639	3,415	4,206	4,007
	e) Depreciation and amortisation expense	624	648	642	2,564	2,598	2,760	2,804
	f) Other expenses	2,810	2,208	2,903	9,011	8,227	9,628	9,378
	Total expenses	10,892	16,912	9,992	55,285	55,789	62,918	70,117
3	Profit / (Loss) from operations before other income, finance costs & exceptional items (1-2)	5,899	59	5,596	11,500	1,339	11,893	1,451
4	Other income	86	54	132	217	301	102	145
5	Profit / (Loss) from ordinary activities before finance costs & exceptional items (3+/-4)	5,985	113	5,728	11,717	1,640	11,995	1,596
6	Finance costs	1,715	1,834	1,512	7,139	6,476	7,724	7,152
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5+/-6)	4,270	(1,721)	4,216	4,578	(4,836)	4,271	(5,556)
8	Exceptional items	-	-	-	-	2,762	-	2,762
9	Profit / (Loss) from ordinary activities before tax (7+/-8)	4,270	(1,721)	4,216	4,578	(2,074)	4,271	(2,794)
10	Tax expense							
	Current Tax	1,045	(352)	-	1,107	-	936	-
	Less: MAT credit entitlement	(33)	33	-	-	-	-	-
	Deferred Tax - (Asset) / Liability	477	(213)	1,302	477	(641)	421	(863)
11	Net Profit / (Loss) from ordinary activities after tax (9+/-10)	2,781	(1,189)	2,914	2,994	(1,433)	2,914	(1,931)
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11+/-12)	2,781	(1,189)	2,914	2,994	(1,433)	2,914	(1,931)
14	Share of Profit / (Loss) of associates	-	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+/-14+/-15)	2,781	(1,189)	2,914	2,994	(1,433)	2,914	(1,931)
17	Paid-up equity share capital (Face value of Rs. 10/- per share)	2,817	2,817	2,497	2,817	2,497	2,817	2,497
18	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	4,728	1,160	817	(2,672)
19.i	Earnings Per Share (before Extra-ordinary items) (Rs.) (not annualized) Basic	9.87	(4.22)	12.16	10.72	(5.98)	10.44	(8.06)
19.ii	Earnings Per Share (before Extra-ordinary items) (Rs.) Diluted after considering allotment of 3195000 equity shares (not annualized)	9.87	(4.22)	10.35	10.72	(5.09)	10.44	(6.86)
19.iii	Earnings Per Share (after Extraordinary items) (Rs.) (not annualized) Basic	9.87	(4.22)	12.16	10.72	(5.98)	10.44	(8.06)
19.iv	Earnings Per Share (after Extraordinary items) (Rs.) Diluted after considering allotment of 3195000 equity shares (not annualized)	9.87	(4.22)	10.35	10.72	(5.09)	10.44	(6.86)

See accompanying notes to the financial results



Segmentwise Revenue, Results and Capital Employed (Rs. in lakhs)

Sl. No.	Particulars	Standalone				Consolidated		
		3 months ended		Year ended		Year ended		
		31.3.17 (Audited)	31.12.16 (Unaudited)	31.3.16 (Audited)	31.3.17 (Audited)	31.3.16 (Audited)	31.3.16 (Audited)	
1	Segment Revenue	12,975	14,166	10,739	52,764	44,201	60,790	58,641
	a) Sugar	4,086	946	5,275	9,087	9,869	9,087	9,869
	b) Cogeneration	1,950	2,463	1,485	10,263	7,899	10,263	7,899
	c) Distillery	-	-	-	-	-	-	-
	d) Unallocated	-	-	-	-	-	-	-
	Total	19,011	17,575	17,499	72,114	61,969	80,140	76,409
	Less: Inter Segment Revenue	2,220	604	1,911	5,329	4,841	5,329	4,841
	Net Sales/Income from Operations	16,791	16,971	15,588	66,785	57,128	74,811	71,568
2	Segment Results (Profit / (Loss) before tax and interest from each segment)	2,805	(467)	1,342	2,846	(4,332)	3,124	(4,375)
	a) Sugar	2,876	340	4,104	5,554	6,361	5,554	6,361
	b) Cogeneration	755	979	658	4,878	3,798	4,878	3,798
	c) Distillery	-	-	-	-	-	-	-
	d) Unallocated	-	-	-	-	-	-	-
	Total	6,436	852	6,104	13,278	5,827	13,556	5,784
	Less: i) Interest	1,715	1,834	1,512	7,139	6,476	7,724	7,152
	ii) Other un-allocable expenditure net off unallocable income	451	739	376	1,561	1,425	1,561	1,426
	Total Profit / (Loss) before tax	4,270	(1,721)	4,216	4,578	(2,074)	4,271	(2,794)
3	Capital Employed (Segment assets)	68,233	51,398	54,490	68,233	54,490	69,083	61,177
	a) Sugar	19,347	17,484	19,305	19,347	19,305	19,347	19,305
	b) Cogeneration	12,647	12,536	12,941	12,647	12,941	12,647	12,941
	c) Distillery	541	541	541	541	541	541	541
	d) Unallocated	-	-	-	-	-	-	-
	Total	100,768	81,959	87,277	100,768	87,277	101,618	93,964
4	Capital Employed (Segment liabilities)	90,520	71,196	75,958	90,520	75,958	91,370	82,645
	a) Sugar	3,397	3,677	3,914	3,397	3,914	3,397	3,914
	b) Cogeneration	6,851	7,086	7,405	6,851	7,405	6,851	7,405
	c) Distillery	-	-	-	-	-	-	-
	d) Unallocated	-	-	-	-	-	-	-
	Total	100,768	81,959	87,277	100,768	87,277	101,618	93,964



