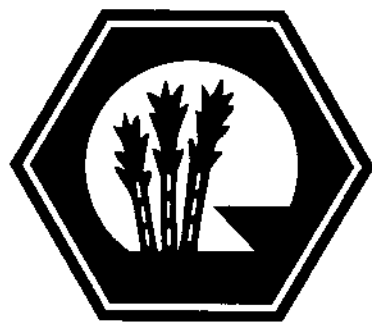


25th
Annual Report
2016-17



RANA SUGARS LIMITED



BOARD OF DIRECTORS

Rana Inder Pratap Singh	Managing Director
Rana Ranjit Singh	Director
Shri A.S. Sodhi	Director
Shri S.A.S. Bajwa	Director
Shri Baljit Singh	Director
Rana Veer Pratap Singh	Director
Mrs Rani Mondal	Director
Shri Balour Singh	Director (Nominee of PEDDA)
Shri M.P. Singh	Director (Nominee of PEDDA)

COMPANY SECRETARY

Manmohan K. Raina

AUDITORS

Kansal Singla & Associates
Chartered Accountants
SCO 80-81, 4th Floor,
Sector 17-C, Chandigarh-160 017

BANKERS

State Bank of India
Sector 17-B, Chandigarh- 160 017
Bank of Baroda
Sector 22-B, Chandigarh- 160 022
UCO Bank
Sector 17-B, Chandigarh-160 017

REGD. OFFICE

SCO 49-50, Sector 8-C,
Madhya Marg,
Chandigarh-160 009

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NOTICE

Notice is hereby given that the 25th Annual General Meeting of Rana Sugars Limited will be held on Thursday, the 28th day of September, 2017 at 3.00 P.M. at The Institution of Engineers (India), Madhya Marg, Sector 19-A, Chandigarh to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts of the Company for the financial year ended 31st March, 2017 and the reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Rana Ranjit Singh (DIN 00076770), who is liable to retire by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Rana Veer Pratap Singh (DIN 00076808), who is liable to retire by rotation and being eligible offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 139 and applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force), M/s N J & Associates, Chartered Accountants (Firm Registration No. 023083N) be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting, until the conclusion of the 30th Annual General Meeting of the Company, subject to annual ratification by the shareholders at every Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions if any, consent of the Company be and is hereby accorded for the payment of remuneration of Rs. 50,000/- (Rupees Fifty thousand only) to M/s. Khushwinder Kumar & Co., Cost Accountants, Jalandhar (Firm Registration No. 100123), who were appointed as Cost Auditors by the Board of Directors in their meeting held on 29.05.2017 for carrying out Cost Audit of the Company for financial year 2017-18, be and is hereby approved."

By order of the Board
for **RANA SUGARS LIMITED**

Place: Chandigarh
Dated: 29th May, 2017

(**MANMOHAN K. RAINA**)
COMPANY SECRETARY



NOTES

1. The Register of Members and the Share Transfer books of the Company will remain closed from 25th September, 2017 to 28th September, 2017 (both days inclusive) for the purpose of Annual General Meeting of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Businesses at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL ONLY TO VOTE ON HIS/HER BEHALF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.**

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/ authority letter, as applicable.

4. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.
5. **To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may also register their e-mail addresses through the RTA, giving reference of their Folio Number.**
6. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to the members to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25.09.2017 at 9.00 A.M. and ends on 27.09.2017 at 6.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21.09.2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:



For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on covering letter. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opt_s for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for mobiles. The m-Voting app can be downloaded from Google Play store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.



- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 21.09.2017 may follow the same instructions as mentioned above for e-Voting.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxiii) The Company has appointed Mr. Ajay Arora, Company Secretary in whole time practice (ICSI membership No. FCS 2191 and Certificate of Practice No. 993) as the Scrutinizer to scrutinize and collate the e-voting process in a fair and transparent manner.
- (xxiv) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xxv) The results shall be declared after the AGM of the Company. The result alongwith the Scrutinizer's Report shall be placed on the Company's website www.ranasugars.com and on the website of CDSL.
- (xxvi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail to Mr. Ajay Arora, Practising Company Secretary at his e-mail address ajaykcs@gmail.com with a copy marked to Company Secretary, Rana Sugars Limited, Chandigarh at mkraina@ranasugars.com.
7. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days from Monday to Friday between 11.00 AM to 2.00 PM up to the date of Annual General Meeting.

