

Ref. No.

Independent Auditor's Report

Date :

To
The Members of A B T Investments (India) Private Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **A B T Investments (India) Private Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entity, comprising of the Consolidated Balance Sheet as at March 31, 2016, 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

2. 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 including its associates and Jointly controlled entity 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

3. 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 thereunder.



A handwritten signature in blue ink, consisting of a stylized 'M' followed by a long horizontal stroke.

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4. 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.
5. 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.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

7. *In respect of holding company, as per the agreement entered, no interest has been provided on loan given to a subsidiary company. Non-provision of interest is in contravention of sub-section (7) of section 185 of the Act. Consequential impact of the same on the loss for the year/accumulated loss is not ascertainable.*
8. *In respect of a Subsidiary viz., Sakthi Sugars Limited, as per the agreement entered, no interest has been provided on the advance given to the Associate Company. Non-provision of interest at least to the extent of Interest on Government Securities is in contravention of sub-section (7) of Section 186 of the Act. Consequential impact of the same on the loss for the year/accumulated loss is not ascertainable.*
9. *In respect of a Subsidiary viz., Sakthi Sugars Limited, in our opinion the company has not provided for the interest and guarantee commission claim of Rs. 6,579.01 lakhs (Rs. 5,444.38 lakhs) made by a Corporate. In our opinion, the losses of the Company are under stated to that extent. This matter was also qualified in our report on the financial statements for the year ended March 31, 2015.*
10. *With respect to the financials of jointly controlled entity viz., Sakthi Automotive Group USA, the Basis for Qualified Opinion observed by the auditors of the entity cites that "As stated in*



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Note 18 to the financial statements, as of December 31, 2015 the Corporation has capitalized Research & Development Costs of \$4,542,707 of which \$1,944,986 were capitalized during the year then ended. Per Accounting Standards Codification 730, the accounting principles generally accepted in the United States of America require that these amounts are expensed during the year they are incurred and are not capitalized."

11. *With respect to the financials of jointly controlled entity viz., Sakthi Automative Group USA, the Basis for Qualified Opinion observed by the auditors of the entity cites that "We were also unable to obtain US GAAP based audited financial statements supporting the Corporation's investment in a foreign affiliate at December 31, 2015, or its equity in earnings of that affiliate as described in Note 14 to the financial statements, nor were we able to satisfy ourselves as to the carrying value of the investment in the foreign affiliate or equity in its earnings by other auditing procedures. The amount by which this departure would affect the assets and net income of the Corporation has not been determined."*

Qualified Opinion

12. *In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters stated in the Basis for Qualified Opinion Paragraph, 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, of the consolidated state of affairs of the Group, its associates and jointly controlled entity as at March 31, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.*

Emphasis of Matter

13. *We draw attention to Note No. 38(B) (ii), to the consolidated financial statements which specifies the claim disputed/challenged by one of its Subsidiary company.*
14. *With respect to the financials of one of the subsidiary of Associate Company viz., Sakthi Auto Mauritius Limited, the emphasis of matter observed by the auditors cites that 'Without qualifying our opinion, the financial statements indicates that the company has made a loss for year ended December 31, 2015 of USD 17926 viz., Rs.11.89 lakhs (2014: USD 9711 viz., Rs.6.08 lakhs) and as of that date, its total liabilities exceeded its total assets by USD 102807 viz. Rs.68.19 lakhs (2014: USD 84881 viz., Rs.53.13 lakhs). The Shareholder has informed its intention to provided continuing financial support to the company to enable it meet its liabilities as they fall due. Consequently, the financial statements have been prepared on a going concern basis. We consider that appropriate disclosures have been made.*
15. *With respect to the financials of one of the associate company viz., ABT Textiles Pvt Ltd. the following observations where made, "networth of the company is negative at Rs.51,48,725/- and also company's current liabilities exceed its current assets by Rs.66,18,278/-. These*



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factors raise substantial doubt about the company's ability to continue as a going concern in the foreseeable future. However, the company's financial statement has been prepared on going concern basis as represented/disclosed by management."

16. With respect to the financials of another associate company viz., Sri Bhagavathi Textiles Limited following observations were made, "The company has incurred net loss of Rs.62,01,367/- during the year ended March 31, 2016 and as on that date, the Company's accumulated losses aggregate to Rs.51,72,32,503/- resulting in erosion of its net worth. Further, as on that date, company's current liabilities exceed its current assets by Rs.20,48,46,858/-. These factors raise substantial doubt about the company's ability to continue as a going concern in the foreseeable future. However, the company's financial statement has been prepared on going concern basis as represented/disclosed by management".

17. Our opinion is not modified in respect of these matters.

Other Matters

18. We did not audit the Financial information of the Jointly controlled entity viz., Sakthi Automotive Group USA, whose financial information reflect total assets of Rs.25,820.05 lakhs as at December 31, 2015, total revenues of Rs.1,184.93 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.5,04,620/- for the year ending 31st March 2016, as considered in the financial statements, in respect of associates Akilandeswari Carbon Gas Ltd and Sakthi Soft Drinks Ltd, whose financial statements have not been audited by us. 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 jointly controlled entity and associates, 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 jointly controlled entity and associates, is based solely on the reports of the other auditors.

19. 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 matter.

Report on Other Legal and Regulatory Requirements

20. 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 purpose of our audit of the aforesaid consolidated financial statements.



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- (b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, 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, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, 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) In our opinion, the matters described in the Basis for Qualified Opinion paragraph above, may not have an adverse effect on the functioning of the group company.
- (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- (g) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the basis of Qualified Opinion Paragraph above.
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the company, its subsidiaries and its associate companies Incorporated in India and the operating effectiveness of such controls, referred to our separate report in Annexure A and
- (i) 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 as at March 31, 2016 on the consolidated financial position of the Group Company and the jointly controlled entity - Refer Note 38 (a) & (b) to the consolidated financial statements.




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- (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 Subsidiaries companies incorporated in India.

For P.N.Raghavendra Rao & Co.,
Chartered Accountants
Firm Registration Number: 003328S


P.R.Vittel
Partner
Membership Number : 018111



Coimbatore
September 07, 2016

Ref. No.
Annexure A to the Independent Auditor's Report

Date :

Referred to in paragraph 20(h) of the Independent Auditor's Report of even date to the members of A B T Investments (India) Private Limited on the consolidated financial statements for the year ended March 31, 2016

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

1. In conjunction with our audit of the consolidated financial statements of A B T Investments (India) Private Limited ("the Company") as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of the Company, its subsidiary companies and associate companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Company, its subsidiaries companies and associate 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 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

3. 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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.



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4. 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.
5. 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

6. 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:
- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (b) 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
 - (c) 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

7. 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



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become inadequate because of changes in conditions, or that the degree of compliance
with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company, its subsidiaries and associate 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, 2016, 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 P.N.Raghavendra Rao & Co.,
Chartered Accountants
Firm Registration Number : 003328S


P.R.Vittel

Partner

Membership Number : 018111



Coimbatore
September 07, 2016

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

(Rs. in lakhs)

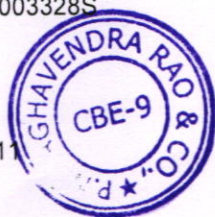
Particulars	Notes	As at 31st March 2016	As at 31st March 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	150.00	150.00
Reserves and Surplus	3	33,765.76	34,446.38
		33,915.76	34,596.38
Minority Interest		10,955.36	11,524.90
Non-Current Liabilities			
Long-Term Borrowings	4	85,474.20	64,364.77
Other Long Term Liabilities	5	20.03	78.13
Long Term Provisions	6	2,536.22	2,491.10
		88,030.46	66,933.99
Current Liabilities			
Short-Term Borrowings	7	14,622.59	27,081.58
Trade Payables	-	30,836.24	26,449.99
Other Current Liabilities	8	61,212.04	63,687.57
Short-Term Provisions	9	1,474.18	8,518.01
		1,08,145.05	1,25,737.15
TOTAL		2,41,046.62	2,38,792.43
ASSETS			
Non-Current Assets			
Fixed Assets			
(i) Tangible assets		1,01,193.06	1,02,536.44
(ii) Intangible assets	10	8,400.46	11,216.35
(iii) Capital work-in-progress		17,747.82	14,945.46
Goodwill on Consolidation		15,373.83	14,629.53
Non-Current Investments	11	9,944.37	8,396.87
Deferred Tax Assets (Net)	12	14,224.44	12,609.64
Long-Term Loans and Advances	13	15,732.99	21,254.18
Other Non-Current Assets	14	6,157.21	6,150.79
		1,88,774.18	1,91,739.26
Current Assets			
Current Investments	-	2,980.21	2,083.84
Inventories	15	12,890.14	11,648.81
Trade Receivables	16	16,336.61	15,398.86
Cash and Cash Equivalents	17	2,362.97	5,449.29
Short-Term Loans and Advances	18	13,754.79	9,741.11
Other Current Assets	19	3,947.71	2,731.26
		52,272.44	47,053.17
TOTAL		2,41,046.62	2,38,792.43

Significant Accounting Policies
Notes are an integral part of the Financial Statements

1

Vide our report annexed
For P.N.Raghavendra Rao & Co.,
Chartered Accountants
Firm Registration Number : 003328S

P.R.Vittal
Partner
Membership Number: 018111



September 07, 2016
Coimbatore

For and on behalf of Board

S. Elavazhagan
Director
DIN: 0037493

Sharath Giri
Director
DIN: 02561026

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016
(Rs. in lakhs)