Standalone / Consolidated Statement of Assets and Liabilities (Rs. in lakhs)

Sl. No.	Particulars	Standalone		Consolidated	
		Year ended		Year ended	
		31.3.17 (Audited)	31.3.16 (Audited)	31.3.17 (Audited)	31.3.16 (Audited)
A	EQUITY AND LIABILITIES				
1	SHAREHOLDERS' FUNDS	2,817	2,497	2,817	2,497
	(a) Share Capital	4,728	1,160	817	(2,672)
	(b) Reserves and Surplus	-	-	-	-
	(c) Money received against share warrants	-	-	-	-
	Sub-total - Shareholders' funds	7,545	3,657	3,634	(175)
2	Share application money pending allotment	-	-	-	-
3	Minority interest	-	-	-	-
4	Non-current liabilities	33,603	42,919	35,099	45,107
	(a) Long-term borrowings	935	458	(553)	(973)
	(b) Deferred tax liabilities (net)	-	-	-	-
	(c) Other long term liabilities	-	-	-	-
	(d) Long-term provisions	-	-	-	-
	Sub-total - Non-current liabilities	34,538	43,377	34,546	44,134
5	Current liabilities	14,395	14,340	17,516	20,181
	(a) Short-term borrowings	17,236	10,447	17,371	12,379
	(b) Trade payables	25,643	15,249	27,121	17,215
	(c) Other current liabilities	1,411	207	1,431	230
	(d) Short-term provisions	-	-	-	-
	Sub-total - Current liabilities	58,685	40,243	63,439	50,005
	TOTAL - EQUITY AND LIABILITIES	100,768	87,277	101,619	93,964
B	ASSETS				
1	Non-current assets				
	(a) Fixed assets	46,562	48,845	50,433	52,917
	(i) Tangible assets	24	53	3,272	3,326
	(ii) Intangible assets	184	130	209	130
	(iii) Capital work-in-progress	-	-	-	-
	(iv) Intangible assets under development	-	-	-	-
	(b) Goodwill on consolidation	-	6,739	-	-
	(c) Non-current investments	-	-	-	-
	(d) Deferred tax assets (net)	1,208	1,220	1,539	891
	(e) Long-term loans and advances	-	-	-	-
	(f) Other non-current assets	-	-	-	-
	Sub-total - Non-current assets	47,978	56,987	55,453	57,264
2	Current assets	7,439	-	-	-
	(a) Current investments	31,493	21,884	32,064	27,477
	(b) Inventories	5,733	5,407	5,751	5,446
	(c) Trade receivables	5,715	276	5,800	344
	(d) Cash and cash equivalents	1,715	1,981	1,757	2,416
	(e) Short-term loans and advances	695	742	794	1,017
	(f) Other current assets	-	-	-	-
	Sub-total - Current assets	52,790	30,290	46,166	36,700
	TOTAL - ASSETS	100,768	87,277	101,619	93,964

NOTES:

- The above results have been reviewed by the Audit Committee and approved by the Board at its meeting held on 29th May 2017.
- Previous year figures have been regrouped wherever necessary.
- The figures of last quarter are the balancing figures between Audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- It is hereby declared that the Audit Report issued on the financial results (standalone and consolidated) is unmodified.
- The company has divested 100% shareholding held in the wholly-owned subsidiary company M/s. Trident Sugars Limited, on 3rd April 2017, as per the requirements of Corporate Debt Restructuring Scheme of the Company.
- The Board has recommended a dividend of One Rupee per share, subject to approval of the lenders.