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

ITEM NO.5

Pursuant to section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to approve the payment of remuneration of Rs.50,000/- (Rupees Fifty thousand only) to the Cost Auditors as approved by the Board of Directors in their meeting held on 29.05.2017 for the Financial Year 2017-18.

None of the Directors and/or Key Management Personnel of the Company and their relatives are concerned or interested in the resolution.

The Board recommends the resolution for the approval of the Members set out at Item No. 5.

By order of the Board
for **RANA SUGARS LIMITED**

Place: Chandigarh
Dated: 29th May, 2017

(**MANMOHAN K. RAINA**)
COMPANY SECRETARY



BOARD REPORT

To the Members,

Your Directors have pleasure in submitting their 25th Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2017.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review alongwith previous years figures are given hereunder:

(Rs. In lacs)

Particulars	Current Year ended 31.03.2017	Previous Year ended 31.03.2016
Net Sales/Income from Business Operations	1,10,067.78	85,579.84
Other Income	122.92	98.14
Total Income	1,10,190.70	85,677.98
Less Interest	8863.25	9,517.40
Profit/(Loss) before Depreciation	(906.78)	4,451.13
Less Depreciation & Amortization Exp.	2837.55	2,781.52
Profit/ (Loss) after depreciation and interest	(3,744.33)	1,669.61
Less Current Income Tax	--	--
Less Previous year adjustment of Income Tax	--	--
Less Deferred Tax	(1,130.76)	(3.23)
Net Profit after Tax	(2,613.57)	1,672.84
Dividend (including interim if any and final)	--	--
Net Profit after dividend and Tax	(2,613.57)	1,672.84
Earning per share (Basic)	(1.70)	1.09
Earning per Share (Diluted)	(1.70)	1.09

2. DIVIDEND

In view of losses suffered during the current financial year, your Directors are unable to recommend any dividend for the year under review.

3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

a. Production and Profitability

The sugar production of the country during 2016-17 has declined to 232.60 lakhs tones. Your Company has crushed 1,58,65,404 qtls. of sugarcane and 20,11,935 qtls. of sugar beets and has produced 15,93,928 qtls. of sugar during the year under review. The Company has also produced 9,62,848 qtls. of molasses and 24,58,39,130 units of electricity, 2,29,31,845 BL of spirit and 10,11,837 cases of liquor.



b. Sales

The turnover of the Company has gone to Rs. 1,10,190.70 Lacs as against Rs. 85,677.98 Lacs in the last year and the Company has suffered loss of Rs. 2613.57 lacs during the year.

c. Marketing and Market environment

Sugar Prices shot up from the third quarter of Sugar Season 2016 on anticipated decline in domestic sugar production in Sugar Season 2017 owing to deficient rainfall. The sugar price is dependent on various factors. Sugar being a seasonal industry depends upon availability of sugarcane which is affected by weather of the particular place. The sugar sector in India goes through a phase of cyclicity, mainly on account of situations of high cane pricing which is under Govt. control. The Company has encouraged sowing of sugar beet in its area in Punjab to increase its sugar production.

d. Future Prospects including constraints affecting due to Government policies.

The Government in April 2017, allowed import of 0.5 million tones of raw sugar at zero custom duty till 30th June, 2017 in order to address regional production gaps and to maintain domestic prices at reasonable levels.

Sugarcane crushing for the year 2017-18 is likely to be lower than the crushing for the last year due to drought condition. It is expected that sugar prices will be stable due to fall in sugar production in the country which will help sugar Industry on financial front.

4. MATERIAL CHANGES AND COMMITMENTS

No material changes or commitments have occurred between the end of the financial year to which the financial statements relate and on the date of this report, affecting the financial position of the company.