Particulars	Notes	Year Ended 31st March 2016	Year Ended 31st March 2015
INCOME			
Revenue from Operations	20	1,03,305.77	96,757.77
Other Income	21	5,372.73	4,335.41
Total Revenue		1,08,678.50	1,01,093.19
EXPENSES			
Cost of material consumed	22	52,406.38	45,540.94
Purchase of Stock in Trade	23	17,170.34	9,349.94
Decrease/(Increase) in Inventories	24	246.58	3,685.24
Employee Benefits Expense	25	7,449.45	7,999.27
Other Expenses	26	20,361.33	18,967.70
Total Expenses		97,634.09	85,543.08
Earnings/(Loss) before Interest, Tax, Depreciation and Amortization (EBITDA)		11,044.41	15,550.10
Finance Costs	27	8,685.19	13,304.33
Depreciation and Amortization Expense	28	8,153.04	7,301.45
		16,838.23	20,605.78
Profit/(Loss) Before Tax		(5,793.82)	(5,055.68)
Tax expense:			
Current Tax Expense for Current Year		228.45	-
MAT Credit Entitlement		(2,245.54)	-
Deferred Tax Expense/(Savings)		611.37	(1,475.89)
Profit/(Loss) After Tax		(4,388.10)	(3,579.79)
Share of Profit from Associates		742.17	(642.11)
		(3,645.93)	(4,221.90)
Appropriation of profits			
Capital Profit		-	(3,084.52)
Minority Interest		(905.42)	(338.78)
		(905.42)	(3,423.30)
Profit/(Loss) after tax (after adjustment of Minority interest)		(2,740.51)	(798.61)
Earnings/(Loss) per Equity Share			
Nominal Value per Equity Share		10.00	10.00
Basic		(182.70)	(211.61)
Diluted		(182.70)	(211.61)

Significant Accounting Policies

1

Notes are an integral part of the Financial Statements

Vide our report annexed

For P.N.Raghavendra Rao & Co.,

Chartered Accountants

Firm Registration Number : 003328S

P.R. Mittal

Partner

Membership Number: 018111



For and on behalf of Board

S. Elavazhagan

S. Elavazhagan

Director

DIN: 0037493

Sharath Giri

Sharath Giri

Director

DIN: 02561026

September 07, 2016

Coimbatore

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

(Rs. in lakhs)

Particulars	As on 31st March 2016	As on 31st March 2015
Cash Flow from Operating Activities		
Profit/(Loss) Before Tax	(5,756.01)	(5,055.68)
Adjustments for:		
Depreciation and Amortisation	8,153.04	7,301.45
Preliminary Expenses Written off	0.91	0.91
Profit on Sale of Fixed Assets	(69.32)	(1,474.97)
Loss on Sale of Fixed Assets	1.17	5.31
Investments value written off	(90.45)	(0.54)
Finance Costs	8,685.19	12,938.60
Sundry Balances /Miscellaneous Exp written off	20.04	77.25
Dividend Income	(16.71)	(15.06)
Interest Income	(1,116.34)	(1,589.19)
Net Gain on Investment in Affiliate	(801.01)	(724.43)
Operating Profit Before Working Capital Changes	9,010.52	11,463.65
Adjustments for:		
Trade Payables & Other Payables	3,038.30	(5,978.09)
Other Current Liabilities	4,165.87	332.65
Inventories	(1,147.15)	3,097.09
Trade Receivables & Other Receivables	(785.77)	(11,409.78)
Other Current Assets	(886.51)	(1,334.30)
Short-Term Loans and Advances	2,805.51	(5,748.31)
Increase in Reserves on demerger	-	25,989.78
Cash Generated from Operations	16,200.78	16,412.69
Income tax paid	(14.66)	(16.58)
Net Cash generated from/(used in) Operating Activities	16,215.44	16,429.27
Cash Flow from Investing Activities		
Purchase of fixed assets	(6,550.93)	(795.96)
Purchase of Investments	(1,459.21)	(28,344.98)
Sale of fixed assets	73.18	1,490.28
Sale of Investments	-	0.20
Investment Income	1,133.00	1,604.25
Interest income	0.05	-
Loans and Advances – Related Parties	285.01	-
Net Cash generated from/(used in) Investing Activities	(6,518.90)	(26,046.22)
Cash Flow from Financing Activities		
Issue of Equity Shares	(234.45)	149.00
Proceeds from Long Term Borrowings	10,411.08	7,888.92
Repayment of Long-Term Borrowings	(4,607.08)	(5,603.18)
Finance Costs	(6,313.62)	(1,120.95)
Loans From Related Parties (net)	(1,552.06)	1,779.21
Short Term Borrowings (net)	(10,502.88)	11,284.35
Net Cash generated from/(used in) Financing Activities	(12,799.01)	14,377.36
Net Increase/(Decrease) from Cash and Cash Equivalents	(3,102.47)	4,760.41
Cash and Cash Equivalents at the beginning of the Year	5,453.53	688.88
Exchange difference on translation of foreign currency cash and cash equivalents	11.91	4.24
Cash and Cash Equivalents at the end of the Year	2,362.97	5,453.53

Vide our report annexed

For and on behalf of Board

For P.N.Raghavendra Rao & Co.,
Chartered Accountants
Firm Registration Number : 003328S

P.R.Vittel
Partner

Membership Number: 018111
Sep 07, 2016
Coimbatore



S. Elavazhagan

S. Elavazhagan
Director
DIN: 0037493

Sharath Giri

Sharath Giri
Director
DIN: 02561026

SIGNIFICANT ACCOUNTING POLICIES (Consolidated)

1.1 Basis of Preparation:

The accompanying Financial Statements have been prepared on a going concern basis under the historical cost convention on the accrual basis of accounting in conformity with generally Accepted Accounting Principles in India ("Indian GAAP").

1.2 Change in Accounting Policy:

In respect of the Indian subsidiary i.e., Sakthi Sugars Limited, there is a change in Accounting policy. Till the financial year ended 31.3.2015, the company had charged the total depreciation to the Statement of Profit and Loss and made transfer of an amount equivalent to additional depreciation on account of upward revaluation of fixed assets from revaluation reserve. In the current year the company has revised the accounting policy prospectively whereby no transfer from revaluation reserve is made through Statement of Profit and Loss.

1.3 Valuation of Inventories:

1.3.1 Parent and Subsidiaries in India:

Inventories are Valued at the lower of cost and net realizable value

By-products are valued at Net realizable value.

Standing crops are valued at net realizable value.

In respect of the Indian subsidiary i.e., Sakthi Sugars Limited ascertains its cost on the following basis:

Stores and soya products - yearly average

Sugar - Seasonal weighted average

Soya Bean, Stock-in-trade of fertilizer and newsprint - FIFO basis

1.3.2 Joint Venture in USA :

Inventories are stated at the lower of cost or market determined by the first-in, first-out method. Finished goods inventory include all direct material, labor and overhead costs. The Corporation establishes a reserve to mark down its inventory for estimated unmarketable inventory equal to the difference between the cost of inventory and the estimated net realizable value based on assumptions about the age of inventory, future demand, and market conditions. If actual market conditions are less favorable than those projected by management, additional inventory markdowns may be required. During fiscal year 2015 the Corporation did not have any inventory markdowns.

1.4 Fixed Assets:

1.4.1

Fixed Assets are valued at cost/re-valued figures, less accumulated depreciation. Cost includes related taxes, duties, freight, insurance etc., attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations but excludes duties and taxes that are recoverable from taxing authorities.

1.4.2

Expenditure including borrowing cost incurred on projects under implementation is shown under "Work -in-Progress" pending allocation to the assets.

1.5 Intangible Assets:

Product Development expenses being intangible assets is amortized over a period of 10 years in accordance with AS-26.

1.6 Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets.

1.7 Depreciation:

1.7.1 In respect of a subsidiary in India i.e, ABT Two Wheeler Private Limited, depreciation on fixed assets acquired during the year is charged on straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014 the carrying amount as on April 1,2014 is depreciated over the remaining useful lives based on the management's evaluation

The useful lives of the assets for depreciation are as follows:

Description of the Asset	Useful Life (Years)
Building under lease	30
Machinery	21
Plant and Equipments	21
Loose Tools	21
Furniture and Fixtures	30
Electrical Fittings	21
Office Equipments	21
Air Conditioner	21
Computer	6
Light Vehicels	11

1.7.2 Joint Venture in USA :

Depreciation is provided for amounts sufficient to allocate the cost of depreciable assets to operations over their estimated useful lives using the straight-line method. The useful lives of property, plant, and equipment for purposes of computing depreciation are:

Description of the Asset	Useful Life (Years)
Building & Improvement	39
Plant and Machinery	5-10
Computer Software	3
Tools and Fixtures	3
Vehicles	5
Furniture and Fixtures	5

1.7.3 Parent and other Subsidiaries in India:

Depreciation on tangible assets is provided on the straight line method over the useful life in the manner prescribed in the Schedule II of the Companies Act 2013 effective from 1April 2014, as against the earliest practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation on addition to assets or on sale/discardment of assets, is calculated on pro-rata from the month of such addition or upto the month of such sale/discardment, as the case may be.

1.8 Investment :

Long term Investments are accounted at cost. The diminution, if any, in value of long term investments is provided if such decline is other than temporary.