Place : Coimbatore
Date : 29th May 2017

RAJSHREE PATHY
Chairperson and Managing Director



Independent Auditor's Report

To the Members of Rajshree Sugars & Chemicals Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Rajshree Sugars & Chemicals Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other Irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

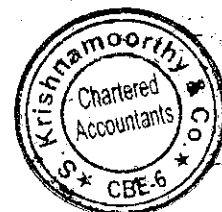
Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

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

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, the state of affairs of the Company as at 31 March 2017
- b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance sheet, the statement of Profit and loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, a separate report has been given in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.Z 16 to the financial statements;
 - 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; and

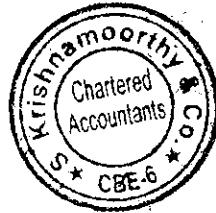


- iv. the company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company;

For **S. KRISHNAMOORTHY & Co.**
Chartered Accountants
Registration No.001496S

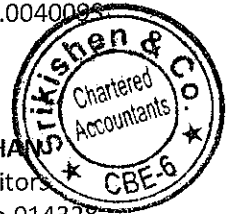
K.N. SREEDHARAN
Partner, Auditor
Membership No.012026

Coimbatore
29.05.2017



For **SRIKISHEN & CO.**
Chartered Accountants
Registration No.004009S

K.MURALI MOHAN
Proprietor, Auditor
Membership No.014328



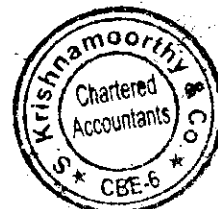
Annexure - A referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements

According to the information and explanations sought by us and given by the Company and the books and records examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The fixed assets have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such physical verification.
- (c) The title deeds of all the immovable properties of the company shown under the Fixed Assets schedule are held in the name of the company.
- (ii) The physical verification of inventory has been conducted by the management at reasonable intervals. The Company has maintained proper record of inventory and no material discrepancies were noticed on the physical verification of inventories as compared to the book records.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act, excepting to its wholly owned subsidiary company.

In respect of loan given to Subsidiary company, in our opinion,

- a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- b) No schedule of repayment of principal and payment of interest has been stipulated. However, interest is being received regularly.
- c) No amount is overdue warranting taking steps for recovery of principal and interest.
- (iv) The Company has not advanced any loans to its directors or any other person in whom the directors are interested or given any guarantee or provided any security in connection with any loan taken by the directors or such other person as contemplated under section 185 of the Act.
The loan given to subsidiary company and investment made in the capital of the subsidiary company is within the overall limit prescribed under section 186 of the Act.
- (v) The Company has not accepted any deposits.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, in respect of manufacture of sugar and alcohol as well as generation and transmission of electricity by the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.



There are no undisputed arrears of statutory dues which were outstanding as at 31 March 2017 for a period of more than six months from the date they became payable.

(b) The details of disputed statutory dues which have not been deposited by the Company are as given below:

Name of the Statute	Nature of Demand	Amount (in Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
Service tax	Penalty	21.92	2006-07	Commissioner (Appeals)
Central Excise	Excise Duty	550.50	April 2013- March 2014	CESTAT
		476.55	January 2012- December 2014	Commissioner of Central Excise.
TNVAT	Tax	56.89	2011-12 & 2012-13	Asst. Commissioner Appeals

- (viii) The Company has not borrowed from any financial institution and has not issued any debentures till date. In respect of borrowings from Banks and Sugar development fund, the details of default in repayment is as given in Note No. Z 7 of notes to financial statements.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not availed any new term loans during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion the managerial remuneration has been paid in accordance with the requisite approval mandated by the provisions of section 197, read with schedule V of the Act.
- (xii) The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion the transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has made preferential allotment of shares during the year to two promoters. The allotment of such shares is by conversion of Promoters contribution under CDR Scheme in terms of the approval of shareholders through postal ballot process held on 29.04.2016 and is in compliance with the provisions of the Act. The funds received during the year 31.03.2014 were utilized as specified under the CDR Scheme (Approval letter – CDR(SSA)No.1181/2013-14 dated 24.03.2014).
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with him.