5. DIRECTORS

Mrs. Rajbans Kaur, Rana Karan Pratap Singh and Shri Jasbir Singh Tikka resigned from the directorship of the Company during the year. Mrs. Rani Mondal has been appointed as Independent Director during the year.

Rana Ranjit Singh and Rana Veer Pratap Singh, Directors are liable to retire by rotation and being eligible, offers themselves for re-appointment.

Particulars of Directors seeking appointment/re-appointment have been given in the Corporate Governance annexed to the Directors' Report.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In Accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board hereby submit its responsibility Statement:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;



- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. KEY MANAGERIAL PERSONNEL (KMP)

During the financial period ended 31.03.2017, following persons are Whole Time Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act, 2013:

Sl. No.	Name	Designation
1.	Rana Inder Pratap Singh	Managing Director
2.	Mr. Manmohan K Raina	Company Secretary
3.	Mr. Manoj Gupta	Chief Financial Officer

8. MEETINGS OF THE BOARD

During the financial year ended 31.03.2017, seven Board Meetings were held. The details of the Board Meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015.

9. DECLARATION FROM INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015.

10. INTERNAL FINANCIAL CONTROLS

The Company has internal control systems which is commensurate with its size, nature and volume of operations.

11. STATUTORY AUDITORS AND THEIR REPORT

M/s. Kansal Singla & Associates, Chartered Accountants (Firm Registration No. 003897N), who are the Statutory Auditors of the Company, will hold office up to the forthcoming Annual General Meeting. As per the Companies Act, 2013, a new firm M/s. N J & Associates, Chartered Accountants (Firm Registration No. 023083N) has been recommended for appointment as Statutory Auditors of the Company for a term of 5 years from the conclusion of the forthcoming Annual General Meeting of the Company subject to ratification by the shareholders every year. They have confirmed their eligibility under Section 141 of the Act, and the Rules framed thereunder, for their appointment as Auditors of the Company.

12. COST AUDITORS

M/s Khushwinder Kumar & Co., Cost Accountants (Firm Registration No 100123) were re-appointed as Cost Auditors of the Company for conducting the audit of the cost records maintained by the Company for the financial year 2017-18 subject to the approval of the Members on the remuneration to be paid to the Cost Auditors. A certificate from them has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Companies Act, 2013 and rules framed there under.

13. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s. A. Arora & Co., a firm of Company Secretaries (C.P.No.993) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in prescribed format MR-3 given by aforesaid Secretarial Auditors is annexed to this Board Report as Annexure 'F' and forms an integral part.



The Secretarial Auditor has neither qualified the Secretarial Audit Report nor given any adverse remark for which explanation may be required to be given in the Directors' Report.

14. FIXED DEPOSITS

The Company does not have any deposits and has neither accepted any deposits during the financial period ended March 31, 2017.

15. RISK MANAGEMENT POLICY

The Company has adopted a 'Risk Management Policy' which is reviewed on a periodic basis in order to recognize and reduce exposure to risks wherever possible. The Company's risk management policies are based on the philosophy of achieving substantial growth while mitigating and managing risks involved.

Your Company continues to review and manage the risks emanating from such a dynamic environment at periodic intervals. The major risks faced by the industry include sugarcane availability, price realization and regulatory control by Government and financial liquidity amongst others.

16. AUDIT COMMITTEE

The Audit Committee comprises of three Directors, all directors are independent Director. The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report.

17. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made there under, the Board has constituted a Nomination & Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report. The Board on the recommendation of Nomination & Remuneration Committee framed a policy i.e. Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and their remuneration. The aforesaid policy can be accessed on the Company's website www.ranasugars.com

18. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Report on Corporate Governance.

19. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company's policy relating to Corporate Social Responsibility is furnished in the Corporate Governance Report.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3) (m) of the Companies (Accounts) Rules, 2014 is enclosed as Annexure - A and forms part of this Report.

21. PARTICULARS OF EMPLOYEES

During the financial period ended 31.03.2017, there is no employee in the Company who is receiving remuneration more than Rs. 5 lacs per month or Rs. 60 lacs per annum.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or investments made under Section 186 of the Companies Act, 2013 during the year.