1.9 Recognition of Revenue and Expenditure:

1.9.1 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. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, excise duty, sales return.

i. Gross turnover includes excise duty but exclude sales tax.

ii. Dividend income is accounted for in the year it is declared.

iii. All other incomes are accounted for on accrual basis.

iv. The excise duty on sale of finished goods is deducted from the turnover to arrive at the net sales as shown in the statement of Profit and Loss.

1.9.2 Expenditure Recognition:

The Excise duty appearing in the statement of Profit and Loss as an expenditure represents excise duty provision

1.10 Foreign currency transactions :

Recognition of foreign exchange fluctuation is based on the maturity of obligations.

1.11 Retirement Benefits:

1.11.1 Parent and Subsidiaries in India:

1.11.1.1 Contribution payable by the Company under defined contribution schemes towards Provident fund, Gratuity, Employees State Insurance and Superannuation fund for the year are charged to Statement of Profit and Loss.

1.11.1.2 An Indian subsidiary i.e., Sakthi Sugars Limited, opted for Life Insurance Corporation of India group gratuity Scheme. For calculating gratuity liability, the premium ascertained by LIC has been taken into account. Provision for liability in respect of Leave encashment benefits are made based on actuarial valuation made by an independent actuary as at 31.03.2016.

1.11.2 Joint Venture in USA :

The Corporation has a defined contribution retirement plan, established to provide an opportunity to eligible employees to save for retirement on a tax-advantaged basis. Securian serves as the custodian of the plan assets. All employees who have reached the age of 21 and completed 1 month of service, as defined by the plan are eligible to participate in the plan. During the fiscal year 2015, the Corporation made matching contributions of 2% of the gross wages for the year

1.12 Deferred tax :

Deferred tax is recognized on timing difference between accounting income and the taxable income for the period and reversal of timing differences of earlier periods and quantified using the tax rates and laws that have been enacted / substantively enacted as at the balance sheet date. The deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that these would be realized in future.

1.13 Earning per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.14 Impairment of Assets:

Impairment, if any, is recognized in accordance with the Accounting Standard 28.

- 1.15 Provisions, Contingent Liabilities and Contingent Assets:**
Provision is recognized only when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- 1.16 Basis of preparation of Consolidated Financial Statements**
a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
- 1.17** The Consolidated Financial Statements of ABT Investments (India) Private Limited, include the Financial Statements of
- Subsidiary companies:**
Sakthi Sugars Limited,
ABT Two wheeler Private limited,
ABT Maduri Private Limited
- Associate Companies:**
ARC Retreading Company Private Limited
Sakthi Auto Component Limited
ABT Textiles Private Limited
Akilandeswari Carbon Gas Private Limited
Sakthi Soft Drinks Private Limited
Sri Bhagavathi Textiles LTD
- Jointly controlled entity:**
Sakthi Automotive Groups USA, INC.
- 1.18** The Consolidated Financial Statements have been prepared on the following basis:
- 1.18.1** The Financial Statements of the parent company and its Subsidiary Companies have been consolidated on a line-by-line basis, by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balance and intra-group transactions resulting in unrealised profit or losses. Financials of foreign subsidiaries represented in foreign currencies have been translated using rupee conversion rate on the Balance Sheet date of the parent company.
- 1.18.2** The Consolidated Financial Statements are prepared by adopting Uniform Accounting Policies. The financial statements of subsidiaries whose reporting currency are other than INR are converted into Indian Rupees on the basis of appropriate exchange rates.
- 1.18.3** The excess/lower of cost of the Parent Company of its investment in the Subsidiaries over the Parent's portion of equity of the Subsidiaries at the date on which investment in the Subsidiaries are made is described in the financial statements as Goodwill/Capital Reserves.
- 1.18.4** Consolidation of financials of foreign Joint Venture has been done to the extent of information being available and the reporting period adopted in the respective Joint venture. The joint venture has adopted the reporting period of 1st January 2015 to 31st December 2015
- 1.18.5** Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
- 1.18.6** The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Profit and Loss Statement, to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance based on available information.
- 1.18.7** The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
2	Share Capital		
2.1	Particulars of Each Class of Share Capital		
	Authorised Share Capital:		
	20,00,000 Equity Shares of Rs.10/- Each	200.00	200.00
	Total	<u>200.00</u>	<u>200.00</u>
	Issued		
	Issued, Subscribed and Paid up Share capital:		
	15,00,000 Equity Shares of Rs.10/- Each	150.00	150.00
	Total	<u>150.00</u>	<u>150.00</u>
	Subscribed and Paid up Share capital:		
	15,00,000 Equity Shares of Rs.10/- Each	150.00	150.00
	Total	<u>150.00</u>	<u>150.00</u>
3	Reserves and Surplus		
3.1	Capital Reserve on Consolidation		
	Capital Reserve on Consolidation	7,427.37	9,197.84
3.2	Securities premium account		
	Premium on FCCB - Earlier year reversed	2,063.76	-
3.3	Subsidy from Government		
	Balance as per last Balance Sheet	44.23	44.23
3.4	General Reserve		
	Balance as per the Last Balance Sheet	25,988.78	-
	General reserves arising in terms of Scheme of Arrangement (Demerger) approved by the High Court of Madras on 18/04/2016	-	25,988.78
		<u>25,988.78</u>	<u>25,988.78</u>
3.5	Reserves arising due to Cancellation of Equity Shares as per Scheme of Arrangement	1.00	1.00
3.6	Foreign Currency Translation Reserve	59.20	11.90
3.7	Surplus/ (Deficit) in Statement of Profit & Loss		
	Balance as per the Last Balance Sheet	(797.36)	1.25
	Add : Profit/(Loss) After Tax for the year	(2,740.51)	(798.61)
	Add : Transfer from Revaluation Reserve	1,719.28	-
	- Depreciation on Revalued Assets	<u>(1,818.58)</u>	<u>(797.36)</u>
	Total	33,765.76	34,446.38

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
4	Long-Term Borrowings		
4.1	Term Loan		
4.1.1	Secured		
	From Banks	19,917.72	31,679.69
	From Others	43,692.99	12,493.66
4.1.2	Unsecured		
	From related parties	241.06	-
	From Others	4,790.79	8,887.07
		<u>68,642.56</u>	<u>53,060.42</u>
4.2	Deferred payment liabilities		
	Equipment Lease	1,688.08	-
	Notes Payable	6,590.10	3,087.01
4.3	Loans and Advances from Shareholder's and Related Parties (Unsecured)	8,549.18	8,210.62
4.4	Long term maturities of finance lease obligations (secured)	4.27	6.72
		<u>16,831.64</u>	<u>11,304.35</u>
4.5	Total of Long-Term Borrowings	85,474.2019	64,364.77

Nature of Security and terms of repayment for Long Term secured borrowings :

4.6.1 A) SECURED LOANS FROM BANKS

Nature of Security

1. Term loans amounting to Rs.5252.07 lakhs (Rs.15583.43 lakhs) are secured by

a) Pari passu first charge on the entire movable and immovable properties of the Company except the assets charged on exclusive basis.

b) Pari passu second Charge on the current assets of the Company, except the assets charged on exclusive basis.

2. Term loans amounting to Rs.6403.60 lakhs (Rs.8120.58 lakhs) are secured by subservient charge on the fixed assets of the Company after the existing Loans, except the assets charged on exclusive basis.

3. Term Loans amounting to Rs.5336.80 lakhs (Rs.7884.99 lakhs) are secured by

a) Pari passu first charge on fixed assets pertaining to Co-generation Plant at Sakthinagar.

b) Subservient pari passu charge on the fixed assets of the Company after the existing Loans, except the assets charged on exclusive basis.

4. Term Loan amounting to Rs.Nil (Rs.90 lakhs) is secured by

Terms of Repayment

The loans are restructured and are repayable in 32 quarterly installments commencing from April 2011. Rate of Interest 10.50% p.a (10.50% p.a)

Term Loan of Rs.3000 lakhs (Rs.3000 lakhs) is repayable in 8 quarterly installments commencing from June 2017.

Rate of Interest 10.95% p.a (11.20% p.a)

Term Loan of Rs.3403.60 lakhs (Rs.3404 lakhs) is repayable in 8 quarterly installments commencing from August 2017

Rate of Interest 11.00% p.a (11.65% p.a)

Term Loan of Rs.Nil (Rs.1716.58 lakhs) is repayable in 8 quarterly installments commencing from September

Rate of Interest Nil (12.25% p.a)

The Loans are repayable in 36 monthly instalments commencing from April 2016

Rate of Interest Nil

The Loan is repayable in 10 quarterly instalments from January 2014

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
	a) First charge on the Company's property situated at 180 Race Course Road, Coimbatore.	Rate of Interest Nil (11.65 p.a)	
	b) Subservient charge on the fixed assets of the Company after the existing Loans except, the assets charged on exclusive basis.		
5.	Term Loan amounting to Rs.2925 lakhs (Rs.Nil) is secured by	The Loan is repayable in 16 quarterly instalments from September 2016	
	a) Extension of first charge on the Company's property situated at 180 Race Course Road, Coimbatore.	Rate of Interest 12 p.a (Nil)	
	b) Subservient charge on the fixed assets of the Company except, the assets charged on exclusive basis.		
6.	The loans under 1of the above is further secured by pledge of shares held by promoters in the Company.		
7.	Guarantees given by Directors/Others:		
	a) Term Loans amounting to Rs.19917.47 lakhs (Rs.31589 lakhs) are guaranteed by Dr. M.Manickam, Sri.M.Balasubramaniam and Sri.M.Srinivaasan.		
	b) Term Loan amounting to Rs.Nil (Rs.90 lakhs) is guaranteed by Dr.M.Manickam.		
	c) Term Loan amounting to Rs.3000 lakhs (Rs.3000 lakhs) is additionally secured by corporate guarantee and collateral security given by a group		
	d) Term Loan amounting to Rs.2925 lakhs (Nil) is additionally secured by collateral security given by promoter		
8.	Period and amount of continuing default as on the date of Balance Sheet:		

(Rs.in lakhs)				
Particulars	Amount	Amount	Period	Since paid
Principal	4,653.60	(8,414.85)	Varying period	(121.16)
Interest	3,086.41	(5,873.20)	from October'2012 to February 2016	(858.84)

4.6.2 (B) SECURED LOAN FROM OTHER PARTIES

4.6.2.1 Nature of Security

1. Term Loans amounting to Rs.42681.62 lakhs (Rs.9852.06 lakhs) is secured by

- a) Pari passu first charge on the entire movable and immovable properties of the Company except the assets charged on exclusive basis.
- b) Paripassu second charge on the current assets of the Company, except the assets charged on exclusive basis.