(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **S. KRISHNAMOORTHY & Co.**
Chartered Accountants
Registration No.001496S

Sd/-x-x-

K.N. SREEDHARAN
Partner, Auditor
Membership No.012026

Coimbatore
29.05.2017



For **SRIKISHEN & CO.**
Chartered Accountants
Registration No.004009S

sd/-x-x-x

K.MURALI MOHAN
Proprietor, Auditors
Membership No.014328



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Rajshree Sugars & Chemicals Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

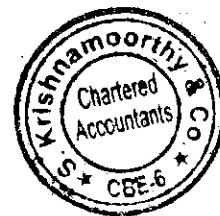
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

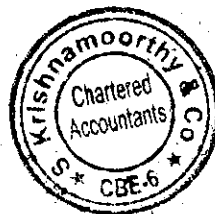
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

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

For **S. KRISHNAMOORTHY & Co.**
Chartered Accountants
Registration No.0014965

Sd/x-x
K.N. SREEDHARAN
Partner, Auditor
Membership No.012026



Coimbatore
29.05.2017

For **SRIKISHEN & CO.**
Chartered Accountants
Registration No.0040095

sd/x-x-
K.MURALI MOHAN
Proprietor, Auditors
Membership No.014328



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RAJSHREE SUGARS AND CHEMICALS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of RAJSHREE SUGARS AND CHEMICALS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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



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

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

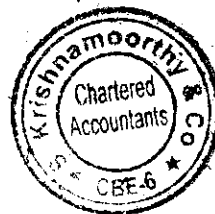
- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

We have audited the financial statements of the subsidiary M/s Trident Sugars Limited whose financial statements reflect total assets of Rs.6529.89 lakhs as at 31st march 2017, total revenue of Rs. 11058.37 Lakhs and net cash outflows amounting Rs. 16.65 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section143(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.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors of the holding & subsidiary Company as on 31st March, 2017 taken on record by the Board of Directors of the said Companies, none of the directors of the Group is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, a separate report has been given in "Annexure A" and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note to the consolidated financial statements.
 - 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 Holding Company and its subsidiary company.
 - iv. The Group has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the respective Companies;

For **S. KRISHNAMOORTHY & Co.**
Chartered Accountants
Registration No.001496S

Sd/x-x-x
K.N. SREEDHARAN

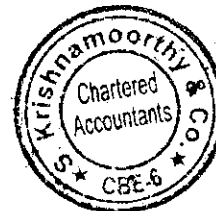
Partner, Auditor
Membership No.012026

Coimbatore
29.05.2017

For **SRIKISHEN & CO.**
Chartered Accountants
Registration No.004009S

sd/x-x-x
K.MURALI MOHAN

Proprietor, Auditors
Membership No.014328



Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Rajshree Sugars & Chemicals Limited ("the Holding Company") and its subsidiary company, as of 31 March 2017, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

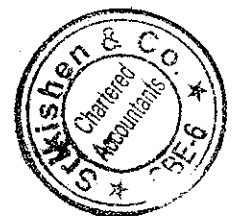
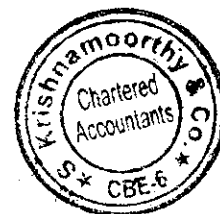
The Respective Board of Directors of the Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

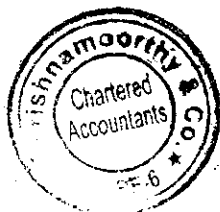
In our opinion, the Holding Company and its subsidiary company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control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

For **S. KRISHNAMOORTHY & Co.**
Chartered Accountants
Registration No.0014965

Sd/x-x-x-

K.N. SREEDHARAN
Partner, Auditor
Membership No.012026
Coimbatore

29.05.2017



For **SRIKISHEN & CO.**
Chartered Accountants
Registration No.0040098

sd/x-x-x-

K.MURALI MOHAN
Proprietor, Auditors
Membership No.014328



29th May 2017

BSE Limited
P.J.Towers
Dalal Street
Mumbai – 400 001

National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra East
Mumbai – 400 051

Sirs

Sub: Financial results for the quarter and financial year ended 31st March 2017 –
Standalone and consolidated – Declaration – reg.

It is hereby declared that the Audit Reports issued on the financial results (standalone
and consolidated) are unmodified.

We request you to take the same on record.

Thanking you

For and on behalf of
RAJSHREE SUGARS & CHEMICALS LIMITED

RAJSHREE PATHY
Chairperson and Managing Director