2. Term loan amounting to Rs.Nil (Rs.794.85) is secured by

- a) Pari passu residual charge on the entire fixed assets of the company, except the assets charged on exclusive basis
- b) Residual chares on the current assets of the Company.

3. Term Loan amounting to Rs.722.91 lakhs (Rs.1445.82 lakhs) is secured by exclusive second charge on the assets of Sugar and Cogen units of the Company at Sivaganga.

Terms of Repayment

Term loan of Rs.3648 lakhs (Rs.1379.53 lakhs) is restructured and is repayable in 22 quarterly installments commencing from June 2016
Rate of Interest 10.00% p.a (10.50% p.a)

Term loan of Rs.4018 lakhs (Nil) is restructured and is repayable in 28 quarterly installments commencing from June 2016

Rate of Interest 10.00% p.a (10.50% p.a)
Term loans amounting to Rs.35015.62 lakhs (Rs.8472.53) are restructured and are repayable in 28 quarterly installments commencing from June 2016

Rate of Interest 12.00% p.a (10.50% p.a)
The loan is restructured under CDR Scheme and is repayable in 32 quarterly installments commencing from April 2011.

Rate of Interest Nil (10.50% p.a)

Repayable in 10 half yearly instalments from May 2013.
Rate of Interest 4.00% p.a (4.00% p.a)

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015																		
	4. Term Loan amounting to Rs.240.56 lakhs (Rs.400.93 lakhs) is secured by exclusive second charge on the assets of Sugar and Cogen units of the Company at Modakuruchi.	Repayable in 10 half yearly instalments from February 2014. Rate of Interest 4.00% p.a (4.00% p.a)																			
	5. The loans under 1 of the above are further secured by pledge of shares held by Promotors in the company.																				
	6. Guarantees given by Directors: Term Loans amounting to Rs.42681.62 lakhs (Rs.10646.91 Lakhs) are guaranteed by Dr. M.Manickam, Sri.M.Balasubramaniam and Sri. M.Srinivasan																				
	7. Period and amount of continuing default as on the date of Balance Sheet	(Rs.in lakhs)																			
	<table><tr><th>Particulars</th><th colspan="2">Amount</th><th>Period</th><th colspan="2">Since paid</th></tr><tr><td>Principal</td><td>--</td><td>(9,818.46)</td><td>Varying period</td><td>--</td><td>(--)</td></tr><tr><td>Interest</td><td>10,650.30</td><td>(5,997.58)</td><td>from July 12 to February 2016</td><td>862.00</td><td>(483.30)</td></tr></table>	Particulars	Amount		Period	Since paid		Principal	--	(9,818.46)	Varying period	--	(--)	Interest	10,650.30	(5,997.58)	from July 12 to February 2016	862.00	(483.30)		
Particulars	Amount		Period	Since paid																	
Principal	--	(9,818.46)	Varying period	--	(--)																
Interest	10,650.30	(5,997.58)	from July 12 to February 2016	862.00	(483.30)																
4.6.3	(C)UNSECURED LOANS FROM OTHER PARTIES Loan amounting to Rs.1215 lakhs (Rs.1305 lakhs)	Rs.135 lakhs (Rs.225 lakhs) is repayable in 3 (5) half yearly instalments and the balance amount of Rs.1080 lakhs (Rs.1080 lakhs) to be adjusted by supply of bagasse. Rate of interest 9% p.a. (9% p.a)																			
4.6.4	(D)FINANCE LEASE OBLIGATIONS Hire Purchase Loan amounting to Rs. 4.27 lakhs (Rs.6.72 lakhs) is secured by hypothecation of vehicles so financed	Repayable in 47 monthly instalments.																			
5	Other Long Term Liabilities																				
	Security Deposits	20.03	18.93																		
	Liability for Expenses and others	-	0.21																		
	Other Payables	-	58.99																		
5.1	Total	20.03	78.13																		
6	Long-term provisions																				
	Provision for employee benefits	2,536.22	2,491.10																		
6.1	Total	2,536.22	2,491.10																		
7	Short term borrowings																				
7.1	Loans repayable on Demand																				
7.1.1	Secured Loans																				
	From Banks	11,234.77	19,397.25																		
	Inter Corporate Loan from related parties	-	597.57																		
	Inter Corporate Loan from others	490.00	1,893.97																		
	From Others	-	2,472.39																		
		11,724.77	24,361.18																		
7.1.2	Unsecured Loans																				
	From Banks	625.10	1,000.00																		
	From Other	50.00	276.18																		
		675.10	1,276.18																		
7.2	Loans and advances from related parties; Inter Corporate Loan (Unsecured)	2,222.72	1,444.22																		
		2,222.72	1,444.22																		
7.3	Total	14,622.59	27,081.58																		

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
8	Other Current Liabilities		
	Current Maturities of Long-Term debt	27,897.41	40,085.47
	Current maturities of finance lease obligations	367.44	4.70
	Interest accrued but not due on borrowings	116.74	62.74
	Interest accrued and due on borrowings	19,064.48	16,175.29
	Unclaimed matured deposits	0.21	0.65
	Unclaimed matured debentures	0.23	0.23
	Statutory Remittances	1,503.60	792.77
	Advances from Customers	3,646.31	1,599.93
	Creditors for capital expenditure	1,624.85	644.23
	Liabilities for Expenses	25.31	12.19
	Liability for Others - Dues to related parties	3,549.84	510.09
	Security Deposits	1,095.19	1,050.00
	Other liabilities	2,320.42	2,749.28
8.1	Total	61,212.04	63,687.57
9	Short-Term Provisions		
	Provision for employee benefits	138.13	168.47
	Others :		
	Premium/interest payable on FCCB	620.55	7,551.21
	Other provisions	715.50	798.33
9.1	Total	1,474.18	8,518.01

10 Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 01.04.2015	ADDITIONS	DELETIONS / WRITTEN BACK	AS ON 31.03.2016	UPTO 31.03.2015	FOR THE YEAR	WITHDRAWN	UPTO 31.03.2016	AS ON 31.03.2016	AS ON 31.03.2015
Tangible Assets										
A. Land	13,742.50	-	-	13,742.50	-	-	-	-	13,742.50	13,605.38
B. Buildings	22,725.40	41.25	-	22,766.65	3,576.62	777.27	-	4,354	18,412.77	18,941.33
C. Plant and equipment	1,03,288.25	297.24	183.02	1,03,402.47	30,647.02	4,446.68	79.88	35,014	68,388.65	69,401.28
D. Furniture and fixtures	423.30	3.95	-	427.25	325.81	20.74	-	347	80.70	94.21
E. Vehicles	1,153.27	2.00	38.57	1,116.70	899.89	42.54	36.64	906	210.91	244.43
F. Office equipment	1,273.74	48.94	3.35	1,319.33	1,135.44	35.28	3.17	1,168	151.79	138.31
G. Others	240.81	-	-	240.81	20.40	14.66	-	35	205.75	111.52
	1,42,847.26	393.38	224.94	1,43,015.70	36,605.17	5,337.16	119.69	41,823	1,01,193.06	1,02,536.44
H. Work in progress	17,705.47	115.38	73.03	17,747.82	-	-	-	-	17,747.82	14,945.46
TOTAL	1,60,552.73	508.76	297.97	1,60,763.52	36,605.17	5,337.16	119.69	41,823	1,18,940.89	1,17,481.90
Intangible Assets										
Goodwill	33,655.44	-	-	33,655.44	22,439.10	2,815.88	-	25,254.98	8,400.46	11,216.35
TOTAL FOR THE YEAR	1,94,208.17	508.76	297.97	1,94,418.96	59,044.27	8,153.04	119.69	67,077.61	1,27,341.35	1,28,698.25

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
11	Non-Current Investments		
11.1	Investments in Equity Instruments		
	I. Quoted		
	ICICI Bank Limited 441 Shares of Rs.10 each	0.24	0.24
	NIIT Limited 2,527 Shares of Rs. 2 each	0.06	0.06
	NIIT Technologies Limited 759 Shares of Rs. 10 each	0.09	0.09
	Kovai Medical Centre and Hospital Limited 2,00,000 Shares of Rs.10 each	20.00	20.00
	K G Denim Limited 16,129 Shares of Rs.10 each	2.74	2.74
	IFCI Limited 100 Shares of Rs.10 each	0.04	0.04
	City Union Bank Ltd 1,08,249 Shares of Re.1 each	3.18	3.18
	The South Indian Bank Ltd 1,96,250 Shares of Re.1 each	4.97	4.97
	Shiva Texyarn Ltd 750 Shares of Rs.10 each	0.11	0.11
	Sri Chamundeswarl Sugars Ltd 18,51,354 Shares of Rs.10 each	189.16	189.16
	Sakthi Finance Ltd 97,67,400 Shares of Rs.10 each	1,180.62	1,180.62
	Sundaram Finance Ltd 400 Shares of Rs.10 each	0.03	0.03
	Nicco Uco Alliance Credit Ltd 270 Shares of Rs.10 each	0.03	0.03
	Shriram Transport Finance Co. Ltd 562 Shares of Rs.10 each	0.03	0.03
	Competent Automobiles Co Ltd 1,000 Shares of Rs.10 each	0.10	0.10
	Maruti suzuki India Ltd 1,400 Shares of Rs.10 each	1.75	1.75

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
	Indian Overseas Bank 46,200 Shares of Rs.10 each	5.03	5.03
	IndusInd Bank Ltd 1,687 Shares of Rs.10 each	0.17	0.17
	IDBI Bank Ltd 1680 Shares of Rs.10 each	1.10	1.10
	Kothari petrochemicals Ltd Chennai 2,500 Shares of Rs.10 each	0.18	0.18
	Total of Quoted Investments	1,409.63	1,409.63
II. Unquoted			
I. Associates			
	Sakthi Auto Component Limited 6,38,60,000 Shares of Rs.10 each	15,157.86	15,157.86
	Add: Goodwill on Consolidation	(15,280.80)	(14,523.04)
	Add: Share of Accumulated Profit/(Loss)	(634.82)	-
	Add: Share of Current Profits	757.76	(634.82)
		<u>0.00</u>	<u>0.00</u>
	ARC Retreading Co Pvt Ltd 57,600 Shares of Rs.10 each	5.76	5.76
	Add:Share of Capital Profit	31.15	31.15
	Add.Share of Accumulated Profits	0.39	-
	Add.Share of Current year Profit	2.94	0.39
		<u>40.24</u>	<u>37.30</u>
	ABT Textiles Pvt Ltd 15,00,000 Shares of Rs.10 each	150.00	150.00
	Add: Goodwill on Consolidation	(149.36)	(150.42)
	Add: Share of Accumulated Profit/(Loss)	0.42	-
	Add: Share of Current Profits	(1.06)	0.42
		<u>0.00</u>	<u>0.00</u>
	Akilandeswari Carbon Gas Ltd 25,000 Shares of Rs.10 each	0.25	0.25
	Add:Share of Capital Profit	19.18	19.18
	Add.Share of Accumulated Profits	(5.11)	-
	Add.Share of Current year Profit	(5.07)	(5.11)
		<u>9.25</u>	<u>14.32</u>
	Sakthi Soft Drinks Ltd 1,66,500 Shares of Rs.10 each	1.67	1.67
	Add: Goodwill on Consolidation	(1.69)	(1.66)
	Add: Share of Accumulated Profit/(Loss)	-	-
	Add: Share of Current Profits	0.02	(0.00)
		<u>0.00</u>	<u>0.00</u>

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
	Sri Bhagavathi Textiles Ltd	7.72	7.72
	5412 Shares of Rs.100 each		
	Add: Goodwill on Consolidation	7.69	(4.73)
	Add: Share of Accumulated Profit/(Loss)	(2.99)	-
	Add: Share of Current Profits	(12.42)	(2.99)
		0.00	0.00
	II. Joint Venture		
	SAGUSA Inc28,90,800 Shares of Rs.10 each	-	-
	II. Others		
	Aanoor Textiles Ltd	0.10	0.10
	10,000 Shares of Rs.10 each		
	ABT Industries Ltd	21.24	21.24
	3,95,375 Shares of Rs.10 each		
	Sakthi Beverages Ltd	1.75	1.75
	1,75,000 Shares of Rs.10 each		
	Sakthi Textiles Ltd	0.24	0.24
	24,000 Shares of Rs.10 each		
	Tamilnadu Industrial Captive Power Co Ltd	0.85	0.85
	85,000 Shares of Rs.10 each		
	Chettinad Cements Corporation Limited	0.10	0.10
	2,000 Shares of Rs.10 each		
	PL Finance and Investments Ltd	0.00	0.00
	250 Shares of Rs.10 each		
	South Asian Financial Exchange Ltd	0.00	0.00
	100 Shares of Rs.10 each		
	Sanmar Properties & Investment Ltd	0.03	0.03
	270 Shares of Rs.10 each		
	The ABT Co-operative Stores Limited	0.10	0.10
	1,000 Shares of Rs. 10 each		
	Sakthi Sugars Co-operative Stores Limited	0.08	0.08
	760 Shares of Rs.10 each		
	Angul Central Co-op Bank Limited	0.10	0.10
	100 Shares of Rs.100 each		
	The Shamarao Vithal Co-op Bank Limited	0.01	0.01
	25 Shares of Rs.25 each		
	Total of Unquoted Investments	74.10	76.23

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
11.2	Investment in Preference Shares		
	ABT Textiles Pvt Ltd 50,00,000 12% Cumulative Preference Shares of Rs.10 each	500.00	500.00
	Sri Bhagavathi Textiles Ltd 35,00,000 5% Non- Cumulative Preference Shares of Rs.100 each	3,500.00	3,500.00
	Sri Chamundeswari Sugars Ltd 4,61,500 5% Cumulative Preference Shares of Rs.100 each	461.50	461.50
	8,95,900 5% Redeemable Non-Convertible Cumulative	895.90	895.90
	Sakthi Auto Components Ltd 7,75,708 Convertible Cumulative Preference Shares of Rs.100 each	3,183.48	1,724.26
	Total of Preference Shares	8,540.88	7,081.66
11.3	Investments in Government/Trust Securities		
	Investment in Govt. Securities	1.04	1.04
	Total of Government/Trust Securities	1.04	1.04
11.4	Other Invesments		
	Sakthi Co-op Industrial Estate Ltd 10 Shares of Rs.1000 each	0.10	0.10
	Cbe Central Co-op Supply & Marketing society 1 Share of Rs.10 each	0.00	0.00
	ABT Co-op Thrift & Credit Society Ltd 15,000 Shares of Rs.10 each	1.51	1.51
	Adhi Bhagavathl Transports	1.20	1.20
	Total of Other Investments	2.81	2.81
	Total	10,028.46	8,571.37
	Less: Provision for diminution in value of Investments	84.09	174.50
11.5	Total	9,944.37	8,396.87

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
12	Deferred Tax Assets (Net)		
12.1	Deferred Tax Asset :		
	Carried forward losses/Unabsorbed depreciation	22,213.90	21,759.15
		<hr/> 22,213.90	<hr/> 21,759.15
12.2	Deferred Tax Liability :		
	Arising out of depreciation of Fixed Assets (Net)	9,885.41	9,828.24
	Difference in treatment of expenses/income (Net)	(1,895.95)	(678.73)
		<hr/> 7,989.46	<hr/> 9,149.51
12.3	Net Deferred Tax Asset	14,224.44	12,609.64
13	Long Term Loans and Advances (Unsecured, Considered Good unless otherwise stated)		
	Capital Advance	2,814.00	2,317.81
	Security Deposits	153.99	287.07
	Loans and advances to related parties	10,698.91	16,036.13
	Other Loans & Advances :		
	Loans and advance due from officers	117.03	128.84
	MAT Credit Entitlement	1,624.43	1,852.88
	Rent Advance	16.85	16.85
	Advance Income-tax	235.08	235.08
	Advance for Purchases & Others	72.71	379.52
13.1	Total	15,732.99	21,254.18
14	Other Non-Current assets		
	Long term Trade receivables - Unsecured Considered good	2,905.82	2,925.30
	Sundry Deposits	3,251.39	3,225.49
14.1	Total	6,157.21	6,150.79
15	Inventories		
	Raw Materials:		
	Molasses - Distillery Unit	460.87	29.12
	Soyabeans	128.02	13.84
	News Print Paper	-	1.09
	Soya Flour	4.35	156.76
		<hr/> 593.24	<hr/> 200.81
	Work in Progress:		
	Sugar	565.64	299.22
	Molasses	146.41	48.41
		<hr/> 712.05	<hr/> 347.63
	Finished goods:		
	Sugar	2,901.92	3,865.55
	Molasses - Sugar Unit	285.06	27.51
	Industrial Alcohol	915.80	878.99
	Ethanol	0.07	-
	Soya Products	1,660.98	1,709.81
	Bio-Earth	7.55	10.40
	Fusel Oil	1.74	6.31
	Bagasse	55.51	48.23
		<hr/> 5,828.63	<hr/> 6,546.80

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
	Stock in Trade:		
	Stock of Two Wheeler	71.03	-
	Chemicals, Fertilisers & Others	257.51	250.22
		328.54	250.22
	Stores and spares:		
	Stores and spares	5,423.39	4,302.36
		5,423.39	4,302.36
	Other Stock:		
	Standing crop	4.29	0.99
		4.29	0.99
15.1	Total	12,890.14	11,648.81
16	Trade Receivables		
	Unsecured, Considered Good unless otherwise stated		
	Outstanding for a period exceeding six months from the date they are due for payment	2,048.44	409.19
	Other Trade receivables	14,288.17	14,989.67
16.1	Total	16,336.61	15,398.86
17	Cash and Cash Equivalents		
17.1	Balances with banks	1,574.19	4,821.76
	In Current Accounts	0.15	-
17.2	Earmarked balance with banks:		
	Unpaid dividend/interest warrants	1.91	5.09
	Margin money with banks/security against borrowings	436.44	467.35
	Margin money with banks includes deposits with maturity period of more than 12 months of Rs.65.97 lakhs (Rs.31.65 lakhs)		
17.3	Cash on Hand	350.28	155.09
17.4	Total	2,362.97	5,449.29
18	Short-Term Loans and Advances		
	(Unsecured, Considered Good unless otherwise stated)		
	Loans and advances to related parties :		
	Inter Corporate loan	7,407.31	653.96
	Other Loans and Advances :		
	Security Deposits	5.12	27.18
	Prepaid Expenses	392.34	491.80
	Loans and advance due by officers	58.35	80.03
	Balances with Government Authorities	71.48	56.81
	Deposits with Government authorities	1,509.55	1,398.33
	Advance For Purchases and Expenses	4,072.41	7,027.55
	Advance To Employees	8.57	5.45
	Others	229.66	-
18.1	Total	13,754.79	9,741.11

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
19	Other Current Assets (Unsecured, Considered Good unless otherwise stated)		
	Outstanding income and interest receivable	1,772.16	1,554.66
	Amortization Expenses to the extent not written off	0.92	1.83
	Engineering & Development Cost	2,174.63	1,174.77
19.1	Total	3,947.71	2,731.26

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016
NOTES TO STATEMENT OF PROFIT AND LOSS ACCOUNT

(Rs. in lakhs)

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
20	Revenue from Operations		
20.1	Sale of Manufactured Goods		
	Sugar	36,319.84	42,780.43
	Industrial alcohol	13,884.37	10,433.22
	Power	19,256.32	16,877.21
	Ethanol	346.67	-
	Soya products	12,014.60	13,464.71
	Bio earth	260.95	244.49
	Carbon-di-oxide	10.54	8.06
	Fusel oil	8.12	12.58
	Magazines	12.67	15.60
	Bagasse	11.37	29.97
	Ash	23.30	7.51
	Seeds	7.15	10.72
	Other Items	20,321.83	12,374.99
		<u>1,02,477.73</u>	<u>96,259.49</u>
20.2	Sale of Traded Goods		
	Vehicles & Spares	749.06	681.91
	Fertilisers & chemicals	611.20	556.55
	Dividend Income	92.43	-
		<u>1,452.69</u>	<u>1,238.46</u>
20.3	Sale of Services		
	Sale of Services	35.34	44.62
		<u>35.34</u>	<u>44.62</u>
20.4	Other Operating Revenues		
	Sale of Waste Materials	178.70	196.68
	Duty drawback/other export incentive	88.32	116.26
	Other Receipts	6.52	-
		<u>273.54</u>	<u>312.94</u>
20.5	Sub Total	1,04,239.30	97,855.51
	Less : Excise Duty	933.53	1,097.74
20.6	Total	<u>1,03,305.77</u>	<u>96,757.77</u>
21	Other Income		
	Interest Income	1,116.33	1,589.19
	Dividend income from non-current investment	16.71	15.06
	Rental Income	258.12	341.37
	Profit on sale of fixed assets	69.32	1,474.97
	Miscellaneous Receipts	76.31	61.53
	Foreign Exchange Gain	230.08	(12.96)
	State Subsidy	539.22	132.97
	Net Gain from Affiliates	758.47	(261.01)
	Reduction in provision for diminution in value of investments	90.45	0.54
	Consulting Income	-	324.00
	Remission of Liability	2,170.45	651.42
	Sundry balance written back	47.27	18.33
21.1	Total	<u>5,372.73</u>	<u>4,335.41</u>

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016
NOTES TO STATEMENT OF PROFIT AND LOSS ACCOUNT

(Rs. in lakhs)

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
22	Cost of Material Consumed		
22.1	Opening Stock		
	Molasses	29.12	223.34
	Newsprint paper	1.09	1.22
	Soyabean seeds & others	13.84	4.53
	Soya products	156.76	184.29
	Total (a)	200.81	413.38
22.2	Purchases		
	Sugarcane	42,003.32	33,233.46
	Molasses	1,339.72	716.36
	Raw Sugar	-	33.55
	Newsprint paper	12.81	21.90
	Soyabean seeds & others	9,442.96	11,323.10
	Total (b)	52,798.81	45,328.37
22.3	Closing Stock		
	Molasses	460.87	29.12
	Newsprint paper	-	1.09
	Soyabean seeds & others	128.02	13.84
	Soya products	4.35	156.76
	Total (c)	593.24	200.81
	Total	52,406.38	45,540.94
23	Purchase of Stock in Trade		
	Fertilizer & Chemicals	664.36	525.26
	Purchase of Two Wheeler	617.87	578.23
	Purchase of Spares	15,888.11	8,246.45
23.1	Total	17,170.34	9,349.94
24	Change in Inventories		
24.1	Opening Inventory of Stock-in-Trade		
	Vehicles	64.27	18.56
	Spares	25.30	-
	Sugar	3,865.55	8,377.76
	Molasses	27.51	126.10
	Industrial alcohol	878.99	374.28
	Soya products	1,709.81	1,120.55
	Bagasse	48.23	85.28
	Bio earth	10.40	9.51
	Fusel oil	6.31	3.42
	Work in Progress and Stock in trade		
	Sugar in process	299.22	455.89
	Molasses in process	48.41	83.04
	Fertilisers & chemicals	185.96	200.79
		7,169.96	10,855.18

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016
NOTES TO STATEMENT OF PROFIT AND LOSS ACCOUNT

(Rs. in lakhs)

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
24.2	Closing Inventory of Stock-in-Trade		
	Two Wheelers	71.04	64.26
	Spares	54.15	25.29
	Sugar	2,901.92	3,865.55
	Molasses	285.06	27.51
	Industrial alcohol	915.80	878.99
	Ethanol	0.07	
	Soya products	1,660.98	1,709.81
	Bagasse	55.51	48.23
	Bio earth	7.55	10.40
	Fusel oil	1.74	6.31
	Work in Progress and Stock in trade		
	Sugar in process	565.64	299.22
	Molasses in process	146.41	48.41
	Fertilisers & chemicals	257.51	185.96
		<u>6,923.38</u>	<u>7,169.94</u>
24.3	Decrease/(Increase) in Inventories	<u>246.58</u>	<u>3,685.24</u>
25	Employee Benefits Expense		
	Salaries & Wages	5,814.80	6,900.03
	Fringe Benefits	354.43	165.13
	Payroll Taxes	337.69	-
	Contribution to Provident and Other Funds	413.31	422.37
	Staff Welfare Expenses	529.23	511.73
25.1	Total	<u>7,449.45</u>	<u>7,999.27</u>
26	Other Expenses		
	Consumption of Stores & Spare Parts	2,110.75	2,828.00
	Workshop Consumables	-	-
	Workshop Expenses	-	-
	Consumption of Coal	10,543.06	9,711.56
	Labour & Service charges	-	-
	Water charges	74.18	34.82
	Excise Duty on stock adjustments	(30.21)	(106.64)
	Power & Fuel	988.93	985.23
	Rent	165.74	124.94
	Rates & Taxes	758.35	687.90
	Frieght Charges	-	-
	Insurance	225.22	207.66
	Postage & Courier	202.19	3.72
	Telephone & Net Charges	38.89	36.95
	Printing & Stationery	40.46	164.96
	Transportation Charges	248.97	332.70
	Travelling Expenses (Others)	372.78	370.77
	Remuneration to Directors / Managerial remuneration	7.50	38.24
	Directors sitting Fees	7.63	8.20
	Auditors Remuneration	48.88	44.04
	Legal & Professional Consultancy Charges	673.52	362.07
	Books, Periodicals & Subscription	12.53	1.18
	Repairs to Buildings	165.91	185.69

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016
NOTES TO STATEMENT OF PROFIT AND LOSS ACCOUNT

(Rs. in lakhs)

Note No.	Particulars	As at 31st March 2016	As at 31st March 2015
	Repairs to Plant & Machinery	1,998.84	958.27
	Repairs to Vehicles	-	-
	Repairs and Maintenance - Electrical	-	-
	Repairs to Others	411.49	391.73
	Brokerage & Commision	27.76	68.14
	Pre-delivery expenses	1.95	2.63
	R & D expenses	26.79	26.34
	Business Promotion, Advertisement & Selling Expenses	29.08	87.64
	Sales Promotion & Publicity	37.77	52.64
	Administrative and other expenses	242.61	327.07
	Loss on sale of fixed assets/Assets discarded	5.73	31.66
	Loss on sale of used Material	-	-
	Computer and software	90.03	97.47
	Bank Charges	297.95	265.90
	Deferred revenue expenditure written off	5.10	77.25
	Miscellaneous Expenses	61.87	24.91
	Discount on Spares and Vehicles	-	-
	Effluent disposal expenses	393.63	222.94
	Donations	11.38	12.06
	Sundry Balances Write Off / Irrecoverable advances written off	63.17	298.14
	Amortisation of preliminary expenses	0.91	0.91
26.1	Total	20,361.33	18,967.70
27	Finance Costs		
	Interest Expenses	7,338.44	12,647.90
	Other Borrowing Costs	82.76	37.22
	On trade payable	258.86	627.73
	Loss/(Gain) on foreign currency transaction (Net)	1,005.13	(8.52)
27.1	Total	8,685.19	13,304.33
28	Depreciation And Amortization Expense		
	Depreciation	5,337.16	5,235.52
	Add : Depreciation Adjustment	-	423.20
	Less : Transferred from Revaluation reserve	-	1,722.81
		5,337.16	3,935.91
	Amortization expenses	2,815.88	3,365.54
28.1	Total	8,153.04	7,301.45

A B T INVESTMENTS (INDIA) PRIVATE LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

28 Net Assets and Share of Profit or (Loss) of Associate on Consolidated Net Assets/Profit or (Loss):

S.No	Name of Entity	Net Assets		Share in Profit or (Loss)	
		As a % of Consolidated Net Asset	Amount (Rs.in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs.in Lakhs)
1	Parent	11.282%	5,062.14	-1.445%	-39.60
2	Subsidiaries :				
	ABT Two Wheeler Private Limited	-0.233%	-104.55	-0.771%	-21.14
	ABT Maduri Private Limited	-0.006%	-2.64	-0.201%	-5.51
	Sakthi Sugars Limited	57.462%	25,783.79	-200.940%	-5,506.78
	Minority Interests in all subsidiaries	24.415%	10,955.36	33.038%	905.42
	Associate:				
	The Anamallias Retrading Company (P) Ltd	0.090%	40.24	0.107%	2.94
	Sakthi Auto Component Limited		0.00	27.650%	757.76
	ABT Textiles Pvt Ltd		0.00	-0.039%	-1.06
	Akilandeswari Carbon Gas Pvt Ltd	0.021%	9.25	-0.185%	-5.07
	Sakthi Soft Drinks Pvt Ltd		0.00	0.001%	0.02
	Sri Bhagavathi Textiles Ltd		0.00	-0.453%	-12.42
	Joint Venture:				
	Foreign				
	Sakthi Automotive Group USA	7.011%	3,146.03	43.238%	1,184.93
		100%	44,889.62	100%	-2,740.51

29 Value OF IMPORTS CALCULATED ON C.I.F. BASIS:

(Rs. in lakhs)

S.No	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
(i)	Capital goods	16.33	--
(ii)	Spares and Others	--	14.96

30 EXPENDITURE IN FOREIGN CURRENCY:

(Rs. in lakhs)

S.No	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
(i)	Redemption of FCCB	3069.53	--
(ii)	Travelling expenses	4.35	12.9
(iii)	Subscription/Membership Fee	--	1
(iv)	Consultancy Charges	7.44	--
(v)	Commission	6.91	15.21
	Total	3088.23	29.11

(Rs. in lakhs)

Particulars	Year ended 31.03.2016		Year ended 31.03.2015	
	Value	%	Value	%
Raw Materials :				
Imported	--	--	--	--
Indigenous	52406.38	100	45540.94	100
Total	52406.38	100	45540.94	100
Chemicals, Stores and Spares :				
Imported	6.73	0.34	6.94	0.35
Indigenous	1961.18	99.66	1960.15	99.65
Total	1967.91	100	1967.09	100

32 EARNINGS IN FOREIGN CURRENCY:

(Rs. in lakhs)

S.No	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
(i)	FOB value of exports	1230.36	2161.25

33 EMPLOYEE BENEFITS

Gratuity, Provident Fund and Employees State Insurance are defined Contribution Plans. The expenses recognised in the Statement of Profit and Loss:-

(Rs. in lakhs)

S.No	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
1	Gratuity	177.16	286.65
2	Provident Fund	329.71	351.08
3	Employees State Insurance	10.12	10.48

33 Disclosure report under Accounting Standard-15 – "Leave Salary"

Type of Plan: Long Term Compensated Absence as per Actuarial valuation

(Rs. in Lakhs)

S.No	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
	PRINCIPAL ACTUARIAL ASSUMPTIONS (Expressed as weighted average)		
1	Discount Rate	7.80%	7.85%
2	Salary escalation rate	8.00%	8.00%
3	Attrition rate	3.00%	3.00%
4	Expected rate of return on Plan Assets	--	--

I- PRINCIPAL ACTUARIAL ASSUMPTIONS

(Expressed as weighted average)			
Discount Rate		0.078	0.0785
Salary escalation rate		0.08	0.08
Attrition rate		0.03	0.03
Expected rate of return on Plan Assets		--	--

II- CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO)- RECONCILIATION OF OPENING AND CLOSING BALANCES

PVO as at the beginning of the period	846.58	696.62
Interest Cost	63.93	52.35
Current Service Cost	79.85	89.99
Past Service cost-(non vested benefits)	--	--
Past service cost-(vested benefits)	--	--
Benefits paid	-53.86	-59.34
Actuarial loss/ (gain) on obligation (balancing figure)	-173.99	66.96
PVO as at the end of the period	762.51	846.58

III- CHANGES IN THE FAIR VALUE OF PLAN ASSETS -RECONCILIATION OF OPENING AND CLOSING BALANCES

Fair value of plan assets as at the beginning of the period	--	--
Expected return on plan assets	--	--
Contributions	53.86	59.34
Benefits paid	-53.86	-59.34
Actuarial gain/ (loss) on obligation (balancing figure)	--	--
Fair value on plan assets as at the end of the period	--	--

IV-ACTUAL RETURN ON PLAN ASSETS

Expected return on plan assets	--	--
Actuarial gain/(loss) on plan assets	--	--
Actual return on plan assets	--	--

V- ACTUAL GAIN/ LOSS RECOGNIZED

Actuarial (gain)/loss for the period-Obligation	173.99	-66.96
Actuarial gain/(loss) for the period-Plan Assets	--	--
Total (gain)/loss for the period	-173.99	66.96
Actuarial (gain) /loss recognized in the period	-173.99	66.96
Unrecognized actuarial (gain)/ loss at the end of the year	--	--

VI-AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES

Present value of the obligation	762.51	846.58
Fair value of plan assets	--	--
Difference	762.51	846.58
Unrecognised transitional liability	--	--
Unrecognised past service cost-non vested benefits	--	--
Liability recognized in the balance sheet	762.51	846.58

VII- EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

Current service cost	79.85	89.99
Interest Cost	63.93	52.35
Expected return on plan assets	--	--
Net actuarial (gain)/loss recognised in the year	-173.99	66.96
Transitional Liability recognised in the year	--	--
Past service cost-non-vested benefits	--	--
Past service cost-vested benefits	--	--
Expenses recognized in the statement of profit and loss	-30.21	209.3

VIII-MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET

Opening net liability	846.58	696.62
Expenses as above	-30.21	209.3
Contribution paid	-53.86	-59.34
Closing net liability	762.51	846.58

IX-AMOUNT FOR THE CURRENT PERIOD

Present value of obligation	762.51	846.58
Plan Assets	--	--
Surplus(Deficit)	-762.51	-846.58

X- MAJOR CATEGORIES OF PLAN ASSETS
(AS PERCENTAGE OF TOTAL PLAN ASSETS)

NIL

NIL

REVENUE	SUGAR		INDUSTRIAL		SOYA PRODUCTS		POWER		TOTAL	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
PRIMARY										
External Sales	36072.87	42332.18	14462.74	10654.65	12019.53	13472.18	19278.44	16884.29	81833.58	83343.30
Inter Segment Sales	12210.00	6291.93	1.04	1.17	0.00	2.19	5561.72	4406.21	17772.76	10701.50
Operating Income	435.88	1750.26	13.69	13.64	88.36	184.46	2.71	0.00	540.64	1948.36
									0.00	0.00
Total Revenue	48718.75	50374.37	14477.47	10669.46	12107.89	13658.83	24842.87	21290.50	100146.98	95993.16
									0.00	0.00
Segment Result	-10172.00	-2383.27	1971.36	5100.23	91.56	419.35	7921.31	6712.50	-187.77	9848.61
Unallocated Corporate Expenses/ Income (Net)									603.29	3441.45
Operating Profit									-791.06	6407.16
Finance Cost									7849.43	12934.20
Interest Income									1116.29	1589.14
Profit from Ordinary activities									-7524.20	-4937.89
Net Profit / Loss before Tax									-7524.20	-4937.89
Less: Income tax										
Current tax									0.00	0.00
Mat Credit-Reversal of earlier ly year									228.45	0
Deferred Tax									-2245.54	-1460.96
Net Profit / Loss after Tax									-5507.11	-3476.93
OTHER INFORMATION										
Segment Assets	100322	113115.6	12503.66	12035.68	9160.01	9085.72	47811.69	49678.96	169797.4	183916
Unallocated Corporate Assets									20728.98	20872.2
Total Assets									190526.4	204788.2
Segment Liabilities	59525.35	49319.81	218.7	131.23	1924.98	1697.95	15167.31	21601.03	76836.34	72750.01
Unallocated Corporate Liabilities									92047.04	105485.6
Total Liabilities									168883.4	178235.6
Capital Expenditure	186.76	656.28	53.19	75	63	7.82	129.08	54.32	432.03	793.42
Depreciation / Amortization	5669.13	5194.29	572.87	322.86	529.8	335.59	665.2	526.62	7437	6379.36
SECONDARY										
Revenue by Geographical Market										
India	48718.75	50374.37	14477.47	10669.46	10829.88	11405.7	24842.87	21290.5	98868.97	93740.03
Outside India	0	0	0	0	1278.01	2253.13	0	0	1278.01	2253.13

Inter segment revenues are recognised at a price less than the market price prevailed on the date of transaction.

(Rs. in Lakhs)

S.No	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
1	Statutory Audit	21.90	18.88
2	Other services	20.29	17.96
3	Service tax	5.90	4.44
4	Reimbursement of expenses	0.79	3.03
	Total	48.88	44.31

36 RELATED PARTIES DISCLOSURE:

A Key Managerial Personnel

Mr.N.Shanmugasundaram
 Mr.M.Hariharasudhan
 Mr.S.Elavazhagan
 Dr. M.Manickam
 Sri.M.Balasubramaniam
 Sri.M.Srinivaasan
 Sri.V.K.Swaminathan
 Mr.Lalit Kumar
 Mr.Sharath Giri

B Subsidiary Companies

Sakthi Sugars Limited
 ABT (Madurai) Private Limited
 ABT Two Wheeler Private Limited

C Join Venture

Sakthi Automotive group Inc.,

D Associate Company

ARC Retrading Company Private Limited
 Sakthi Auto Component Limited
 ABT Textiles Pvt Ltd
 Akilandeswari Carbon Gas Pvt Ltd
 Sakthi Soft Drinks Pvt Ltd
 Sri Bhagavathi Textiles Ltd

E Enterprises in which KMP/Relatives of KMP can exercise significant influence

N.Mahalingam & Company
 A B T Limited
 Sakthi Auto Component Limited
 Sakthi Auto Ancillary Private Limited
 ABT Industries Limited
 ABT Info Systems Pvt. Ltd
 ABT Foods Limited
 Sakthi Finance Limited
 Sri Chamundeswari Sugars Limited (SCSL)
 Chamundeswari Enterprises Private Limited
 Nachimuthu Industrial Association
 Sakthi Automotive Components Ltd.India
 Sakthi Portugal
 The Gounder & Co.

	Nature of Transactions	Associates	Key Management Personnel	Enterprises in which KMP/ relatives of KMP have significant influence	Total
	Purchase				
	Purchase of Material				
	Sakthi Auto Component Limited			2,99,411	2,99,411
	Purchase of Fuel				
	N.Mahalingam & Company			29,76,024	29,76,024
	Purchase of Milk				
	ABT Industries Limited(Dairy divn)			4,98,015	4,98,015
	Purchase of Computer Consumables				
	A B T Limited			23,31,839	23,31,839
	Purchase of Computer Software				
	ABT Info Systems Private Limited			1,25,28,185	1,25,28,185
	Purchase of Auto Parts				
	Sakthi Portugal			31,18,55,964	31,18,55,964
	Purchase of Material & Rendering Service				
	Sakthi Automotive Components Ltd. India			20,16,13,795	20,16,13,795
	Weihai Bethel Sakthi Automotive Safety Systems Co.Ltd.			47,19,12,010	47,19,12,010
	Sales				
	Sale of Material				
	Sakthi Auto Component Limited			10,49,346	10,49,346
	Sale of Car				
	A B T Limited			60,000	60,000
	Sale of Sugar				
	ABT Industries Limited			1,91,227	1,91,227
	Rendering of Services				
	Rent & Other Receipts				
	A B T Limited			14,13,871	14,13,871
	Water & Technical Service charges receipts				
	ABT Industries Limited			15,81,668	15,81,668
	Receiving of Services				
	Interest Payments				
	A B T Limited			13,24,110	13,24,110
	Sakthi Auto Ancillary Private Limited			41,55,000	41,55,000
	Chamundeswari Enterprises Private Limited			77,72,782	77,72,782
	ABT Foods Limited			10,175	10,175

Advertisement Receipts				
N.Mahalingam & Company			4,80,000	
A B T Limited			3,60,000	
ABT Industries Limited			3,60,000	
Sakthi Finance Limited			3,60,000	
Sri Chamundeswari Sugars Limited (SCSL)			2,40,000	
Nachimuthu Industrial Association			3,60,000	
ABT Industries Limited(Dairy divn)			90,000	
The Anamallias Retrading Company (P) Ltd	180000			
Printing charges				
Nachimuthu Industrial Association (Rukmani Offset Press)			11,50,663	11,50,663
Electricity Charges				
A B T Limited			7,81,364	7,81,364
Rent Payments				
A B T Limited			16,01,645	16,01,645
Vehicle Purchase / Maintenance				
A B T Limited			9,34,475	9,34,475
The Anamallias Retrading Company (P) Ltd	168319			1,68,319
ABT Industries Limited			1,28,932	1,28,932
Transport charges				
A B T Limited			1,14,36,164	1,14,36,164
Loans And Advances Received from				
ABT Info Systems Private Limited			98,75,145	98,75,145
Sakthi Portugal			20,65,91,097	20,65,91,097
Sakthi Automotive Components Ltd. India Affiliate			9,31,16,398	9,31,16,398
			4,89,59,996	4,89,59,996

37 EARNINGS PER SHARE:

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Basic:		
a)Face value per Share (Rs.)	10.00	10.00
b)Profit After Tax (Rs. in lakhs)	-2740.51	-798.61
c) The weighted average no. of Equity Shares	1500000.00	377397.26
d)Earnings per Share - Basic (Rs.)	-182.70	-211.61
Diluted:		
a) The weighted average no of Equity Shares	1500000.00	377397.26
b) Earnings per Share – Diluted (Rs.)	-182.70	-211.61

(A) CONTINGENT LIABILITIES:-

(Rs. in Lakhs)

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Claims against the Company not acknowledged as debts:-		
(i) Income tax matters	6109.58	5120.81
(ii) Purchase tax/sales tax matters	2420.94	2484.29
(iii) Cane Price *	6655.74	3570.69
(iv) Differential Price of Levy Sugar	1677.62	--
(iv) Others	7898.43	9169.8
* The sugarcane price for crushing season 2013-14 notified by the State Government over and above FRP announced by the Central Government amounting is disputed and the writ petition filed by the Association in High Court is pending disposal. The differential price on this account is Rs.6655.74 lakhs for the seasons from 2013-14 to 2015-16 (up to March'2016).		

The management believes that the ultimate outcome will not have any material adverse effect on the Company's financial position and results of operations.

The Joint Venture i.e., Sakthi Automotive Group USA, is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Corporation's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the Corporation.

(B) CONTINGENT LIABILITIES ON ACCOUNT OF GUARANTEES:-

(Rs. in Lakhs)

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
a. Corporate guarantee given to erstwhile Foreign Subsidiary *		
(a) Guarantee amount	30038.20	27004.16
(b) Outstanding amount	34567.51	29863.74
b. Guarantees issued by bankers	72.78	66.74
c. Corporate guarantee given for loans to Associates		
(i) Guarantee amount	11200.00	11200.00
(ii) Outstanding amount	5689.37	6994.78
* Orlandofn B.V a wholly owned subsidiary of a company had obtained loan of EURO 40 Million for the acquisition of foundries in Europe. The Company has provided guarantee for the repayment of the loan. The consortium of banks, except one filed a claim for EURO 34.65 Million in the commercial court of London. The claim is disputed on the basis that it has not yet become due.		
Considering the value of security available for the loan, the guarantee liability may not have any effect on the financials of the Company.		

(C) COMMITMENTS:-

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Estimated amount of contracts remaining to be executed on capital account and not provided for :	34.15	2167.35

The consolidated financial statements with respect to the financials of Sakthi Auto Mauritius Limited and the emphasis of matter observed by the auditors of Sakthi Auto Mauritius Limited which cites that the financial statements are prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. Sakthi Auto Mauritius Limited has incurred a net loss of USD 17,926 (2014: USD 9,711) during the year ended 31st December 2015 and, at the date the company's total liabilities exceeded its total assets by USD 102,807 (2014-USD 84,881). The validity of the assumption depends on the continued financial support of the shareholder of the company. The directors of the company are of the opinion that this support will be forthcoming over the next twelve months. They therefore believe that it is appropriate for the financial statements to be prepared on the going concern basis.

39 Micro, Small and Medium Enterprises Development Act, 2006

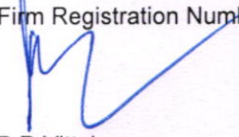
The company has not received information from vendors regarding their status under The Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures relating to their outstanding amount and interest have not been made.

40 Disclosure pursuant to AS-28 on Impairment of Assets:

During the year, a review has been done for carrying value of the assets for finding out the impairment, if any. The review has not revealed any impairment of assets in terms of AS-28.

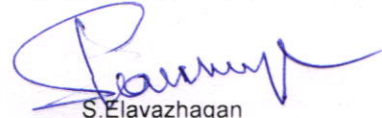
41 Previous year's figures have been regrouped / restated wherever necessary to correspond with the current year's classification/disclosure.

For P.N.Raghavendra Rao & Co.,
Chartered Accountants
Firm Registration Number : 00332285


P.R.Vittel
Partner
Membership Number: 018111



September 07 2016
Coimbatore



S. Elavazhagan
Director
DIN: 0037493



Sharath Giri
Director
DIN: 02561026